

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2025-26

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2026

1. PHILOSOPHY OF COMPANY ON CORPORATE GOVERNANCE

Good Governance ensures adoption of best business practices, and accountability of the person's in-charge of the Company's operations. Your Directors are committed to good Governance practices and the Company has been sharing all important information about its various business segments and operations of the Company through Quarterly Results, Chairman's Statement, Annual Reports with Investors. Further as required by the Listing Agreement, Report on Corporate Governance is given below.

2. GOVERNANCE STRUCTURE

The Company's Governance Structure comprises a dual layer, the Board of Directors and the Committees of the Board at the apex level and the Management Team at an operational level. The Board lays down the overall Corporate Objectives and provides direction and independence to the Management Team to achieve these objectives within a given framework.

This professional management process results in building a conducive environment for sustainable business operations and value creation for all stakeholders.

The Board of Directors and the Committees of the Board play a fundamental role in upholding and furthering the principals of good governance which translates into ethical business practices, transparency and accountability in the Company's dealing with its stakeholders and in the utilization of resources for creating sustainable growth to the benefit of all the stakeholders. The Board within the framework of law discharges its fiduciary duties of safeguarding the interests of the Company. The Boards composition and size is robust and enables it to deal competently with emerging business development issue and exercise independent judgment.

Committee of Directors assists the Board of Directors in discharging its duties and responsibilities. The Board has constituted the following Committees viz. Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, which are mandatory Committees. The Management Structure for the day-to-day business operations and management of the Company are in place with appropriate delegation of powers and responsibilities.

3. CORPORATE GOVERNANCE PRACTICE

The Company maintains the highest standard of Corporate Governance; it is the Company's constant endeavour to adopt the best Corporate Governance Practice.

4. BOARD OF DIRECTORS

The Company has a broad-based Board of Directors, constituted in compliance with the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and is in accordance with best practices in Corporate Governance.

None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director on more than seven listed entities. None of the person on the Board serving as Managing Director / Whole Time Director is serving as an Independent Director on the Board of more than 3 listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2026 have been made by the Directors. Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

As on 31st March, 2026, the Board comprised of 4 Directors viz Shri Umang Patodia, Chairman and Managing Director. Non-Executive Independent Directors viz Shri C K Gopalakrishnan Nair & Dr. Shri Raju V P as well as Non-Executive / Non-Independent Woman Director Smt. Kalpana Mahesh Thakker.

During the year under review, Directorship of Shri B K Patodia Non-Executive Chairman & Shri V N Balakrishnan, Non-Executive Independent Director ceased on 05-08-2025 on account of resignation from the Board.

REPORT ON CORPORATE GOVERNANCE (Contd.)

(A) Attendance of Directors at Board Meetings, last Annual General Meeting and Number of Other Directorships and Chairmanships / Memberships of Committees of each Directors in various Companies:

Name of the Director	DIN No.	No. of equity shares held as on 31.3.2026	No. of NCCCPS held as on 31.3.2026*	Attendance at		No. of other Directorships and Committee memberships / Chairmanships			Relationship interse Directors
				Board meetings	Last AGM	Other Directorships including Pvt. Ltd. Cos.	Other Committee Memberships	Other Committee Chairmanships	
Shri.Umang Patodia*	00003588	11,000	25000	4	Present	2	2	None	None
Shri C K Gopalakrishnan Nair	00521840	Nil	Nil	4	Present	1	2	None	None
Dr. Shri. Raju V P	10866461	Nil	Nil	4	Present	0	0	0	None
Smt. Kalpana Mahesh Thakker	08601866	100	Nil	4	Present	2	None	None	None

Committee positions only of the Audit Committee and Stakeholders Relationship Committee in Public Limited Companies have been considered.

*Pursuant to an approved Resolution Plan (RP) under RBI Circular dated 7.6.2019 for restructuring of debts, the Board of Directors have allotted 0.50% 20,51,000 Non-Cumulative Compulsorily Convertible Redeemable Preference Shares(NCCCPS) of ₹ 100 each to Lenders as well as Promoters & its Associates In lieu of Non-Convertible Redeemable Preference Shares(NCRPS) issued under CDR Scheme.

Notes:

- In accordance with Regulation 26 (b) of the SEBI (LODR) Regulations 2015, Membership / Chairmanship of only the Audit Committees and Stakeholders Relationship Committees of all Public Limited Companies has been considered.
- None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees across all the Companies in which he is a Director as per Regulation 26 (1) of SEBI (LODR) Regulations 2015.

(B) Details of Directorship in other Listed Entities and category of Directorship

SN	Name of the Director	Name of other listed entity	Category of Directorship
1	Shri Umang Patodia	GTN Textiles Limited	Promoter / Executive Director
2	Shri C K Gopalakrishnan Nair	GTN Textiles Limited	Independent Non-Executive Director
3	Dr Shri Raju V P	-	-
4	Smt. Kalpana Mahesh Thakker	GTN Textiles Limited	Non-Independent Non-Executive Director

(C) Attendance of Directors at the Board Meetings held during 2025-2026

Four Board meetings were held during the year. The maximum time gap between any two consecutive Meetings were within the time limits prescribed by Regulatory Authorities.

The details of the Board Meetings are as under:

SI No.	Date	Board Strength	No. of Directors Present
1	30 May 2025	6	6
2	5 August 2025	6	6
3	7 November 2025	4	4
4	7 February 2026	4	4

REPORT ON CORPORATE GOVERNANCE (Contd.)

(D) Disclosure of Relationships between Directors inter-se

Please refer 5A of the Report

(E) No. of shares and convertible instruments held by Non-Executive Directors

Please refer 5A of the Report

5. THE DETAILS OF FAMILIARISATION PROGRAMMES IMPARTED TO INDEPENDENT DIRECTORS

An appropriate induction program for new Directors and ongoing familiarization with respect to the business / working of the company for all directors is a major contributor for meaningful board level deliberations and sound business decisions. The Company has adopted a structured programme for orientation of independent directors at the time of their joining so as to familiarize them with the company's operation, business, industry and environment in which it functions and the regulatory environment applicable to it. The Company updates the Board members on a continuing basis on any significant changes therein and provides them an insight to their expected roles and the responsibilities so as to be in a position to take well informed and timely decision and contribute significantly to the Company.

The Company through its Managing Director / Senior Managerial Personnel makes presentations regularly to the Board, Audit Committee or such other Committees, as may be required, covering, *inter-alia*, business environmental, business strategies, operations review, quarterly and annual results, budgets, review of internal audit report and action taken, statutory compliance, etc.

Policy on Familiarization programme imparted is available on our website www.patspin.com.

6 MATRIX/TABLE CONTAINING SKILLS, EXPERTISE AND COMPETENCIES OF THE BOARD OF DIRECTORS

The Board Members are from diversified areas having the required knowledge, competency, skills, and experience to effectively discharge their responsibilities. The range of experience of the Board Members includes in the areas of Spinning Industry, Marketing, Finance, Taxation, Legal and Administration as well as procurement of raw materials. The broad policies are framed by the Board of Directors. All strategic decisions are taken by the Board after due deliberations between the Board members which consists of Managing Director, Non-Executive Director and Independent Directors.

The Company has identified and broadly categorized its Core Skills, Expertise and competencies as mentioned hereunder:

Particulars	Detailed list of core skills, expertise and competencies	Name of Directors who have skills, expertise and competence			
		Shri. Umang Patodia	Dr Shri Raju VP	Shri C K Gopalakrishnan Nair	Smt. Kalpana M Thakker
Core Skills	Strategic policy formulation and Advising	✓	✓		
	Regulatory framework knowledge	✓	✓		
	Financial performance	✓	✓		
	Advising on Risk mitigation and Compliance requirements	✓	✓		
Expertise	Knowledge of Spinning Industry	✓	✓	✓	✓
	Commercial acumen	✓	✓	✓	✓
	Procurement of right quality of raw cotton at competitive prices	✓		✓	✓
Competencies	Strategic Leadership	✓	✓	✓	✓
	Execution of policies framed by the Board	✓	✓	✓	✓
	Identifying the growth areas for expanding the business	✓	✓	✓	✓
	Advising on Business Risks & environment	✓	✓	✓	✓

REPORT ON CORPORATE GOVERNANCE (Contd.)

7. Confirmation of Board regarding Independent Directors

Board of Directors confirms that the Independent Directors fulfil the conditions specified in the SEBI (LODR) Regulations, 2015 as amended from time to time and are Independent of the Management.

8. Separate meeting of Independent Directors

In Compliance with the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Independent Directors Meeting of the Company was held on 17th March 2026 and both the Independent Directors were present. Independent Directors Meeting considered the performance of Non-Independent Directors and Board as whole, reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board. Shri C K Gopalakrishnan Nair is the Chairman of Independent Directors Meeting.

9. Evaluation of the Board's Performance

Pursuant to the provisions of the Act and Regulation 17 of the Listing Regulations, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A consolidated summary of the ratings given by each Director was then prepared. The report of performance evaluation was then discussed and noted by the Board. The Directors expressed their satisfaction with the evaluation process.

10. Code of Conduct

The Company has adopted Code of Business Conduct & Ethics ("the Code") which is applicable to the Board of Directors and all Employees of the Company. The Board of Directors and the members of Senior Management Team of the Company are required to affirm semi-annual Compliance of this Code. A declaration signed by the Managing Director of the Company to this effect is placed at the end of this report. The Code requires Directors and Employees to act honestly, fairly, ethically, and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the Company's website www.patspin.com

11. Audit Committee

The Company is having an Audit Committee. The composition, procedure, Role / Function of the committee complies with the requirements of the Companies Act, 2013 as well as those of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(A) The role of the audit committee shall include the following:

- (1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) Recommendation for terms of appointment and remuneration of Auditors of the Company;
- (3) Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- (4) Review with the management and statutory auditors of the annual financial statements thereon before submission to the Board with particular reference to:
 - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any Related Party Transactions;
 - g. Modified opinion(s) in the draft Audit Report;

REPORT ON CORPORATE GOVERNANCE (Contd.)

- (5) Reviewing, with the management the quarterly financial statements before submission to Board for approval;
- (6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue/rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice / and the report to be submitted by monitoring agency with regard to utilisation of proceeds of a public or rights issue, and making appropriate recommendation to company's Board.
- (7) Review and monitor Statutory Auditor's independence and performance and effectiveness of audit process;
- (8) Approval or any subsequent modification of transactions with related parties;
- (9) Scrutiny of Inter-Corporate Loans and Investments;
- (10) Valuation of undertakings or assets of the company, wherever it is necessary;
- (11) Evaluation of Internal Financial Controls and Risk Management Systems;
- (12) Review with the Management, Statutory Auditors and the Internal Auditors about the nature and scope of audits and of the adequacy of internal control systems;
- (13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
- (14) Discussion with internal auditors of any significant findings and follow up thereon;
- (15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) Discussion with statutory auditors before the audit commences, about the nature of scope of audit as well as cost audit discussion to ascertain any area of concern;
- (17) To look into the reasons for any substantial defaults in payment to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividend) and creditors, if any;
- (18) To review the functioning of the whistle blower mechanism;
- (19) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- (21) To review the utilization of loans and / or advances from / investment by the holding company in the subsidiary exceeding Rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower, if any
- (22) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc on the listed entity and its shareholders:

(B) The Audit Committee shall also mandatorily review the following information

1. Management Discussion and Analysis of financial condition and results of operations;
2. Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
3. Internal Audit Reports relating to internal control weaknesses and;
4. The appointment, removal and terms of remuneration of the Chief Internal Auditor
5. Statement of deviations:
 - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1)
 - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus in terms of Regulation 32(7), if applicable

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During the financial year 2025-26, Audit Committee meetings were held on 30th May 2025, 5th August 2025, 7th November 2025 and 7th February 2026. The composition of the Audit Committee and the details of the meetings attended by its members during the financial year ended 31st March 2026 are as under:

Sl. No.	Name of the Member	Category of Director	No. of meetings	No. of meetings held Attended
1	Dr Shri Raju V P (Chairman)	Non-Executive Independent Director	4	4
2	Shri V N Balakrishnan (up to 5.8.2025)	Non-Executive Independent Director	2	2
3	Shri C K Gopalakrishnan Nair	Non-Executive Independent Director	4	4
4	Shri. Umang Patodia	Managing Director	4	4

Dr Shri Raju VP M.Com, FCMA, Ph.D as Chairman of the Committee, having the relevant accounting and financial management expertise. All members of the Committee are financially literate and are having the relevant accounting and financial management expertise.

The Audit Committee meetings are usually attended by the Managing Director, CFO, Head of Finance and the respective departmental heads, wherever required. The Company Secretary acts as the Secretary of the Audit Committee. The Statutory Auditors, Internal Auditors as well as other Board Members also attended the Audit Committee meetings by invitation. All the recommendations of the Audit Committee have been accepted by the Board of Directors. During the year, the Audit Committee reviewed key audit findings covering Operational, Financial and Compliance areas, Risk Mitigation Plan covering key risks affecting the Company which were presented to the Committee. The Chairman of the Audit Committee briefed the Board members on the significant discussions which took place at Audit Committee Meetings.

(C) Internal Audit & Control

The Company has adequate internal control and Internal Audit System commensurate with its size and nature of its business. The Internal Audit Plan is approved by the Audit Committee and the Internal Auditors directly present their report to the Audit Committee for their consideration.

M/s Varma & Varma, Chartered Accountants, Kochi, Internal Auditors carried out Internal Audit of the Company on a quarterly basis. Internal Audit Plan and their remuneration are being approved by the Audit Committee. The reports and findings of the Internal Auditors and the Internal Control Systems are periodically reviewed by the Audit Committee.

(D) CODE FOR PREVENTION OF INSIDER TRADING PRACTICES:

In compliance with the SEBI Regulations on prevention of Insider trading, the Company has adopted a code of conduct for its Directors and designated employees. The code lays down guidelines which included procedures to be followed and disclosures to be made while dealing with the shares of the Company. The Audit Committee monitors implementation and compliance of the Company's Code of Conduct and Ms Veena Vishwanath Bhandary, Company Secretary is the Compliance Officer of the Company. The Code is displayed on the Company's website viz. www.patspin.com.

12. Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been constituted by the Board in compliance with the requirements of Section 178 of the Act and Regulation 19 of the Listing Regulations. During the year under review, the Committee met 5th August 2025.

The composition of the Nomination and Remuneration Committee and the details of the meetings attended by its members during the financial year ended 31st March, 2026 are as under:

Sl. No.	Name of the Member	Category of Director	No. of meetings held	No. of meetings attended
1	Dr Shri Raju V P - Chairman	Non-Executive Independent Director	1	1
2	Shri V N Balakrishnan (up to 5.8.2025)	Non-Executive Independent Director	1	1
3	Shri C K Gopalakrishnan Nair	Non-Executive Independent Director	1	1
4	Smt Kalpana M Thakker	Non-Executive Director	1	1

REPORT ON CORPORATE GOVERNANCE (Contd.)

Role of Committee shall, inter-alia include the following:

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
 - (1A) For every appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and also on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as Independent Director shall have the capabilities referred identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates
- (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) devising a policy on diversity of board of directors;
- (4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- (5) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- (6) recommend to the board, all remuneration, in whatever form, payable to senior management

The remuneration policy is in consonance with the existing industry practice and also with the provisions of Companies Act.

The Committee also evaluated performance of the entire Board as per Regulation 19 of the SEBI (LODR), Regulations 2015.

Remuneration to the Managing Director

The aggregate of salary and perquisites paid for the year ended 31st March 2026 to the Managing Director is as follows:

Shri.Umang Patodia : ₹ 52.93 lacs

Besides this, the Managing Director was also entitled to Company's contribution to Provident Fund, Superannuation or Annuity Fund, to the extent not taxable and Gratuity as per the Rules of the Company.

Remuneration to Non-Executive Directors:

No Remuneration is paid to Non-Executive Directors except sitting fee for attending the meeting of the Board and Committees thereof:

The details of payment of sitting fee are as follows:

Meeting	Amount (in ₹)
Board	7500
Committee	5000

The Fee paid for the year ended 31st March 2026 to the Non-Executive Directors is as follows:

Name of the Non-Executive Directors	Sitting fee (in ₹)
Shri B K Patodia (up to 5.8.2025)	15,000
Shri. V N Balakrishnan (up to 5.8.2025)	30,000
Shri C K Gopalakrishnan Nair	65,000

REPORT ON CORPORATE GOVERNANCE (Contd.)

Name of the Non-Executive Directors	Sitting fee (in ₹)
Dr Shri Raju VP	65,000
Smt Kalpana M Thakker	35,000
Total	2,10,000

There were no other pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company. The Company has not granted any stock option to any of its Directors.

Remuneration Policy

The remuneration policy of your company is a comprehensive policy which is competitive, in consonance with the industry practices and rewards good performance of the employees of the company. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives.

The company endeavours to attract, retain develop and motivate a high-performance work force. The company follows a mix of fixed and variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process.

13 Stakeholders Relationship Committee

Pursuant to provisions of Section 178(5) of the Act read with Regulation 20 of the Listing Regulations, Stakeholders Relationship Committee of the Board of Directors has been constituted.

The role of the committee shall *inter-alia* include the following:

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

The composition of the Stakeholders Relationship Committee and the details of the meetings attended by its members during the financial year ended 31st March 2026 are as under:

Sl. No.	Name of the Member	Category of Director	No. of meetings held	No. of meetings attended
1)	Shri C K Gopalakrishnan Nair Chairman	Non-Executive Independent Director	1	1
2)	Shri V N Balakrishnan (up to 5.8.2025)	Non-Executive Independent Director	0	0
3)	Dr Shri Raju V P	Non-Executive Independent Director	1	1
4)	Shri. Umang Patodia	Managing Director	1	1

Ms Veena Vishwanath Bhandary, Company Secretary is the Secretary to the Committee.

REPORT ON CORPORATE GOVERNANCE (Contd.)

The details of correspondences / grievances received and redressed during the financial year 2025-26 through the Registrar M/s. Integrated Registry Management Service Pvt. Ltd. are as under:

Sl. No.	Particulars	No. of Complaints
1)	Investor Correspondence / Complaints pending at the beginning of the year	Nil
2)	Investor Correspondence / Complaints received during the year	Nil
3)	Investor Correspondence / Complaints disposed during the year	Nil
4)	Investor correspondence / complaints remaining unresolved at the end of the year	Nil

14 Corporate Social Responsibility (CSR)

As per the provisions of Section 135 read with the Section 198 of the Companies Act 2013, the company do not have CSR obligation for the year 2025-26. Accordingly, there has been no meeting of CSR Committee held during the year under review.

15. Senior Management

Senior Management includes Managing Director, Chief Financial Officer, Company Secretary and Heads of Department viz; Finance & Accounts, Production, Human Resources, Information & Technology, Marketing & Logistics. There is no change since the close of the previous financial year.

16 Disclosures:

(A) Basis of Related Party Transactions:

All transaction entered into by the Company with related parties, during the financial year 2025 – 26, were in ordinary course of business and on arm's length basis. The Company has formulated a framework for Related Party Transactions as displayed on the Company's website www.patspin.com which is followed for identifying, entering into and monitoring related party transactions. The deviations, if any, to the said process have been brought to the attention of Audit Committee suitably. The Audit Committee reviews at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approval granted. The company has obtained Shareholders approval by way of special resolution to enter into Related Party Transactions.

(B) Disclosure of Accounting Treatment

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Act. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

(C) MD and CFO Certification

The Managing Director and CFO of the Company give quarterly / annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of SEBI (LODR) Regulations, 2015.

(D) Risk Management:

The Company has laid down procedures to inform the Board of Directors about the risk assessment and minimization procedures. The Audit Committee and the Board of Directors review these procedures, periodically.

(E) Vigil Mechanism

Pursuant to Section 177(9) and (10) of the Act, and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behaviour, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website viz. www.patspin.com.

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(F) Disclosure relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and (Redressal) Act, 2013

The Company is committed to ensuring that all employees work in an environment that not only promotes diversity and equality but also mutual trust, equal opportunity and respect for human rights. The Company's Policy on prevention of Sexual Harassment is in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder which is aimed at providing every woman at the workplace a safe, secure and dignified work environment. During the year under review, the Company has not received any complaint in this regard.

(G) Certificate on Corporate Governance & Non-Disqualification of Directors from Practicing Company Secretary

The quarterly compliance report has been submitted to the BSE Ltd in the requisite format duly signed by the compliance officer pursuant to Regulation 27 of SEBI (LODR) Regulations, 2015 within prescribed time limit. Also from Shri. MRL Narasimha, Practicing Company Secretary have certified that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (LODR) Regulations, 2015 and the same is annexed to this Report.

In addition to the above, Certificate as required under Part C of Schedule V of Listing Regulations, received from Practicing Company Secretary, Coimbatore, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority has been annexed to this Report.

17 Details of preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) of the Listing Regulations

The Company has not raised funds through preferential allotment or Qualified Institutional Placement during the year under review.

18 Credit Rating

The Company's Accounts with its Bankers were classified as sub-standard as at 31.03.2021. Consequently, at the request of the Company, the Company's Bankers have restructured the outstanding debts of the company as at 30.09.2022 under RBI Circular "Prudential frame work for resolution of stressed assets" dated 07.06.2019. Pursuant to the aforesaid, Company do not have working capital or any other facility with its Bankers and is servicing, only the outstanding Working Capital Term Loan (WCTL) restructured as at 30.09.2022. Since the aforesaid WCTL continues to be sub-standard, rating of CARE as "CARE D" continues. Therefore, in the absence of any Bank Facility, requirement for yearly rating renewal till the classification of accounts as sub-standard continues does not arise.

19 Annual Secretarial Compliance

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The said Annual Secretarial Compliance report has been issued by Shri. MRL Narasimha, Practicing Company Secretary, Coimbatore and Company has submitted the same to the Stock Exchange within the prescribed time limit.

20 Management Discussion and Analysis Report.

The Management Discussion and Analysis Report have been included separately in the Annual Report to the shareholders.

21 Reconciliation of Share Capital Audit

A qualified Practicing Company Secretary has carried out 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 Report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical forms and the total number of dematerialized shares held with NSDL and CDSL.

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22 Means of Communication

- i. The Quarterly, Half-yearly and Annual results of the Company's financial results are published in two newspapers viz. BUSINESS LINE [National Daily] and DEEPIKA (Regional Newspaper) and displayed on company's website www.patspin.com.
- ii. The Ministry of Corporate Affairs ("Ministry"), Government of India, and SEBI has taken a "Green Initiative in Corporate Governance" by allowing paperless compliance by the Companies and clarified that the service of documents by the Companies can be made through Electronic Mode. Accordingly, as a contribution towards green environment, your Company also implemented the Initiative to send documents, such as Notice calling the general meeting, audited financial statements, Board' report, auditors' report, etc. in electronic form on the email id's provided by the shareholders & made available by them to the company through the depositories. The Annual Report of the Company for the financial year 2025-26 is being emailed to the members whose email addresses are available in the depositories as per Section 136 of the Companies Act, 2013 and Regulation 36 of SEBI (LODR), Regulations 2015. For other members, who have not registered their e-mail addresses, are requested to register their email id at the earliest and ask for the soft copy of the annual report.
- iii. In accordance with General Circular No. 20/2020 dated 5th May 2020 issued by Ministry of Corporate Affairs (MCA) and the Circular No. SEBI /HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 issued by SEBI, Company is not printing copies of the Annual Report.
- iv. The Annual Report is available on the company's website.

The Company has complied with all the requirements of the Stock Exchange(s) and SEBI on matters relating to Capital Markets, SEBI (LODR) Regulations 2015 and other applicable Regulations issued by SEBI.

In accordance with the provisions of Regulation 26 (6) of the Listing Regulations, the Key Managerial Personnel, Director(s), Promoter(s) and Employees including Senior Management Personnel of the Company have affirmed that they have not entered into any agreement for themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

23 General Body Meetings:

A. Location, date and time of the Annual General Meetings held during the preceding 3 years and special resolution passed:

Year	Venue	Date	Day	Time	Special Resolution passed in previous AGM
2024-25	VC/OAVM	29.09.2025	Monday	10.00 A.M.	Re-appointment of Shri C.K.Gopalakrishnan Nair (DIN 00521840) as an Independent Director for a second consecutive term of five years from the conclusion of 34 th Annual General Meeting (AGM) till conclusion of 39 th AGM
2023-24	-do-	12.09.2024	Thursday	10.00 A.M.	Re-appointment of Shri Umang Patodia (holding DIN: 00003588) as Managing Director of the Company, for a period of five years with effect from 4.8.2024
2022-23	-do-	29-09-2023	Friday	10.00 A.M.	1.Re-appointment of Shri B K Patodia (DIN : 00003516), who has attained the age of 75 years to continue as Non Independent Non-Executive Director of the Company, liable to retire by rotation

B. Extra-Ordinary General Meeting of the shareholders was held during the year – No

C. Whether any special resolution passed last year through postal ballot – No

If yes, details of voting pattern : N.A

D. Person who conducted the postal ballot exercise - NA

REPORT ON CORPORATE GOVERNANCE (Contd.)

E. Whether any special resolution is proposed to be conducted through postal? – No Special Resolution is currently proposed to be conducted through Postal Ballot

F. Procedure for postal ballot – NA

24. Compliance in respect of Adoption of Mandatory & Non-Mandatory requirements:

a) The Board

The Non-Executive Chairman of the Company has been provided with a Chairman's Office at the Registered Office of the Company.

b) Shareholder Rights

The Company's quarterly and half yearly results are published in the Newspaper and also uploaded on its website www.patspin.com. Therefore, no individual communication is sent to shareholders on the quarterly and half yearly financial results. However, if requested, the Company provides the same to them individually.

c) Audit Qualifications

During the year under review, there is no audit qualification on the Company's financial statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.

d) Total fees for all services paid by the listed entity to the statutory auditor

Total Fees paid to Statutory Auditors is ₹ 4.01 Lakhs (including fee for certification)

e) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

The listed entity has no material subsidiaries.

25. General Shareholder information

1	Annual General Meeting Date and Time	Monday 28 th September 2026 at 10.00 AM
2	Annual General Meeting Venue	The Company is conducting meeting through VC/OAVM pursuant to the MCA Circular dated 13 th January 2021 and as such there is no requirement to have a venue for the AGM
3	Book closure date	Wednesday 23 rd September 2026 to Monday 28 th September 2026
4	Financial calendar (tentative):	
5	Annual General Meeting	Monday 28 th September 2026
6	Results for quarter ended 30 th June, 2026	10 th August 2026
7	Results for quarter ending 30 th Sept., 2026	On or before 14 th November, 2026
8	Results for quarter ending 31 st Dec., 2026	On or before 14 th February, 2027
9	Results for Year ending 31 st March, 2027	On or before 30 th May, 2027
10	Listing of Equity Shares on Stock Exchanges	BSE Limited (BSE) Scrip Code No 514326
11	Listing Fee	Annual Listing fee for the year 2026-27 have been duly paid to the Stock Exchange within the prescribed time limits.
12	Demat ISIN Nos. in NSDL and CDSL for Equity Shares	INE790C01014
13	Registrar and Transfer Agents (Share Transfer and communication regarding Share Certificates, Dividends and change of Address)	M/s Integrated Registry Management Service Private Ltd 2 nd Floor, Kences Towers, No. 1, Ramakrishna Street, T Nagar, Chennai -600 017 Tel: 044 28140801-803 E-Mail : csdstd@integratedindia.in
14	Nodal Officer	Company Secretary is the Nodal Officer for the purpose of co-ordination with the IEPF Authority to ensure processing and verification of claim of the shareholders in a time bound manner.

REPORT ON CORPORATE GOVERNANCE (Contd.)

	Investor Correspondence For transmission / transposition / dematerialization of shares, payment of dividend on shares and any other query relating to the shares of the Company Any Query on Annual Report	For shares held in Physical Form: - M/s Integrated Registry Management Service Private Ltd, 2nd Floor, Kences Towers, No 1, Ramakrishna Street, T Nagar, Chennai 600 017 Tel: 044 28140801-803 E-Mail : csdstd@integratedindia.in For share held on Demat form: - To the Depository Participants Secretarial Department PATSPIN INDIA LIMITED 3rd Floor, Palal Towers, M G Road, Ravipuram, Ernakulam, Kochi – 682 016 E-Mail: cs@patspin.com
16	Dematerialization of shares and Liquidity:	97.16% of equity shares of the company have been dematerialized (NSDL 83.43% and CDSL 13.73%) as on 31 st March 2026. The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited whereby shareholders have an option to dematerialize their shares with either of the depositories

The Company in terms of circular issued by SEBI time to time with respect to Updation of PAN and Bank details, mandating transfer of securities only in electronic form effective from 1st April, 2019, has communicated to the shareholders through notice of Annual General Meeting.

Share Transfer to Investor Education and Protection Fund Account (IEPF) where the dividend is unpaid or unclaimed for seven or more consecutive years.

In terms of Section 124(6) of the Act read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Investor Education and Protection Fund (IEPF) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, dividend etc.), if any, accruing on such shares shall also be credited to such IEPF and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to IEPF can be claimed back by the shareholders from Investors Education and Protection Fund Authority (IEPFA) by following the procedure prescribed under the aforesaid rules.

The Company last declared dividend in FY 2006-07, thereafter no dividend was declared. The Company had sent letters to all the concerned Members and also published notice in newspaper three months before the due date asking them to claim their dividend amount to avoid transfer of the said unclaimed dividend and respective shares to IEPF.

Accordingly, 413482 equity shares of the face value of ₹10 each for 2669 folios in respect of which dividend was not encased for seven consecutive years were transmitted to Investor Education and Protection Fund (IEPF). Authority on 9th December 2019. The above-mentioned shares were transmitted pursuant to requirement under section 124 of the Companies Act, 2013 read with Rule 6 of Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time.

- 26. Outstanding GDRs / ADRs / Warrants or any Convertible instruments** - The Company does not have any outstanding GDRs/ADRs/ Warrants or any such instruments. However Pursuant to an approved Resolution Plan (RP) under RBI Circular dated 7.6.2019 for restructuring of debts, the Board of Directors have allotted 0.50% 20,51,000 Non-Cumulative Compulsorily Convertible Redeemable Preference Shares(NCCCPs) of ₹ 100 each to Lenders as well as Promoters & its Associates. In lieu of Non-Convertible Redeemable Preference Shares(NCRPS) issued under CDR Scheme. As per terms of RP, these shares shall be converted into Equity on 31.3.2030. The Company has sought “in-principle” approval of BSE Ltd, which was rejected by BSE and the same is now pending with Hon'ble SAT , Mumbai.

27 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

REPORT ON CORPORATE GOVERNANCE (Contd.)

securities shall not be processed unless the securities are held in dematerialized 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 affected through the depositories with no involvement of the company. In view of the aforesaid amendment and in order to eliminate the risks associated with the physical holding of shares, members who are holding shares in physical form are hereby requested to dematerialize their holdings.

28. Shareholding pattern and distribution on Shareholding of the Company:

(a) Shareholding pattern as on 31st March 2026:

S.N.	Category	No. of shares (Issued Equity)	%
1	Promoters & Associates	20096918	65.00
2	Indian Financial Institutions, Banks, Mutual Funds	5300	0.02
3	Foreign Institutional Investors / NRIs	400000	1.29
4	Others	10417782	33.69
	Total :	30920000	100.00

(b) Distribution of Shareholding as on 31.03.2026:

No. of Shares Held	No. of Shareholders	% of Shareholder	No. of Shares	% of Shareholding
Upto 100	8134	59.13	625460	2.02
101 - 500	3775	27.44	1063695	3.44
501 - 1000	849	6.17	718954	2.33
1001 - 10000	873	6.35	2673514	8.65
10001 - 100000	110	0.90	2614200	8.45
ABOVE 100000	15	0.11	23224177	75.11
Total	13756	100.00	30920000	100.00

29 Plant Locations

Plant Location	Patodia Nagar, 5/345, Para Road, Kanjikode East P.O, Palakkad, Kerala – 678 621.
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30 Details with respect to Demat Suspense Account/Unclaimed Suspense Account as per Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Particulars	DEMAT Shareholders		Physical Shareholders	
	No. of Shareholders	No. of equity shares	No. of Shareholders	No. of equity shares
Aggregate no. of shareholders and the outstanding shares in the suspense account lying as on April 1, 2025	NIL	NIL	NIL	NIL
Number of shareholders who approached the Company for transfer of shares from suspense accounts during the year	-	-	-	-

REPORT ON CORPORATE GOVERNANCE (Contd.)

Particulars	DEMAT Shareholders		Physical Shareholders	
	No. of Shareholders	No. of equity shares	No. of Shareholders	No. of equity shares
Number of shareholders to whom shares were transferred from the suspense account during the year	-	-	-	-
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2026	NIL	NIL	NIL	NIL

DECLARATIONS**Compliance with the Code of Business Conduct and Ethics**

As provided under Regulation 26(3) of SEBI (LODR) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Patspin India Limited Code of Business Conducts and Ethics for the year ended 31st March 2026.

For **Patspin India Limited**

Place: Kochi
Date : 10.8.2026

Umang Patodia
Managing Director
(DIN: 00003588)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

To,
The Members,
Patspin India Limited
3rd Floor, Palal Towers
Ravipuram, M G Road
Ernakulam-682 016

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Patspin India Limited having CIN: L18101KL1991PLC006194 and having their registered office at 3rd Floor, Palal Towers Ravipuram, M G Road, Ernakulam-682 016 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V, Para-C, sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal mca.gov.in as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 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.

Sno	Name of Director	DIN	Date of Appointment in Company
1	Cheriyamadathil Gopalakrishnan Nair	00521840	21-09-2020
2	Kalpana Mahesh Thakker	08601866	14-11-2019
3	Umang Patodia	00003588	04-08-2009
4	Veliyath Poullose Raju	10866461	16-12-2024

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

Place: Coimbatore
Date:- 10.08.2026
UDIN : F002851H001058037
PR NO.8114/2026

MRL Narasimha
Practicing Company Secretary
M. No. 2851 COP :- 799

REPORT ON CORPORATE GOVERNANCE (Contd.)

CEO/CFO CERTIFICATION

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of PATSPIN INDIA LIMITED (the Company) to the best of our knowledge and belief certify that

- a. We have reviewed financial statements and the cash flow statement for the year ended 31st March 2026 and that to the best of our knowledge and belief, we state that:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, no transactions entered in to by the Company during the year, which are fraudulent, illegal, or violation of the Company's Code of Conduct.
- c. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting of the company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit committee:
 - i. Significant changes, if any, in internal control over financial reporting during the year;
 - ii. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control systems over financial reporting.

For **PATSPIN INDIA LIMITED**

UMANG PATODIA
Managing Director
(DIN: 00003588)

T. RAVINDRAN
Chief Financial Officer

Place: Kochi
Date : 10.8.2026

Certificate on Corporate Governance for the year ended 31-03-2026

To
The Members of M/s. PATSPIN INDIA LIMITED

Dear Sir, I have examined the compliance conditions of corporate governance by M/s. PATSPIN INDIA LIMITED ("the Company") for the financial year ended 31st March, 2026 as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to a review of the procedures and implementations thereof adopted by the company for ensuring compliance with the conditions of corporate governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It is neither an audit nor an expression of opinion on the financial statements of the company.

In my opinion and to the best of my information and according to the explanation given to me and based on the representations made by the directors and management, I certify that the company has complied with the conditions of corporate governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, subject to Reg 23(1) and 30 of (LODR), 2015.

I further state that such compliance 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.

Place:- Coimbatore
Date:- 10.08.2026
UDIN:- F002851H001058048

M.R.L. Narasimha
Practicing Company Secretary
M. No. 2851
COP :- 799
PR No. 8114/2026