

VSF PROJECTS LIMITED

34TH

Annual Report

2025-26

INDEX	
Contents	Page Nos
Corporate Information	4
Notice	6
Directors Report	20
Secretarial Audit Report	29
Independent Auditors Report	63
Balance Sheet	74
Statement of Profit and loss	76
Cash Flow Statement	78
Statement of Accounting Policies	82
Attendance	110
Proxy Form	111
Route Map to Venue of AGM	113

CORPORATE INFORMATION

Board of Directors

Sri Narayana Murthy Bobba	: Managing Director
Sri Lakshmi Narasimha Bobba Chowdary	: Whole time Director & CFO
Smt. Vijaya Lakshmi Bobba	: Whole-time director
Sri Sudhakar Nagabhairava	: Independent Director
Sri Ramesh Babu Nemani	: Independent Director
Sri Sriramshetty Srinivasa Rao	: Independent Director

Company Secretary

Nandigam Himabindu (upto 31.05.2025)

P. Lenin Babu (From 14.08.2025)

CIN NO

L05005AP1992PLC014326

REGISTERED OFFICE

Sy.No 782 to 1236
Ankulapatur Village
Chillakur Mandal, SPSR Nellore District, AP,
524 412

CORPORATE OFFICE

1018, 9th Floor, Vasavi MPM Grand, Ameerpet,
Hyderabad – 500 073, Telangana

WEBSITE

www.vsfproject.com

**REGISTRAR AND SHARE TRANSFER
AGENT:**

Aarthi Consultants Private Limited
1-2-285, Near Gaganmahal Hospital
Domalaguda, Himayatnagar
Hyderabad - 500 029
Ph.No.040-27638111

AUDITORS

V D P & CO., Chartered Accountants
Flat-404, Nirmal Towers,
Dwarakapuri Colony,
Near Sai Baba Temple, Punjagutta,
Hyderabad - 500082

BANKERS

Indusind Bank

BSE Script Code : 519331

Script : VSFPROJ

ISIN No : INE923K01014

NOTICE

Notice is hereby given that the **Thirty Fourth Annual General Meeting** of the members of the Company will be held on Wednesday, 30th September, 2026 at 3.00 PM at the registered office of the Company at Sy. No 782 to 1236, Ankulpaturu Village, Chillakur Mandal, SPSR Nellore District, Ap-524412 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2026 and the Statement of Profit and Loss Account and Cash Flow Statement for the financial year ended on that date along with the Report of Directors and the Auditors thereon.
2. To appoint a director in the place Mrs. Vijaya Lakshmi Bobba, who retires by rotation and being eligible herself for reappointment.

SPECIAL BUSINESS

3. **Re-Appointment of Mr. Ramesh Babu Nemani (DIN: 08089820) as a Non-Executive Independent Director for the second term:**

"**RESOLVED THAT** pursuant to the provisions of Section 149 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of the Members of the Company be and is hereby accorded for the proposed re-appointment of Mr. Ramesh Babu Nemani (DIN: 08089820), Independent Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 for a further period of 5 (Five) years commencing from 15th November, 2026 to 14th November 2031 and whose office shall not be liable to retire by rotation."

FURTHER RESOLVED THAT the Board be and is hereby authorized to do all such acts, deeds, things and to sign all such documents and writings as may be necessary to give effect to this resolution and for matters connected therewith or incidental thereto."

4. **Re-Appointment of Mr. Sriramshetty Srinivasa Rao (DIN: 00895774) as a Non-Executive Independent Director for the second term:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the Members of the Company be and is hereby accorded by way of special resolution for the re-appointment of Mr. Sriramshetty Srinivasa Rao (DIN: 00895774), who has attained the age of 75 years and has

submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act, as Independent Director of the Company for a second term of 5 (Five) consecutive years commencing from 15th November, 2026 to 14th November 2031 and whose office shall not be liable to retire by rotation."

FURTHER RESOLVED THAT the Board be and is hereby authorized to do all such acts, deeds, things and to sign all such documents and writings as may be necessary to give effect to this resolution and for matters connected therewith or incidental thereto."

**BY THE ORDER OF THE BOARD
For VSF Projects Limited**

**Place: Hyderabad
Date: 10.08.2026**

**Sd/-
Bobba Narayana Murthy
Chairman and Managing Director
(DIN: 00073068)**

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint another person as a proxy to attend and vote at the meeting on his behalf and such proxy need not be a member of the company. Proxies in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before the time of the meeting. A person cannot act as proxy for more than 50 members and holding in aggregate not more than 10% of the total share capital of the Company.
2. The Register of Members and the Share Transfer Books will remain closed from 24th September, 2026 to 30th September, 2026 (both days inclusive).
3. Members / Proxies are requested to bring their copies of Annual Report with them for the Annual General Meeting and the attendance slip duly filled in for attending the Meeting. No copies of the Annual Report will be distributed at the meeting.
4. Members are requested to quote their Registered Folio No or Demat Account No and Depository Participant Identification Number (DPID No) on all correspondence with the Company.
5. Members are requested to send all communication relating to shares to the Company's RTA M/s Aarthi Consultants (P) Limited, 1-2-285, Near Gaganmahal Hospital, Domalaguda, Hyderabad – 500029
6. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies and has issued circular stating that service of notice/documents including annual report can be sent by e-mail to its members. We fully support the Ministry's green initiative. Accordingly, the members are requested to inform their e-mail addresses to RTA - Aarthi Consultants (P) Limited, 1-2-285, Near Gaganmahal Hospital, Domalaguda, Hyderabad – 500029
7. Members who hold shares in physical form can nominate any person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail of the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares. Members holding shares in physical form are requested to convert their holdings to dematerialized form to eliminate all risks associated with physical shares. Further, as per the amended regulations of SEBI (Listing Obligations and Disclosure requirements) (Fourth Amendment Regulations), 2018, transfer of securities of listed companies shall not be processed unless the securities held in the Demat form with a depository.
8. The information pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 ("Listing Regulations, 2015) with respect to the details of the Directors seeking appointment / re-appointment in this Annual General Meeting is annexed hereto.
9. Members may also note that the Notice of the 34th Annual General Meeting and the Annual Report for 2025-26 will also be available on the Company's website at www.vsfproject.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during 10:30 A.M to 12:30 P.M on all working days till 30th September, 2026. Even after registering for e-communication, members are entitled to

receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the Members may also send requests to the Company's email id: vsfprojectsLtd91@gmail.com.

10. Voting through Electronic means

- (a) The Company is pleased to provide members the facility to exercise their right to vote on the resolutions as set out in the Notice calling for the Annual General Meeting (AGM) by 'electronic means' and all the businesses may be transacted through e- Voting services provided by Central Depository Services (India) Limited (CDSL), in compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules 2014.
- (b) Voting rights are reckoned on the basis of the shares registered in the names of the members /beneficial owners as on the record date fixed for this purpose viz 23rd September, 2026.

11. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

Mr. Mohit Gurjar, Practicing Company Secretary has been appointed as scrutinizer for conducting the e-Voting process in a fair and transparent manner.

12. **The instructions for members for voting electronically are as under: -**

- 1. The voting period begins on Sunday 27th September, 2026 (9:00 am) and ends on Tuesday 29th September, 2026 (5:00pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date is Wednesday, 23rd September, 2026 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- 2. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- 3. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholder's/retail shareholders is at a negligible level.
- 4. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.
- 5. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

6. In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi /Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on

	registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	1) If you are already registered for NSDL IDEAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-

	Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (i) Login method for e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on “Shareholders” module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (ii) After entering these details appropriately, click on "SUBMIT" tab.
- (iii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (vi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (vii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (viii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (ix) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (x) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xi) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; vsfprojects1td91@gmail.com , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

The Scrutinizer shall after the conclusion of the e-Voting period and after AGM, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast "in favour" or "against", if any, forthwith to the Chairman of the Company.

The Results declared along with the Scrutinizer's Report will be placed on the Company's website www.vsfproject.com and on the website of CDSL within two working days of passing of the resolutions at the AGM and communicated to the Stock Exchange.

All documents referred to in the accompanying Notice and the Explanatory Statement will be open for inspection at the Registered Office of the Company during 10.30 am to 12.30 noon on all working days up to and including the date of the AGM.

**BY THE ORDER OF THE BOARD
For VSF Projects Limited**

**Place: Hyderabad
Date: 10.08.2026**

**Sd/-
Bobba Narayana Murthy
Chairman and Managing Director
(DIN: 00073068)**

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102
OF THE COMPANIES ACT, 2013:**

ITEM No.3:

In terms of the Appointment and Remuneration Policy of the Company and based on the recommendation of Nomination and Remuneration Committee, the Board of Directors in their meeting held on 17th August 2026 has appointed Mr. Ramesh Babu Nemani (DIN: 08089820) as an Independent Director for the second term of 5 years with effect from November 15, 2026, not liable to retire by rotation.

Mr. Ramesh Babu Nemani, is a Post Graduate in law from Nagarjuna University Andhra Pradesh with Diploma in Industrial Relations and Personnel Management from Osmania University. He was a practicing advocate for 4 years before the Hon'ble High Court of AP, Industrial Tribunals and Labor Courts at Hyderabad and has 30+ years of extensive corporate experience in Service, Engineering, Telecom, Infrastructure, Real estate, Sports and Entertainment sectors. He worked with corporate giants like Reliance, GMR, TATA group of companies at various levels and has varied experience in Contract Management and handling corporate legal affairs with a proven ability to work cross functionally and multi-jurisdictionally providing comprehensive compliance and legal support whilst responding to a rapidly developing regulatory landscape.

In opinion of the Board, Mr. Ramesh Babu Nemani possesses appropriate skills, experience & knowledge and fulfils the conditions for appointment as an Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that she is independent of the management.

Brief resume of Mr. Ramesh Babu Nemani, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors accordingly recommends the Special Resolutions set out in Item No. 3 of this Notice for approval of the Members.

The interest of Directors & Key Managerial Personnel:

Except Mr. Ramesh Babu Nemani, an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 3. The Board recommends the Resolution set out at Item No. 3 of the Notice for approval of the Members. This Explanatory Statement may also be regarded as a disclosure under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ITEM NO. 4:

In terms of the Appointment and Remuneration Policy of the Company and based on the recommendation of the Nomination and Remuneration Committee, Board of Directors in their meeting held on 17th August 2026 proposed the re-appointment of Mr. Sriramshetty Srinivasa Rao (DIN: 00895774) as a Non-Executive Independent Director for a second term of five consecutive years commencing from 15th November, 2026 to 14th November, 2031, not liable to retire by rotation.

Mr. Sriramshetty Srinivasa Rao is a chemical engineering graduate followed by several specialized mgt. Programs in the field of project management, value engineering, technology transfer, energy conservation etc. Has a total of 35 years of experience by virtual working with private sector, public sector and multinational companies. This includes 3 years of experience as an entrepreneur putting up a chemical unit which has given exposure to project financing, technology transfer etc. Most of the years worked in the area of SME Development as a consultant advising the entrepreneurs, financial institutions, Govt. Depts. at central and state. On several occasions services were offered to overseas also. As the Managing Director of a deemed Govt. organization directed seventeen years team of expert consultants working all over the country and some overseas countries like UAE, Saudi Arabia etc.

As Mr. Sriramshetty Srinivasa Rao has attained the age of 75 years, in terms of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the continuation of his directorship requires approval of the Members by way of special resolution. The Board, after due consideration of his rich experience, valuable guidance and significant contributions to the Company, recommends his re-appointment in the interest of the Company.

Brief resume of Mr. Sriramshetty Srinivasa Rao, nature of his expertise in specific functional areas, and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se are provided in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors accordingly recommends the special resolution set out in Item No. 4 of this Notice for approval of the Members.

Except Mr. Sriramshetty Srinivasa Rao, the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4. This Explanatory Statement may also be regarded as a disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ADDITIONAL INFORMATION

Information pursuant to 1.2.5 of the Secretarial Standard on General Meetings (SS- 2) regarding Director seeking appointment / re-appointment
(Pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure requirements) Regulation, 2015)

Name of the Director	Vijaya Lakshmi Bobba	Ramesh Babu Nemani	Sriramshetty Srinivasa Rao
DIN No	01496696	08089820	00895774
Date of Birth	01/07/1961	15/05/1992	04/05/1947
Date of Appointment on the Board	30/04/2007	15/11/2021	15/11/2021
Qualification, Experience & Expertise	Mrs. Bobba Vijaya Lakshmi is a Bachelor of Arts, and having rich experience in the field of cultivation of aqua culture. She looks after entire administrative and human resource developments. Over the years, she has acquired deep insight into the working of the industry.	Mr. Ramesh Babu Nemani is an MBA Graduate having Experience in Interpretation of Financial Statements, Investment Analysis, Constructing and Maintenance of Portfolio and Wealth Management, Financial Accounting, Cost and Management Accounting and Corporate Finance. He also has knowledge of Budget preparation, Execution of various managerial functions.	A chemical engineering graduate followed by several specialized mgt. Programs in the field of project Mgt, value engineering, technology transfer, energy conservation etc. Has a total of 35 years of experience by virtual working with private sector, public sector and multinational companies. This includes 3 years of experience as a entrepreneur putting up a chemical unit which has given exposure to project financing, technology transfer etc. Most of the years worked in the area of SME Development as a consultant advising the entrepreneurs, financial institutions, Govt. Depts. at central and state. On several occasions services were offered

			to overseas also. As the managing director of a deemed Govt. organization directed seventeen year steam of expert consultants working all over the country and some overseas countries like UAE, Saudi Arabia etc.
Directorship in other public companies (Excluding foreign companies and section 8 Companies)	NIL	3	Nil
Shareholding	9.36	Nil	Nil
Disclosures of relationships between Director's interest	Bobba Viaya Lakhmi is wife of Bobba Narayana Murthy and mother of Bobba Lakshmi Narasimha Chowdary	NA	NA
Last drawn Remuneration, if any	Rs. 1,00,000/- Per Month	-	-
No. of board meetings attended during the year	4 out of 4	4 out of 4	4 out of 4
Membership/Chairmanships of Committees in other Companies	NIL	6	NIL

**BY THE ORDER OF THE BOARD
For VSF Projects Limited**

**Place: Hyderabad
Date: 10.08.2026**

**Sd/-
Bobba Narayana Murthy
Chairman and Managing Director
(DIN: 00073068)**

Director's Report

To

The members,

Your Directors hereby present the **Thirty Fourth Annual Report** together with the Audited Accounts of the company for the financial year ended 31st March, 2026.

Financial summary or Highlights/Performance of the Company:

The financial highlights for the current year in comparison to the previous year are as under:

Rs. In Lakhs

Particulars	2025-26	2024-25
Revenue from Operations	-	-
Other Income	63.64	42.88
Total Revenue	63.64	42.88
Profit before Finance Charges, Tax Expenses, Exceptional items and Depreciation	5.26	-8
Less: Depreciation	25.51	13.56
Profit before Finance Charges, Tax Expenses, Exceptional items	-20.25	-21.56
Less: Finance Charges	16.71	2.99
Profit before Tax Expenses and Exceptional items	-36.96	-24.55
Add: Exceptional Items	-	-
Profit before Tax	-36.96	-24.55
Provision for Tax	3.13	2.43
Profit after Tax	-40.09	-26.98
Total Comprehensive Income	-40.09	-26.98

COMPANY PERFORMANCE:

During the Financial Year 2025-26, Company have been working on setting up of Multi Product Free Trade Warehousing Zone and did not to any other business activities and accordingly, Company has not generated any revenue during the year. However, an interest of Rs. 63.64 Lakhs was generated on the deposits with banks as Compared to Rs. 42.88 Lakhs revenue generated in the previous year.

TRANSFER TO RESERVES:

Your Company did not transfer any amount to reserves.

MATERIAL CHANGES DURING THE FINANCIAL YEAR 2025-2026:

During the financial year under review, the Company received the requisite Consent to Operate from the concerned statutory authority and the Fire No Objection Certificate (Fire NOC) for its ongoing project. These approvals represent significant milestones towards the completion and operationalization of the project. The Company continues to undertake the remaining activities required for the successful completion and commencement of operations.

THE NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:

There are no other subsidiaries, joint ventures or associate companies which have become or ceased during the year.

DIVIDEND:

In view of accumulated losses, your directors do not recommend any dividend for the financial year 2025-26.

STATUTORY AUDITORS:

M/s. V D P & Co., Chartered Accountants (Firm Registration No. 024607S) were appointed as Statutory Auditors of the Company for a period of 5 Years from the Conclusion of 33rd Annual General Meeting of the Company till the conclusion of 38th Annual General Meeting of the Company. The Independent Auditors report given by M/s. V D P & Co., Chartered Accountants, the Statutory Auditors of the Company on Financial Statements of the Company does not contain any qualification, reservation or adverse remark.

REPORTING OF FRAUDS

During the year under review, there was no instance of fraud, which required the Statutory Auditors to report to the Audit Committee and /or Board under Section 143(12) of the Companies Act, 2013 and the rules made thereunder.

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

The details regarding Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo as required by section 134(3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are given as “**Annexure –I**” and forms part of this report.

MEETINGS OF BOARD OF DIRECTORS:

The Board of Directors of the Company met 4 (Four times) during the Financial Year on the following dates.

30.05.2025	14.08.2025	13.11.2025	12.02.2026
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DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR:

During the Financial year 2025-26, Ms. Nandigam Himabindu has resigned as Company Secretary with effect from 31st May 2025 and Mr. P. Lenin Babu has been appointed as Company secretary and compliance officer of the Company with effect from 14th August, 2025.

Except for the above mentioned, there were no other changes in the office of Directors and Key Managerial personnel during the Financial Year 2025-26.

Details of Committees of the Board, their composition and meetings details are provided in the Corporate Governance Report, which forms part of this report

DECLARATION GIVEN BY INDEPENDENT DIRECTORS:

Every Independent Director, at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under the Companies Act, 2013.

MEETING OF INDEPENDENT DIRECTOR:

During the year under review, the Independent Directors met on 12th February, 2026 inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.
- All the Independent Directors were present at the meeting.

FIXED DEPOSITS:

Your Company has not accepted any fixed deposits and as such no principal or interest was outstanding as on the date of the Balance sheet.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS SECTION 186 OF COMPANIES ACT 2013:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

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

During the period between the end of the financial year and the date of this Report, the Company has progressed towards finalisation of certain business arrangements in relation to its Multi Product FTWZ and ICD facility, including operating as a Unit in the FTWZ for an area of 25,000 sq. ft. for M/s Siddhartha Logistics FTWZ Private Limited, allocation of 25,000 sq. ft. of space in the Grade-A FTWZ warehouse to M/s Hima Textile Mills Private Limited, and engagement of M/s Siddhartha Logistics Co. Pvt. Ltd. as Co-Developer for undertaking the operations and management of the ICD situated at VSF Projects Limited's Multi Product FTWZ and ICD facility. These arrangements are at an advanced stage of finalisation and are expected to contribute to the Company's future business operations and growth.

There are no material changes and commitments affecting the financial position of the company occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134 (5) of the Companies Act, 2013, your Directors confirm that to the best of their knowledge and belief and according to the information and explanation obtained by them,

- a) that in the preparation of Annual Accounts for the financial year ended 31st March, 2026, the applicable accounting standards have been followed along with the proper explanation relating to material departures, if any, there from;
- b) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;
- c) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities
- d) that the directors have prepared the annual accounts on a going concern basis.
- e) the Directors had laid down Internal Financial controls to be followed by the Company and that such internal financial Controls are adequate and were operating efficiently.
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

REMUNERATION POLICY:

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors and Senior Management personnel and fix their remuneration. The Remuneration Policy is posted on the website of the Company at the link: www.vsfproject.com

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has a Whistle Blower Policy framed to deal with instance of fraud and mismanagement, if any in the Group. The details of the Policy are explained in the Corporate Governance Report and also posted on the website of the Company www.vsfproject.com.

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY INCLUDING IDENTIFICATION THEREIN OF ELEMENTS OF RISK, IF ANY, WHICH IN THE OPINION OF THE BOARD MAY THREATEN THE EXISTENCE OF THE COMPANY

The Company has risk management mechanism in place which mitigates the risk at appropriate situations and there are no elements of risk, which in the opinion of Board of Directors may threaten the existence of the Company.

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

During the year under review, the Company has not filed any application or no proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

During the year under review, the Company has not made any one-time settlement while taking any loans from the Banks or Financial Institutions.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES PURSUANT TO PROVISIONS OF SECTION 188(1) OF COMPANIES ACT, 2013

There were no contracts or arrangements with related parties as specified in Section 188 (1) of the Act during the Financial Year 2025-26.

SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has received Secretarial Audit report from P S Rao & Associates, Practicing Company Secretaries.

The Secretarial Audit Report is annexed herewith as “Annexure II” to this report.

MAINTENANCE OF COST RECORDS:

Company is not required to maintain cost records as specified by the Central Government under sub- section (1) of section 148 of the Companies Act, 2013.

ANNUAL RETURN

The Annual Return of the Company as on 31st March, 2026 is available on the Company's website and can be accessed at www.vsfproject.com

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to the provisions of Regulation 34(2) (e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Management Discussion & Analysis is herewith annexed as 'Annexure IV' to this report.

CORPORATE GOVERNANCE

The Company has implemented the procedures and adopted practices in conformity with the Code of Corporate Governance under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. A separate report on Corporate Governance is annexed as "Annexure-V" herewith, as a part of the Annual Report along with the certificate on its compliance.

LISTING

Your Company's shares are presently listed on The BSE Limited, Mumbai and the listing fees for FY 2026-2027 is paid.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, and size and complexity of its operations. Internal control systems comprising of policies and procedures designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations, and that all assets and resources are acquired are used economically.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of The Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is herewith annexed as "Annexure III" to this report.

DETAILS ABOUT THE CORPORATE SOCIAL RESPONSIBILITY POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY

The Company does not meet the criteria as specified in Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

STATEMENT OF COMPLIANCE WITH MATERNITY BENEFIT ACT 1961

Your Company has in place the Maternity Benefit Policy in place in compliance with the provisions of the Maternity Benefit Act, 1961, extending all statutory benefits to eligible women employees.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the financial year 2025-26:

No. of complaints at the beginning of the year	0
No. of complaints received	0
No. of complaints disposed off	0

INSIDER TRADING REGULATIONS

The Company has adopted an 'Code of Conduct to Regulate, Monitor and Report Trading by Insiders' ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (The PIT Regulations).

The Code is applicable to Promoters, Member of Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSII)' in compliance with the SEBI (PIT) Amendment Regulations, 2018. This Code is displayed on the Company's website viz. www.vsfproject.com

ACKNOWLEDGEMENTS

Your directors acknowledge the continued support from regulatory, government authorities, staff and all the stake holders for their support and cooperation.

**BY THE ORDER OF THE BOARD
FOR VSF PROJECTS LIMITED**

**SD/-
BOBBA NARAYANA MURTHY
CHAIRMAN AND MANAGING DIRECTOR
(DIN: 00073068)**

**Place: Hyderabad
Date :10.08.2026**

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The details regarding Energy Conservation, Technology Absorption, Foreign Exchange Earnings and outgo as required by section 134(3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are given as below.

A. CONSERVATION OF ENERGY:

The steps taken or impact on conservation of energy:

The operations of the Company are not power intensive. However, the company is very careful in using the power to reduce the cost of maintenance and conserve the resources.

Steps taken by the Company for utilizing alternate sources of energy:

As the Company is not a power intensive Company, there are no requirements for utilizing of alternate sources of energy.

The capital investment on energy conservation equipment's:

The Company has not made any additional investments and has not proposed any amount for reduction of consumption of energy.

B. TECHNOLOGY ABSORPTION:

- (i) the efforts made towards technology absorption: NIL
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution: NIL
- (iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:
 - (a) The details of technology imported: No technology imported during the last 3 years
 - (b) The year of import: NA
 - (c) Whether the technology been fully absorbed: NA
 - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: NA
- (iv) The expenditure incurred on Research and Development: NIL

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Activities relating to exports and initiatives taken to increase export products, services and export plans

Foreign Exchange earnings and outgo: (on receipts and payments basis)

Particulars	2025-26	2024-25
Foreign Exchange Earnings	NIL	NIL
Foreign Exchange Outgo	-----	-----

**BY THE ORDER OF THE BOARD
For VSF Projects Limited**

**Sd/-
Bobba Narayana Murthy
Chairman and Managing Director
(DIN: 00073068)**

**Place: Hyderabad
Date: 10.08.2026**

Form No. MR-3

SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

To,
The Members,
VSF Projects Limited,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by VSF Projects Limited, (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2026 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2026 according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made there under;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

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

2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report: -

(a) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021;

(b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2021;

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

(d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and

(e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

3. Other industry specific major law that is applicable to the company as per the information provided by the management specific to the industry are:

i) Building and other construction workers (Regulation of Employment and conditions of service) Act, 1996

ii) Inter-state Migrant workmen (Regulation of Employment and conditions of service) Act, 1979

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

a) Securities Exchange Board of India (Listing Obligation and Disclosure Requirements), Regulation 2015

b) Secretarial Standards SS-1 and SS-2 issued by the Institute of Company Secretaries of India

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.,

We further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

During the reporting period, following is the observation made by us on the Compliance of SEBI (LODR) Regulations, 2015

**For P.S. Rao & Associates
Company Secretaries**

**Sd/-
Mohit Gurjar
Partner
CP No. 18644**

**Place: Hyderabad
Date: 10.08.2026
UDIN: A020557H001063423**

ANNEXURE A'

To,
The Members,
VSF Projects Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For P.S. Rao & Associates
Company Secretaries**

**Sd/-
Mohit Gurjar
Partner
CP No. 18644**

**Place: Hyderabad
Date: 10.08.2026
UDIN: A020557H001063423**

REPORT ON MANAGERIAL REMUNERATION
as per Section 197 of the Companies Act 2013 Read with Rule 5 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014

(A) Details pertaining to remuneration as require under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2025-26

	Remuneration of Director KMP for the financial year 2025-26 (Rs. in Lakhs)	% increase in Remuneration in the Financial year 2025-26	Ratio of remuneration of each Director/to median remuneration
B Narayana Murthy	36.00	NIL	4.59
B Lakshmi Narasimha Chowdary	24.00	NIL	3.06
B Vijaya Lakshmi	12.00	100%	1.53
P. Lenin Babu	2.48	NIL	0.32
Himabindu Nandigam	1.25	NA	0.16

- ii) The percentage increase in the median remuneration of employees in the financial year: **N.A**

The number of permanent employees on the rolls of Company as at March 31, 2026: 6

- iii) Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: N.A

(B) Statement of Particulars of Employees Pursuant to Provisions of Rule 5 (2) of Section 197 (12) of the Companies Act 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sl.No.	Name of the employee	Designation	Remuneration Per annum	Nature of employment (whether contractual or otherwise)	Qualification & experience	Date of commencement of employment	Age	Last employment of such employee	% of equity shares held of the employee	Whether the employee is a relative of any director/manager, if yes name of such director and manager
1	B Lakshmi Narasimha Chowdary	Whole time Director and CFO	24,00,000	Salaried	MBA 10 Years	12.02.2016	38	NA	8.33	Yes, related to B Vijaya Lakshmi and B Narayana Murthy
2	B Narayana Murthy	Managing Director	36,00,000	Salaried	Diploma in Mechanical Engineering 28 Years	04.06.1992	69	NA	13.54	Yes, related to B Vijaya Lakshmi and B Lakshmi Narasimha Chowdary
3	B Vijaya Lakshmi	Whole time Director	12,00,000	Salaried	B.com 12 years	30.04.2007	63	NA	9.36	Yes, related to B Narayana Murthy and B Vijaya Lakshmi
4	P. Lenin Babu	Company secretary	3,72,000	Salaried	ACS	22.12.2002	55	Radix industries (Ind) Limited	1.82	NA
5	M. Rajasekhar	Manager – Site	7,85,000	Salaried	Masters in Financial Management	22.12.2002	37	NA	1.82	NA
6	Adapala Srinivasarao	Sr. Civil Engineer	6,00,000	Salaried	B. Tech	08.08.2024	32	S & G Steel Infra	0	NA

There were no employees drawing remuneration of Rs. 8.50 Lakhs p.m. or above / Rs. 102 Lakhs p.a. or above whether employed throughout or part of the financial year.

**BY THE ORDER OF THE BOARD
For VSF Projects Limited**

**Sd/-
Bobbu Narayana Murthy
Chairman and Managing Director
(DIN: 00073068)**

**Place: Hyderabad
Date :10.08.2026**

MANAGEMENT DISCUSSION & ANALYSIS**GLOBAL ECONOMY**

The global economy continues to show modest resilience despite ongoing trade tensions and fiscal vulnerabilities. According to the IMF's *World Economic Outlook Update – July 2025*, global growth is projected at 3.0% in 2025 and 3.1% in 2026. India remains the fastest-growing major economy, with growth pegged at 6.7% in 2025 and 6.4% in 2026. China, meanwhile, is expected to moderate to 4.0% in 2025. India is set to surpass Japan to become the world's fourth-largest economy in 2025, with a nominal GDP of USD 4.18 trillion, and is slated to rise further to the third position in the coming years.

INDIAN ECONOMY

India's nominal GDP for FY 2024–25 is estimated at ₹330.68 lakh crores, approximately USD 3.96 trillion, up from ₹301.23 lakh crores in FY 2023–24. The nominal GDP growth rate stands at 9.8%, moderating from the 13.9% growth recorded in the previous year. Exports have played a significant role in sustaining momentum, with total exports of goods and services reaching USD 210.31 billion in April–June 2025, a 5.94% increase over the prior year. Merchandise exports contributed USD 112.17 billion, while services exports rose strongly to USD 98.13 billion. Electronics exports surged by nearly 47% year-on-year, alongside steady gains in pharmaceuticals and engineering goods. Domestic demand and investment remain the primary drivers of growth, supported by government capital expenditure and infrastructure projects. With agriculture rebounding due to a favorable monsoon and services continuing their upward trend, India's GDP growth is expected to remain in the 6.5–7% range for FY25.

INDUSTRY OVERVIEW

Industry contributes 30.8% to India's GDP and employs over 12.3 crore people. In FY 2024–25, the sector is estimated to grow by 6.2%, aided by increased capital expenditure from the government and renewed private sector investment. Electronics manufacturing has emerged as a key growth area, with India targeting USD 300 billion in output and USD 120 billion in exports by 2026, supported by production-linked incentive schemes. Special Economic Zones have also gained prominence, with UNCTAD launching a global alliance in May 2025 to strengthen SEZ ecosystems worldwide. Ports have played a vital role, with APSEZ handling more than one-fourth of India's cargo volumes in FY25, surpassing its guidance of 390–410 MMT.

INFRASTRUCTURE AND CONSTRUCTION – THE LONGTERM OPPORTUNITY

Infrastructure investment continues to provide a critical push to India's growth potential. Capital expenditure for FY 2025–26 is targeted at ₹11.11 lakh crore, an increase of 11.1% over the previous year. The National Infrastructure Pipeline has laid out a roadmap of investible projects worth ₹225 lakh crore across 13,995 projects, with the transport sector accounting for more than half. This sustained investment drive is expected to create long-term opportunities for the construction and infrastructure industries.

FINANCIAL PERFORMANCE

VSF Projects (VSFPROJ.), with a legacy of 30 years, has built strong capabilities and credentials in project delivery across diverse sectors within the infrastructure industry. The company's core business lies in providing engineering and construction services for large projects in power,

transportation, water, and industrial sectors. Its ability to reinvent itself in response to changing times has enabled it to deliver consistent value to stakeholders.

OPPORTUNITIES & THREATS

The infrastructure industry continues to offer significant opportunities, particularly in highways, expressways, and power projects. India's economic growth in FY 2025 has been driven by private consumption and capital formation, which have contributed to employment generation and declining urban unemployment. Upside potential arises from stable inflation, easing global trade tensions, and capital flows returning to India. At the same time, threats remain in the form of global recessionary tendencies, equity market volatility, and liquidity risks.

RISKS & CONCERNS

The infrastructure sector is highly dependent on political stability, and contract payment delays remain a concern. Challenges also persist in the unorganized sector, shortage of skilled labor, and coal supply constraints, all of which could impact project execution.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The company has established a robust internal control system designed to safeguard assets and ensure compliance. A well-defined organizational structure with clear functional authority and transaction approval limits is in place. The reporting system evaluates and forewarns management on compliance-related issues, and periodic updates ensure alignment with regulatory requirements.

HUMAN RESOURCES

Employees remain the most valuable asset of the company, and their contribution is recognized as a key differentiator for sustained growth. Industrial relations have remained cordial and progressive, with no unrest reported during the year.

HEALTH AND SAFETY

The company places considerable emphasis on health and safety across its operations, ensuring compliance with applicable laws and regulations. High standards are maintained consistently, reflecting its commitment to employee welfare and operational safety.

 Source: IMF World Economic Outlook July 2025 (cnbctv18.com in Bing)

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

PARTICULARS	2025-26	2024-25
Total Income (Including other income)	63.64	42.88
Total Expenses	103.73	69.86
Profit Before Tax	-40.09	-26.98
Profit After Tax	-43.22	-29.41
Earnings per share	-0.26	-0.23

KEY RATIOS:

S. No	PARTICULARS	2025-26	2024-25	Percentage of variation	Reason for variance (>25%)
1	Current Ratio	1.13	1.42	-20.73	NA
2	Debt Equity Ratio	0.95	0.74	27.97	Since the commercial operations are not commenced and the increase of bank Borrowings
3	Return on Equity ratio	-0.004	-0.004	0	NA
4	Inventory Turnover ratio	NA	NA	NA	NA
5	Trade receivable turnover ratio	NA	NA	NA	NA
6	Trade payable turnover ratio	NA	NA	NA	NA
7	Net capital turnover ratio	-	-	-	NA
8	Net profit ratio	-	-	-	NA
9	Return on capital employed	-0.001	-0.002	15.24	NA
10	Return on investment	NA	NA	NA	NA

FORWARD LOOKING / CAUTIONARY STATEMENT:

Certain statements in the Management Discussion & Analysis Report detailing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. These statements being based on certain assumptions and expectation of future event, actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations

include economic conditions affecting domestic demand supply conditions, finish goods prices, changes in Government Regulations and Tax regime etc. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of subsequent developments, information or events.

**BY THE ORDER OF THE BOARD
For VSF Projects Limited**

**Sd/-
Bobba Narayana Murthy
Chairman and Managing Director
(DIN: 00073068)**

**Place: Hyderabad
Date :10.08.2026**

C. REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

The Company believes in transparency, empowerment, accountability and integrity in its operations duly delegated authority to various functional heads that are responsible for attaining the corporate plans with the ultimate purpose of enhancement of "Stake holder value".

Moreover, the Company believes that sound Corporate Governance practices that provide an important platform to assist the management and the Board in delivering its responsibilities. The Company has always been taking the spirit of various legislations as guiding principles and has done well beyond simple statutory compliance. The Board of directors of the company has the responsibility of protecting the long-term interests of all the stakeholders, while adhering to sound principles of corporate governance.

The Company has professionals on its Board of Directors who are actively involved in the deliberations of the Board on all important policy matters.

2. BOARD OF DIRECTORS

The Company upholds the policy of having an optimum combination of Executive, Non-Executive and Independent Directors and not less than fifty percent of the Board of Directors being independent including a women director on the Board of the Company.

The Board of Directors of the Company consists of Six (6) Directors. To ensure, transparent and professional conduct of board meeting procedures in all aspects related thereto, fifty percent (50%) i.e. 3 out of 6 directors are Independent directors. The composition of the directors is in accordance with the Regulations of the Securities Exchange board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015.

Name of the Director	Category	No of Board Meetings attended during 202	Attendance at the Last AGM (30 th September, 2025)	No. of Directorships in Other Companies		No of Chairmanships/ memberships in other public Companies	Name of other listed entities where he/she is a director and the category of directorship	No. of Shares held
				Private	Public			

		5-26						
Narayana Murthy Bobba DIN:00073068	Executive Director, Chairperson, MD		Yes	0	0	0	NA	2226063
Vijaya Lakshmi Bobba DIN:01496696	Executive Director		Yes	0	0	0	NA	1539340
Lakshmi Narasimha Chowdary Bobba DIN: 02381545	Executive Director		Yes	0	0	0	NA	1370326
Ramesh Babu Nemani DIN; 08089820	Non-Executive Independent Director		Yes	0	4	3	1.Nova Agritech Limited 2.Tierra Agrotech Limited 3.Athena Global Technologies Limited 4.Manoj Vaibhav Gems 'N' Jewellers Limited	-
Sriramshetty Srinivasa Rao DIN;00895774	Non-Executive Independent Director		Yes	0	0	0	NA	-
Sudhakar Nagabhairava	Non-Executive Independent		NA	1	0	0	NA	-

DIN; 10514846	nt Director							
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There are no pecuniary relationships or transactions with Independent Non-Executive Directors except for sitting fees paid for attending Board and other Committee Meetings.

During the Financial year, 2025-26, Board of Directors met (4) Four times and gap between two Board meetings did not exceed 120 days.

30.05.2025	14.08.2025	13.11.2025	12.02.2026
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Disclosure of relationships between directors inter-se:

Shri Narayana Murthy Bobba, Managing Director of the Company is Husband of Smt. Vijaya Lakshmi Bobba, Executive Director of the Company and father of Shri. Lakshmi Narasimha Chowdary Bobba, Executive Director of the Company

Familiarization Programme:

The Company provides for familiarization programmes to any new member on the Board.

It is the general practice of the Company to notify the changes in all the applicable laws from time to time in every Board Meeting conducted and inform new Board member and conduct familiarization programmes to make them familiar with all the provisions and rules as applicable to the company from time to time. Details of Familiarization programme are provided on the website of the Company at www.vsfproject.com

The details of familiarization programme imparted to Independent Directors is available at www.vsfproject.com

SKILLS / EXPERTISE / COMPETENCIES OF THE BOARD OF DIRECTORS

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

- Knowledge on Company's businesses policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.
- Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company
- Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making
- Financial and Management Skills Risk assessment and mitigation, troubleshooting etc.
- Technical / Professional skills and specialized knowledge in relation to Company's business
- In the opinion of the board, the independent directors fulfil the conditions specified in these regulations and are independent of the management

A chart or a matrix setting out the skills/expertise/ competence of the Board of Directors.

List of skills/competencies required in Names of Directors having such relation to business	Core Skills / Expertise / Competencies	Narayana Murthy Bobba	Vijaya Lakshmi Bobba	Lakshmi Narasimha Chowdary Bobba	Ramesh Babu Nemani	Sriramshetty Srinivasa Rao	Sudhakar Nagabhairava
Finance, Law, Management, Administration	Governance and Board service	-	Yes	Yes	Yes	Yes	Yes
Industry/ Sector Knowledge	Business Understanding	Yes	Yes	Yes	Yes	Yes	-
Corporate Governance, Strategic Management	Industry/Sector Knowledge	Yes	Yes	Yes	Yes	Yes	Yes
International Marketing and Sales	Strategy development and implementation	Yes	-	Yes	Yes	Yes	Yes
	Legal/Regulatory Compliance	-	Yes	-	Yes	-	-

Confirmation that in the opinion of the board, the independent directors fulfill the conditions specified in these regulations and is independent of the management.

The Board of Directors be and is hereby confirm that in the opinion of the Board, the Independent Directors fulfil the conditions specified by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013 they are independent of the management. The Independent Directors of the Company met on February 14, 2025 without the presence of Non-Independent Directors.

COMMITTEES OF THE BOARD:

Currently, there are Three Board Committees - Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee.

The terms of reference of the Board Committees are determined by the Board from time to time. Meetings of each Board, Committee are convened by the Chairman of the respective Committees.

The role and composition of these Committees, including the number of meetings held during

the financial year and the related attendance are provided below:

3. AUDIT COMMITTEE

The Audit Committee consists of 2 Independent Directors and one executive Director. It provides assistance to the Board of Directors in fulfilling its oversight responsibilities. The Audit committee has been entrusted with the responsibilities as laid down under Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable and required.

Details on composition of the Audit Committee and the attendance by each Member of the Audit Committee are as under:

Name of the Director	Designation	Category	No. of meetings entitled to attend during the year	No. of meetings Attended
Ramesh Babu Nemani	Chairperson	Independent, Non-Executive	4	4
Sriramshetty Srinivasa Rao	Member	Independent Non-Executive	4	4
Lakshmi Narasimha Chowdary Bobba	Member	Executive	4	4

Meetings during the year:

During the Financial year 2025-26, the Audit Committee met Four (4) times as follows, and all the members were present in each of such meetings.

30.05.2025	14.08.2025	13.11.2025	12.02.2026
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Terms of Reference:

The terms of reference of the Audit Committee are as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Section 177 of the Companies Act, 2013 and includes such other functions as may be assigned to it by the Board from time to time.

The terms of reference of the Audit Committee are as under:

1. Oversight of Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of auditors and fixation of audit fee.
3. Approval of payment to statutory auditors for any other services rendered by them.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's 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. Review of draft Auditors Report, in particular qualifications / remarks / observations made by the Auditors on the financial statements
 - H. Management Discussion and Analysis of financial conditions and results of operations
5. Review of Statement of significant related party transactions submitted by the management.
6. Review of management letters/letters of internal control weaknesses issued by the statutory auditors.
7. Review of internal audit reports relating to internal control weaknesses.
8. Review of appointment, removal and terms of remuneration of the Chief Internal Auditor.
9. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
10. Review of the financial statements of subsidiary Companies.
11. Review and monitor the auditor's independence and performance and effectiveness of audit process.
12. Approval or any subsequent modification of transactions of the Company with related parties.
13. Scrutiny of inter-corporate loans and investments.
14. Valuation of undertakings or assets of the Company, wherever it is necessary.
15. Evaluation of internal financial controls and risk management systems.
16. To look into the reasons for substantial defaults in the payment to the shareholders (in

case of non-payment of declared dividends) and creditors.

17. 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 submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
18. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
19. 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
20. Discussion with internal auditors of any significant findings and follow up there on
21. Reviewing the risk management policies, practices and 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
22. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
23. To review the functioning of the Whistle Blower Mechanism.
24. Approval of appointment / reappointment / remuneration of CFO (or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
25. The Audit Committee discharges its functions and obligations on regular basis and on the occurrence of the events.
26. Reviewing 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 including existing loans / advances / investments existing as on the date of coming into force of this provision.

4. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee has been formed in compliance of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to Section 178 of the Companies Act, 2013 comprising of 3 Independent Directors.

Details on composition of the Nomination and Remuneration Committee and the attendance by each Member of the Nomination and Remuneration Committee are as under: The committee comprises of the following members:

Name of the Director	Designation	Category	No. of meetings entitled to attend during the	No. of meetings Attended
Ramesh Babu Nemani	Chairperson	Independent, Non-Executive	2	2
Sriramshetty Srinivasa Rao	Member	Independent, Non-Executive	2	2
Sudhakar Nagabhairava	Member	Independent, Non-Executive	2	2

Meetings during the year:

During the Financial year 2025-26, the Nomination and Remuneration Committee met two (2) times on

14.08.2025	12.02.2026
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The terms of reference of the Nomination and Remuneration Committee are as under:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
2. Formulation of criteria for evaluation of Independent Directors and the Board Devising a policy on Board diversity.
3. 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 the reappointment and removal.
4. To recommend/review remuneration of Key Managerial Personnel based on their performance and defined assessment criteria.
5. To decide on the elements of remuneration package of all the Key Managerial Personnel i.e. salary, benefits, bonus, stock options, pensions, etc.
6. Recommendation of fee / compensation if any, to be paid to Non-Executive Directors, including Independent Directors of the Board.
7. Payment / revision of remuneration payable to Managerial Personnel.
8. While approving the remuneration, the committee shall take into account financial position of the Company, trend in the industry, qualification, experience and past performance of the appointee.
9. The Committee shall be in a position to bring about objectivity in determining the remuneration package while striking the balance between the interest of the Company and shareholders.
10. Any other functions / powers / duties as may be entrusted by the Board from time to

time.

The Company has adopted a Policy relating to the remuneration for Directors, Key Managerial Personnel and other employees of the Company which is disclosed on the website of the Company at the link: www.vsfproject.com

The key objectives of this Policy includes:

- (i) guiding the Board of Directors in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- (ii) specifying the manner for effective evaluation of the performance of members of the Board, the Board as a whole and Committees thereof, and review its implementation and compliance.
- (iii) recommending to the Board the remuneration, in whatever form, payable to the Directors, Key Managerial Personnel & Senior Management.

The committee under the guidance of Board has formulated the criteria and frame work for the performance evaluation of every Director of the Board including independent Directors and identified the ongoing training and education programs to ensure that the independent Directors are provided with adequate information regarding the business, the industry and their legal responsibilities and duties.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship committee has been formed in compliance of Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to Section 178(5) of the Companies Act 2013. The Stakeholders Relationship Committee consists of 3 Independent Directors. Sri Sriramshetty Srinivasa Rao, Independent Director of the Company heads the Stakeholders Relationship Committee.

Composition

The committee comprises of the following members:

Name of the Director	Designation	Category	No. of meetings entitled to attend during the	No. of meetings Attended
Sriramshetty Srinivasa Rao	Chairman	Independent, Non-Executive	4	4
Ramesh Babu Nemani	Member	Independent, Non-Executive	4	4
Lakshmi Narasimha Chowdary Bobba	Member	Executive	4	4

The terms of reference of the Stakeholder's grievance Committee are as under:

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

Company Secretary of the Company act as Compliance officer of the Company

The company has registered itself under SEBI Compliant Redressal System (**SCORES**) for faster and transparent processing of Investor Grievance. The details of Complaints receive and resolved during the year is as follows:

1	PENDING AT THE BEGINNING OF THE YEAR	0
2	RECEIVED DURING THE YEAR	0
3	DISPOSED OF DURING THE YEAR	0
4	REMAINING UNRESOLVED AT THE END OF THE YEAR	0

There are no pending/outstanding complaints as on 31st March, 2026.

1. Senior management:

Particulars of senior management including the changes therein since the close of the previous financial year

S.No	Name	Designation
1	Lakshmi Narasimha Chowdary Bobba	CFO
2	Himabindu Nandigam (Upto 31.05.2025)	Company Secretary
3	P. Lenin Babu (From 14.08.2025)	Company Secretary

2. Remunerations of Directors

a) All pecuniary relationship or transactions of the nonexecutive directors

Non-executive directors of the Company do not have any pecuniary relationship or transactions with the company.

b) Criteria of making payments to non-executive directors: NA

c) Disclosures with respect to remuneration: in addition to disclosures required under the Companies Act, 2013:

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

Name of the Director	Salary, Allowances & Perquisites	Benefits (Rs.)	Commission (Rs.)	Sitting Fees (Rs.)	Loans from the Company (Rs.)	Total (Rs.)
Bobba Narayana Murthy	36,00,000	-	-	-	-	36,00,000
Bobba Lakshmi Narasimha Chowdary	24,00,000	-	-	-	-	24,00,000
Bobba Vijaya Lakshmi	12,00,000	-	-	-	-	12,00,000
Sriramshetty Srinivasa Rao	-	-	-	1,00,000	-	1,00,000
Ramesh Babu Nemani	-	-	-	1,00,000	-	1,00,000
Sudhakar Nagabhairava	-	-	-	1,00,000	-	1,00,000

3. Details of fixed component and performance linked incentives, along with the performance criteria- **Not Applicable**
4. Service contracts, notice period, severance fees- **Not Applicable**
- iv) Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable – **Not Applicable**

5. GENERAL BODY MEETINGS:

Location and time, where last three annual general meetings were held;

Year	AGM	Day & Date	Time	Venue
2025	33 rd AGM	Tuesday 30 th September 2025	3.00 PM	Sy.No 782 to 1236, Ankulpaturu Village, Chillakur Mandal, SPSR Nellore District,Ap- 524412
2024	32 nd AGM	Monday 30 th September 2024	3.00 PM	Sy. No 782 to 1236, Ankulpaturu Village, Chillakur Mandal, SPSR Nellore District, Ap-524412
2023	31 st AGM	Saturday 30th September 2023	3.00 PM	Sy. No 782 to 1236, Ankulpaturu Village, Chillakur Mandal, SPSR Nellore District, Ap-524412

List of Special Resolutions passed during the last three AGM's:

- i) **Special Resolutions passed during the AGM held in 2024-25: NIL**
- ii) **Special Resolutions passed during the AGM held in 2023-24**
 - Consider and approve the Amendment of Main Object of Memorandum of Association of the Company.
 - Consider and approve the Amendment to Clause III (B) & (C) of Main Object of Memorandum of Association of the Company
- iii) **Special Resolutions passed during the AGM held in 2022-23: NIL**

Postal ballot:

There were no items of business transacted by way of Postal Ballot during the financial year 2025-2026.

8. MEANS OF COMMUNICATION:

a) Quarterly Results

The quarterly, half-yearly and annual results of the Company were normally published by the Company in the newspapers within 48 hours from the conclusion of the Board meeting

b) Newspapers wherein result normally published

The Company publishes its quarterly, half-yearly and annual results in Financial Express in English in Prajasakthi (in regional language) dailies

c) Any Website, Where Displayed: -

The results are displayed on the Company's website www.vsfproject.com

d) Whether it also displays official news releases: No

e) Presentations made to institutional investors or to the analysts:

Company has not made any presentation to the institutional investors or/and analysts

9. GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting	:	34 th Annual General Meeting
Day, Date and time	:	Wednesday, 30 th September, 2026
Venue	:	Sy. No 782 to 1236, Ankulpaturu Village, Chillakur Mandal, SPSR Nellore District, Ap-524412
Financial year	:	01.04.2025 to 31.03.2026 (12 Months)
Book Closure Date	:	24 th September, 2026, to 30 th September, 2026 (both says inclusive)
Dividend	:	NIL
Listing on Stock Exchanges	:	The BSE Limited, Mumbai

Registrars and Transfer Agents : Aarthi Consultants Private Limited 1-2-285, Near Gaganmahal Hospital Domalaguda, Himayatnagar Hyderabad – 500 029 Ph.No.040-27638111

Share Transfer System

The R&T agents process the share transfers received in physical form and the share certificates are returned within 15 days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission etc. of the Company's securities to the Share Transfer Committee.

Distribution of Shareholdings as on 31.03.2026:

Equity shares holding of Nominal Value (Rs)	No. of shareholders	%	Amount (in Rs)	%
Upto 5000	8515	93.44	8278920	5.04
5001 to 10000	193	2.12	1438550	0.87
10001 to 20000	119	1.31	1664180	1.01
20001 to 30000	42	0.46	1046930	0.64
30001 to 40000	25	0.27	901980	0.55
40001 to 50000	34	0.37	1610850	0.98
50001to 100000	61	0.67	4616680	2.81
100001 & above	124	1.36	144860590	88.1
Total	9113	100	164418680	100

DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Company has obtained electronic connectivity with NSDL & CDSL. The ISIN allotted to the Company is INE923K01014. As on 31.03.2026 93.07% of the Paid-up share Capital of the Company is in dematerialized form.

Outstanding GDR's / ADR's / Warrant or any convertible instruments, conversion date and likely impact on Equity:

The Company has not issued any of these instruments till date.

COMMODITY PRICE LIST OR FOREIGN EXCHANGE WITH AND HEDGING ACTIVITY:

Company regularly enters into forward contracts to mitigate the foreign exchange risk

Address for Correspondance : VSF PROJECTS LIMITED (SEZ)
Sy. No 782 to 1236, Ankulpaturu Village,
Chillakur Mandal, SPSR Nellore District, Ap-
524412

Plant Location : VSF PROJECTS LIMITED (SEZ)
Sy. No 782 to 1236, Ankulpaturu Village,
Chillakur Mandal, SPSR Nellore District, Ap-
524412

Nomination Facility:

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company as permitted under Section 72 of the Companies Act, 2013, and the rules made thereunder shareholders are requested to send their request in SH-13 in duplicate to the company.

List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit Programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad: Not Applicable

10. Other Disclosures:

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

There are no materially significant related party transactions i.e., transactions material in nature, with its promoters, the Directors or the Management, their subsidiaries or relatives, etc., having potential Conflict with the interests of the Company at large.

b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years: None

c) Details of establishment of vigil mechanism whistle blower policy, and affirmation that no personnel has been denied access to the audit committee;

The company has formulated and adopted formal whistle blower / vigil mechanism policy

and the same is hosted on the company's website and no concerned person has been denied access to Audit Committee.

- d) Details of compliance with mandatory requirements and adoption of non-mandatory requirements:** The Company has complied with the mandatory requirements and has adopted a few non-mandatory requirements as specified under Regulations of Listing Regulations, which are reviewed by the management from time to time.
- e) Material subsidiary policy is hosted in our website www.vsfproject.com The following is the weblink:** https://www.vsfproject.com/corporate_governance.html
- f) Related party transaction policy is hosted in our website www.vsfproject.com The following is the weblink:** https://www.vsfproject.com/corporate_governance.html
- g) Disclosure of commodity price risks and commodity hedging activities.** Not Applicable
- h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).:** Not Applicable
- i) A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority:**
- Company has obtained certificate from Practicing Company Secretary that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. The same is attached as Annexure to this CG Report
- h) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part**

Type of Service	FY 2026
Statutory Audit	3,50,000/-

- i) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

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

- 1. Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof:** Not Applicable

2. Compliance with non-mandatory requirements: Nil

3. The Company has complied with all the requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub- regulation (2) of regulation 46: Yes

14.INSIDERTRADING REGULATIONS

The Company has adopted a 'Code of Conduct to Regulate, Monitor and Report Trading by Insiders ' ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (The PIT Regulations). The Code is applicable to Promoters, Member of Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with the SEBI (PIT) Amendment Regulations, 2018. This Code is displayed on the Company's website viz.

15. DECLARATION OF COMPLIANCE OF CODE OF CONDUCT

VSF Projects Limited has adopted a Code of Business Conduct and Ethics (the Code) which applies to all the employees and Directors of the Company. Under the Code, it is the responsibility of all the employees and directors to familiarize themselves with the code and comply with its standards.

I hereby certify that the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year 2025-26.

**BY THE ORDER OF THE BOARD
For VSF Projects Limited**

**Place: Hyderabad
Date: 10.08.2025**

**Narayana Murthy Bobba
Chairman & Managing Director
(DIN: 00073068)**

Annexure to Corporate Governance Report (i)

Annual Secretarial Compliance Report

of

VSF PROJECTS LIMITED

for the Financial Year ended 31.03.2025

To
The Board of Directors
VSF Projects Limited
Hyderabad

We P S. Rao & Associates Company Secretaries have examined:

- (a) all the documents and records made available to us and explanation provided by M/s VSF Projects Limited, having its registered office at Sy. No 782 to 1236, Ankulpaturu Village, Chillakur Mandal, SPSR Nellore District, AP-524412, hereinafter referred to as **“the listed entity”**
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the financial year ended 31.03.2026 in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - **Not Applicable during the reporting period**
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable during the reporting period**
- (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;- **Not Applicable during the reporting period**
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (h) The Depositories Act, 1996
- (i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
- (j) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client and circulars/ guidelines issued thereunder.

and based on the above examination, we hereby report that, during the Review Period

- a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued except in respect of matters specified below:

S. N o.	Compliance Requirement (Regulations/circulars/ guidelines including specific clauses)	Regulation / Circular No.	Deviations	Action Taken by	Type of Action	Details of Deviation	Fine Amount (Rs.)	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
1	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

- b) The listed entity has taken the following actions to comply with the observations made in previous reports: Not applicable as the Company as No Secretarial Compliance Report was required to be obtained for the year ended March 31, 2024

I/we hereby report that, during the review period the compliance status of the listed entity with the following requirements:

Sr .No	Particulars	Compliance status (YES/NO/NA)	Observations /Remarks by PCS*
1	Secretarial Standard: The compliances of of the Company are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI).	Yes	NA
2	Adoption and timely updation of the Policies: • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the Company • All the policies are in conformity with SEBI Regulations and has been reviewed & updated on time as per the regulations/circulars/guidelines issued by SEBI	Yes	NA
3	Maintenance and disclosures on Website: • The Listed entity is maintaining a functional website • Timely dissemination of the documents/ information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/ section of the website	Yes	NA
4	Disqualification of Director(s): None of the Director(s) of the Company are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity	Yes	NA
5	To examine details related to Subsidiaries of listed entities: (a) Identification of material subsidiary companies (b) Disclosure Requirement of material as well as other subsidiaries	Yes	NA
6	Preservation of Documents:	Yes	NA

	The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015		
7	Performance Evaluation: The Company has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations	Yes	NA
8	Related Party Transactions: (a) The Company has obtained prior approval of Audit Committee for all Related party Transactions (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit committee	Yes	NA
9	Disclosure of events or information: The Company has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	NA
10	Prohibition of Insider Trading: The Company is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	NA
11	Actions taken by SEBI or Stock Exchange(s), if any: No Action(s) has been taken against the Company/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued	Yes	NA

	thereunder <i>except as mentioned in paragraph (a) and (b) above</i>		
12	Resignation of statutory auditors from the listed entity or its material subsidiaries: In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities	NA	NA
13	Additional non-compliances, if any: No additional non-compliance observed for all SEBI regulation/circular/guidance note etc.	Yes	NA

We further, report that the listed entity is in compliance with the disclosure requirements of Employee Benefit Scheme Documents in terms of regulation 46(2) (za) of the LODR Regulations. **Not Applicable**

Assumptions & limitation of scope and review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial records and books of account of the listed entity.
4. This report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (LODR) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity

**For P.S. Rao & Associates
Company Secretaries**

**Mohit Gurjar
M. No. A20557
C P No: 18644**

Place: Hyderabad
Date: 10.08.2026
UDIN: A020557H001063456

Annexure to Corporate Governance Report (ii)
CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To

The Members of
VSF Projects Limited
Sy.No 782 to 1236,
Ankulpaturu Village,
Chillakur Mandal,
SPSR Nellore District,
Ap-524412

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of VSF Projects Limited, having CIN: L05005AP1992PLC014326 and having its registered office at Sy.No 782 to 1236, Ankulpaturu Village , Chillakur Mandal, SPSR Nellore District, Ap-524412 produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Based on our verification as considered necessary and to the best of our knowledge and according to the explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as on the date of this certificate 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 authority.

S. No.	Name of the Director	DIN	Date of appointment in the Company
1	LAKSHMINARASIMHA BOBBA CHOWDARY	02381545	12.02.2016
2	VIJAYA LAKSHMI BOBBA	01496696	30.04.2007
3	NARAYANA MURTHY BOBBA	00073068	04.06.1992
4	RAMESH BABU NEMANI	08089820	15.11.2021
5	SRIRAMSHETTY SRINIVASA RAO	00895774	15.11.2021
6	SUDHAKAR NAGABHAIRAVA	10514846	24.12.2024

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For P.S. Rao & Associates
Company Secretaries

Sd/-
Mohit Gurjar
Partner
M.No. 20557; C P No: 18644
UDIN: A020557H001063379

Date: 10.08.2026
Place: Hyderabad

Annexure to Corporate Governance Report (iii)

CERTIFICATE FROM COMPANY SECRETARY REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
The Members of
VSF Projects Limited
Hyderabad

We have examined the compliance of conditions of Corporate Governance by VSF Projects Limited ('the Company') for the year ended 31st March, 2026 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15 (2) of the Listing Regulations

The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Regulations.

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

For P.S. Rao & Associates
Company Secretaries

Sd/-
Mohit Gurjar
Partner
M. No. 20557; C P No: 18644
UDIN: A020557H001063456

Date: 10.08.2026
Place: Hyderabad

Annexure to Corporate Governance Report (iv)

CEO /CFO CERTIFICATION TO THE BOARD

(Pursuant to Regulation 17(8) under Chapter IV of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

We, **Narayana Murthy Bobba**, Chairman and Managing Director and **Lakshmi Narasimha Chowdary Bobba**, Chief Financial Officer of the Company responsible for the finance function hereby certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year 2025-2026 and that to the best of our knowledge and belief:
 - (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 company's affairs and are in compliance with existing accounting standards, applicable laws and regulation, including adoption of accounts in the IND AS format for the Current and Previous Year.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year 2025-26, which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility 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 and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such 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 in internal control over financial reporting during the year 2025-2026
 - (ii) significant changes in accounting policies during the year 2025-2026 and that the same have been disclosed in the notes to the financial statements;
 - (iii) There were no instances of significant fraud of which we 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 system over financial reporting.

Sd/-
Narayana Murthy Bobba

Chairman & Managing Director
(DIN: 00073068)

Sd/-
Lakshmi Narasimha Chowdary Bobba
Whole time Director & Chief Financial
Officer
(DIN: 02381545)

Place: Hyderabad
Date: 10.08.2026

INDEPENDENT AUDITOR'S REPORT

To The Members of

VSF PROJECTS LIMITED

Report on Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **VSF PROJECTS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there are no material misstatements of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

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

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

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

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

Auditor's Responsibility for the Financial Statements

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

the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

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

We also:

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020, issued by the department of company affairs, in terms of section 143 (11) of the companies Act, 2013, and on the basis of our examination of the books and records as we considered appropriate and according to the information and explanation given to us, we give in the "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Company as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2020, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no pending litigations as on balance sheet date.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The management has represented, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity including foreign entities

("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- v. The management has represented, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - vi. Based on the audit procedures performed by us, which has considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) and (v) contain any material misstatement.
 - vii. The company hasn't declared any Dividend for the current year.
- g) With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the company to its directors during the year is in accordance with the provisions of the section 197 of the Act.

For V D P & CO.,
Chartered Accountants
FRN No.024607S

Sd/-
Venkata Praveen Kolli
Partner
M.No:254083
UDIN:- 26254083AHHGDT8085

Place: Hyderabad
Date: 25-05-2026.

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **VSF PROJECTS LIMITED** (“the Company”) as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Opinion

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

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the

assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

For V D P & CO.,
Chartered Accountants
FRN No.024607S

Sd/-
Venkata Praveen Kolli
Partner,
M. No: 254083
UDIN:- 26254083AHHGDT8085

Place: Hyderabad
Date: 25-05-2026.

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of VSF Projects Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that

- i. In respect of the Company's Property, Plant and Equipment:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment including leased assets.
 - b) The Company has maintained proper records showing full particulars of intangible assets.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
 - d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
 - e) The Company has not revalued any of its property, plant and equipment (including right of use assets) and intangible assets during the year
 - f) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
 - a) The Company does not have any inventory at the year end. Accordingly, clause 3(ii)(a) of the Order is not applicable.
 - b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185

and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it (and/or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.

vii.

a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2026, for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

ix.

a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.

c) According to the information and explanations given to us by the management, the Company has obtained term loans during the year. The term loans were applied for the purpose for which loans were obtained.

d) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March ,2026. Accordingly, clause 3(ix)(e) is not applicable.

x.

a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any private

placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

xi.

- a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- b) According to point stated above no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties, if any, are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business

xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company

- a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) and Clause 3(xvi)(b) of the Order is not applicable.
- b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- c) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

xvi. The Company has incurred cash losses in the current year of amount Rs.(14.58) lakhs compared to (13.42) lakhs in the immediately preceding financial year.

xvii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

xviii. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the [standalone] financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the

assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xix. The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For V D P & CO.,
Chartered Accountants
FRN No.024607S

Sd/-
Venkata Praveen Kolli
Partner
M.No:254083
UDIN:- 26254083AHHGDT8085

Place: Hyderabad
Date:25-05-2026

PART:I FORM OF BALANCE SHEET VSF PROJECTS LIMITED Sy.No. 782 to 1236, Anakalapatur Village,Chillakur Mandal, Tirupathi District, AP, 524 412 CIN:L05005AP1992PLC014326 Balance Sheet as on 31 March 2026 (Rs in Lakh)			
Particulars	Note No.	Standalone	
		For the period ended 31.03.2026	For the year ended 31.03.2025
ASSETS			
Non-current assets			
Property plant and Equipment	2.10		
Tangible assets		6,556.17	6,526.00
Intangible assets		0.26	0.35
Capital Work in Progress		11,634.34	8,853.67
Financial assets			
Investments		-	-
Deferred tax Asset (Net)	2.20	2.80	5.93
Current assets			
Financial assets			
Trade receivables	2.30	-	-
Cash and cash equivalent	2.40	100.04	55.11
Other financial assets	2.50	645.90	1,558.22
Other current assets	2.60	198.23	180.19
TOTAL		19,137.75	17,179.47
EQUITY AND LIABILITIES			
<u>Equity</u>			
Equity Share Capital	2.70	1,639.63	1,639.63
Other Equity	2.80	8,193.37	8,236.59
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	2.90	8,468.26	6,043.69

Other Financial Liabilities		-	-
Deferred tax liabilities (net)		-	-
Other non-current liabilities	2.11	-	-
Current liabilities			
Financial Liabilities			
Borrowings	2.90	-	-
Trade payables	2.12	771.31	1,053.67
Other financial liabilities	2.10	54.16	80.77
Other current liabilities	2.11	11.02	125.11
Provision for tax	2.13	-	-
TOTAL		19,137.75	17,179.47

The accompanying Significant accounting policies and notes form an integral part of the Standalone financial statements.

As per our report of even date

For V D P & Co.

Chartered Accountants

Firm Regn No:024607S

sd/-

Venkata Praveen Kolli

Partner

Membership No.254083

UDIN: 26254083AHHGDT8085

**For and on behalf of Board
VSF PROJECTS LIMITED**

sd/-

B L N CHOWDARY

CFO & WholeTime Director

DIN:02381545

sd/-

BN MURTHY

Managing Director

DIN:00073068

sd/-

LENIN BABU P

Company Secretary

Place: Hyderabad

Date: 25-05-2026

PART :II FORM OF STATEMENT OF PROFIT AND LOSS VSF PROJECTS LIMITED Sy.No. 782 to 1236, Anakalapatur Village,Chillakur Mandal, Tirupathi District, AP, 524 412 CIN:L05005AP1992PLC014326 Statement of Profit and Loss for the period ended 31 March 2026 (Rs in Lakh)			
Particulars	Note No.	For the period ended 31.03.2026	For the year ended 31.03.2025
Income			
Revenue from operations	2.14	-	-
Total Revenue from operations		-	-
Other income	2.15	63.64	42.88
Total Income		63.64	42.88
Expenses			
Cost of materials consumed	2.16		
Employee benefits expense	2.17	1.04	2.32
Finance costs	2.18	16.71	2.99
Depreciation and amortization expense	2.1	25.51	13.56
Other expenses	2.19	60.47	50.99
Total Expenses		103.73	69.86
Profit/(loss) before exceptional items and tax from continuing operations		(40.09)	(26.98)
Exceptional items	2.20	-	-
Profit/(loss) before tax (V+VI)		(40.09)	(26.98)
Tax expense			
(1) Current tax		-	-
(2) Deferred tax		3.13	2.43
Net Profit for the Period		(43.22)	(29.41)
Other comprehensive income (OCI)			
(a) (i) Items that will not be reclassified to profit or loss		-	-

(ii) Tax on items that will not be reclassified to profit or loss	-	-
(b) (i) Items that will be reclassified to profit or loss	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-
Total Other Comprehensive income	-	-
Total Comprehensive income	(43.22)	(29.41)
Paid-up Equity Share Capital (Rs.,10/- per Equity Share)	1,639.63	164.42
Other Equity	8,193.37	8,236.59
Earnings per equity share (Face value of Rs.10/- each)		
(1) Basic	(0.26)	(0.23)
(2) Diluted	(0.26)	(0.23)

The accompanying Significant accounting policies and notes form an integral part of the Standalone financial statements. As per our report of even date.

For V D P & Co

Chartered Accountants

Firm Regn No.024607S

Sd/-

Venkata Praveen Kolli

Partner

Membership No.254083

For and on behalf of Board

VSF PROJECTS LIMITED

Sd/-

B N MURTHY

Managing Director

DIN :00073068

Sd/-

B L N CHOWDARY

CFO & Whole Time Director

DIN:02381545

Sd/-

LENIN BABU P

Company Secretary

Place : Hyderabad

Date: 25.05.2026

PART:III STATEMENT OF CASH FLOW VSF PROJECTS LIMITED Sy.No. 782 to 1236, Anakalapatur Village,Chillakur Mandal, Tirupathi District, AP, 524 412 CIN:L05005AP1992PLC014326 Statement of Cash Flow statement for the year ended 31-03-2026 (Rs. in Lakhs)		
Particulars	For the period ended 31 March 2026	For the period ended 31 March 2025
Cash Flows from Operating Activities		
Net profit before tax	(43.22)	(26.98)
Adjustments for :		
Depreciation and amortization expense	25.51	13.56
Decrease in DTA	3.13	-
Finance cost	16.71	2.99
Loss on sale of fixed asset	-	-
Exceptional Item	-	-
Operating profit before working capital changes	2.13	(10.43)
Movements in Working Capital :		-
(Increase)/Decrease in Trade Receivables	-	-
(Increase)/Decrease in Other financial assets	912.32	(1,454.07)
(Increase)/Decrease in Other Current Assets	(18.04)	102.19
Increase/(Decrease) in Borrowings	2,424.57	2,890.13
Increase/(Decrease) in Trade Payables	(282.36)	234.70
Increase/(Decrease) in Other financial liabilities	(26.62)	37.20
Increase/(Decrease) in Other non-current liabilities	-	-
Increase/(Decrease) in Other Current liabilities	(114.10)	41.44
Changes in Working Capital	2,895.77	1,851.59
Cash generated from operations	2,897.91	1,841.16
Direct Taxes Paid	-	4.52
Net Cash generated from operating activities (A)	2,897.91	1,836.64

Cash flows from Investing Activities		-
(Purchase) /Sale of Fixed Assets	(29.19)	(202.38)
(Purchase) /Sale of Furniture	(16.84)	-
(Purchase) /Sale of Land	(9.56)	-
Outflow of WIP	(2,780.67)	(6,766.67)
Net Cashflows used in Investing Activities (B)	(2,836.26)	(6,969.05)
Cash flows from Financing Activities		-
Proceeds from issue of shares	-	4,909.80
Right shares issue expenses	-	(24.05)
(Repayment)/Proceeds from Short-term borrowings	-	-
Finance cost	(16.71)	(2.99)
Net Cash (used)/generated in Financing Activities (C)	(16.71)	4,882.77
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	44.93	(249.64)
Cash and Cash equivalents at the beginning of the year	55.11	304.75
Cash and Cash equivalents at the ending of the year	100.04	55.11
Notes :- 1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard on "Cash Flow Statements".(Ind AS-7) 2. The accompanying notes are an integral part of the financial statements.		
Particulars	For the period ended 31 March 2026	For the period ended 31 March 2025
Cash and Cash Equivalent	100.04	55.11
Cash Credit	-	-
	100.04	55.11

The accompanying Significant accounting policies and notes form an integral part of the Standalone financial statements. As per our report of even date.

For V D P & Co
Chartered Accountants
 Firm Regn No.024607S
 Sd/-
Venkata Praveen Kolli

For and on behalf of Board
VSF PROJECTS LIMITED

 Sd/-
B N MURTHY

 Sd/-
B L N CHOWDARY

Partner
Membership No.254083

Managing Director
DIN :00073068

CFO & Whole Time Director
DIN:02381545

Sd/-
LENIN BABU P
Company Secretary

Place : Hyderabad
Date: 25.05.2026

PART:IV STATEMENT OF CHANGES IN EQUITY

Sy.No. 782 to 1236, Anakalapatur Village,Chillakur Mandal, Tirupathi District, AP, 524 412

CIN:L05005AP1992PLC014326

**Statement of Changes in Equity
for the period ended 31 March
2026**

PARTICULARS	Share capital	RET AINE D EARN ING S	CAP ITA L RES ERV E	SECU RTIE S PREM IUM	REVAL UATIO N RESER VE	OTHER COMPRE HENSIVE INCOME	TOTAL EQUIT Y
Opening Balance as on 01/04/2024							
	657.67	2,506.66	29.33	340.61	1,928.40	(442.80)	5,019.88
Additions during the year							
	981.96	(29.41)	-	3,927.84	-	-	4,880.39
Used for right issue expenses				(24.05)			(24.05)
Dividend paid	-	-	-	-	-	-	-
Amount transfer to general reserve	-	-	-	-	-	-	-
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	-	-	-	-
Balance as at 31/3/2025	1,639.63	2,477.25	29.33	4,244.41	1,928.40	(442.80)	9,876.22
Additions during the year	-	(43.22)	-	-	-	-	(43.22)
Adjusting of right issue expenses	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-
Amount transfer to general reserve	-	-	-	-	-	-	-
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	-	-	-	-
Balance as at 31/3/2026	1,639.63	2,434.03	29.33	4,244.41	1,928.40	(442.80)	9,833.00

For V D P & Co
Chartered Accountants
Firm Regn No.024607S
Sd/-
Venkata Praveen Kolli
Partner
Membership No.254083

For and on behalf of Board
VSF PROJECTS LIMITED

Sd/-
B N MURTHY
Managing Director
DIN :00073068

Sd/-
B L N CHOWDARY
CFO & Whole Time Director
DIN:02381545

Sd/-
LENIN BABU P
Company Secretary

Place : Hyderabad
Date: 25.05.2026

NOTES TO FINANCIAL STATEMENTS

DESCRIPTION OF THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES

A. General Information

VSF Projects Limited (the company) is engaged in Construction and Infrastructure development and Execution. The Company is setting up of a multi-product FTWZ at Ankulapaturu Village, Chillakuru Mandal, SPSR Nellore district, Andhra Pradesh over an area of 50Ha (132.96 Acres) . The Company is a public limited company incorporated and domiciled in India and has its registered office at Ankulapatur Village, Chillakuru Mandal ,SPSRNellore District, Andhra Pradesh. The Company has its primary listings on the Bombay Stock Exchange. The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation and presentation of Financial Statements

The financial statements of VSF Projects Limited (“VSF” or “the Company”) have been prepared and presented in accordance with the Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 , as amended and as per other relevant provisions of the Act. The presentation of financial statements is based upon Ind AS Schedule III of Companies Act, 2013.

Basis of Measurement

These financial statements have been prepared on the historical cost convention and on an accrual basis. All assets and liabilities are classified into current and non-current based on the operating cycle of less than twelve months or based on the criteria of realisation/settlement within twelve months period from the balance sheet date.

B. Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, the areas involving critical estimates or Judgments are:

i) Depreciation and amortization

Depreciation and amortization is based on management estimates of the future useful lives of certain class of property, plant and equipment and intangible assets.

ii) Provision and contingencies

Provisions and contingencies are based on the Management’s best estimate of the liabilities based on the facts known at the balance sheet date.

iii) Fair valuation

Fair value is the market based measurement of observable market transaction or available market information.

C. Functional and presentation currency

These financial statements are presented in Indian rupees, which is also the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest rupees.

D. Current and noncurrent classification

All the assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1, and Presentation of financial statements.

Assets: An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is expected to be realized within twelve months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities: A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is due to be settled within twelve months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include the current portion of noncurrent assets/ liabilities respectively. All other assets/ liabilities are classified as noncurrent. Deferred tax assets and liabilities are always disclosed as non-current

Significant Accounting Policies

1) Property Plant & Equipment

The company has elected revaluation model as its accounting policy for accounting its property, plant and equipment.

After recognition as an asset, an item of property, plant and equipment whose fair value can be measured reliably is carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations is made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

If an asset's carrying amount is increased as a result of a revaluation, the increase should be recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus. However, the increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss.

If an asset's carrying amount is decreased as a result of a revaluation, the decrease is recognised in profit or loss. However, the decrease shall be recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that

asset. The decrease recognised in other comprehensive income reduces the amount accumulated in equity under the heading of revaluation surplus.

Depreciation

Depreciation is recognized in the statement of profit and loss on a Straight line method over the estimated useful lives of property, plant and equipment based on Schedule II to the Companies Act, 2013 ("Schedule"), which prescribes the useful lives for various classes of tangible assets. For assets acquired or disposed off during the year, depreciation is provided on prorata basis.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate

The estimated useful lives are as follows:

Type of Asset	Estimated useful life in years
Buildings	30
Plant & Machinery	15
Vehicles	
i) Motor cycles, scooters and other mopeds	10
ii) Motor buses, Motor lorries, Motor taxis and Motor cars	8
Office Equipment	5
Furniture & Fixtures	10
Intangible Assets	5

2) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into following categories:

- Financial Assets at amortized cost
- Financial Assets at fair value through other comprehensive income (FVTOCI)
- Financial Assets at fair value through profit or loss (FVTPL)
- Impairment of financial assets

Financial Assets at amortised cost

A Financial Asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in other income in the statement of profit and loss.

Financial Assets at FVTOCI

A Financial Asset is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Financial Assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified to the statement of profit and loss. Interest earned whilst holding FVTOCI is reported as interest income using the EIR method.

Financial Assets at FVTPL

FVTPL is a residual category for Financial Assets. Any asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. These include surplus funds invested in mutual funds.

Impairment of trade receivables

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18. Expected credit loss model takes into consideration the present value of all the cash shortfalls over the expected life of a financial instrument. In simple terms, it is weighted average of credit losses with the respective risks of default occurring as weights. The credit loss is the difference between all contractual cash flows that are due to an entity as per the contract and all the contractual cash flows that the entity expects to receive, discounted to the effective interest rate. The Standard presumes that entities would suffer credit loss even if the entity expects to be paid in full but later than when contractually due. In other words, it simply focuses on DELAYS in collection of receivables.

For the purpose of identifying the days of delay, the Company took into consideration the weighted average number of delays taking into consideration deviation of receivables turnover ratio from normal credit period.

Investment in Subsidiary:

Following the principles enumerated in Ind AS 27, *Separate Financial Statements*, the Company elected to account for its investment in its subsidiary in accordance with Ind AS 109, *Financial Instruments*.

Ind AS 109 requires an entity to measure the investment in equity shares at fair value and recognize the changes in fair value through profit and loss account. However, it also gives an irrevocable option to an entity to recognize the aforesaid changes in fair value through other comprehensive income ("OCI"). On the transition date, the Company has elected the irrevocable option to recognize the fair value changes in the equity shares in the subsidiary in Other Comprehensive Income.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognised in OCI. These gains/ losses are not subsequently transferred to the statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

3) Inventories

Inventories consist of goods and to be measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average method. Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity. Stores and spares, that do not qualify to be recognised as property, plant and equipment and consumables which are used in operating machines or consumed as indirect materials in the manufacturing process. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

4) Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, an impairment test is performed each year at March 31.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

5) Cash & Cash Equivalents

Cash and bank balances comprise of cash balance in hand, in current accounts with banks,. Bank overdrafts that are repayable on demand and form an integral part of our cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

6) Employee Benefits

Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Termination benefits

Termination benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

7) Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

8) Revenue Recognition

Revenue from Construction Contracts

Revenue from Construction contracts is measured at fair value of the consideration received or receivable.

Revenue from construction contracts is recognized only to the extent of contract costs incurred that is probable will be recoverable.

Revenue from construction contracts is recognized only when the revenue can be estimated reliably and contract revenue and contract costs associates with the construction contract is recognized by reference to the stage of completion of the contract activity at the end of the reporting period.

Prior period figures have been regrouped/reclassified wherever necessary for comparative purposes

9) Tax Expenses

Tax expense consists of current and deferred tax.

Income Tax

Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred Tax

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset

current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

10) Earnings Per Share

The Company presents basic and diluted earnings per share (“EPS”) data for its ordinary shares. Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

11) Trade receivables

Trade receivables are initially recognized at fair value and subsequently measured at amortized cost using effective interest method, less provision for impairment.

12) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

13) Recent Accounting Pronouncements:

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2026, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

2.1: Property, plant and equipment										
Particulars	Gross carrying value				Accumulated depreciation / impairment			Net carrying value		Rs. in Lakh
	As at 01 April 2025	Additions/Revaluation	Disposals	As at 31 March 2026	As at 1 April 2025	Impairment for the year	Disposals	As at 31 March 2026	As at 31 March 2026	
Land	6,335.44	9.56	-	6,345.00	-	-	-	-	6,345.00	6,335.44
Buildings	22.48	-	-	22.48	21.93	-	-	21.93	0.55	0.55
Plant and equipment	57.12	-	-	57.12	28.29	2.05	-	30.34	26.78	28.82
Office equipment	1.01	16.84	-	17.85	0.36	0.66	-	1.02	16.84	0.66
Vehicles	165.90	29.19	-	195.09	536	22.71	-	28.08	167.01	160.53
Total	6,581.94	55.59	-	6,637.53	55.94	25.42	-	81.36	6,556.17	6,526.00
Intangible Assets										
SDD Software	0.47	-	-	0.47	0.12	0.09	-	0.21	0.26	0.35
Total	0.47	-	-	0.47	0.12	0.09	-	0.21	0.26	0.35
Capital Work in Progress										
Work in Progress	8,853.67	2,780.67	-	11,634.34	-	-	-	-	11,634.34	8,853.67
Total	8,853.67	2,780.67	-	11,634.34	-	-	-	-	11,634.34	8,853.67
Total PPE	15,436.08	2,836.26	-	18,272.35	56.06	25.51	-	81.57	18,190.77	15,380.02

2.2 Deferred tax Asset (Net)

Particulars	31-03-2026	31-03-2025
Opening Balance		
	5.93	8.36
Add : On account of IND AS Adjustment		
Add : On account of difference in Net Block	(3.13)	(2.43)
Add : On account of deferment of Processing Charges		
Closing Balance	2.80	5.93

2.3 Trade receivables

Particulars	31-03-2026	31-03-2025
	Non Current	Non Current
Trade Receivables		
Unsecured,considered good		
Less: Allowances for credit losses		
TOTAL		
	-	-
Trade Receivables hypothecated as security for availing working capital facilities.		

2.4 Cash and Cash Equivalents

Particulars	31-03-2026	31-03-2025
a) Cash and Cash equivalents		
Cash in hand	0.04	2.35
Balances with banks in current accounts		
i. Current accounts	100.00	52.76
ii. Deposit accounts with Original maturity of less than 3 months	-	-
Total	100.04	55.11

Cash and Cash Equivalents include the following for Cash flow purpose

Particulars	31-03-2026	31-03-2025
Cash and Cash Equivalents/ Bank Balances	100.04	55.11
Less: Unclaim dividend	-	-
Less: Cash credit to be classified as Cash and Cash Equivalents for cash flow purpose	-	-
Cash and Cash Equivalents/ Bank Balances	100.04	55.11

2.5 Other Financial Assets

Particulars	31-03-2026		31-03-2025	
	Non- Current	Current	Non- Current	Current
Security Deposits	-	645.90	-	1,558.22
TOTAL	-	645.90	-	1,558.22

2.6 Other Non Current Assets and Current Assets

Total investments carried at cost	31-03-2026		31-03-2025	
	Non- Current	Current	Non- Current	Current
Prepaid Expenses	-	44.78		44.78
Balances with Revenue Authorities	-	70.24		58.35
Advance to Creditors	-	64.72		57.59
Rental Advances	-	-		0.62
Salary Advances	-	-		0.22
Other current assets	-	18.50		18.65
TOTAL	-	198.23	-	180.19

2.7 Share Capital

Particulars	As at 31-03-2026		As at 31-03-2025	
	Number	Amount	Number	Amount
Authorized Share Capital				
1,70,00,000 Equity Shares of Rs.10 each	1,70,00,000	17,00,00,000	1,70,00,000	17,00,00,000
Issued ,Subscribed and Paid up Share Capital				
65,76,747 Equity Shares of Rs.10 each, fully paid up	65,76,747	6,57,67,470	65,76,747	6,57,67,470
97,74,077 Equity shares of Rs .10 each ,fully paid up	97,74,077	9,77,40,770	97,74,077	9,77,40,770
Subscribed but not fully paid-up:				
91,044 Equity shares of Rs .10 each ,(Rs.5 Partly paid up)	91,044	4,55,220	91,044	4,55,220
Total	1,64,41,868	16,39,63,460	1,64,41,868	16,39,63,460
<u>Reconciliation of the number of equity shares outstanding:</u>				
Particulars	As at 31-03-2026		As at 31-03-2025	

	Number of shares	Amount	Number of shares	Amount
Shares outstanding at beginning of the year	1,64,41,868	16,39,63,460	65,76,747	6,57,67,470
Add: Right Shares issued during the year				
97,74,077 Fully paid up shares of Rs. 10 each	-	-	97,74,077	9,77,40,770
91,044 Partly up shares of Rs. 10 each	-	-	91,044	4,55,220
Total	1,64,41,868	16,39,63,460	1,64,41,868	16,39,63,460

Rights Attached to the equity share holders :

1.The Company has only one class of equity shares having a face value of Rs.10 /- each. Each holder of equity share is entitled to one vote per share.

2.The company declares and pays dividends in Indian Rupees.

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

Shareholders holding more than 5% of shares:

Particulars	As at 31-03-2026		As at 31-03-2025	
	No. of shares	% Holding	No. of shares	% Holding
B. N. Murthy	22,26,063	13.54%	22,26,063	13.54%
Bobba Vijaya Lakshmi	15,39,340	9.36%	15,39,340	0.09
Bobba Lakshmi Narasimha	13,70,326	8.33%	13,70,326	8.33%
Bobba Lakshmi Divya	10,60,540	6.45%	10,60,540	0.06
Total	61,96,269	37.69%	61,96,269	37.69%

Shareholding of promoters

Share held by the promoter as on 31-03-2026

Promoter Name	No of shares	% of Total shares
B. N. Murthy	22,26,063	13.54%
Bobba Vijaya Lakshmi	15,39,340	9.36%
Sree Rama Chandra Rao Guttikonda	35,004	0.21%
Prabhakar Rao Bobba	1,12,759	0.69%
Namratha Gutta .	2,500	0.02%
Ravi Kiran Gutta .	4,200	0.03%

K V Srinivas		0.29%
Kantamneni Roja Prasad	47,789	0.30%
Prasad Dandamudi	49,500	0.05%
Nagendra Prasad Bobba	8,429	0.13%
Bobba Lakshmi Narasimha	22,000	8.33%
Bobba Lakshmi Divya	13,70,326	6.45%
Bobba Suvarchala Devi	10,60,540	0.45%
Murali Krishna Mandava	74,000	0.15%
Varalakshmi Koganti	23,900	0.43%
Bobba Swarajya Lakshmi	71,500	0.51%
Total	83,500	40.94%
	67,31,350	

2.8 Other Equity

Particulars	31-03-2026	31-03-2025
Capital Reserve		
Opening Balance	29.33	29.33
Add: Additions during the year	-	-
	29.33	29.33
Securities Premium		
Opening Balance	4,244.41	340.61
Add: Additions during the year	-	3,927.84
Less: Securities premium used for right issue expenses.	-	(24.05)
	4,244.41	4,244.41
Revaluation reserve		
Opening Balance	1,928.40	1,928.40
Add: Additions during the year	-	-
	1,928.40	1,928.40
Retained Earnings		
Opening Balance	2,477.25	2,506.66
Add: Net profit transferred from the Statement of Profit and Loss	(43.22)	(29.41)
	2,434.03	2,477.25
Other Comprehensive Income		
a. Revaluation Reserve on Fixed Assets	4,929.20	4,929.20

b. Impairment on Investment in Subsidiary	(5,372.00)	(5,372.00)
	(442.80)	(442.80)

Total other equity as on 31/03/2025	8,193.37	8,236.59
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2.9 Borrowings

Particulars	31-03-2026		31-03-2025	
	Current	Non Current	Current	Non Current
Secured Borrowings:				
From Banks				
- Term Loan	-	8,300.00	-	5,882
From Financial Institutions				
- Vehicle Loans	-	57.75	-	57.75
Unsecured Borrowings				
From Others				
Inter Corporate Deposit	-	20.40	-	13.85
Loans from Directors	-	90.11	-	90.11
		-	-	-
Total	-	8,468.26	-	6,043.69

Name of the bank	Rate of Interest	Primary Security	Guarantors	O/s Balance
1. Indusind Bank Limited	3-Month MCLR + 0.30% (9.75% When loan was sactioned.)	Land	1. Mr .Narayana Murthy Bobba 2. Mr. Lakshmi Narasimha Bobba 3.Vijaya Lakshmi Bobba	8,300.00
2. Mercedes-Benz Financial Services Pvt. Ltd	8.69%	The vehicle will be hypothecated to the lender as loan security.		57.75

2.10 Other financial liabilities

Particulars	31-03-2026		31-03-2025	
	Current	Non Current	Current	Non Current
Payable for Expenses	1.15	-	28.04	-
Others financial liabilities	49.51	-	49.51	-
Audit Fees	3.50	-	3.23	-
Total	54.16		80.77	-

2.11 Other Non Current Liabilities & Current liabilities

Particulars	31-03-2026		31-03-2025	
	Current	Non Current	Current	Non Current
Advance against equipment sale	-	-	-	-
Salaries & Remuneration Payable	11.02	-	21.42	-
TDS Payable	-	-	33.12	-
Equipment advances	-	-	42.73	-
Current Maturities	-	-	27.84	-
Total	11.02		125.11	-

2.12 Trade Payables

Particulars	31-03-2026	31-03-2025
Sundry Creditors	771.31	1,053.67
	-	-
Total	771.31	1,053.67

Trade payables ageing for the year ended 31-03-2026

Particulars	Outstanding for following periods from due date of payment				Total
	<1 year	1-2 years	2-3 years	>3 years	
(i) MSME		-	-	-	-
(ii) Others	-		-	771.31	771.31
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Total	-	-	-	771.31	771.31
Trade payables ageing for the ended 31 March 2025					
Particulars	Outstanding for following periods from due date of payment				
	<1 year	1-2 years	2-3 years	>3 years	Total
(i) MSME		-	-	-	-
(ii) Others				1,053.67	1,053.67
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	-	-	-	1,053.67	1,053.67

2.13 Provision for tax

Other Expenses	31-03-2026	31-03-2025
Provision for income tax		
Current Year Provision		
Total		

2.14 Revenue from operations

Particulars	31-03-2026	31-03-2025
Revenue from :		
Work Bills		
Other Operating Income		
Total		

2.15 Other income

Particulars	31-03-2026	31-03-2025
Income from Aqua Culture		
Interest Income		
Miscellaneous Income		
Total		

2.16 Cost of materials consumed

Particulars	31-03-2026	31-03-2025
Raw Material		

Purchases	-	-
Add: Opening Stock		
	-	-
Less: Closing Stock		
Total		
	-	-

2.17 Employee benefits expense

Particulars	31-03-2026	31-03-2025
Salaries, Wages and Bonus		-
Staff welfare expenses	1.04	2.32
Directors Remuneration	-	-
Total	1.04	2.32

2.18 Finance costs

Particulars	31-03-2026	31-03-2025
Commission on bank gaurenty	-	0.55
Financial Consultant Charges	10.01	
Interest on car loan	6.35	1.29
Loan Processing Fee	0.10	-
Other borrowing costs	0.25	1.15
Total	16.71	2.99

2.19 Other expenses

Particulars	31-03-2026	31-03-2025
Power and fuel	0.37	1.40
Insurance	3.42	1.01
Repairs & Maintainance	2.34	4.24
Work Expenses	4.67	0.35
Rent	9.02	9.75
Rates and Taxes	-	1.60
Travelling Expenses	7.52	4.22
Office Maintenance	1.75	0.07
Legal Charges	0.84	0.70
Arbitration Fee	0.93	

Auditor's Remuneration	3.50	2.50
Telephone charges	0.41	0.50
AGM Expenses	-	2.98
Incometax (Previous years)	6.39	-
Penalty Charges	-	-
Listing fee & Charges	3.39	3.25
Advertisement	1.79	4.38
Director Sitting fees	1.50	-
Printing & Stationery	0.18	0.42
ROC Filing Fee	-	-
Professional Charges	7.11	2.66
Bank Charges	0.00	0.24
Registration Fees	0.10	-
Board Meeting expenses	1.75	3.00
Internet Charges	0.81	0.36
Rights Processing Fee	-	3.37
Loss on sale of land	-	-
Other Expenses	1.51	0.63
Bad Debts	-	-
Postage& Telegram Charges	0.01	0.02
Depository charges	1.15	3.34
Total	60.47	50.99

(All Amounts are in Lakhs unless and otherwise specified.)

2.20 Auditors Remuneration

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
a) Audit fees	3.50	2.50
b) Other charges		
Taxation matters	-	-
Certification fee	-	-
c) Reimbursement of out of pocket expenses	-	-

TOTAL	3.50	2.50
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2.21 Earnings per Share

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Earnings		
Profit attributable to equity holders	-43.22	-29.41
Shares		
Number of shares at the beginning of the year	164.42	65.77
Add: Equity shares issued	-	98.65
Less: Buy back of equity shares	-	-
Total number of equity shares outstanding at the end of the year	164.42	164.42
Weighted average number of equity shares outstanding during the year – Basic	164.42	125.40
Add: Weighted average number of equity shares arising out of outstanding stock options (net of the stock options forfeited) that have dilutive effect on the EPS	-	-
Weighted average number of equity shares outstanding during the year – Diluted	164.42	125.40
Earnings per share of par value Rs.10/- – Basic	(0.26)	(0.23)
Earnings per share of par value Rs.10/- – Diluted	(0.26)	(0.23)

2.22 Related Parties

In accordance with the provisions of Ind AS 24 “Related Party Disclosures” and the Companies Act, 2013, Company’s Directors, members of the Company’s Management Council and Company Secretary are considered as Key Management Personnel. List of Key Management Personnel of the Company is as below:

- Sri B N Murthy – Managing Director
- Smt. B. Vijaya Lakshmi – Whole time Director
- Sri. Lakshmi Narasimha Chowdary Bobba – Whole time Director & CFO.
- Sri Ram Shetty Srinivasa Rao-Independent Director
- Sri Ramesh Babu Nemani-Independent Director
- Sri Sudhakar Naga Bhairava – Independent Director

Relative of KMP :

- B Lakshmi Divya

The following is a summary of significant related party transactions:

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
a) Key managerial personnel		
Remuneration & Commission		
B N Murthy	36.00	36.00
B. Vijaya Lakshmi	12.00	6.00
Lakshmi Narasimha Chowdary Bobba	24.00	24.00
b) Loan from Directors		
B N Murthy	-	-
B.L.N.Chowdary	-	-
B. Vijaya Lakshmi	-	-
Total		
c) Loan from Relatives of KMP		
B Lakshmi Divya	-	-
TOTAL	-	-

2.23 Segment Reporting:

The Company concluded that there is only one operating segment i.e, Construction and Infrastructure development and aqua culture .Hence, the same becomes reportable segment for the Company. Accordingly, the Company has only one operating and reportable segment, the disclosure requirements specified in paragraphs 22 to 30 are not applicable.

2.24 Income Taxes:

a. Income tax expense/ (benefit) recognized in the statement of profit and loss:

Income tax expense/ (benefit) recognized in the statement of profit and loss consists of the following:

Particulars	For the Year Ended 31 st March	
	2026	2025
Current taxes expense	-	-
Domestic		-
Deferred taxes expense/(benefit)		
Domestic	3.13	2.43
Total income tax expense/(benefit) recognized in the statement of profit and loss	3.13	2.43

a. Reconciliation of Effective tax rate:		
Particulars	For the Year Ended 31 March	
	2026	2025
Profit before income taxes	(40.09)	(26.98)
Enacted tax rate in India	26%	26%
Computed expected tax benefit/(expense)	-	-
Effect of:		
Expenses not deductible for Tax purposes		13.56
	25.51	
Expenses deductible for Tax purposes	(78.21)	(22.92)
On account of carry forward losses		
Others		
Income tax benefit/(expense)		
Effective tax rate	-	-

b. Deferred tax assets & Liabilities:

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that created these differences is given below:

Particulars	For the Year Ended 31 March	
	2026	2025
<u>Deferred tax assets/(liabilities):</u>		
Property, plant and equipment	(3.13)	(2.43)
Others		
Net deferred tax assets/(liabilities)	(3.13)	(2.43)

c. Movement in deferred tax assets and liabilities during the year ended 31st March 2026 & 2025:

Particulars	As at 1 April 2025	Recognized in statement of profit and loss	Recognized in equity	As at 31 March 2026
<u>Deferred tax assets/(liabilities)</u>				
Property, plant and equipment	5.93	(3.13)		2.80
Net deferred tax assets/(liabilities)	5.93	(3.13)		2.80

[Continued from above table, first column(s) repeated]

Particulars	As at 1 April 2024	Recognized in statement of profit and loss	Recognized in equity	As at 31 March 2025
<u>Deferred tax assets/(liabilities)</u>				
Property, plant and equipment	8.36	(2.43)		5.93
Others				

2.25 Property, Plant and Equipment:

The company has elected revaluation model as its accounting policy for accounting its property, plant and equipment.

After recognition as an asset, an item of property, plant and equipment whose fair value can be measured reliably is carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. If an asset's carrying amount is increased as a result of a revaluation, the increase should be recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus. Assets remained at their carrying amounts as no revaluation was performed during the year.

2.26 Investments:

Ind AS 109 requires an entity to measure the investment in equity shares at fair value and recognize the changes in fair value through profit and loss account. However, it also gives an irrevocable option to an entity to recognise the aforesaid changes in fair value through other comprehensive income ("OCI"). Accordingly the company has no Investments during the year as there is material uncertainty in respect ability to continue as going concern.

2.27 Financial Risk Management:

The Company's activities expose it to a variety of financial risks, including credit risk, liquidity risk and Market risk. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors, risk management committee and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade and other receivables and investments.

Trade Receivables-The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and

continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Financial assets that are neither past due nor impaired - None of the Company's cash equivalents, including deposits with banks, were past due or impaired as at 31 March 2026.

Of the total trade and other receivables, Nil as at 31 March 2026 and Nil as at 31 March 2025 has been impaired.

The Company's credit period for customers generally ranges from 60-90 days. The ageing of trade receivables that are past due but not impaired is given below:

As on 31-03-2026

Particulars	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good		NIL				NIL
(ii) Undisputed Trade Receivables - which have significant increase in credit risk						
(iii) Undisputed Trade Receivables - credit impaired						
(iv) Disputed Trade Receivables - considered good						
(v) Disputed Trade Receivables - which have significant increase in credit risk						
(vi) Disputed Trade Receivables - credit impaired						

As on 31-03-2025

Particulars	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
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(i) Undisputed Trade receivables - considered good	NIL	NIL
(ii) Undisputed Trade Receivables - which have significant increase in credit risk		
(iii) Undisputed Trade Receivables - credit impaired		
(iv) Disputed Trade Receivables - considered good		
(v) Disputed Trade Receivables - which have significant increase in credit risk		
(vi) Disputed Trade Receivables - credit impaired		

Other than trade receivables, the Company has no significant class of financial assets that is past due but not impaired.

On account of adoption of Ind AS 109, the Company uses Expected Credit Loss (ECL) model for assessing the impairment loss. For this purpose, it is weighted average of credit losses with the respective risks of default occurring as weights. The credit loss is the difference between all contractual cash flows that are due to an entity as per the contract and all the contractual cash flows that the entity expects to receive, discounted to the effective interest rate

Reconciliation of allowance for credit losses

The details of changes in allowance for credit losses during the year ended 31 March 2026 and 31 March 2025 are as follows:

Particulars	For the Year Ended 31 March	
	2026	2025
Balance at the beginning of the year	-	-
Impairment of Trade receivables	-	-
Balance at the end of the year	-	-

Liquidity Risks:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

As of 31 March 2026, the Company had working capital (current assets less current liabilities) of Rs. 107.69 including cash and cash equivalents of Rs 100.04 lakhs. As of 31 March 2025, the Company had working capital of Rs. 533.96, including cash and cash equivalents of Rs.55.11 lakhs.

Trade payables as on 31-03-2026

Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
MSME					
Others				771.31	771.31
Disputed dues-MSME					
Disputed dues-others					

Trade payables as on 31-03-2025

Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
MSME					
Others				1053.67	1053.67
Disputed dues-MSME					
Disputed dues-others					

CAPITAL MANAGEMENT

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The funding requirement is met through equity, borrowings and operating cash flows required.

Ratios

Ratio	Numerator	Denominator	31-03-2026	31-03-2025	% change	Reason for variance
Current ratio	Current assets	Current liabilities	1.13	1.42	-20.42	The Change is due to increase in current security deposits.
Debt-Equity ratio	Total debt	Shareholder's equity	0.95	0.74	27.97	The Change is due to increase in Debt via Bank Loan.
Return on equity ratio	Net profit after taxes – preference dividend	Average shareholder's equity	-0.004	-0.004	-	
Inventory Turnover ratio	Cost of goods sold	Average inventory	N/A	N/A	N/A	
Trade receivable turnover ratio	Net credit sales = gross credit sales – sales return	Average trade receivables	N/A	N/A	NA	Zero Trade receivables are recorded in current year.
Trade payable turnover ratio	Net credit sales = gross credit purchase – purchase return	Average trade payables	N/A	N/A	N/A	Zero Purchases are recorded in current year.
Net capital turnover ratio	Net sales = Total sales – sales return	Working capital=Current assets- current liabilities	-	-	-	There is no record of revenue from operations during the year
Net profit ratio	Net profit	Net sales = Total sales – sales return	-	-	-	There is no record of revenue from operations during the year
Return on capital employed	Earning before interest and tax	Capital employed = Tangible net worth+Total debt+Deferred tax liability	-0.001	-0.002	-15.24	The Change is due to increase in Borrowings through Bank Loan.
Return on investment	Interest(Finance income)	Investment	NA	NA	NA	

2.29) Details of dues to Micro, Small and Medium enterprises as defined under the MSMED Act, 2006 :

There is no information available to comment on amounts outstanding to any Micro, Small and Medium scale enterprises.

2.30) The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during financial year.

2.31) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

2.32) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

2.33) No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

- (a) Crypto Currency or Virtual Currency
- (b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and Rules made thereunder
- (c) Registration of charges or satisfaction with Registrar of Companies
- (d) Relating to borrowed funds:
 - i. Wilful defaulter
 - ii. Utilisation of borrowed funds & share premium
 - iii. Borrowings obtained on the basis of security of current assets
 - iv. Discrepancy in utilisation of borrowings
 - v. Current maturities of long term liabilities

2.34) The Company is Constructing a Free Trade & Warehousing Zone (FTWZ) which involves a Total Project Cost of Rs. 6700.74Million (670.074Cr). The Company is planning to invest in a phased manner. The Company has invested Rs. 130Cr in first phase which consists of Promoters Contribution of Rs. 51Cr and Debt of Rs. 83Cr. The Company has invested Rs. 1,16,34,33,847 till 31-03-2026 which is disclosed in balance sheet as Capital Work in Progress.

2.35) The Previous year's figures have been regrouped and recast wherever necessary to bring them in with the current year's figures.

For V D P & CO.,
Chartered Accountants
FRN No.024607S

Sd/-
Venkata Praveen Kolli
Partner

M.No:254083
UDIN:- 26254083AHHGDT8085

Place: Hyderabad
Date:25-05-2026

VSF PROJECTS LIMITED

CIN No L05005AP1992PLC014326

Reg Off: Sy. No 782 to 1236, Ankulpaturu Village, Chillakur Mandal, SPSR Nellore District, Ap-524412

ATTENDANCE SLIP

(To be presented at the entrance)

**34th Annual General Meeting on Wednesday, 30th September 2026 at 3:00 PM.at the Registered
Office of the Company**

Folio No _____ DP No _____ Client ID _____ No.of shares _____

Name of the Member _____ Signature

Name of the Proxy Holder _____ Signature

1. Only Member/Proxy holder can attend the meeting

2. Member / Proxy holder should bring his/her copy of the Annual Report for reference at the
meeting.

VSF PROJECTS LIMITED

CIN No L05005AP1992PLC014326

Reg Off: Sy. No 782 to 1236, Ankulpaturu Village, Chillakur Mandal, SPSR Nellore District, Ap-524412

**Form MGT-11
PROXY FORM**

**[Pursuance of Sec.105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies
(Management and Administration Rules, 2014)]**

Folio No. /Client ID:

DP ID:

Name _____ of _____ the Member:

Registered _____ Address _____ :

E-Mail Id _____ :

I / We, being the member(s) of _____ shares of VSF Projects Ltd.,
hereby appoint

1. Name _____ Email ID _____

Address _____

_____ signature

_____ of falling him

2 Name _____ Email ID _____

Address _____

_____ signature

_____ of falling him

3. Name _____ Email ID _____

Address _____

_____ signature

_____ of falling him

As my / our proxy to attend and vote (on a poll) for me/us and on my / our behalf at the **34th Annual General Meeting of the Company, to be held on Wednesday, 30th September 2026 at 3:00 PM at the Registered Office.**

S. No	Brief Description of Resolutions to keep the same for E-Voting Purpose
ORDINARY BUSINESS	
1.	To receive, consider and adopt the Audited Balance Sheet of the Company as at 31 st March, 2026 and the Statement of Profit and Loss Account and Cash Flow Statement for the financial year ended on that date along with the Report of Directors and the Auditors thereon
2.	To appoint a director in the place Mrs. Vijaya Lakshmi Bobba, who retires by rotation and being eligible herself for reappointment.
SPECIAL BUSINESS	
3.	Re-Appointment of Mr. Ramesh Babu Nemani (DIN: 08089820) as a Non-Executive Independent Director for the second term
4.	Re-Appointment of Mr. Sriramshetty Srinivasa Rao (DIN: 00895774) as a Non-Executive Independent Director for the second term

Signed this _____ day of September 2026

Signature of the Shareholder _____ Signature of Proxy Holder(s) _____

Affix Rs.1/-
Revenue
Stamp

Notes: 1. This Proxy form in order to be effective should be duly completed and deposited at the Registered Office of the v company, not less than 48 hours before the commencement of meeting.
2. Please complete all details, including details of member(s) in above box before submission

ROUTE MAP TO THE VENUE OF AGM

