

SRI RAMNARAYAN MILLS LIMITED

COIMBATORE - 641 018



69th Annual Report
2022 - 2023

SRI RAMAJAYAM

SRI RAMNARAYAN MILLS LIMITED

COIMBATORE – 641 018

CIN : U17111TZ1954PLC000201

BANKERS

STATE BANK OF INDIA
SME BRANCH
VOC PARK, AVANASHI ROAD
COIMBATORE – 641 018

BOARD OF DIRECTORS

SMT J. ANANTHALAKSHMI

SRI V. JAYARAMAN
(Managing Director)

SRI J.HARISCHANDRAVEL
(Executive Director)

REGISTERED OFFICE

43, BALASUNDARAM ROAD
COIMBATORE – 641 018
Tel: 0422 2243589

A. TEXTILE DIVISION

16th KILOMETER
METTUPALAYAM ROAD
TEKKUPALAYAM
COIMBATORE – 641 020
Tel: 0422 2692338

AUDITORS

M/S. S. KRISHNAMOORTHY & CO.,
Chartered Accountants
Kanapathy Towers,
III Floor, No 1391/A – 1,
Sathy Road, Ganapathy Post,
Coimbatore – 641 006.

B. WIND ENERGY DIVISION

KARUVANTHA VILLAGE,
VEERAKERALAM PUDUR TALUK)
TIRUNELVELI KATTABOMMAN.DIST.
TAMILNADU

E Mail Id: smtex93@gmail.com

Web site: www.srnml.com

NOTICE

NOTICE is hereby given for the 69th Annual General Meeting of the members of Sri Ramnarayan Mills Ltd. will be held at 03.30 P.M on Friday, the 29th September, 2023 at the Registered Office of the company at 43, Balasundaram Road, Coimbatore – 641 018. You are requested to attend the meeting.

AGENDA

Ordinary Business

1. To receive, consider and adopt the standalone financial statements of the company for the year 2022-23, viz., the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss, the Cash Flow Statement for the year ended on that date together with the Director's Report and Auditor's Report thereon.
2. To receive, consider and adopt the consolidated financial statements of the company, for the year 2022-23, viz., the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss, the Cash Flow Statement for the year ended on that date together with the Director's Report and Auditor's Report thereon.
3. To appoint a Director in place of Mrs. J. Ananthalakshmi (DIN 003312155.) who retires by rotation and is eligible for reappointment.

Special Business

4. To consider and if thought fit to pass with or without modifications, the following resolution as a Special Resolution.

RESOLVED THAT in accordance with the provisions of Section 197,198,203 and other applicable provisions of the Companies Act 2013 read with Schedule V there to and subject to such further approvals as may be necessary, the consent of the Company be and is hereby accorded for the re-appointment of Sri. J. Harischandravel (DIN 00261673) as Whole Time Director of the Company for a term of 5 years with effect from 01.06.2024 to 31.05.2029 with the payment of following remuneration.

- A. i) Salary per month Rs. 1,50,000/- 10,000 -1,90,000/-
 - ii) Provision for gas, electricity and water at his residence not exceeding 10% of the salary.
 - iii) Personal accident insurance, the premium not exceeding Rs.10,000/- per annum.
 - iv) Provision of car with driver, reimbursement of expenses towards telephone, Club fees and others incurred in connection with the business of the company.
 - v) Leave Travel concession for self and family, once in a year incurred in accordance with any rules specified by the company.
 - vi) Reimbursement of medical expenses not exceeding a month's salary per annum.
- B. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961
- C. Gratuity payable at the rate not exceeding one-half month's salary for each completed year of service
- D. Encashment of leave at the end of the tenure.

FURTHER RESOLVED THAT in the event of absence of profits or inadequacy of profits in any year during the period of appointment, the Whole Time Director shall be paid the above remuneration not exceeding the limits specified in Section II of Part II of Schedule V to the Companies Act 2013 or such other limits as may be notified by the Government from time to time, as minimum remuneration.

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to take all decisions as may be necessary, proper or expedient and to modify the amount of salary and/or other benefits from time to time within the overall limits as given in the resolution.

5. To consider and if thought fit to pass with or without modifications, the following resolution as a Special Resolution.

RESOLVED THAT in accordance with the provisions of Section 197,198,203 and other applicable provisions of the Companies Act 2013 read with Schedule V thereto and subject to such further approvals as may be necessary, the consent of the Company be and is hereby accorded for the re-appointment of Sri. V Jayaraman (DIN 00261571) as Managing Director of the Company for a term of 3 years with effect from 01.01.2024 to 31.12.2026 with the payment of following remuneration to Sri.V Jayaraman (DIN 00261571) Managing Director of the Company.

- A. i) Salary at Rs. 5,00,000/- per month.
ii) Provision for gas, electricity and water at his residence not exceeding 10% of the salary.
iii) Personal accident insurance, the premium not exceeding Rs.10,000/- per annum.
iv) Provision of car with driver, reimbursement of expenses towards telephone, Club fees and others incurred in connection with the business of the company.
v) Leave Travel concession for self and family, once in a year incurred in accordance with any rules specified by the company.
vi) Reimbursement of medical expenses not exceeding a month's salary per annum.
- B. Gratuity payable at the rate not exceeding one-half month's salary for each completed year of service
- C. Encashment of leave at the end of the tenure.

FURTHER RESOLVED THAT in the event of absence of profits or inadequacy of profits in any year during the period of appointment, the Managing Director shall be paid the above remuneration not exceeding the limits specified in Section II of Part II of Schedule V to the Companies Act 2013 or such other limits as may be notified by the Government from time to time, as minimum remuneration.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to take all decisions as may be necessary, proper or expedient and to modify the amount of salary and/or other benefits from time to time within the overall limits as given in the resolution.

6. Approval for amendment in Articles of Association of the Company as per Section 14 of the Companies Act, 2013

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

RESOLVED THAT pursuant to Section 14 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modification thereof for the time being in force and as may be enacted from time to time, subject to the approval of the members of the Company, the existing Article No. 56 of Articles of Association of the Company be and is hereby amended as follows:

NOTICE

“56. Until otherwise decided by the General Meeting, the minimum and maximum number of Directors shall be three and fifteen respectively (including Nominee Director(s) if any).”

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board of Directors of the Company be and is hereby authorized to finalize and execute all documents and writings and to do all acts, deeds and things in this connection and file necessary ROC Forms to give effect to this resolution.

Explanatory Statement Pursuant To Section 102(1) of the Companies Act, 2013

Item No.4:

Sri J. Harischandavel (DIN 00261673) was appointed as Whole-Time Director of the company for a period of five years and his present term of his office expires on 31.05.2024.

It is now considered necessary that his contribution for growth of the Company and proposed his re-appointment as Whole-Time Director of the company for another period of five years with effect from 01.06.2024 to 31.05.2029.

The necessary details/ disclosure pursuant to Companies Act, 2013 and Secretarial Standards annexed at this notice.

All the Directors may be deemed to be concerned or interested for the above Resolutions as they are related to each other.

Item No.5:

Sri. V Jayaraman (DIN 00261571) was appointed as Managing Director of the Company for a period of three years at the 66th Annual General Meeting of the Company held on 31.12.2020 and his present term of his office expires on 31.12.2023.

It is now considered necessary that his contribution for growth of the Company and the Board proposed his re-appointment as Managing Director of the company for another period of three years with effect from 01.01.2024 to 31.12.2026. The necessary details/disclosure pursuant to Companies Act, 2013 and Secretarial Standards annexed at this notice. All the Directors may be deemed to be concerned or interested for the above Resolutions as they are related to each other.

The statement of disclosure pursuant of Section 2(A) of Part II of Schedule V of the Companies Act, 2013 in given by way of notes.

Item No.6:

The existing Article No.56 of Articles of Association specifies minimum number of Directors on the Board of the Company is five, however now the Board of Directors of the Company decided to reduce and fix the minimum Directors on the Board as three as per Statutory limit specified in the Companies Act, 2013. Therefore, the said Special Resolution is proposed for the approval of members under item no. 6. None of the Directors of the Company and their relatives are concerned or interested, financially or otherwise, in the said resolution.

By order of the Board
for **SRI RAMNARAYAN MILLS LIMITED**

Place: Coimbatore
Date : 22.08.2023

V. JAYARAMAN
Managing Director
DIN: 00261571

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Details of Persons seeking Appointment/Re-Appointment as Directors at the Annual General Meeting

Name of the Director	J Harischandrael	V Jayaraman	J Ananthalakshmi
Date of Birth/ Age	09.11.1970	16.09.1937	21.11.1946
Nationality	Indian	Indian	Indian
Date of appointment in the Board of the Company	30.03.1998	01.01.1975	29.04.1992
Number of Board Meetings attended during last year	5	5	5
Qualifications/ Experience	B.B.M (25 YEARS)	B.E, M.S.I.E (Purdue University USA) 48 years	31 Years of Experience
Occupation/ Expertise in Functional Area	Whole time Director Overall in-charge of Production under the supervision of the Managing Director	Managing Director In-charge whole administration and all financial matters, spg. operations and marketing of the product.	–
Details of remuneration sought	1.50 lakhs per month and other applicable perks as per terms of appointment	5 lakhs per month and other applicable perks as per terms of appointment	Sitting Fees only applicable
Remuneration last drawn	1,50,000/-per month	5,00,000/-per month	Sitting Fees Rs.3000
Directorships held in other companies	S.M. Textile Limited	S.M. Textile Limited	S.M. Textiles Limited
Chairman/ Member of the Committee(s) of the Board of Directors of the Company	NA	NA	NA
Chairman/ Member of the Committee(s) of the Board of Directors of other Companies in which he/ she is a Director	NIL	NIL	NIL
No. of Shares held by the Director of the Company	69885	275892	93496
Relationship with other Directors/ KMPs	SON	FATHER	MOTHER of WHD / WIFE OF M.D

NOTICE

NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and on a poll to vote instead of himself. Such proxies need not be member of the Company. Proxies in order to be effective must be received by the company not less than 48 Hours before the date fixed for the Annual General Meeting. A specimen of the proxy form is enclosed.
2. Pursuant to Section 123 of the Companies Act, 2013 all unclaimed dividends up to the financial year 2013-14 have been transferred to the Investors Education and Protection Fund. Further there is no unclaimed dividend pending for transfer to IEPF.

The shareholders, whose unclaimed shares or unpaid amount has been transferred to the IEPF Authority Account, may claim the same from the IEPF Authority by filing Form IEPF-5 along with requisite documents.

3. Shareholders desirous of making nomination under Section 109A/109B of the Act as amended, for the shares held by them may furnish particulars in Form 2B, as prescribed.
4. Investors who are holding shares in the same name in more than one folio may please advise the company for consolidating into single folio.
5. Members are requested to bring their copy of the Annual report with them to the Annual General Meeting.
6. Members are requested to communicate to the company their email-id and contact telephone number to enable the company send information as provided under the Act from time to time and particularly, in the present day context where sending of documents through electronic means is the order of the day.
7. Shareholders holding shares in physical form are requested to dematerialize the same to enable the company to allow the members to participate in future issue of shares and securities by the company. Share holders may contact M/s S.K.D.C Consultants Ltd., 'Surya,' 35, May Flower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore - 641 028, who have been appointed as Registrars and Share Transfer Agents of the company.
8. The Ministry of Corporate Affairs has mandated that the transfer of securities held in physical form, except in case of transmission or transposition, shall not be processed by the Company / Registrars and Share Transfer Agents with effect from 2nd October, 2018. Therefore, members holding share(s) in physical form are requested to dematerialize their shareholding in the Company. Necessary prior intimation in this regard was provided to the shareholders. Members are encouraged to convert their holdings to electronic mode.

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STATEMENT OF PARTICULARS IN CONNECTION WITH APPOINTMENT OF WHOLE TIME DIRECTOR

I. GENERAL INFORMATION:

1. Nature of Industry: Textile Spinning Mills
2. Date of Commencement of commercial production: April 1956
3. Financial Performance based on given indicators (Rs. In lakhs)

Year ended	Turnover	Net Profit/ (Loss)	Dividend	Amount
	Rs.	Rs.	%	Rs.
31.03.2023	984.67	(223.07)	-	-
31.03.2022	1107.63	163.44	-	-
31.03.2021	957.43	13.23	-	-
31.03.2020	1066.76	(221.38)	-	-
31.03.2019	1531.36	27.56	-	-

4. Export Performance and Net Foreign Exchange Collaborations:
The Company has not entered the export market.
5. Foreign Investments or Collaborations, if any. The Company has not invested in any foreign country nor has taken up any collaboration outside the country.

II. INFORMATION ABOUT THE APPOINTEE:

A. Whole-Time Director

1. Background details
Shri. J. Harischandavel, B.B.M. Graduate has been appointed as a Director in the year 1993. He has been working under the instructions and guidance of the Managing Director.
 2. Past Remuneration
 - a. Salary in the time scale of Rs. 1.50,000 - per month
 - b. Provision for gas, electricity and water at his residence not exceeding 10% of the salary.
 - c. Personal accident insurance, the premium not exceeding Rs.10,000/- per annum.
 - d. Provision of car with driver, reimbursement of expenses towards telephone, Club fees and others incurred in connection with the business of the company.
 - e. Leave Travel concession for self and family, once in a year incurred in accordance with any rules specified by the company.
 - f. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961
 - g. Gratuity payable at the rate not exceeding one-half month's salary for each completed year of service
 - h. Encashment of leave at the end of the tenure
 3. Recognition or Awards
J. Harischandavel is presently one of the members of SITRA- Research Advisory Committee.
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NOTICE

4. Job Profile and his suitability:

The Whole Time Director is in-charge of the day-to-day production and affairs of the Company at the Mills with regard to spinning operations under the guidance of the Managing Director.

5. Comparative remuneration:

a. Profile with respect to industry

The company is one of the nearly 100 textile mills functioning in Coimbatore. The Whole Time Directors in all these Companies are playing a pivotal role in assisting the Managing Director in the matters production planning.

The remuneration fixed in the various textile mills and other industries in and around Coimbatore in the past has been mostly with reference to the ceiling limits fixed in Schedule V to the Companies Act, 2013. Considering the ever increasing cost of living and the high salaries offered by IT Industries and other multi nationals stepping in the appointee should also be the adequately compensated. The remuneration as proposed by the company is well within the maximum permissible limit and comparable with others.

b. Size of the company

1. The installed capacity, in terms of spindles presently is 21264. The Company has installed 3 Auto cones in recent years for more production and productivity with labor saving. The average sales turnover during the last three years has been Rs. 1016.58 lakhs.

2. Profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) The Executive Director with the assistance of Managing Director is looking after production at mills. The appointee is a Bachelor of Business Management. He has attended several seminars and meets at SITRA one of the Leading Research Associations which is instrumental in guiding in the textile mills to achieve maximum productivity and several other cost cutting measures.

3. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel.

The appointee does not have any other dealings with the company directly or indirectly. He is related to Managing Director V. Jayaraman and Director Smt. J. Ananthalakshmi.

4. Remuneration Proposed:

1.
 - i) Salary at 1,50,000/- 10,000 -1,90,000/- per month.
 - ii) Provision for gas, electricity and water at his residence not exceeding 10% of the salary.
 - iii) Personal accident insurance, the premium not exceeding Rs.10,000/- per annum.
 - iv) Provision of car with driver, reimbursement of expenses towards telephone, Club fees and others incurred in connection with the business of the company.
 - v) Leave Travel concession for self and family, once in a year incurred in accordance with any rules specified by the company.
 - vi) Reimbursement of medical expenses not exceeding a month's salary per annum.
2. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
3. Gratuity payable at the rate not exceeding one-half month's salary for each completed year of service.

4. Encashment of leave at the end of the tenure.

In the event of absence of profits or inadequacy of profits in any year during the period of appointment, the Whole Time Director shall be paid the above remuneration not exceeding the limits specified in Section II of Part II of Schedule V to the Companies Act 2013 or such other limits as may be notified by the Government from time to time, as minimum remuneration.

B. Managing Director

1. Background details

Shri. V. Jayaraman B.E. M.S.I.E (USA) aged about 86 years has been at the helm of affairs for the past more than five decades managing the company efficiently and successfully. He possesses wide experience in the fields of Finance, Administration and Technical and related activities of the Company.

2. Past Remuneration

- a. Salary at Rs.5,00,000 /-per month
- b. Provision for gas, electricity and water at his residence not exceeding 10%of the salary
- c. Personal accident insurance, the premium not exceeding Rs.10,000/-per annum
- d. Gratuity payable at the rate of exceeding one-half month's salary for each completed year of service.
- e. Provision of car with driver, reimbursement of expenses towards telephone ,Club fees and others incurred in connection with the business of the Company.
- f. Encashment of leave at the end of the tenure.

In the event of absence of profits or inadequacy of profits in any year during the period of appointment, the Managing Director shall be paid the following remuneration not exceeding the limits specified in Section II of Part II of Schedule V to the Companies Act 2013 or such other limits as may be notified by the Government from time to time, as minimum remuneration

- a. Salary at Rs.5,00,000/-
- b. Gratuity payable at the rate of exceeding one-half month's salary for each completed year of service.
- c. Encashment of leave at the end of the tenure.
- d. Provision of car with driver, reimbursement of expenses towards telephone, Club fees and others incurred in connection with the business of the Company.

3. Recognition or Awards

V. Jayaraman was a Committee member of South India Mills Association and was actively participating in the growth and development of textile industry. He was also past Chairman of SIMA Cotton Development Research Association, Coimbatore.

4. Job Profile and his suitability:

The Managing Director is in-charge of the whole of the day to day administration and affairs of the company, both at the mills with regard to spinning operations and subsequent marketing of the product as well as control of the finance of the company.

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5. Remuneration proposed:

- A. i) Salary at Rs.5,00,000 /-per month
 - ii) Provision for gas, electricity and water at his residence not exceeding 10%of the salary
 - iii) Personal accident insurance, the premium not exceeding Rs.10,000/-per annum
 - iv) Provision of car with driver, reimbursement of expenses towards telephone ,Club fees and others incurred in connection with the business of the Company.
 - v) Leave Travel concession for self and family, once in a year incurred in accordance with any rules specified by the company.
 - vi) Reimbursement of medical expenses not exceeding a month's salary per annum.
- B) Gratuity payable at the rate of exceeding one-half month's salary for each completed year of service.
- C) Encashment of leave at the end of the tenure.

In the event of absence of profits or inadequacy of profits in any year during the period of appointment, the Managing Director shall be paid the above remuneration not exceeding the limits specified in Section II of Part II of Schedule V to the Companies Act 2013 or such other limits as may be notified by the Government from time to time, as minimum remuneration

6. Comparative remuneration:

a. Profile with respect to industry

The company is one of the nearly 100 textile mills functioning in Coimbatore. All these companies are being managed by Managing Directors, who are generally from the promoter's families.

The remuneration fixed in the various textile mills and other industries in and around Coimbatore in the past has been mostly with reference to the ceiling limits fixed in Schedule V to the Companies Act, 2013. Considering the ever increasing cost of living and the high salaries offered by IT Industries and other multi nationals stepping in. The appointee should also be the adequately compensated. The remuneration as proposed by the company is well within the maximum permissible limit and comparable with others.

b. Size of the company

1. The installed capacity, in terms of spindles presently is 21264. The Company has installed 3 Auto cones in recent years for more production and productivity with labor saving. The average sales turnover during the last three years has been Rs. 1016.58 lakhs.

2. Profile of the position and person

The Managing Director is the key managerial personnel of the company and being in-charge of almost the entire operations. The appointee is a Post-Graduate in Industrial Engineering, having obtained the qualifications both in India and abroad .His competency in discharging the functions of the Managerial person over the past 48 years has resulted in the company being financially stable as on date in spite of severe recession the textile industry has been undergoing presently.

The continuance of Mr. V. Jayaraman as Managing Director of the Company for a further period will be essential for the company at this adverse conditions and to tackle the severe recession that the company has been experiencing for the past few years due to unprecedented crisis in the cotton textile spinning mill in general.

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The appointee does not have any other dealings with the company directly or indirectly. The company does not hold any fixed deposits from General Public. He is related to the Executive Director Sri. J. Harischandravel and Director Smt. J. Ananthalakshmi.

III. OTHER INFORMATION:

1. Inadequacy of Profit:

The company has been experiencing difficulties for the past few years due to unprecedented crisis both on the raw material cost and selling price of finished goods.

2. Step taken or proposed to be taken for improvement:

As stated in the Directors report steps are being taken to improve productivity and quality of yarn to suit market requirements.

IV. DISCLOSURES:

1. The remuneration package of the Whole Time Director and Managing Director are as detailed in the resolutions.

2. The provisions of "Corporate Governance" are not applicable to the company

The company has neither accepted deposits from the public nor issued any debentures. Accordingly there is no default in repayment of principal and interest there on. The company does not have any outstanding term loan with bank or public financial institution. The company has not committed any default of payments due to the Bank from whom working capital facilities have been availed.

The remuneration proposed to be paid is within the limits specified in part II of Schedule V to the Companies Act, 2013 and the Board of Directors commend the Resolution for your approval.

All the Directors may be deemed to be concerned or interested in this Resolution since they are related to each other.

The statement of disclosure pursuant of Section 2(A) of Part II of Schedule V of the Companies Act, 2013 in given by way of notes.

By order of the Board
for **SRI RAMNARAYAN MILLS LIMITED**

Place: Coimbatore

Date : 22.08.2023

V. JAYARAMAN

Managing Director

DIN: 00261571

DIRECTOR'S REPORT

Your Directors present their 69th Annual Report together with the Audited Financial Statements of the company for the year ended 31st March 2023

FINANCIAL RESULTS

(Amounts in INR Thousands)

Particulars	31.03.2023	31.03.2022
Gross Sales	98467.29	110,762.99
Other Income	9729.32	31,558.51
Profit/(Loss) Before Tax	(27546.22)	21,901.31
Tax Expenses	(5239.18)	5,557.55
Profit/(Loss) after tax	(22307.04)	16,343.76

REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS:

The working of the company during the year under review has resulted in a net loss of Rs. 223.07 lakhs against a net profit Rs.163.44 lakhs in the preceding year. The working in the spinning operation has resulted in a Net loss of Rs.407.16 lakhs against a Net loss of Rs.195.29 lakhs in the preceding year. The increase in the loss in spinning operation is due to high raw material price from the commencement of the Financial year. The selling price for finished goods has also not been encouraging due to excess supply in the market .Further there has been decline in the orders of yarn due to fall in fabrics market. Slump in export orders has been attributed as the main reason for this situation. The price of raw material has started declining from middle of September' 2022. However, the decreasing price did not support for any improved working as the price of finished goods has also correspondingly decreased resulting in absence of parity between selling price of yarn and purchasing price of raw material. Further the operational cost has also shot up due to increase in power tariff from September 2022. The company has taken measures such as slow down operation, restricted working days and shifts to prevent the increase in loss. This has been the general trend in the whole of the textile industry in the year under report.

The borrowing cost from the bank continues to be very high with hike in interest rate during the financial year. The working capital limits have shrunk due to various norms adopted by the bankers besides erosion of profit. The company continues to seek other source of finance to augment for working capital.

The wind energy division generated revenue of Rs.77.20 lakhs during the year against 116.72 lakhs in the previous year. The fall in wind energy division revenue is due to stoppage of one HT service connection on account of failure of a substation and considerable time has passed to restore power supply with replaced substation.

Further the company could not utilize the wind power generated during night for captive consumption as in last year. This unutilized power has been banked and have to be surrendered to TANGEDCO for a meagre price per unit in return. However, we are yet to receive compensation from TANGEDCO for Banked Units surrendered for financial year 2019-20 onwards.

During the year, the Company has sold a part of the Land (0.38 acres) kept as stock-in-trade for a consideration of Rs.60 Lakhs. Considering the continuous loss incurred by the Company the Managing Director has waived the salary due to him and has received salary only for a part of the year as in earlier year.

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FUTURE PROSPECTS

The company has been concentrating to improve the quality in end product as well as to reduce the cost of production. Modernization of machinery is the in the anvil to achieve this goal by the turn of year 2024. The availability of skilled labour continues to be difficult; Machineries have to be modernized to reduce labour and to increase productivity. The company is planning to replace old machineries with new H-Tech machines by availing term loans from bank/Financial institutions once the market improves.

DIVIDEND

Your Directors have no alternative than to skip the dividend for the year 2022-23 in view of adverse working of the company.

MATERIAL CHANGES

There are no material changes or commitments after closure of the financial year till the date of this report affecting the financial position of the company

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The company held 35,400 Equity shares of Rs.100/- and 73,320 Pref. Shares of Rs. 100/- each in subsidiary company S M Textiles Limited. In aggregate the company holds 48.88% of Preference capital and 70.8% of Equity capital as at the close of the year.

FIXED DEPOSITS

The Company has accepted Fixed Deposits aggregating to Rs.680.00 lakhs only from the Directors of the Company. The Directors have also furnished declaration stating that such funds deposited with the company are their own funds and not borrowed from any other person.

AUDITOR'S APPOINTMENT

At the 68th Annual General Meeting held on 30.09.2022, M/s S.Krishnamoorthy & Co., Chartered Accountants (Reg. No.001496S) were appointed as Statutory Auditors of the company for a period of five years to hold such office till the conclusion of the Annual General Meeting to be held in the year 2027.

EMPLOYEE'S SALARY

None of the employees of the company are paid a salary of Rs.5 lakhs per month or Rs.60 lakhs per annum whether employed for a part of the year or the whole year.

Disclosure under the sexual harassment of woman at work place (Prevention, Prohibition and Redressal) act 2013.

The company has duly complied with the requirements under the act and no complaints were reported during the year.

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

The information pertaining to Conservation of Energy, Technology Absorption, and Foreign exchange earnings and Outgo as required under the Companies Act, 2013 read with Companies (Accounts) Rules 2014 is annexed with this report as Annexure I.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

Five meetings of the Board were held during the year on 30.06.2022, 17.08.2022, 17.10.2022, 30.12.2022 & 30.03.2023. Further, there is no change in Directors in the constitution of Board.

DIRECTOR'S REPORT

KEY MANAGERIAL PERSONNEL OF THE COMPANY AS REQUIRED PURSUANT TO SECTION 2(51) AND 203 OF THE COMPANIES ACT, 2013 ARE

Sri. V. Jayaraman - Managing Director
Sri. J. Harischandavel - Executive Director

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM.

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company.

STATEMENT ON COMPLIANCE WITH SECRETARIAL STANDARDS

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

COMPLIANCE WITH REQUIREMENT UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013

There were no instances of frauds identified or reported by the Statutory Auditors during the course of their audit.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no, guarantees given by the Company referred to under section 186 of the Companies Act, 2013. The company has only given advances and invested in Equity & Preference Shares in S M Textiles Limited, the subsidiary company. These transactions are within the overall limits prescribed.

CORPORATE SOCIAL RESPONSIBILITY

The Company has not developed and implemented any corporate Social Responsibility initiative as the said provisions are not applicable as on date.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company has evaluated risk elements affecting the operations. It is noticed that elements of risk threatening the company's existence is very minimal.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All the transactions of the company with its related parties are arm's length transactions taking place in the ordinary course of business. Hence, the compliance with provisions of Section 188 of the Companies Act, 2013 is not applicable.

DIRECTORS RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013, the Directors state that

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 Profit/Loss of the Company for the year under review.
- (iii) 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.

SRI RAMNARAYAN MILLS LIMITED

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- (iv) The Directors have prepared the annual accounts on a going concern basis.
- (v) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

In terms of Section 134(5) of the Companies Act, 2013, the Directors state that

- (vi) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- (vii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 Profit/Loss of the Company for the year under review.
- (viii) 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.
- (ix) The Directors have prepared the annual accounts on a going concern basis.
- (x) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

WEB LINK OF ANNUAL RETURN

The Annual Return of the Company for the financial year 2022-23 as required under Section 92(3) of the Companies Act, 2013 is available on the website of the Company and can be accessed on the Company's website at the link: <https://srmml.com/images/SRNML-FORM-MGT-7.pdf>

ACKNOWLEDGEMENT

The Directors take this opportunity for expressing their thanks to the staff and workers of the Company and M/s. State Bank of India for the Co-operation and assistance extended during for the year under report.

By Order of the Board
For **SRI RAMNARAYAN MILLS LIMITED**

Place: Coimbatore
Date : 22.08.2023

J. ANANTHALAKSHMI
DIRECTOR
(DIN 00312155)

V. JAYARAMAN
CHAIRMAN OF THE MEETING
(DIN: 00261571)

DIRECTOR'S REPORT

ANNEXURE - I TO DIRECTOR'S REPORT FOR THE YEAR

PARTICULARS PURSUANT TO SEC. 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014:

A. CONSERVATION OF ENERGY

(I) The Steps taken or Impact on Conservation of energy:

Conservation of energy continues to be the focus area of the Company. Energy saving LED Lamps have been fixed. Strict vigilance is maintained over usage of Energy by constant monitoring.

(ii) Steps taken by the company for utilizing alternate source of energy:

At present the company has installed 1.5 MW of WEG for meeting part of the energy requirements. The Company is also considering use of solar energy as a viable alternate solution to reduce power cost in the coming years.

(iii) The capital Investment on energy conservation equipment - Nil.

B. TECHNOLOGY ABSORPTION

(i) Efforts made towards technology absorption:

Quarterly reports are being received from SITRA on operational data which is used as a guiding factor.

(ii) The benefits derived:

Cost reduction and quality improvement in cotton yarn manufactured.

(iii) Use of imported technology:

Only indigenous technology is being used.

C. FOREIGN EXCHANGE EARNING & OUTGO:

The actual inflows and out flows of foreign exchange during the year.

(a) Earnings : Nil

(B) Outgo : Nil

ANNEXURE-II TO DIRECTORS REPORT

(Amounts in INR Thousands)

Financial Year Ended 31st March	2019	2020	2021	2022	2023
Operating Results					
Sales and other Income	153135.76	109176.64	98739.00	142321.50	108196.61
Operating Profit	10356.27	19319.11	11346.66	28858.42	(19703.97)
Interest	6786.66	8054.69	7657.38	7086.31	8239.20
Gross Profit/(Loss)	3569.61	10112.20	3689.00	21,772.11	(27943.17)
Depreciation	813.78	2552.15	1791.75	1347.03	1030.86
Taxation	697.17	7788.00	574.72	5,557.55	(5,256.18)
Net Profit / (Loss)	2058.64	-22137.78	1322.61	12073.98	(23,717.85)
Dividend (including dividend tax)	-	-	-	-	-
Retained Profit	2058.64	-22137.78	1322.61	12073.98	-23,717.85
Performance Parameters					
Net Fixed Assets	17761.51	15155.89	12,675.54	10,905.57	10,163.34
Share Capital	10000.00	10000.00	10000.00	10,000.00	10,000.00
Reserves	12896.13	-9241.64	-7,919.03	8,424.72	(13882.45)
Net Worth	22896.13	758.38	2,081.97	18,424.72	(3882.45)
Return on Net Worth %	-	3.42	16.42	27.55	-
Borrowings	3.78	1.11	-	-	-
Debit Equity Ratio	-	-	-	3.88	-
Dividend (%)	-	-	-	-	-
Earnings per share (Rs.)	2.06	-22.14	1.32	16.34	-23.72

INDEPENDENT AUDITOR'S REPORT

To the members of Sri Ramnarayan Mills Limited Report on the audit of the standalone financial statements

Opinion

We have audited the standalone financial statements of Sri Ramnarayan Mills Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss, and Statement of Cash Flows for the year then ended and notes to the standalone financial statements, including a summary of 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 standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the, read with Rule 7 of the Companies(Accounts)Rules,2014, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its Loss 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone 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 standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period.

Reporting of Key audit matters as per SA 701, Key audit matters are not applicable to the company as it is an unlisted public company.

Information Other than the Standalone financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards, specified under Section 133 of the Act 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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Standalone Financial Statements

Our responsibility is to obtain reasonable assurance about whether the standalone 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with Standards on Auditing specified under Section 143(10), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 system 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.

INDEPENDENT AUDITOR'S REPORT

- 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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. Being an unlisted public company and not fulfilling the criteria prescribed, key audit matters, has not been highlighted.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the 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 and the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 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.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of 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 by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) 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, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would have an impact on its financial position in its financial statements
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("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.
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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.

INDEPENDENT AUDITOR'S REPORT

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

FOR S. KRISHNAMOORTHY & CO.,
Chartered Accountants
Firm Regn. No.01496S

B. KRISHNAMOORTHY
Partner, Auditors
Membership No.020439
UDIN: 23020439BGUGZI1172

Place: Coimbatore
Date : 22.08.2023

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' of the Independent Auditor's Report to the members of the company on the Standalone financial statements for the year ended 31.03.2023).

According to the information and explanations sought by us and given by the Company and the books and records examined by us during the course of our Audit and to the best of our knowledge and belief we report the following:

- (i) a) In respect of fixed assets
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
 - b. There is no intangible assets held by the company and hence reporting under this clause is not applicable.
 - b) The fixed assets of the company have been physically verified by the management during the year at reasonable intervals having regard to size of the company and nature of its assets. No material discrepancies were noticed on such verification.
 - c) The title deeds of all the immovable properties of the company shown under the Fixed Assets schedule are held in the name of the company.
 - d) The company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
 - e) No proceedings have been initiated during the year or pending against the company as at March 31, 2023 for holding any benami property under the Benami Transactions (prohibition) Act, 1998 (as amended in 2016) and rules made there under.
- (ii) a) In our opinion, physical verification of inventory has been conducted at reasonable intervals by the management and the coverage and procedure of such verification by the management is appropriate. No material discrepancies were noticed on such verification.
 - b) During any point of time of the year, the company has not been sanctioned working capital limits in excess of five crore rupees, from banks or financial institutions on the basis of security of current assets. Therefore, the provisions of Clause (ii)(b) of paragraph 3 of the order are not applicable to the company.
- (iii) During the year the company has not made investments in, provided any 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.
- (iv) The company (since the date of notification of the Act) has not granted any loan to directors or to any other person in whom the director is interested or given any guarantee or provided any security in connection with any loan taken by the director or such other person as contemplated in section 185 of the Act.

INDEPENDENT AUDITOR'S REPORT

The loans, advances given and investments made in the subsidiary company are in compliance with the requirement of section 186 of the Act.

- (v) The company has not accepted any deposits to which the provisions of sec. 73 to 76 or any other relevant provisions of the act and the rules framed there under and the directions issued by the RBI - are applicable.
- (vi) Maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act for the industry in which the company is engaged and based on the turnover in the preceding year.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service tax, Goods and Service Tax, Duty of customs, Duty of excise, Cess and any other statutory dues with the appropriate authorities and no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service tax, Goods and Service Tax, Duty of customs, Duty of excise, Cess and any other statutory dues were in arrears as at 31.03.2023 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of Income tax, Sales tax, Wealth tax, Goods and Service Tax, Excise Duty, Duty of Customs and Cess except the following;

Name of Statute	Period	Nature of Demand	Amount Disputed	Amount Paid	Forum Where Dispute is pending
ESI Act, 1948	2006	Contribution Arrears	1,96,322	1,96,322	High Court- Chennai

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961)
- (ix) (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not applied any term loans and hence reporting under this clause is not applicable.
- (d) The Company has not utilized the funds raised on short term basis for long term purposes
- (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

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- (x) a) The company has not raised money by initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based upon the audit procedures performed and information and explanation given by the management, no frauds by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) The establishment of whistle blower mechanism as per Sec 177(9) of the act does not arise. Hence reporting under this clause is not applicable.
- (xii) The company is not a Nidhi company and therefore this clause is not applicable to the company.
- (xiii) All transactions with the related parties are in compliance with section 177 and 188 of the Act. Details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards. Identification of related parties were made and provided by the management of the company.
- (xiv) Internal Audit system is not mandatory to the company. Hence reporting under clause 3(xiv)(a) and (b) of the order is not applicable.
- (xv) 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 Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) 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 and 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 indicating that

INDEPENDENT AUDITOR'S REPORT

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.

- (xx) The provisions of section 135 of the companies act is not applicable to the company. Hence, reporting under clause 3(xx)(a) and (b) of the report is not applicable.

FOR S. KRISHNAMOORTHY & CO.,
Chartered Accountants
Firm Regn. No.01496S

Place: Coimbatore
Date : 22.08.2023

B. KRISHNAMOORTHY
Partner, Auditors
Membership No.020439
UDIN: 23020439BGUGZI1172

Annexure referred to in Paragraph 2(f) of Report on Other Legal and Regulatory Requirements

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

We have audited the internal financial controls over financial reporting of Sri Ramnarayan Mills Limited (“the Company”) as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the standalone 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.

INDEPENDENT AUDITOR'S REPORT

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 standalone 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 authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, 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, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR S. KRISHNAMOORTHY & CO.,
Chartered Accountants
Firm Regn. No.01496S

Place: Coimbatore
Date : 22.08.2023

B. KRISHNAMOORTHY
Partner, Auditors
Membership No.020439
UDIN: 23020439BGUGZI1172

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

BALANCE SHEET AS AT 31ST MARCH, 2023

(Amounts in INR Thousands)

Particulars	Note No	31.03.2023	31.03.2022
I. EQUITY AND LIABILITIES			
1. Shareholder's Funds			
(a) Share Capital	1	10,000.00	10,000.00
(b) Reserves and Surplus	2	<u>(13,882.45)</u>	<u>8,424.59</u>
		(3,882.45)	18,424.59
2. Non-Current Liabilities			
(a) Long-term borrowings	3	<u>—</u>	<u>—</u>
3. Current Liabilities			
(a) Short-term borrowings	4	1,05,486.80	71,453.57
(b) Trade payables	5		
Dues to Micro and Small Enterprises		—	—
Dues to Others		10,554.59	3,827.18
(c) Other current liabilities	6	10,696.13	3,845.61
(d) Short-term provisions	7	<u>480.05</u>	<u>675.75</u>
		1,27,217.57	79,802.11
Total		<u>1,23,335.11</u>	<u>98,226.69</u>
II. ASSETS			
1. Non-current assets			
(a) Property, Plant & Equipment and Intangible assets			
Property, Plant & Equipment	8	10,163.34	11,326.19
(b) Deferred tax Assets (Net)	9	24,246.86	17,177.68
(c) Non-current Investments	10	12,862.00	12,862.00
(d) Long term loans and advances	11	—	—
(e) Other non-current assets	12	<u>3,638.77</u>	<u>4,610.92</u>
		50,910.97	45,976.80
2. Current assets			
(a) Inventories	13	22,348.98	22,494.08
(b) Trade receivables	14	20,769.13	17,811.87
(c) Cash and cash equivalents	15	13,033.19	3,033.91
(d) Short-term loans and advances	16	<u>16,272.84</u>	<u>8,910.03</u>
		72,424.14	52,249.89
Total		<u>1,23,335.11</u>	<u>98,226.69</u>

- See accompanying notes to financial statements

As per our report annexed
For S. KRISHNAMOORTHY & CO.

Chartered Accountants
Registration No. 001496 S

B. KRISHNAMOORTHY

Membership No. 020439
Partner, Auditors

Place : Coimbatore
Date : 22.08.2023

V. JAYARAMAN
Managing Director
DIN: 00261571

J. ANANTHALAKSHMI
Director
DIN: 00312155

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023 (Amounts in INR Thousands)

Particulars	Note No	31.03.2023	31.03.2022
I. Income			
(a) Revenue from operations	17	1,04,467.29	1,41,362.99
(b) Other Income	18	3,729.32	958.51
Total Revenue		1,08,196.61	1,42,321.50
II. Expenses			
(a) Cost of materials consumed	19	85,902.16	64,707.30
(b) Purchase of Stock-in-Trade		3,430.84	2,952.44
(c) Conversion of capital asset in to stock		—	2.31
(d) Changes in inventories of finished goods work-in-progress and Stock-in-Trade	20	(521.65)	7,052.97
(e) Employee benefit expense	21	10,724.47	13,501.36
(f) Financial costs	22	8,239.20	7,086.31
(g) Depreciation and amortization expense	8	1,030.85	1,347.03
(h) Other expenses	23	27,333.90	24,471.47
Total Expenses		1,36,139.78	1,21,121.19
III. Profit/(Loss) before exceptional and extraordinary items and tax		(27,943.17)	21,200.31
IV. Exceptional Items	24	396.96	701.00
V. Profit/(Loss) before extraordinary items and tax		(27,546.22)	21,901.31
VI. Extraordinary Items		—	—
VII. Profit/(Loss) before tax		(27,546.22)	21,901.31
VIII. Tax expense			
(a) Provision for Income tax		—	—
(b) MAT Credit Entitlement		—	—
(c) Prior Year Income Tax - MAT Credit earlier years reversed		1,830.00	—
(d) Deferred tax asset (provided) / reversed		(7,069.18)	5,557.69
IX. Profit/(Loss) for the period from continuing operations		(22,307.04)	16,343.62
X. Profit/(Loss) for the period from discontinuing operations (after tax)		—	—
XI. Profit/(Loss) for the period		(22,307.04)	16,343.62
XII. Earnings per equity share of Face Value Rs.10/- each			
(a) Basic		(22.31)	16.34
(b) Diluted		(22.31)	16.34

- See accompanying notes to financial statements

As per our report annexed
For S. KRISHNAMOORTHY & CO.

Chartered Accountants
Registration No. 001496 S

B. KRISHNAMOORTHY

Membership No. 020439
Partner, Auditors

Place : Coimbatore
Date : 22.08.2023

V. JAYARAMAN
Managing Director
DIN: 00261571

J. ANANTHALAKSHMI
Director
DIN: 00312155

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2023

(Amounts in INR Thousands)

PARTICULARS	31.03.2023	31.03.2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit / (Loss) before Tax & Extraordinary Item	(27,546.22)	21,901.31
Adjustments for		
Depreciation	1,030.85	1,347.03
Interest Paid	8,239.20	7,086.31
Interest Received	(978.06)	(280.49)
Profit on Sale of Asset	(1,823.00)	(340.00)
Operating Profit / (Loss) before Working Capital Changes	(21,077.23)	29,714.15
Adjustments for		
Trade & Other Receivables	(9,347.92)	(10,370.85)
Inventories	145.10	8,035.10
Trade Payables & Other Current Liabilities	13,382.23	(6,885.32)
Short term borrowings	34,033.23	(11,129.89)
Net Cash generated from Operations before Tax & Extraordinary Item	17,135.42	9,363.20
Direct Taxes	1,830.00	-
Net Cash From Operating Activities before Extra ordinary item	15,305.42	9,363.20
Extraordinary Items	-	-
Net Cash generated from Operations	15,305.42	9,363.20
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	-
Investment During the year	-	(2,832.00)
Redemption / deletion of investments	-	5.47
Interest Receipts	978.06	280.49
Sale of Fixed Assets	1,955.00	342.31
Net Cash used in Investing Activities	2,933.06	(2,203.72)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of share capital	-	-
Dividend Paid	-	-
Long Term Borrowings	-	-
Interest Paid	(8,239.20)	(7,086.31)
Net Cash used in Financing Activities	(8,239.20)	(7,086.31)
Net Increase in Cash and Cash Equivalents	9,999.28	73.17
Cash and Cash Equivalents (Opening Balance)	3,033.91	2,960.74
Cash and Cash Equivalents (Closing Balance)	13,033.19	3,033.91

As per our report annexed
For S. KRISHNAMOORTHY & CO.
Chartered Accountants
Registration No. 001496 S

B. KRISHNAMOORTHY
Membership No. 020439
Partner, Auditors
Place : Coimbatore
Date : 22.08.2023

V. JAYARAMAN
Managing Director
DIN: 00261571

J. ANANTHALAKSHMI
Director
DIN: 00312155

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF ACCOUNTING

The accounts have been prepared as a going concern in accordance with accounting principles generally accepted in India and books maintained are in line with the requirements of Section 128 of the Companies Act, 2013. The Company follows accrual basis of accounting.

B. REVENUE RECOGNITION

Sales are accounted net of GST wherever applicable.

C. PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

- i. Fixed Assets are shown at cost including allocable borrowing costs and net of GST credit.
- ii. Depreciation on fixed assets is provided on Written Down Value method adopting the useful life of the respective fixed assets, and the residual value in accordance with Schedule II to the Companies Act, 2013. In respect of additions during the year, depreciation is prorated to the number of days used.

D. INVENTORIES

Investments are stated at cost

E. INVENTORIES

- a. Inventories have been valued at lower of cost and net realizable value.
- b. Value of finished goods is inclusive of GST wherever applicable.
- c. Raw Materials are valued at individual lot cost
- d. Cost of finished goods are determined at cost of raw material and other manufacturing cost on historical basis. In respect of goods in process cost is taken as cost of the materials and estimated cost of manufacture up to the various stages of completion.
- e. Stores and spares are valued at cost on first in first out basis.

F. BORROWING COSTS

Borrowing costs directly attributable to the acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective assets. All other ancillary costs, in any, that the Company incurs in connection with the borrowing of funds for acquisition of assets.

G. EMPLOYEE BENEFITS

Contributions to Provident Fund are made at pre-determined rates and charged to the profit and loss statement. The Company's liability is limited to the extent of contributions made.

Gratuity liability is accounted in the books based on actuarial valuation as at balance sheet date. Actuarial gains or losses are recognized immediately in the profit and loss statement. The accrued gratuity liability upon and inclusive of the year ended March 31, 2023 has been fully considered. As per policy of the company, Leave encashment is paid as and when liability arises and charged to profit and loss statement. Liability of compensated absences, performance incentives etc. are recognised during the period when the employee renders the services.

H. FOREIGN CURRENCY TRANSACTIONS

Import of goods is accounted in equivalent rupee value at the time of transaction. The Company has not entered into any exports. The difference arising on account of exchange rate fluctuation is charged to profit and loss statement in the respective years.

Foreign currency assets and liabilities, if any, are restated at the exchange rates prevailing on the date of Balance Sheet.

I. LEASES

Lease Rentals payable under operating lease are recognized as expenses in the year in which it is incurred.

J. TAXATION

Tax expenses comprises of current and deferred tax

Provision for taxation is made in terms of the Income Tax Act, 1961, in respect of income liable to tax at either special or normal rates. In accordance with the Accounting Standard 22.

Deferred Income tax reflects the impact of current year timing difference between taxable income and accounting income for the year and reversal of timing difference for the earlier years. Deferred tax is measured using the tax rates as at the reporting date.

Minimum Alternate tax (MAT) paid in a year is charged to the statement of Profit and Loss as current tax. MAT credit is recognised as an asset only to the extent that the company will pay normal income tax during the specified period. The said assets is created by way of a credit to the statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews the MAT credit entitlement asset every year and written down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

K. EARNING PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Particulars	31.03.2023	31.03.2022
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I. SHAREHOLDER'S FUNDS

(Amounts in INR Thousands)

1. Share Capital

Authorised Share Capital:

25,00,000 Equity Shares of Rs.10/- each 25,000.00 25,000.00

Issued, Subscribed and Paid up Share Capital:

10,00,000 Equity Shares of Rs.10/- each fully paid 10,000.00 10,000.00

a. Reconciliation of shares outstanding	No. of shares	No. of shares
Opening balance	10,00,000	10,00,000
Changes during this year	—	—
Closing balance	<u>10,00,000</u>	<u>10,00,000</u>

b. Share holders holding more than 5% of total shares

Sri. V. Jayaraman	2,75,892	2,75,892
Smt. J. Ananthalakshmi	93,496	93,496
Sri. J. Narayankumar	51,445	51,445
Sri. J. Harischandaravel	69,885	69,885
Sri. J. Ravindera	<u>64,816</u>	<u>64,816</u>

c. The company has issued only one class of equity shares. The shareholders are entitled to one vote per share and the dividend as recommended by the Directors from time to time

d. Details of promoters' shareholding

Equity Shares held by promoters at the end of the year			% Change during the year	
Promoters name	No. of shares	% of shares	No. of shares	% of shares
Sri. V. Jayaraman	275,892	27.59	—	—
	(275,892)	(27.59)	(—)	(—)
Smt. J. Ananthalakshmi	93,496	9.35	—	—
	(93,496)	(9.35)	(—)	(—)
Sri. J. Narayankumar	51,445	5.14	—	—
	(51,445)	(5.14)	(—)	(—)
Sri. J. Harischandaravel	69,885	6.99	—	—
	(69,885)	(6.99)	(—)	(—)
Sri. J. Ravindera	64,816	6.48	—	—
	(64,816)	(6.48)	(—)	(—)

(Figures in brackets denote prior year figures)

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

Particulars	31.03.2023	31.03.2022
2. Reserves and Surplus		(Amounts in INR Thousands)
a. Reserves		
General Reserve		
Opening Balance	27,900.00	27,900.00
Add: Transfer from Profit & Loss Statement	—	—
Closing Balance	<u>27,900.00</u>	<u>27,900.00</u>
b. Surplus		
Balance in Statement of Profit and Loss		
Opening Balance	(19,475.41)	(35,819.03)
Add: Profit / (Loss) for the Year	(22,307.04)	16,343.62
Closing Balance	<u>(41,782.45)</u>	<u>(19,475.41)</u>
	<u>(13,882.45)</u>	<u>8,424.59</u>
II. NON-CURRENT LIABILITIES		
3. Long - Term Borrowings	—	—
III. CURRENT LIABILITIES		
4. Short Term Borrowings		
a. Secured Loans		
Repayable on Demand from Bank		
i. State Bank of India - Cash Credit account	27,769.33	15,328.50
<i>Limit - Rs.300 Lakhs</i>		
<i>Secured by hypothecation of stock in trade, book debts and other current assets. Existing land, buildings and machineries of the Company are offered as collateral security. Period and amount of default - Nil</i>		
ii. GECL COVID LOAN	1,667.47	4,725.07
<i>Limit - Rs.75 Lakhs</i>		
<i>Secured by hypothecation of stock in trade, book debts and other current assets. Factory land and buildings of the Company are offered as collateral security. Personal Guarantee given of Directors of the Company. Repayable in 36 Monthly Instalments of Rs.2,05,555/- Period and amount of default - Nil</i>		
iii. State Bank of India LC	8,050.00	4,300.00
<i>Limit - Rs.100 Lakhs</i>		
<i>Secured on goods covered under LC and hypothecation of entire current assets of the company, collaterally secured by equitable mortgage of land and building at Gudalur village and personal guarantee of directors. Period and amount of default - Nil</i>		
	<u>37,486.80</u>	<u>24,353.57</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Particulars	31.03.2023	31.03.2022
b. Unsecured Loan		(Amounts in INR Thousands)
Deposits		
From Directors	68,000.00	47,100.00
Interest Rate - 7% p.a.		
Period and amount of default - Nil		
	<u>1,05,486.80</u>	<u>71,453.57</u>
5. Trade Payables		
a. Due to Micro, Small, & Medium Enterprises	-	-
b. Due to Others	10,554.59	3,827.18
	<u>10,554.59</u>	<u>3,827.18</u>
6. Other Current Liabilities		
a. Interest accrued but not due on borrowings	2,760.50	1,631.96
b. Unpaid Dividends	-	136.28
c. Advance from Customers	6,074.75	28.33
d. Statutory Liabilities Payable	1,860.87	2,049.05
	<u>10,696.13</u>	<u>3,845.61</u>
7. Short Term Provisions		
a. Provision for Bonus	480.05	675.75
b. Others		
Provision for Income Tax	-	-
	<u>480.05</u>	<u>675.75</u>

IV. NON-CURRENT ASSETS

8. Property, Plant & Equipment and Intangible assets (Amounts in INR Thousands)

Particulars	Gross Block				Depreciation				Net Block	
	Cost at 01.04.22	Additions	Sales	Cost at 31.03.2023	Upto 31.03.22	For the Year	Withdrawn/ Sales	Upto 31.03.23	As at 31.03.23	As at 31.03.22
TANGIBLE ASSETS										
Land- Free hold	199.39	-	-	199.39	0.00	0.00	0.00	0.00	199.39	199.39
Buildings	4,915.82	-	-	4,915.82	4,638.04	16.93	0.00	4,654.97	260.85	277.78
Spinning Machinery	1,09,536.97	-	7,242.08	1,02,294.89	1,03,414.66	834.72	7,110.08	97,139.30	5,155.58	6,122.31
Wind Electric Generator	69,092.91	-	-	69,092.91	65,192.12	93.62	0.00	65,285.73	3,807.17	3,900.79
Electrical Plant & Machinery	7,750.89	-	-	7,750.89	7,738.50	0.00	0.00	7,738.50	12.40	12.40
General Machinery	3,860.33	-	-	3,860.33	3,674.11	9.46	-	3,683.57	176.76	186.22
Vehicles	7,422.35	-	-	7,422.35	6,883.67	64.84	-	6,948.51	473.84	538.68
Electrical Fittings	647.31	-	-	647.31	629.51	0.70	0.00	630.21	17.09	17.79
Furniture and Fittings	934.14	-	-	934.14	865.66	10.03	0.00	875.70	58.45	68.48
Canteen Vessels	43.97	-	-	43.97	41.62	0.55	0.00	42.17	1.80	2.35
Total	2,04,404.09	-	7,242.08	1,97,162.00	1,93,077.89	1,030.85	7,110.08	1,86,998.66	10,163.34	11,326.19
Previous Year	2,06,136.19	-	-	2,04,404.09	1,93,460.64	1,347.03	1,729.78	1,93,077.89	11,326.20	12,675.54

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

Particulars	31.03.2023	31.03.2022
9. Deferred Tax Assets (Net)		(Amounts in INR Thousands)
Deferred Tax Assets		
Opening Balance	17,177.68	22,735.37
Add: Provided / (Reversed) During the year	7,069.18	(5,557.69)
Closing Balance	<u>24,246.86</u>	<u>17,177.68</u>
10. Non-Current Investments		
Others (at cost)		
Investment in subsidiary - Unquoted		
M/s. S.M. Textiles Ltd - Subsidiary Company		
35,400 Equity shares of Rs.100/- Each fully paid up	5,530.00	5,530.00
73,320 Redeemable Preference shares of Rs.100/- Each fully paid up	7,332.00	7,332.00
	<u>12,862.00</u>	<u>12,862.00</u>
11. Long-Term Loans & Advances		
Unsecured , Considered good		
MAT Credit Entitlement	-	-
12. Other Non-Current assets		
Unsecured, Considered good		
Security Deposits	3,638.77	4,610.92
	<u>3,638.77</u>	<u>4,610.92</u>
V. CURRENT ASSETS		
13. Inventories		
a. Raw Materials at Cost	800.99	1,113.12
b. Work-in-Progress at estimated cost	10,550.28	13,179.02
c. Finished Goods at Net Realisable value	9,488.00	6,237.94
d. Stores and Spares at cost in First in first out basis	351.28	705.90
e. Stock-in-Trade - Land	1.57	1.77
f. Waste at Net Realisable Value	1,156.86	1,256.33
	<u>22,348.98</u>	<u>22,494.08</u>
14. Trade Receivables - Unsecured, Considered good		
a. Outstanding for a period exceeding six months		
Others	1,056.05	624.97
Due from S.M. Textiles Ltd - Subsidiary company	19,713.08	17,186.91
	<u>20,769.13</u>	<u>17,811.87</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Particulars	31.03.2023	31.03.2022
15. Cash and Cash Equivalents		(Amounts in INR Thousands)
a. Balances with banks	10,009.61	10.26
b. Cash on Hand	31.96	15.79
c. Others		
In Term Deposits held as margin money (More than 12 months)	2,991.62	2,871.58
In Unpaid Dividend Account	—	136.28
	<u>2,991.62</u>	<u>3,007.86</u>
	<u>13,033.19</u>	<u>3,033.91</u>
16. Short - Term Loans & Advances Unsecured, Considered Good		
Loans and advances to related party (Purchase advance to subsidiary company)	10,544.96	4,819.96
Advance for Purchases	175.00	50.65
Staff & Other Advances	4,340.86	3,021.70
IT Refund Due	600.10	204.83
Tax deducted at source	219.28	398.34
Prepaid Expenses	392.64	414.57
	<u>16,272.84</u>	<u>8,910.03</u>
17. Revenue from Operations		
a. Sale of Products		
Domestic Sales		
Yarn	87,171.51	1,02,243.03
Cotton Waste	7,864.94	5,567.52
Cotton	3,430.84	2,952.44
	<u>98,467.29</u>	<u>1,10,762.99</u>
b. Sale of Land	6,000.00	30,600.00
	<u>1,04,467.29</u>	<u>1,41,362.99</u>
18. Other Income		
Interest Receipts		
Electricity Deposit	153.52	160.51
SBI-Margin Money Deposit	133.39	119.98
Interest on Inter-company Loan	691.16	—
Interest on ESI	—	69.41
	<u>978.06</u>	<u>349.91</u>
Sale of Scrap	26.96	97.36
Profit on Sale of Assets	1,823.00	340.00
Excess Provision of gratuity received	900.00	135.00
Miscellaneous Income	1.30	36.24
	<u>3,729.32</u>	<u>958.51</u>

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

Particulars	31.03.2023	31.03.2022
		(Amounts in INR Thousands)
19. Cost of Materials Consumed - Cotton		
Opening Stock	1,113.12	2,250.06
Add: Purchase	<u>85,590.03</u>	<u>63,570.37</u>
	86,703.16	65,820.43
Less: Closing Stock	<u>800.99</u>	<u>1,113.12</u>
	<u><u>85,902.16</u></u>	<u><u>64,707.30</u></u>
20. Changes in Inventories of Work-in-Progress, Finished Goods & Waste		
Opening Stock of WIP	13,179.02	10,978.44
Less: Closing stock of WIP	<u>10,550.28</u>	<u>13,179.02</u>
	2,628.74	(2,200.59)
Opening stock of Finished Goods	6,237.94	15,775.08
Less: Closing stock of Finished Goods	<u>9,488.00</u>	<u>6,237.94</u>
	(3,250.07)	9,537.15
Opening Stock of Waste	1,256.33	974.51
Less: Closing stock of Waste	<u>1,156.86</u>	<u>1,256.33</u>
	99.47	(281.82)
Opening Stock of Land	1.77	-
Less: Closing stock of Land	<u>1.57</u>	<u>1.77</u>
	0.21	(1.77)
	<u><u>(521.65)</u></u>	<u><u>7,052.97</u></u>
21. Employee Benefit Expenses		
Salaries, Wages & Bonus	9,505.50	12,184.95
Contribution to Provident Fund & Other Funds	210.57	220.08
Staff Welfare Expenses	<u>1,008.41</u>	<u>1,096.33</u>
	<u><u>10,724.47</u></u>	<u><u>13,501.36</u></u>
22. Finance Costs		
Interest on Working Capital Loan	2,762.40	2,415.82
Interest on Unsecured Loan	4,300.55	3,674.10
Interest on LC	618.52	431.78
Bank Charges	<u>557.74</u>	<u>564.59</u>
	<u><u>8,239.20</u></u>	<u><u>7,086.31</u></u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Particulars	31.03.2023	31.03.2022
		(Amounts in INR Thousands)
23. Other Expenses		
Consumption of Stores and Spares	2,080.21	2,299.52
Yarn conversion charges	119.01	576.52
Power & Fuel	13,992.57	10,529.38
(Net of WEG Generation - Rs.77,20,717/- - Previous Year - Rs.1,16,72,154/-)		
Rent	346.32	346.32
Repairs to Buildings	360.83	435.45
Repairs to Machinery	647.94	728.10
Repairs to Wind Mill Machinery	827.64	644.91
Repairs to Others	235.65	73.35
Insurance	355.07	473.67
Rates & Taxes, excluding taxes on income	1,981.44	538.02
Payment to Auditors for		
Audit fees	35.00	35.00
Taxation matters	20.00	49.20
Others	10.00	-
Managerial Remuneration	3,069.61	4,024.29
Miscellaneous Expenses	3,252.61	3,717.75
	<u>27,333.90</u>	<u>24,471.47</u>
24. Exceptional Items		
Excess provision for bonus in Prior Year reversed	396.96	489.08
Reversal of Prov. for ESI Dispute	-	211.92
	<u>396.96</u>	<u>701.00</u>

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Particulars	31.03.2023	31.03.2022
(Amounts in INR Thousands)		
25. Other notes on Accounts		
1. Interest capitalized during the year	Nil	Nil
2. Value of Imports calculated on C.I.F basis during the financial year in respect of		
1. Raw Material	Nil	Nil
2. Components, Stores and Spares	Nil	Nil
3. Capital Goods	Nil	Nil
3. Expenditure in Foreign Currency	Nil	Nil
Earnings in Foreign Exchange	Nil	Nil

4. Value and Percentage of Consumption

Particulars	Raw Materials		Components, Stores & Spares	
	Value (Rs.)	Consumption %	Value (Rs.)	Consumption %
Imported	Nil	Nil	Nil	Nil
	(Nil)	(Nil)	(Nil)	(Nil)
Indigenous	85,902.16	100	2,080.21	100
	(64,707.30)	(100)	(2,299.52)	(100)

5. Disclosure pertaining to Micro, Small and Medium Enterprises

(as per information available with the Company)

Particulars	Rs.	Rs.
1. Principal Amount due as at 31 st March 2023	Nil	Nil
2. Interest due on (1) above and unpaid as at 31.03.2023	Nil	Nil
3. Interest paid to Suppliers	Nil	Nil
4. Payment made to the supplier beyond the appointed day during the year	Nil	Nil
5. Interest due and payable for the period of delay	Nil	Nil
6. Interest accrued ad remaining unpaid as at 31 st March 2023	Nil	Nil
7. Amount of further interest remaining due and payable in succeeding year	Nil	Nil

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Amounts in INR Thousands)

6. Segment Information

The Company Operates in two Business segments viz., 1) Manufacture of Cotton Yarn, 2) Wind Energy Generation and 3) Real Estate. The details are as under:

Segment Results

Amounts in Rupees

Particulars	Spinning Mills	Wind Energy Generation	Real Estate	Total
REVENUE				
Sale of Yarn	98,467.29	–	–	98,467.29
Power Generation	–	7,720.72	–	7,720.72
Sale of Land	–	–	6,000.00	6,000.00
Other Income	3,729.32	–	–	3,729.32
Total Revenue	1,02,196.61	7,720.72	6,000.00	1,15,917.33
Less: Inter Segment Revenue	7,720.72	–	–	7,720.72
Net Revenue from operation	94,475.89	7,720.72	6,000.00	1,08,196.61
EXPENDITURE				
Interest	8,239.20	–	–	8,239.20
Depreciation	937.24	93.62	–	1,030.85
Other expenses	1,26,012.09	827.64	30.00	1,26,869.73
Total Expenditure	1,35,188.53	921.26	30.00	1,36,139.78
Profit/(Loss) before exceptional and extraordinary and tax	(40,712.64)	6,799.46	5,970.00	(27,943.17)
Exceptional Items	396.96	–	–	396.96
Profit / (Loss) before tax	(40,315.68)	6,799.46	5,970.00	(27,546.22)
Segment Assets	1,19,526.37	3,807.17	1.57	1,23,335.11
Segment Liabilities	1,23,335.11	–	–	1,23,335.11

7. Deferred Tax:

The break-up of deferred tax asset for the current year is as under

Deferred tax asset	Balance as on 01.04.2022	Additions	Reversed	Balance as on 31.03.2023
	Rs.	Rs.	Rs.	Rs.
Disallowance u/s 43B	174.00	123.61	174.00	123.61
On carried Forward Loss	15,966.95	7,323.55	–	23,290.50
On Unabsorbed Depreciation	2,325.09	155.59	–	2,480.68
Difference in Depreciation	(1,287.97)	(359.57)	–	(1,647.54)
	17,178.08	7,243.18	174.00	24,247.26

(Amounts in INR Thousands)

8. Earnings per share:

Particulars	31.03.2023	31.03.2022
Net Profit / (Loss) after tax	(22,307.04)	16,343.62
Total Number of Equity Share	1,000,000	1,000,000
Earnings per share	(22.31)	16.34

9. The Company has taken the office building on lease

Particulars	31.03.2023	31.03.2022
The lease rentals payable charged as rent in the profit and loss statement for the period is	346.32	346.32
The lease rental payable within the next one year	346.32	346.32

10. Related party disclosures:

(A) Name of the Key Managerial Personnel:

- V. Jayaraman – Managing Directors
J. Harischandavel – Whole time Director designated as Executive Director

(B) Relatives of Key managerial Personnel:

	V. Jayaraman	J. Harischandavel
J. Ananthalakshmi	Wife	Mother
J. Ravindra	Son	Brother
J. Harischandavel	Son	–
N. Muthulakshmi	Sister	–

(C) Subsidiary Company: S.M. Textiles Limited

- Extent of Equity share hold : 70.80%
Extent of Preference Shares hold : 48.88%

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023**

(Amounts in INR Thousands)

(D) **Other Related Parties:** None

Details of Transactions:

Particulars	Subsidiary Company	Key Managerial Personnel	Relatives of Key Managerial Personnel
V. Jayaraman			
Salary		1,000.00	
		(2,000.00)	
Interest paid		3,764.68	
		(4,139.26)	
Sitting fees		3.00	
		(4.00)	
Loans and Advances Received		20,900.00	
		(3,900.00)	
Loans and Advances Repaid		–	
		(3,168.00)	
Payable outstanding		63,718.59	
		(57,232.00)	
J. Harischandravel			
Salary		2,069.61	
		(2,865.25)	
Sitting fees		3.00	
		(3.00)	
J. Ananthalakshmi			
Sitting fees			3.00
			(4.00)
Interest paid			535.87
			(536.79)
Loans and Advances Received			–
			(–)
Loans and Advances Repaid			–
			(–)
Payable outstanding			6,500.00
			(6,500.00)
N. Muthulakshmi			
Rent and Amenities			346.32
			(346.32)
S.M. Textiles Limited			
Investment in Redeemable preference share	–		
	(2,832.00)		
Sale of Cotton	3,668.69		
	(3,100.06)		

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(Amounts in INR Thousands)

Purchase of Cotton & Waste	1,783.95		
	(-)		
Loans and Advances Paid	5,725.01		
	(-)		
Interest received	622.04		
	(-)		
Reimbursement Expenses	19.39		
	(-)		
Purchase advance paid	-		
	(9,123.69)		
Receivable outstanding	30,258.04		
	(22,006.86)		

11. Employee Benefits:

The Company has determined the liability for Defined benefit Employee Plans in accordance with revised Accounting Standard -15

DEFINED BENEFIT PLANS

Particulars	Gratuity (Funded)	
	31.03.2023	31.03.2022
A. Expenses recognised during the year ended		
1. Current Service cost		
2. Interest cost		
3. Expected return on plan assets	261.93	312.57
4. Actuarial Losses / (Gains) during the year	(261.34)	(308.44)
5. Total Expense (Income)	0.59	4.13
B. Actual return on plan assets		
1. Expected return on plan assets	261.93	312.57
2. Actuarial (Loss)/Gain on plan assets	-	-
3. Actual return on plan assets	261.93	312.57
C. Net Assets/Liability recognized in the Balance Sheet		
1. Present value of the obligation	48.33	134.80
2. Fair value of the plan assets	3,750.92	4,389.58
3. Difference	3,702.59	4,254.78
4. Unrecognised past service cost	-	-
5. Liability recognised in the Balance Sheet	-	-
D. Change in present value of the obligation during the year ended		
1. Present value of the obligation	134.80	126.70
2. Current assets Service cost	-	-
3. Interest cost	0.59	4.13
4. Benefit paid	-	-
5. Actuarial (Gain)/Loss on obligation	(85.88)	12.33
6. Present value of the obligation	48.33	134.80

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023**

(Amounts in INR Thousands)

Particulars	Gratuity (Funded)	
	31.03.2023	31.03.2022
E. Change in assets during the year ended		
1. Fair value of plan assets	4,389.58	4,216.14
2. Expected return on plan assets	261.93	312.57
3. Contribution made	–	–
4. Excess Contribution Refunded/refundable	900.00	135.00
5. Benefits paid	–	–
6. Actuarial Gain/(Loss) on plan assets	0.59	4.13
7. Fair value of plan assets	3,750.92	4,389.58
F. Major Categories of Plan assets as a percentage of total plan		
1. Qualifying insurance policies	–	–
2. Own plan assets	–	–
G. Actuarial Assumptions		
1. Discount rate	7.20%	5.64%
2. Salary escalation	5.00%	7.50%
3. Expected rate of return on plan assets	–	–
4. Attrition rate	2.00%	3.50%

13. Trade Payables ageing schedule

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues						
(i) MSME	–	–	–	–	–	–
	(–)	(–)	(–)	(–)	(–)	–
(ii) Others	3,096.71	7,361.03	11.05	42.19	43.61	10,554.60
	(2,584.09)	(1,154.84)	(43.17)	(35.69)	(9.39)	(3,827.18)
Total	3,096.71	7,361.03	11.05	42.19	43.61	10,554.60
	(2,584.09)	(1,154.84)	(43.17)	(35.69)	(9.39)	(3,827.18)

(Figures in brackets denote previous year figures) * There is no disputed dues and unbilled dues.

14. Trade Receivables Ageing Schedule

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Receivables						
– considered good	–	20,744.13	–	–	25.00	20,769.13
	(–)	(17,199.48)	(–)	(612.39)	(–)	17,811.87
– considered doubtful	–	–	–	–	–	–
	(–)	(–)	(–)	(–)	(–)	(–)
Total	–	20,744.13	–	–	25.00	20,769.13
		(17,199.48)		(612.39)		17,811.87

(Figures in brackets denote previous year figures) *There is no disputed receivables and unbilled dues.

15. Relationship with Struck off Companies

The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

16. Registration of charges or satisfaction with Registrar of Companies

There is no charge or satisfaction yet to be registered with Registrar of Companies as on 31.03.23

17. CWIP aging schedule

There is no Capital Projects in Progress or Temporarily suspended. Therefore Ageing schedule for Capital Work-in-progress is not applicable.

18. Intangible assets under development aging schedule

There is no Intangible asset development Projects in Progress or Temporarily suspended. Therefore Ageing schedule for Intangible assets under development aging schedule is not applicable.

19. There are no discrepancies between the books of account and the quarterly stock statements submitted by the company to bank.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

20. Analytical ratios

Sl. No.	Ratio	Numerator	Denominator	Numerator	Denominator	Ratio	Numerator	Denominator	Ratio	% Variance	Remarks
1	Current Ratio	Current Assets	Current Liabilities	72,424.14	127,217.57	0.57	52,249.89	79,802.11	0.65	-13.05%	Nil
2	Debt-Equity Ratio	Total Debt	Shareholder's Equity	105,486.80	(3,882.45)	(27.17)	71,453.57	18,424.59	3.88	-800.59%	Variance due to decrease in share holders fund, Due to current year loss.
3	Debt Service Coverage Ratio	Earnings Available For Debt Service	Debt Service Interest + Principal repayments				NA				No long term borrowings
4	Return On Equity Ratio	Net Profits After Taxes – Preference Dividend	Average Shareholder's Equity	(22,307.04)	7,271.07	(3.07)	16,343.62	10,252.78	1.59	-292.46%	Variance is due to current year loss and decrease in turnover compared to last year.
5	Inventory Turnover Ratio	Turn Over	Average Inventory	104,467.29	22,421.53	4.66	141,362.99	26,511.63	5.33	-12.62%	Nil
6	Trade Receivables Turnover Ratio	Turn Over	Average Trade Debtors	104,467.29	19,290.50	5.42	141,362.99	11,700.00	12.08	-55.18%	Variance is due to decrease in turnover and at same time increase in debtors in current year as compared to last year .
7	Trade Payables Turnover Ratio	Total Purchases	Average Trade Creditors	89,020.87	7,190.89	12.38	66,522.80	8,372.98	7.94	55.82%	Variance is due to increase in cost of raw material as compared to last year.
8	Net Capital Turnover Ratio	Turn Over	Working Capital	104,467.29	105,486.80	0.99	141,362.99	71,453.57	1.98	-49.94%	Variance resulted due to the increase in the current year working capital and at the same time decrease of turnover as compared to last year.
9	Net Profit Ratio	Net Profit After Taxes	Turnover	(22,307.04)	104,467.29	(0.21)	16,343.62	141,362.99	0.12	-284.69%	Variance is due to current year loss due to increase in cost of raw material.
10	Return On Capital Employed	Net Profit Before Interest And Taxes	Capital Employed	(19,307.02)	(3,882.45)	4.97	28,987.61	18,424.59	1.57	216.08%	Variance is due to current year loss.
11	Return On Investment	Income generated from Investments	Time weighted average investments				NOT APPLICABLE				Nil

21. Previous Year's figures have been regrouped wherever necessary to conform to the current year's classification.

INDEPENDENT AUDITORS' REPORT

To The Members of Sri Ramnarayan Mills Limited Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Sri Ramnarayan Mills Limited ("the Holding Company") and its subsidiary (the Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (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 consolidated state of affairs of the Company as at March 31, 2023, the Consolidated loss and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013.

Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated 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 consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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 audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted public company.

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

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

INDEPENDENT AUDITOR'S REPORT

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Consolidated Financial Statements

The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act read with the Companies Accounting Standards Rules, 2014, as amended.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 Holding Company has adequate internal financial controls system 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 Group'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) Planning the scope of our audit work and in evaluating the results of our work;
and
- (ii) To evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entity included in the consolidated financial statements 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

INDEPENDENT AUDITOR'S REPORT

matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

We did not audit the financial statements of the M/s S.M. Textiles Limited ("Subsidiary") whose financial statements reflect total assets of Rs. 3,19,22,174 /- as at 31st March, 2023 and Net Loss of Rs. 1,52,09,024/- for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done by the others and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

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 of the aforesaid consolidated financial statements.
- b) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Statement of Cash Flows dealt with by this report are on agreement with the relevant books of account.
- c) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, and the reports of the other auditor.
- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Company and its subsidiaries incorporated in India none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2023 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.
- g) In our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the company to its directors during the year is in accordance with the requirements of section 197(16) of the act; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

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- i. The group has disclosed the impact of pending litigation on the financial position in its financial statement.
- ii. The group did not have any long-term contracts including derivative contracts. Hence the question of any material foreseeable losses does not arise.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies.
- iv.
 - a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ('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.
 - b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement
- v. The group has neither paid nor declared any dividend during the financial year

With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and based on the report of the other auditor, we report that there are no qualifications or adverse remarks in these CARO reports.

FOR S. KRISHNAMOORTHY & CO.,
Chartered Accountants
Firm Regn. No.01496S

Place: Coimbatore
Date : 22.08.2023

B. KRISHNAMOORTHY
Partner, Auditors
Membership No.020439
UDIN: 23020439BGUGZJ6403

INDEPENDENT AUDITOR'S REPORT

Annexure referred to in Paragraph 1(f) under Report on Other Legal and Regulatory Requirements 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”)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of Sri Ramnarayan Mills Limited (hereinafter referred to as ‘Company’), the holding company incorporated in India and such companies incorporated in India under the Companies Act 2013 which are its Subsidiary Companies as of that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 (‘the ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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 internal financial controls system over financial reporting of the Company.

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 pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

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

Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary company have, 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, 2023, based on the internal control over financial reporting criteria established by the respective companies 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.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to the subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the Auditors of such companies incorporated in India.

FOR S. KRISHNAMOORTHY & CO.,
Chartered Accountants
Firm Regn. No.01496S

B. KRISHNAMOORTHY
Partner, Auditors
Membership No.020439
UDIN: 23020439BGUGZJ6403

Place: Coimbatore
Date : 22.08.2023

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2023

(Amounts in INR Thousands)

Particulars	Note No	31.03.2023	31.03.2022
I. EQUITY AND LIABILITIES			
1. Shareholder's Funds			
(a) Share Capital	1	10,000.00	10,000.00
(b) Reserves and Surplus	2	(71,001.62)	(37,926.59)
2. Minority Interest			
(Including preference shares)	3	(7,735.48)	(3,294.44)
		(68,737.10)	(31,221.03)
3. Non-Current Liabilities			
Long-term Provisions	4	1,282.23	1,177.34
		1,282.23	1,177.34
4. Current Liabilities			
(a) Short-term borrowings	5	1,43,416.28	1,04,658.86
(b) Trade payables	6		
Dues to Micro and Small Enterprises		-	-
Dues to Others		12,139.44	6,099.60
(c) Other current liabilities	7	13,354.99	6,082.44
(d) Short-term provisions	8	1,376.75	1,287.03
		1,70,287.46	1,18,127.92
Total		1,02,832.59	88,084.22
II. ASSETS			
1. Non-Current assets			
(a) Property, Plant & Equipment and Intangible assets			
Property, Plant & Equipment	9	9,645.59	10,905.57
(b) Deferred tax Assets (Net)	10	30,221.57	23,152.39
(c) Other Non-Current assets	11	4,907.37	5,729.44
		44,774.54	39,787.40
2. Current assets			
(a) Inventories	12	32,049.33	38,413.68
(b) Trade receivables	13	1,059.96	624.97
(c) Cash and cash equivalents	14	18,616.51	4,619.97
(d) Short-term loans and advances	15	6,035.76	4,415.91
(e) Other Current assets	16	296.48	222.31
		58,058.05	48,296.84
Total		1,02,832.59	88,084.23

The accompanying notes are an integral part of these financial statements.

As per our report annexed
For S. KRISHNAMOORTHY & CO.

Chartered Accountants
Registration No. 001496 S

B. KRISHNAMOORTHY

Membership No. 020439
Partner, Auditors

Place : Coimbatore
Date : 22.08.2023

V. JAYARAMAN
Managing Director
DIN: 00261571

J. ANANTHALAKSHMI
Director
DIN: 00312155

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023

(Amounts in INR Thousands)

Particulars	Note No	31.03.2023	31.03.2022
I. Income			
(a) Revenue from operations	17	1,40,364.92	2,04,302.96
(b) Other Income	18	3,209.07	1,100.14
Total Revenue		1,43,573.98	2,05,403.10
II. Expenses			
(a) Cost of materials consumed	19	1,14,394.26	1,13,615.71
(b) Purchase of Stock-in-Trade		3,430.84	2,952.44
(c) Conversion of capital asset in to stock		—	2.31
(d) Changes in inventories of finished goods work-in-progress and Stock-in-Trade	20	2,789.65	3,210.14
(e) Employee benefit expense	21	18,244.60	22,792.42
(f) Financial costs	22	10,853.61	9,782.74
(g) Depreciation and amortization expense	9	1,127.97	1,444.15
(h) Other expenses	23	35,717.75	34,672.18
Total Expenses		1,86,558.68	1,88,472.09
III. Profit/(Loss) before exceptional and extraordinary items and tax		(42,984.70)	16,931.00
IV. Exceptional Items	24	229.46	700.53
V. Profit/(Loss) before extraordinary items and tax		(42,755.24)	17,631.53
VI. Extraordinary Items		—	—
VII. Profit /(Loss) before tax		(42,755.24)	17,631.53
VIII. Tax expense			
(a) Provision for Income tax		—	—
(b) MAT Credit Entitlement		—	—
(c) Prior Year Income Tax		1,830.00	—
(d) Deferred tax asset provided / (reversed)		(7,069.18)	(5,557.55)
IX. Profit/(Loss) for the period from continuing operations		(37,516.06)	12,073.98
X. Profit/(Loss) for the period from discontinuing operations (after tax)		—	—
XI. Profit/(Loss) for the period		(37,516.06)	12,073.98
Profit /(Loss) attributable to minority interest		(4,441.03)	(1,246.78)
Profit /(Loss) attributable to parent company		(33,075.03)	13,320.75
XII. Earnings per equity share of Face Value Rs.10/- each			
(a) Basic		(37.52)	12.07
(b) Diluted		(37.52)	12.07

The accompanying notes are an integral part of these financial statements.

As per our report annexed
For S. KRISHNAMOORTHY & CO.

Chartered Accountants
Registration No. 001496 S

B. KRISHNAMOORTHY

Membership No. 020439
Partner, Auditors

Place : Coimbatore
Date : 22.08.2023

V. JAYARAMAN

Managing Director
DIN: 00261571

J. ANANTHALAKSHMI

Director
DIN: 00312155

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2023

(Amounts in INR Thousands)

PARTICULARS	31.03.2023	31.03.2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit / (Loss) before Tax & Extraordinary Item	(42,755.24)	17,631.53
Adjustments for		
Depreciation	1,127.97	1,444.15
Interest Paid	10,853.61	9,782.74
Interest Received	(432.35)	(467.96)
Profit on Sale of Asset	(1,823.00)	(340.00)
Operating Profit / (Loss) before Working Capital Changes	(33,029.01)	28,050.46
Adjustments for		
Trade & Other Receivables	(1,306.95)	(139.43)
Inventories	6,364.35	4,844.12
Trade Payables & Other Current Liabilities	13,507.01	(12,158.29)
Short term borrowings	38,757.41	(12,631.27)
Net Cash generated from Operations before Tax & Extraordinary Item	24,292.80	7,965.58
Direct Taxes	1,830.00	-
Net Cash From Operating Activities before Extra ordinary item	26,122.80	7,965.58
Extraordinary Items	-	-
Net Cash generated from Operations	26,122.80	7,965.58
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	-
Redemption / deletion of investments	-	5.47
Interest Receipts	432.35	467.96
Sale of Fixed Assets	1,955.00	342.31
Net Cash used in Investing Activities	2,387.35	815.74
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of share capital	-	1,168.00
Interest Paid	(10,853.61)	(9,782.74)
Net Cash used in Financing Activities	(10,853.61)	(8,614.74)
Net Increase in Cash and Cash Equivalents	17,656.55	166.58
Cash and Cash Equivalents (Opening Balance)	4,619.96	4,453.38
Cash and Cash Equivalents (Closing Balance)	22,276.51	4,619.96

As per our report annexed
For S. KRISHNAMOORTHY & CO.

Chartered Accountants
Registration No. 001496 S

B. KRISHNAMOORTHY

Membership No. 020439
Partner, Auditors

Place : Coimbatore
Date : 22.08.2023

V. JAYARAMAN
Managing Director
DIN: 00261571

J. ANANTHALAKSHMI
Director
DIN: 00312155

SIGNIFICANT ACCOUNTING POLICIES

25 Principles of Consolidation

- a The financial statements have been consolidated on the line to line basis by adding together the book values of the like items of assets, liabilities, income and expenses, after eliminating the intra group balances and the unrealized profit or loss on intra group transactions.
- b The consolidated financial statements relate to Sri Ramnarayan Mills Ltd., the holding company and its subsidiary company, S.M. Textiles Ltd., which is incorporated in India, and in which the company owns 70.80% of equity shares.
- c The consolidated financial statement have been presented in the same format as that adopted by the holding company for its separate financial statements, as required under AS-21.
- d The other accounting policies followed are the same as set out under "Significant Accounting policies" of financial statements of holding and subsidiary companies except in case of Depreciation where the holding company follows written down value method and the subsidiary follows the straight line method.

A BASIS OF ACCOUNTING

The accounts have been prepared as a going concern in accordance with accounting principles generally accepted in India and books maintained are line with the requirements of Section 128 of the Companies Act, 2013. The Company follows accrual basis of accounting.

B REVENUE RECOGNITION

Sales are accounted net of GST wherever applicable.

C FIXED ASSETS

- i Fixed Assets are shown at cost including allocable borrowing costs and net of GST credit.
- ii Depreciation on fixed assets is provided on Written Down Value method adopting the useful lives of the respective fixed assets, and the residual value in accordance with Schedule II to the Companies Act, 2013. In respect of additions during the year, depreciation is prorated to the number of days used.

D INVESTMENTS

Investments are stated at cost

E INVENTORIES

- a Inventories have been valued at lower of cost and net realizable value.
- b Value of finished goods is inclusive of GST wherever applicable.
- c Raw Materials are valued at individual lot cost
- d Cost of finished goods are determined as cost of raw material and other manufacturing cost on historical basis. In respect of goods in process cost is taken as cost of the materials and estimated cost of manufacture up to the various stages of completion.
- e Stores and spares are valued at cost on first in first out basis.

F BORROWING COSTS

Borrowing costs directly attributable to the acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective assets. All other ancillary costs, in any, that the Company incurs in connection with the borrowing of funds for acquisition of assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

G EMPLOYEE BENEFITS

Contributions to Provident Fund are made at pre-determined rates and charged to the profit and loss statement. The Company's liability is limited to the extent of contributions made. Gratuity liability is accounted in the books based on actuarial valuation as at balance sheet date. Actuarial gains or losses are recognized immediately in the profit and loss statement. The accrued gratuity liability upon and inclusive of the year ended March 31, 2023 has been fully considered. As per policy of the company, Leave encashment is paid as and when liability arises and charged to profit and loss statement. Liability of compensated absences, performance incentives etc. are recognised during the period when the employee renders the services.

H FOREIGN CURRENCY TRANSACTIONS

Import of goods is accounted in equivalent rupee value at the time of transaction. The Company has not entered into any exports. The difference arising on account of exchange rate fluctuation is charged to profit and loss statement in the respective years.

Foreign currency assets and liabilities, if any, are restated at the exchange rates prevailing on the date of Balance Sheet.

I LEASES

Lease Rentals payable under operating lease are recognized as expenses in the year in which it is incurred.

J TAXATION

Tax expenses comprises of current and deferred tax. Provision for taxation is made in terms of the Income Tax Act, 1961, in respect of income liable to tax at either special or normal rates in accordance with the Accounting Standard 22.

Deferred Income tax reflects the impact of current year timing difference between taxable income and accounting income for the year and reversal of timing difference for the earlier years. Deferred tax is measured using the tax rates as at the reporting date.

Minimum Alternate tax (MAT) paid in a year is charged to the statement of Profit and Loss as current tax. MAT credit is recognised as an asset only to the extent that the company will pay normal income tax during the specified period. The said assets is created by way of a credit to the statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews the MAT credit entitlement asset every year and written down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

K EARNING PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period.

As per our report annexed
For S. KRISHNAMOORTHY & CO.

Chartered Accountants
Registration No. 001496 S

B. KRISHNAMOORTHY

Membership No. 020439
Partner, Auditors

Place : Coimbatore
Date : 22.08.2023

V. JAYARAMAN
Managing Director
DIN: 00261571

J. ANANTHALAKSHMI
Director
DIN: 00312155

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

Particulars	31.03.2023	31.03.2022
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(Amounts in INR Thousands)

I. SHAREHOLDER'S FUNDS

1. Share Capital

Authorised Share Capital:

25,00,000 Equity Shares of Rs.10/- each 25,000.00 25,000.00

Issued, Subscribed and Paid up Share Capital:

10,00,000 Equity Shares of Rs.10/- each fully paid 10,000.00 10,000.00

a. Reconciliation of shares outstanding	No. of shares	No. of shares
Opening balance	10,00,000	10,00,000
Changes during this year	-	-
Closing balance	10,00,000	10,00,000

b. Share holders holding more than 5% of total shares

Sri. V. Jayaraman	275,892	275,892
Smt. J. Ananthalakshmi	93,496	93,496
Sri. J. Narayankumar	51,445	51,445
Sri. J. Harischandavel	69,885	69,885
Sri. J. Ravindera	64,816	64,816

c. *The company has issued only one class of equity shares. The shareholders are entitled to one vote per share and the dividend as recommended by the Directors from time to time*

d. Details of promoters' shareholding

Equity Shares held by promoters at the end of the year			% Change during the year	
Promoters name	No. of shares	% of shares	No. of shares	% of shares
Sri. V. Jayaraman	2,75,892	27.59	-	-
	(2,75,892)	(27.59)	(-)	(-)
Smt. J. Ananthalakshmi	93,496	9.35	-	-
	(93,496)	(9.35)	(-)	(-)
Sri. J. Narayankumar	51,445	5.14	-	-
	(51,445)	(5.14)	(-)	(-)
Sri. J. Harischandavel	69,885	6.99	-	-
	(69,885)	(6.99)	(-)	(-)
Sri. J. Ravindera	64,816	6.48	-	-
	(64,816)	(6.48)	(-)	(-)

(Figures in brackets denote prior year figures)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Particulars	31.03.2023	31.03.2022
2. Reserves and Surplus		(Amounts in INR Thousands)
a. Reserves		
General Reserve		
Opening Balance	28,240.00	28,240.00
Add: Transfer from Profit & Loss Statement	—	—
Closing Balance	<u>28,240.00</u>	28,240.00
b. Surplus		
Balance in Statement of Profit and Loss		
Opening Balance	(66,166.59)	(79,487.34)
Add: Profit / (Loss) for the Year	(33,075.03)	13,320.75
Closing Balance	<u>(99,241.62)</u>	<u>(66,166.59)</u>
	<u>(71,001.62)</u>	<u>(37,926.59)</u>
3. Minority Interest		
a) In Equity Shares		
Opening Balance	(10,962.44)	(9,715.67)
Add: Transfer from Profit & Loss Statement	(4,441.03)	(1,246.78)
Closing Balance	<u>(15,403.48)</u>	(10,962.44)
b) In Preference Shares		
Opening Balance	7,668.00	6,500.00
Add: Issued during the year	—	1,168.00
Add: Transfer from Profit & Loss Statement	—	—
Closing Balance	<u>7,668.00</u>	<u>7,668.00</u>
	<u>(7,735.48)</u>	<u>(3,294.44)</u>
II. NON-CURRENT LIABILITIES		
4. Long Term Provisions		
Provision for Employee Benefits		
Provision for Gratuity	1,282.23	1,177.34
III. CURRENT LIABILITIES		
5. Short Term Borrowings		
a Secured Loans		
Repayable on Demand from Bank		
i. State Bank of India - Cash Credit account Limit - Rs.300 Lakhs	27,769.33	15,328.50
<i>Secured by hypothecation of stock in trade, book debts and other current assets. Existing land, buildings and machineries of the Company are offered as collateral security. Period and amount of default - Nil</i>		

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

Particulars	31.03.2023	31.03.2022
		(Amounts in INR Thousands)
ii. State Bank of India - Cash Credit Account Limit - Rs.145 Lakhs Rate of Interest - 8.15% PA <i>Security - Secured on Hypothecation of entire current assets of the company, collaterally secured by equitable mortgage of land & building at Annur village and personal guarantee of the Directors Period and amount of default - Nil</i>	7,055.45	9,933.57
ii. GECL COVID LOAN Limit - Rs.75 Lakhs <i>Secured by hypothecation of stock in trade, book debts and other current assets. Factory land and buildings of the Company are offered as collateral security. Personal Guarantee given of Directors of the Company. Repayable in 36 Monthly Instalments of Rs.2,05,555/- Period and amount of default - Nil</i>	1,667.47	4,725.07
GECL COVID LOAN Limit - Rs.27 Lakhs <i>Secured by hypothecation of stock in trade, book debts and other current assets. Factory land and buildings of the Company are offered as collateral security. Personal Guarantee given of Directors of the Company. Repayable in 36 Monthly Instalments of Rs.75,000/- Period and amount of default - Nil</i>	571.73	1,699.73
iii. State Bank of India LC <i>Limit - Rs.100 Lakhs Secured on goods covered under LC and hypothecation of entire current assets of the company, collaterally secured by equitable mortgage of land and building at Gudalur village and personal guarantee of directors Period and amount of default - Nil</i>	8,050.00	4,300.00
State Bank of India LC Limit - Rs.50 Lakhs <i>Secured on goods covered under the LC and Hypothecation of entire current assets of the company, collaterally secured by equitable mortgage of land and building at Annur village and personal guarantee of the Directors. Period and amount of default - Nil</i>	3,170.30	4,940.00
	48,284.28	40,926.87

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Particulars	31.03.2023	31.03.2022
(Amounts in INR Thousands)		
b. Unsecured Loan		
Deposits		
From Directors	95,132.00	63,732.00
Interest Rate - 7% p.a.		
Period and amount of default - Nil	<u>1,43,416.28</u>	<u>1,04,658.87</u>
6. Trade Payables		
a. Due to Micro, Small, & Medium Enterprises	-	-
b. Due to Others	<u>12,139.44</u>	<u>6,099.60</u>
	<u>12,139.44</u>	<u>6,099.60</u>
7. Other Current Liabilities		
a. Interest accrued but not due on borrowings	5,054.74	3,555.24
b. Unpaid Dividends	-	136.28
c. Advance from Customers	6,106.40	47.04
d. Statutory Liabilities Payable	<u>2,193.85</u>	<u>2,343.89</u>
	<u>13,354.99</u>	<u>6,082.44</u>
8. Short Term Provisions		
a. Provision for Bonus	1,376.75	1,287.03
b. Others		
Provision for Income Tax	-	-
	<u>1,376.75</u>	<u>1,287.03</u>

IV. NON-CURRENT ASSETS

9. Property, Plant & Equipment and Intangible assets

(Amounts in INR Thousands)

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.22	Additions	Sales	As at 31.03.2023	Upto 31.03.22	For the Year	Withdrawn/Sales	Upto 31.03.23	As at 31.03.23	As at 31.03.22
Tangible Assets										
Land-Free hold	455.79	-	-	455.79	-	-	-	-	455.79	455.79
Buildings	8,107.90	-	-	8,107.90	7,431.36	112.56	-	7,543.92	563.98	676.54
Spinning Machinery	1,27,229.44	-	7,242.08	1,19,987.36	1,22,194.45	834.72	7,110.08	1,15,919.09	4,068.27	5,034.99
Wind Electric Generator	69,092.91	-	-	69,092.91	65,192.12	93.62	-	65,285.73	3,807.17	3,900.79
General Machinery	13,036.16	-	-	13,036.16	12,814.90	9.46	-	12,824.36	211.79	221.25
Vehicles	7,644.38	-	-	7,644.38	7,105.69	64.84	-	7,170.54	473.84	538.69
Furniture and Fittings	996.96	-	-	996.96	921.79	12.23	-	934.02	62.94	75.17
Canteen Vessels	43.97	-	-	43.97	41.62	0.55	-	42.17	1.80	2.35
Total	<u>2,26,607.50</u>	-	<u>7,242.08</u>	<u>2,19,365.42</u>	<u>2,15,701.94</u>	<u>1,127.97</u>	<u>7,110.08</u>	<u>2,09,719.83</u>	<u>9,645.59</u>	<u>10,905.57</u>
Previous Year	2,28,339.60	-	1,732.10	2,26,607.50	2,15,987.57	1,444.15	1,729.78	2,15,701.94	10,905.57	12,352.03

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

Particulars	31.03.2023	31.03.2022
10. Deferred Tax Assets (Net)		(Amounts in INR Thousands)
Deferred Tax Assets		
Opening Balance	23,152.39	28,709.95
Add: Reversed During the year	7,069.18	(5,557.55)
Closing Balance	<u>30,221.57</u>	<u>23,152.39</u>
11. Other Non-Current assets		
Unsecured, Considered good		
Security Deposits	4,907.37	5,729.44
	<u>4,907.37</u>	<u>5,729.44</u>
V. CURRENT ASSETS		
12. Inventories		
a. Raw Materials at Cost	2,043.02	5,364.96
b. Work-in-Progress at estimated cost	12,287.82	15,477.66
c. Finished Goods at Net Realisable value	15,333.57	14,601.73
d. Stores and Spares at cost in First in first out basis	707.51	960.27
e. Stock-in-Trade Land	1.57	1.77
f. Waste at Net Realisable Value	1,675.84	2,007.28
	<u>32,049.33</u>	<u>38,413.68</u>
13. Trade Receivables - Unsecured, Considered good		
a. Outstanding for a period exceeding six months	-	
Others	1,059.96	624.97
	<u>1,059.96</u>	<u>624.97</u>
14. Cash and Cash Equivalents		
a. Balances with banks	14,026.64	26.28
b. Cash on Hand	64.82	52.39
c. Others		
In Term Deposits held as margin money (More than 12 months)	4,525.05	4,405.02
In Unpaid Dividend Account	-	136.28
	<u>4,525.05</u>	<u>4,541.29</u>
	<u>18,616.51</u>	<u>4,619.97</u>
15. Short - Term Loans & Advances		
Unsecured, Considered Good		
Advance for Purchases	216.39	78.68
Staff & Other Advances	4,340.86	3,021.70
IT Refund Due	670.72	246.67
Tax deducted at source	234.76	428.04
Due from Statutory Authorities	130.89	182.44
Prepaid Expenses	442.14	458.38
	<u>6,035.76</u>	<u>4,415.91</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023**

Particulars	31.03.2023	31.03.2022
16. Other Current Assets		
Disputed Electricity Tax	220.61	220.61
Interest Receivable	75.87	1.70
	<u>296.48</u>	<u>222.31</u>
17. Revenue from Operations		
a. Sale of Products		
Domestic Sales		
Yarn	1,25,384.78	1,63,545.77
Cotton Waste	7,932.05	7,204.75
Cotton	1,048.09	2,952.44
	<u>1,34,364.92</u>	1,73,702.96
b. Sale of Land	6,000.00	30,600.00
	<u>1,40,364.92</u>	<u>2,04,302.96</u>
18. Other Income		
Interest Receipts		
Electricity Deposit	217.19	204.37
SBI-Margin Money Deposit	215.16	194.18
Interest on ESI	-	69.41
	<u>432.35</u>	467.96
Sale of Scrap	51.70	97.36
Profit on Sale of Assets	1,823.00	340.00
Excess Provision of gratuity received	900.00	135.00
Miscellaneous Income	2.01	59.82
	<u>3,209.07</u>	<u>1,100.14</u>
19. Cost of Materials Consumed - Cotton		
Opening Stock	5,364.96	7,186.12
Add: Purchase	1,11,072.32	1,11,794.56
	<u>1,16,437.28</u>	1,18,980.68
Less: Closing Stock	2,043.02	5,364.96
	<u>1,14,394.26</u>	<u>1,13,615.71</u>

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

Particulars	31.03.2023	31.03.2022
		(Amounts in INR Thousands)
20. Changes in Inventories of Work-in-Progress, Finished Goods & Waste		
Opening Stock of WIP	15,477.66	12,871.11
Less: Closing stock of WIP	<u>12,287.82</u>	<u>15,477.66</u>
	3,189.84	(2,606.55)
Opening stock of Finished Goods	14,601.73	20,959.76
Less: Closing stock of Finished Goods	<u>15,333.57</u>	<u>14,601.73</u>
	(731.84)	6,358.03
Opening Stock of Waste	2,007.28	1,467.72
Less: Closing stock of Waste	<u>1,675.84</u>	<u>2,007.28</u>
	331.44	(539.56)
Opening Stock of Land	1.77	-
Less: Closing stock of Land	<u>1.57</u>	<u>1.77</u>
	0.21	(1.77)
	<u>2,789.65</u>	<u>3,210.14</u>
21. Employee Benefit Expenses		
Salaries, Wages & Bonus	16,391.36	20,623.45
Contribution to Provident Fund & Other Funds	695.36	818.75
Staff Welfare Expenses	<u>1,157.89</u>	<u>1,350.22</u>
	<u>18,244.60</u>	<u>22,792.42</u>
22. Finance Costs		
Interest on Working Capital Loan	3,909.10	3,702.35
Interest on Unsecured Loan	5,423.50	4,676.05
Interest on LC	618.52	431.78
Interest on HP Loans	-	-
Bank Charges	<u>902.49</u>	<u>972.56</u>
	<u>10,853.61</u>	<u>9,782.74</u>
23. Other Expenses		
Consumption of Stores and Spares	3,190.25	3,448.19
Yarn conversion charges	119.01	576.52
Power & Fuel	19,701.09	17,520.04
(Net of WEG Generation - Rs.77,20,717/- - Previous Year - Rs.1,16,72,154/-)		
Rent	346.32	346.32
Repairs to Buildings	376.73	452.87
Repairs to Machinery	1,274.33	1,389.59
Repairs to Wind Mill Machinery	827.64	644.91

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023**

Particulars	31.03.2023	31.03.2022
Repairs to Others	277.06	116.39
Insurance	405.80	534.57
Rates & Taxes, excluding taxes on income	2,081.00	654.67
Payment to Auditors for		
Audit fees	50.00	50.00
Taxation matters	30.00	59.20
Others	33.60	20.00
Managerial Remuneration	3,069.61	4,024.29
Miscellaneous Expenses	3,935.32	4,834.61
	35,717.75	34,672.18

24. Exceptional Items

Excess provision for bonus in Prior Year reversed	229.46	488.61
Reversal of Prov. For ESI Dispute	-	211.92
	229.46	700.53

25. Other Notes on Accounts

1. Interest capitalized during the year	Nil	Nil
2. Value of Imports calculated on C.I.F basis during the financial year in respect of		
1. Raw Material	Nil	Nil
2. Components, Stores and Spares	Nil	Nil
3. Capital Goods	Nil	Nil
3. Expenditure in Foreign Currency	Nil	Nil
Earnings in Foreign Exchange	Nil	Nil
4. Value and Percentage of Consumption		

Particulars	Raw Materials		Components, Stores & Spares	
	Value (Rs.)	Consumption %	Value (Rs.)	Consumption %
Imported	Nil	Nil	Nil	Nil
	(Nil)	(Nil)	(Nil)	(Nil)
Indigenous	114,394.26	100	3,190.25	100
	(113,615.71)	(100)	(3,448.19)	(100)

SRI RAMNARAYAN MILLS LIMITED
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5. Disclosure pertaining to Micro, Small and Medium Enterprises
(as per information available with the Company)

Particulars	Rs.	Rs.
1. Principal Amount due as at 31 st March 2023	Nil	Nil
2. Interest due on (1) above and unpaid as at 31.03.2023	Nil	Nil
3. Interest paid to Suppliers	Nil	Nil
4. Payment made to the supplier beyond the appointed day during the year	Nil	Nil
5. Interest due and payable for the period of delay	Nil	Nil
6. Interest accrued ad remaining unpaid as at 31 st March 2023	Nil	Nil
7. Amount of further interest remaining due and payable in succeeding year	Nil	Nil

6. Segment Information

The Company Operates in two Business segments viz. 1) Manufacture of Cotton Yarn, 2) Wind Energy Generation and 3) Real estate. The details are as under:

Segment Results

Amounts in Rupees

Particulars	Spinning Mills	Wind Energy Generation	Real Estate	Total
REVENUE				
Sale of Yarn	134,364.92	–	–	134,364.92
Power Generation	–	7,720.72	–	7,720.72
Sale of Land	–	–	6,000.00	6,000.00
Other Income	3,209.07	–	–	3,209.07
Total Revenue	137,573.98	7,720.72	6,000.00	151,294.70
Less: Inter Segment Revenue	7,720.72	–	–	7,720.72
Net Revenue from operation	129,853.26	7,720.72	6,000.00	143,573.98
EXPENDITURE				
Interest	10,853.61	–	–	10,853.61
Depreciation	1,034.36	93.62	–	1,127.97
Other expenses	173,719.46	827.64	30.00	174,577.10
Total Expenditure	185,607.43	921.26	30.00	186,558.68
Profit/(Loss) before exceptional and extraordinary and tax	(55,754.16)	6,799.46	5,970.00	(42,984.70)
Exceptional Items	229.46	–	–	229.46
Profit / (Loss) before tax	(55,524.71)	6,799.46	5,970.00	(42,755.24)
Segment Assets	99,023.85	3,807.17	1.57	102,832.59
Segment Liabilities	102,832.59	–	–	102,832.59

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

7. Deferred Tax:

The break-up of deferred tax asset for the current year is as under

Deferred tax asset	Balance as on 01.04.2022	Additions	Reversed	Balance as on 31.03.2023
	Rs.	Rs.	Rs.	Rs.
Disallowance u/s 43B	174.00	123.61	174.00	123.61
On carried Forward Loss	21,999.81	7,323.55	–	29,323.36
On Unabsorbed Depreciation	2,325.09	155.59	–	2,480.68
Difference in Depreciation	(1,346.50)	(359.57)	–	(1,706.07)
	23,152.40	7,243.18	174.00	30,221.57

8. Earnings per share

Particulars	31.03.2023	31.03.2022
Net Profit / (Loss) after tax	(37,516.06)	12,073.98
Total Number of Equity Share	1,000,000	1,000,000
Earnings per share	(37.52)	12.07

9. The Company has taken the office building on lease

Particulars	31.03.2023	31.03.2022
The lease rentals payable charged as rent in the profit and loss statement for the period is	346.32	346.32
The lease rental payable within the next one year	346.32	346.32

10. Related party disclosures:

(A) Name of the Key Managerial Personnel:

- V. Jayaraman – Managing Directors
- J. Harischandavel – Whole time Director designated as Executive Director

(B) Relatives of Key managerial Personnel:

	V. Jayaraman	J. Harischandavel
J. Ananthalakshmi	Wife	Mother
J. Ravindra	Son	Brother
J. Harischandavel	Son	–
N. Muthulakshmi	Sister	–

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

(C) Other Related Parties : None

Details of Transactions:

Particulars	Subsidiary Company	Key Managerial Personnel	Relatives of Key Managerial Personnel
V. Jayaraman			
Salary		1,000.00 (2,000.00)	
Interest paid		3,764.68 (2,135.37)	
Sitting fees		3.00 (4.00)	
Loans and Advances Received		20,900.00 (3,900.00)	
Loans and Advances Repaid		– (3,168.00)	
Payable outstanding		63,718.59 (36,700.00)	
J. Harischandravel			
Salary		2,069.61 (2,865.25)	
Sitting fees		3.00 (3.00)	
J. Ananthalakshmi			
Sitting fees			3.00 (4.00)
Interest paid			535.87 (536.79)
Loans and Advances Received			– (–)
Loans and Advances Repaid			– (–)
Payable outstanding			6,500.00 (6,500.00)
N. Muthulakshmi			
Rent and Amenities			346.32 (346.32)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

11. Employee Benefits

The Company has determined the liability for Defined benefit Employee Plans in accordance with revised Accounting Standard -15.

DEFINED BENEFIT PLANS

Particulars	Gratuity (Funded)	
	31.03.2023	31.03.2022
A. Expenses recognised during the year ended		
1. Current Service cost		
2. Interest cost		
3. Expected return on plan assets	261.93	312.57
4. Actuarial Losses / (Gains) during the year	(261.34)	(308.44)
5. Total Expense (Income)	0.59	4.13
B. Actual return on plan assets		
1. Expected return on plan assets	261.93	312.57
2. Actuarial (Loss)/Gain on plan assets		
3. Actual return on plan assets	261.93	4.13
C. Net Assets/Liability recognized in the Balance Sheet		
1. Present value of the obligation	1,312.14	1,194.82
2. Fair value of the plan assets	3,750.92	4,389.58
3. Difference	2,438.78	4,254.78
4. Unrecognised past service cost		
5. Liability recognised in the Balance Sheet	1,282.23	1,177.34
D. Change in present value of the obligation during the year ended		
1. Present value of the obligation	1,312.14	1,267.00
2. Current assets Service cost		
3. Interest cost	0.59	4.13
4. Benefit paid		
5. Actuarial (Gain)/Loss on obligation	19.01	458.14
6. Present value of the obligation	1,330.56	1,312.14
E. Change in assets during the year ended		
1. Fair value of plan assets	4,389.58	4,216.14
2. Expected return on plan assets	261.93	312.57
3. Contribution made		
4. Excess Contribution Refunded/refundable	900.00	135.00
5. Benefits paid	0.59	4.13
6. Actuarial Gain/(Loss) on plan assets		
7. Fair value of plan assets	3,750.92	4,389.58

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

Particulars	Gratuity (Funded)	
	31.03.2023	31.03.2022
F. Major Categories of Plan assets as a percentage of total plan		
1. Qualifying insurance policies	–	–
2. Own plan assets	–	–
G. Actuarial Assumptions		
1. Discount rate	7.20%	5.64%
2. Salary escalation	5.00%	7.00%
3. Expected rate of return on plan assets		
4. Attrition rate	2.00%	3.50%

12. Relationship with Struck off Companies

The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

13. Registration of charges or satisfaction with Registrar of Companies

There is no charge or satisfaction yet to be registered with Registrar of Companies as on 31.03.23.

14. Previous Year's figures have been regrouped wherever necessary to conform to the current year's classification.

15. Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates.

Name of the entity	Net Assets (i.e., total assets minus total liabilities)		Share in Profit or Loss	
	As % of Consolidated Net Assets	Amount (Rs)	As % of Consolidated Profit or loss	Amount (Rs)
Parent				
Sri Ramnarayan Mills Limited	37.90	(26,049,112)	59.46	(22,307,040)
Subsidiaries				
SM Textiles Limited	43.97	(30,223,092)	28.70	(10,767,989)
Minority Interest	18.13	(12,464,891)	11.84	(4,441,035)
	100.00	(68,737,096)	100.00	(37,516,064)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

16. Form AOC-I

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Part 'A': Subsidiary		
S.No.	Particulars	SM Textiles Limited
1	Reporting Period	31 st March 2023
2	Reporting Currency	INR
3	Share Capital	20,000,000
4	Reserves & Surplus	-62,687,984
5	Total Liabilities	31,922,174
6	Total Assets	31,922,174
7	Investments (Except in case of investments in subsidiaries)	–
8	Turnover (including Other income)	41,521,181
9	Profit / (Loss) Before Taxation	(15,041,526)
10	Tax Expense	–
11	Profit / (Loss) after Taxation	(15,041,526)
12	Proposed Dividend - Equity	–
13	Percentage of Shareholding	
	In Equity Shares	70.80%
	In Preference Shares	48.88%

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SRI RAMNARAYAN MILLS LIMITED
Regd. Office : 43, Balasundaram Road, Coimbatore - 641 018

ATTENDANCE SLIP

Please bring this attendance slip and hand it over at the Registered office of the Company at 43, Dr. Balasundaram Road, Coimbatore - 18.

Name & Address of the Shareholder

Sequence No. :

Folio No. :

I hereby record my presence at the 69th ANNUAL GENERAL MEETING at Registered office of the Company 43, Dr. Balasundaram Road, Coimbatore - 18 at 3.30 PM on Friday, the 29th September 2023.

Signature of the Member or Proxy

No. of Shares held

Form No. MGT-11
PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

CIN	CIN L17111T21954PLC000201
Name of the Member (s)	SRI RAMNARAYAN MILLS LIMITED
Regd. Office	43, Balasundaram Road, Coimbatore - 641 018
Name of the shareholder	
Registered address	
Email ID	
Folio No. / DP ID / Client Id	
I / We, being the member (s) of shares of the above named Company, hereby appoint:	
1. Name	
Address	
E-mail ID	
Signature	or failing him
2. Name	
Address	
E-mail ID	
Signature	or failing him
3. Name	
Address	
E-mail ID	
Signature	

(p.t.o)

As my / our proxy to attend and vote (on poll) for me / us and on my / our behalf at the 69th Annual General Meeting of the Company to be held on **Friday the 29th September 2023 at 3.30 PM** at Registered office of the company 43, Dr. Balasundaram Road, Coimbatore - 18 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No. (✓) All ()

1	
2	
3	
4	
5	
6	

Signed this day of, 2023.

Signature of Shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp

Notes: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

BOOK-POST
PRINTED MATTER

If undelivered please return to :

SRI RAMNARAYAN MILLS LIMITED
43 (62), BALASUNDARAM ROAD
COIMBATORE - 641 018.