

SRI RAMNARAYAN MILLS LIMITED

COIMBATORE - 641 018



70th Annual Report
2023 - 2024

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

SRI RAMNARAYAN MILLS LIMITED

Coimbatore - 641 018

NOTICE

NOTICE is hereby given for the 70th Annual General Meeting of the members of Sri Ramnarayan Mills Ltd. will be held at 03.30 P.M on Saturday, the 28th September, 2024 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 2023-24 viz the Balance Sheet as at 31st March 2024, 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 2023-24 viz the Balance Sheet as at 31st March 2024, 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.

By order of the Board

For **SRI RAMNARAYAN MILLS LIMITED**

Place: Coimbatore
Date: 21st August, 2024

V Jayaraman
Managing Director
DIN: 00261673

SRI RAMNARAYAN MILLS LIMITED

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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 Linkintime India Pvt.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

DIRECTOR'S REPORT

DIRECTOR'S REPORT

Your Directors present their 70th Annual Report together with the Audited Financial Statements of the company for the year ended 31st March 2024

Financial Results

(Amounts in INR Thousands)

Particulars	31.03.2024	31.03.2023
Gross Sales	74747.88	98467.29
Other Income	43444.69	9729.32
Profit/(Loss) Before Tax	6752.63	(27546.22)
Tax Expenses	1661.80	(5239.18)
Profit/(Loss) after tax	5090.83	(22307.04)

REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

The working of the Company during the year under report has resulted in a net profit of Rs.50.91 Lacs, as against a Net Loss of Rs.223.07 lacs in the preceding year. The Net Profit of Rs.50.91 lacs as shown above is only after inclusion of sale of a Land for Rs.410 Lacs under other income. However, there is no change from the previous year as far as selling price of yarn and the purchasing price of Raw Materials ratio-wise. Though there appears to be drop in Raw Materials price there has been corresponding drop in finished goods price and parity continues to be absent as in last year. The Price of Raw Material was more than the international price for Cotton. Due to imposition of Customs duty the manufacturers could not import foreign cotton as an alternate measure.

The further increase in Power Tariff has increased the cost of production. The other input cost has also been steady leaving the Company to restrict working shifts as much as possible to reduce the Loss. The continuous loss year after year has led the Company wiping of all the reserves and surplus. This has made the company financially tight and has to look for other source for funds. The Bankers are unable to extend any credit facility over and above the sanctioned limit due to various norms being adopted by them. In this situation the company has to mobilize funds as unsecured loans from Directors and disposing of vacant land not in immediate use for the company.

The wind energy division generated a revenue of Rs. 55.99 lakhs during the year against Rs.77.20 lakhs in the previous year. The fall in wind energy division revenue is due to unfavorable wind condition. 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 meager price per unit in return. However we are yet to receive compensation from TANGEDCO for Banked Units surrendered for financial year 2019- 2020 onwards. During the year the Company has sold a part of the Land (1 acre) kept as stock in –trade for a consideration of Rs.4.10 crores 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.

NCLT –DISPUTE- CHENNAI BENCH

There is a case pending before NCELT between two parties wherein our company has been included to respond details. In this regard we have furnished details whenever the same is called for and all legal steps have been taken in this matter.

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 2025. 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.

SRI RAMNARAYAN MILLS LIMITED

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DIVIDEND

Your Directors have no alternative than to skip the dividend for the year 2023-24 in view of adverse working of the company and carry forward loss.

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 M/S.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.630.00 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 68rd 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

Four meetings of the Board were held during the year 2023-2024. Further there is no change in Directors in the constitution of Board. 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. Harischandravel - Executive Director

DIRECTOR'S REPORT

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. Since none of the 3 criteria that have been specified u/s 135(1) have been fulfilled the Company is not attracted by the provisions of CSR, for this financial year ended 31.03.2024.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE.

There is no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future.

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. However, the compliance with provisions of Section 188 of the Companies Act, 2013 is disclosed in annexure- II

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.
- 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.
- vi. In the preparation of the annual accounts, the applicable accounting standard have been followed.
- vii. The Directors have selected such accounting policies and applied them consistently and made judgements 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.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The Company is not required to establish a vigil mechanism since it does not satisfy conditions prescribed under Section 177(9) of the Companies Act, 2013 read with Rules 7 of the Companies (Meeting of the Board and its Powers) Rules, 2014 and hence, disclosure regarding the details of such mechanism in this report is not applicable.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE 2016 DURING THE YEAR

No applications have been made and no proceedings are pending against the Company under the Insolvency and Bankruptcy Code 2016.

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

The disclosure under this clause is not applicable as the Company has not undertaken any one-time settlement with the banks or financial institutions.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate Internal Financial Control systems to monitor the business process, financial reporting and compliance with the applicable regulations. The Directors confirm that the Internal Financial Controls are adequate with respect to the operations of the Company. A report of the Auditors pursuant to Section 143(3) of the Companies Act, 2013 certifies the adequacy of Internal Financial Controls systems is annexed with Auditors Report.

DISCLOSURE ON MAINTENANCE OF COST RECORDS

The maintenance of cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013 is not applicable to the Company.

SRI RAMNARAYAN MILLS LIMITED
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WEB LINK OF ANNUAL RETURN

The Annual Return of the Company for the financial year 2023-24 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://srnml.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: 21.08.2024

J. ANANTHALAKSHMI
DIRECTOR
(DIN 00312155)

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

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

ANNEXURE - 1 TO DIRECTORS REPORT

(Amounts in INR Thousands)

Financial Year Ended 31st March	2020	2021	2022	2023	2024
Operating Results					
Sales and other Income	109176.64	98739.00	142321.50	108196.61	118192.37
Operating Profit	19319.11	11346.66	28858.42	(19703.97)	14494.81
Interest	8054.69	7657.38	7086.31	8239.20	7742.18
Gross Profit/(Loss)	10112.20	3689.00	21,772.11	(27943.17)	6752.63
Depreciation	2552.15	1791.75	1347.03	1030.86	1601.43
Taxation	7788.00	574.72	5,557.55	(5,256.18)	1661.80
Net Profit / (Loss)	-22137.78	1322.61	12073.98	(23,717.85)	5090.83
Dividend (including dividend tax)	-	-	-	-	-
Retained Profit	-22137.78	1322.61	12073.98	-23,717.85	5090.83
Performance Parameters					
Net Fixed Assets	15155.89	12,675.54	10,905.57	10,163.34	11032.04
Share Capital	10000.00	10000.00	10,000.00	10,000.00	10000.00
Reserves	-9241.64	-7,919.03	8,424.72	(13882.45)	(8791.62)
Net Worth	758.38	2,081.97	18,424.72	(3882.45)	(1208.38)
Return on Net Worth %	3.42	16.42	27.55	-	-
Borrowings	1.11	-	-	-	-
Debit Equity Ratio	-	-	3.88	-	86.14
Dividend (%)	-	-	-	-	-
Earnings per share (Rs)	-22.14	1.32	16.34	2.06	5.09

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso there to.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

S.No	Particulars	Details
a)	Name (s) of the related party & nature of relationship NA	NA
b)	Nature of contracts/arrangements/transaction NA	NA
c)	Duration of the contracts/arrangements/transaction NA	NA
d)	Salient terms of the contracts or arrangements or transaction including the value if any	NA
e)	Justification for entering into such contracts or arrangements or transactions	NA
f)	Date of approval by the Board NA	NA
g)	Amount paid as advances, if any NA	NA
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

2. Details of material contracts or arrangements or transactions at Arm's length basis.

Particulars	Details
Name (s) of the related party & nature of relationship	Ms/ S.M. Textiles Limited Shri .V. Jayaraman, Smt.J. Ananthalakshmi, Shri J. Harischandravel Directors of M/s. S.M.Textiles Limited
Nature of contracts/arrangements/transaction	Rendering/ receiving of services or purchase/ sale of materials/components.

Duration of the Contracts /arrangements / transaction	Not Applicable
Silent terms of the contracts or arrangements or transaction including the value if any	Transaction Price shall be based on the prevailing market price and shall not be less than the price charged for such transactions to unrelated third parties having such dealing in transactions with them.
Date Of Approval of EGM	6 th February 2023
Date of approval at AGM	-----
Amount paid as advances, if any	NIL

3. Details of material contracts or arrangements or transactions at Arm's length basis.

Particulars	Details
Name (s) of the Related Party	Smt. N.Nithyalakshmi
Name (s) of the related party & nature of relationship	Daughter in Law
Name of the Director or kmp who related	Sri V.Jayaraman, Smt. J. Ananthalakshmi
Nature of contracts/arrangements/transaction	Sale of Land, Monetary value of proposed aggregate transactions during financial years 2022-23 & 2023-24 is expected to be for Rs10 Crores.
Duration of the Contracts /arrangements / transaction	As in Column 2
Silent terms of the contracts or arrangements or transaction including the value if any	Transaction Price shall be based on the prevailing market price and shall not be less than the price charged for such transactions to unrelated third parties having such dealings or transactions with them.
Date Of Approval of EGM	6 th February 2023
Date of approval at AGM	-----
Amount paid as advances, if any	NIL

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ANNEXURE-III 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 equipments - 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

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 2024, 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 material 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, 2024, its profits 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 skepticism 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.
- 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, except for the matters stated in the paragraph h(vi) below on reporting under rule 11(g).
 - 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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 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.

(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.
- vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023.
Based on our examination, the Company has used accounting software for maintaining its books of account, which doesn't have a feature of recording audit trail (edit log) facility.
As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For S.Krishnamoorthy & Co.,
Chartered Accountants
Firm Regn. No.01496S

Place: Coimbatore
Date: 21.08.2024

B. Krishnamoorthi
Partner, Auditors
Membership No. 020439
UDIN: 24020439BKABGP3846

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 31.03.2024).

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, 2024 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.

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 31.03.2024 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.

(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 willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has applied the term loans for the purpose for which the loans were obtained.

(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.

(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) and (b) of the Order is not applicable.

(c) 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)(c) and (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 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: 21.08.2024

B. Krishnamoorthi
Partner, Auditors
Membership No. 020439
UDIN: 24020439BKABGP3846

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

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, 2024 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.

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, 2024, 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: 21.08.2024

B. Krishnamoorthi
Partner, Auditors
Membership No. 020439
UDIN: 24020439BKABGP3846

DEFERRED TAX CALC
FOR THE AY 2024-202

4
Books excluding Cost o
4

Opening Deferred Tax L
Provided during the yea

a
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a
r
n g

Depreciation Loss to be
r
Depreciation Loss to be
r
Difference in Depreciat

RANGE I / CBE

Address of the Assessee : SRI RAMNARAYAN MILLS Name and
LTD
43, Balasundaram Road
Coimbatore - 641 018

Corporate Identification No :U17111TZ1954PLC000201

Date of Incorporation :16-06-1954

Year of Assessment :2024 - 2025

Year of Accounting :March 31, 2024

Method of Accounting :Mercantile Basis

Category of Company : Public Company Limited by

Whether Resident / Non-Resident : Shares

Sources of Income :Resident
Business, Capital Gains &

Bank Name : Other Sources

Branch Name :State Bank of India

Bank Account No :SME Branch, Coimbatore

Bank Account Type : 67,001,160,852

Mail ID :Cash Credit Account
:purchasing@srml.com

SUMMARY OF TOTAL INCOME

Particulars	Rs.	Rs.	Rs.
BUSINESS:			
OWN: SPINNING MILL			
Net Profit / (Loss) as per Profit & Loss			10,229,970
Statement Add:			
Depreciation as per books		1,601,433	
Carrying amount of Land sold as stock		539	
Disallowance u/s 43B: Provision for			470,296
Bonus			
Disallowance u/s 40(a)(ia): Default in TDS Deductions			
On Contractual Payments u/s 194C	252,425		
On Commission Payments u/s 194H	24,750		
	<u>277,175</u>		
Disallowance @ 30%		83,153	
Disallowance u/s 40(a)(iv): Late Deposit of Employer's Contribution for the month of Sep 2023			
Employer's Contribution towards	38,113		
Provident Fund			
Employer's Contribution towards	19,971		
Pension Scheme			
			58,084
Disallowance u/s 36(1)(va): Late Deposit of Employee's Contribution for the month of Sep 2023			
Employee's Contribution towards			
Provident Fund	37,234		
Employee's Contribution towards			
Pension Scheme	4,648		
			<u>41,882</u>

IT LOSS CARRIED FORWARD				
ASST. YEAR	B/F BUS LOSS	B/S DEP LOSS	C/F BUS LOSS	C/F DEP LOSS
			AS ON 31-03-2024	AS ON 31-03-2024
AY 2015 - 2016	0	0	0	0
AY 2016 - 2017	12,500,721	0	0	0
AY 2017 - 2018			19,197,093	0
AY 2020 - 2021	19,197,093	0	28,406,138	0
AY 2021 - 2022	28,406,138	346,836	0	0
AY 2023 - 2024	28,331,392	604,244	28,331,392	0
AY 2024 - 2025	0	0	0	0
TOTAL	88,435,344	951,080	75,934,623	0

Particulars	Total Loss B/f	Set Off of Losses against			Total Set-Off	Expiry of 8 yrs	Unabsorbed Loss
		Business Income	Capital Gain Income	Other Income			
Ordinary business loss					8,114,311	4,386,410	75,934,623
Depreciation	88,435,344	8,114,311			951,080	0	0
	951,080		143,363	807,717			
	89,386,424	8,114,311	143,363	807,717	9,065,391	4,386,410	75,934,623

Under Section	Party Name	Nature of expenses	Amount failed to deduct TDS	TDS Rate	TDS Amount	Disallowance @ 30%
194C	Acedata Prinexcel Private Limited	Printing & Stationery	Rs.37,440/-	2%	Rs.749/-	Rs.11,232/-
194C	Nitish Travels	Travelling Expenses	Rs.24,910/- (Agg. Amt during the yr exceeded Rs.1,00,000/-)	2%	Rs.499/-	Rs.7,473/-
194C	Mr.Manivel (Salary to	Travelling Expenses	Rs.1,90,075/-	1%	Rs.1,901/-	Rs.57,023/-

IN :
3
LOAD

1.

WDV as on 31.03.20

WDV as on 31.03.20

Income Tax

Difference in WDV

2024

2.

Business Loss to

forward & set off as

Business Loss to be

forward & set off as

Difference in Busine

Opening DTA on Bus

Reversal of DTA dur

2023 - 2024 3.

forward & set off as

forward & set off as

Opening DTA on Bus

Reversal of DTA duri

2023 - 2024

4

Bonus Provision as p

Bonus Provision as p

Disallowed

Reversal of DTA dur

2023 - 2024

Deferred Tax Asset:

On Carried Forwar

SUMMARY OF TOTAL INCOME

Particulars	Rs.	Rs.	Rs.
		INCOME B/F	0
CAPITAL GAINS:			
LONG-TERM CAPITAL GAIN ON SALE OF LAND			
Sale of 1 Acre at S.F.No.275/2, Gudalur Village, Coimbatore - 641020			
Sale value of land as per Doc No. 12923 dt. 28.06.2023 registered at Sub-Reg office Periyayakkan Palayam.			
		41,000,000	
		39,928,000	
			1,072,000
Less: Term Indexed cost of acquisition Sale value treated as business (38,600*317/100)			
			(122,362)
OTHER SOURCES:			
		232,222	
		115,971	949,638
		426,643	
		32,881	
Interest Received on Electricity Deposits			
SBI-Margin Money Deposit			
Inter-Corporate Loans & Advances			807,717
Income Tax Refunds			
		(346,836)	
		(604,244)	
Less: Set-Off of Unabsorbed depreciation loss for the AY 2020-21			
Less: Set-Off of Unabsorbed depreciation loss for the AY 2023-24			1,757,355
			(951,080)
			806,275
			or
			806,280
Income from Land Cultivation		59,464	
Less: Expenses on Cultivation		6,265	
		53,199	
Less: Set-Off of Agricultural loss for the AY 2018-19		27,472	
Net Agricultural Income		25,727	

ADJUSTED TO:

From P&L Difference 53,199
0

TAX COMPUTATION

Particulars	Rs.	Rs.	Rs.
u/s 112 on Slab Rates			NIL
Less: on Special Rates			
Losses as above		949,638	
		(122,362)	
			806,275
Tax due thereon 115BAA			
			NIL
u/s 112 al gains @ 20%			

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, 2024, 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 material 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 Group as at March 31, 2024, 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.

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 skepticism 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 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. 2,97,35,302/- as at 31st March, 2024 and Net Loss of Rs.1,23,99,089/- 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 maintained for the purpose of preparation of the consolidated Financial Statements, except for the matters stated in the paragraph h(vi) below on reporting under rule 11(g).
- 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 and the subsidiary (S.M. Textiles Limited) as on March 31, 2024 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2024 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 group and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our Report express an Unmodified opinion on the adequacy and operating effectiveness of internal financial controls over the financial reporting of those companies.
- 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:
 - i. The group does not have any pending litigations which would have an impact on its financial position in its financial statements
 - 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
- vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023.
Based on our examination, the Company has used accounting software for maintaining its books of account, which doesn't have a feature of recording audit trail (edit log) facility.
As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. 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.001496S

Place: Coimbatore

B.Krishnamoorthi
Partner, Auditor

Date: 21.08.2024

Membership No. 020439
UDIN:24020439BKABGO5122

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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, 2024, 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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the 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 31,2024, 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.001496S

Place: Coimbatore
Date:21.08.2024

B.Krishnamoorthi
Partner, Auditor
Membership No. 020439
UDIN: 24020439BKABGO5122

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

ATTENDANCE SLIP

Please bring this attendance slip and hand it over at 43, Balasundaram Road, Coimbatore – 641 018.at 3.30 pm on Friday, the 28th September 2024.

Name & Address of the Shareholder

Sequence No:
Folio No:

I hereby record my presence at the 70th ANNUAL GENERAL MEETING at 43, Balasundaram Road,Coimbatore – 641 018. at 3.30 pm on Saturday, the 28th September 2024.

Signature of the Member or Proxy

No of Shares Held

.....

.....

Form No MGT – 11
PROXY FORM

Pursuant to section105 (6) of the Companies ACT -2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014

CIN	CIN I17111t21954plc000201
Name of the Company	SRI RAMNARAYAN MILLS LIMITED
Regd. Office	43,Balasundaram Road, Coimbatore – 641 018
Name of the Share Holder	
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	
W-mail ID	
Signature	or falling him
2. Name	
Address	
W-mail ID	
Signature	or falling him
3. Name	
Address	
W-mail ID	
Signature	

As my / proxy to attend and vote (on poll) for me / us and on my / our behalf at the 70th Annual General Meeting of the Company to be held on Friday the 28th Saturday 2024 at 3.30 pm and at any adjournment thereof in respect of such resolutions as are indicated below

Resolution NO: () All ()

1	
2	
3	

Signed this.....day of 2024.

Signature of Share Holder.....

Signature of Proxy Holder(S).....

Note: 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