

NOTICE

NOTICE is hereby given for the 68th Annual General Meeting of the members of Sri Ramnarayan Mills Ltd. will be held at 03.30 P.M on Friday, the 30th September, 2022 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 2021-22 viz the Balance Sheet as at 31st March 2022, 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 2021-22 viz the Balance Sheet as at 31st March 2022, 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 J. Ananthalakshmi (DIN 00312155) who retires by rotation and is eligible for reappointment.
4. To appoint Auditors and fix their remuneration"

To Consider and if thought fit, to pass the following resolution as an ordinary resolution :

RESOLVED THAT pursuant to Sections 139, 142 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, of the said Act and Companies (Audit and Auditors) Rules, 2014 made there under and other applicable rules, if any, under the said Act (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s S. Krishnamoorthy & Co., Chartered Accounts (Reg. No.001496S) Coimbatore be and is hereby re-appointed as the Statutory Auditors of the Company for a term of 5 years commencing from the conclusion of this Annual General Meeting till the conclusion of Seventy Second Annual General Meeting to be held in the year 2027.

Resolved at a remuneration to be fixed by the Audit Committee and/or Board of Directors of the Company, in addition to the re-imbursalment of applicable taxes and actual out of pocket and travelling expenses incurred in connection with the audit.

For SRI RAMNARAYAN MILLS LIMITED

V.JAYARAMAN
(MANAGING DIRECTOR)
(DIN : 00261571)

Place: Coimbatore
Date: 17.08.2022

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.

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. Shareholders 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

DIRECTOR'S REPORT

DIRECTOR'S REPORT

Your Directors present their 68TH Annual Report together with the Audited Financial Statements of the company for the year ended 31st March 2022.

Financial Results

(Amounts in INR Thousands)

Particulars	31.03.2022	31.03.2021
Gross Sales	110,762.99	95,743.42
Other Income	31,558.51	2,995.95
Profit/(Loss) Before Tax	21,901.31	1,897.33
Tax Expenses	5,557.55	574.72
Profit/(Loss) after tax	16,343.76	1,322.61

Review of Business Operations and future prospects:

The working of the company during the year under review has resulted in a net profit of 163.44 lakhs against a net profit Rs. 13.23 lakhs in the preceding year. The working in the spinning operation has resulted in a loss, whereas there is profit on sale of land.

The Textile industry in general has witnessed highly volatile selling price in the manufactured end products. Further the raw material price has gone to a peak level from last week of December 2021. The industry has never witnessed such a high price in the last 50 years. The demand for cotton has been very high and this has been attributed as the main cause for high raising price of cotton. The demand for end products viz. yarn has fallen down due to drop in power loom operations. Post covid 19 has also been one of the reasons for the fall in demand for end products.

The working capital limits have shrunk due to various norms adopted by the bankers. The severe financial crunch due to wide working capital gap has led the company from not buying raw material at best competitive price during crop season. Guaranteed emergency credit line loan were not available during this financial year from the bankers as in the past even though there was bad to worse condition in the business activities post covid.

The wind energy division generated a revenue of Rs. 116.72 lakhs during the year against 128.65 lakhs in the previous year.

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 and 2020-2021.

During the year, the Company has converted a part of land held by it and situated appurtenant to the Spinning Mills as stock-in-trade in terms of the Resolution of the Board of Directors at their meeting held on 30.06.2021 with a view to undertake real estate business.

Considering the situation arising out of the impact of Covid-19 and the resultant stoppage in operations, the Managing Director has waived the salary due to him and has received salary only for a part of the year.

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Future Prospects

The Textile industry continues to witness high raw material price even during the current financial year with no parity in selling price of manufactured goods. Unless raw material price comes down to the normal level, the survival of textile industry will be very difficult.

The company has been concentrating to improve the quality in end product as well as to reduce the cost of production. Modernisation of machinery is the in the anvil to achieve this goal by the turn of year 2023. The availability of skilled labour is also problematic; Machineries have to be modernised to reduce labour and to increase productivity.

DIVIDEND

Your Directors have no alternative than to skip the dividend for the year 2021-22 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

At the commencement of the year, the company held 35,400 Equity shares of Rs. 100/- and 45,000 Pref. Shares of Rs. 100/- each in subsidiary company S M Textiles Limited. During the financial year under report the company has further invested 28320 preference shares of Rs. 100/- each in the subsidiary company. 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. 471.00 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 63rd Annual General Meeting held on 30.09.2017, 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 2022.. They are eligible for reappointment. Necessary Resolution is placed before the General Body for appointment .

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.

DIRECTOR'S REPORT

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 on 30.06.2021, 28.07.2021, 29.11.2021 & 30.03.2022. Further, there is no change in Directors in the constitution of Board.

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 INVEST MENTS 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

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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.

Annual Return

The Extract of Annual Return pursuant to the provisions of section 92 read with rule 12 of the Companies (Management and Administration) Rules 2014 is furnished in MGT 9.

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: 17.08.2022

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 utilising alternate source of energy:

The company has installed 1.5 MW of WEG for meeting part of the energy requirements during the earlier year.

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

B. TECHNOLOGY ABSORPTION

(i) Efforts made towards technology absorption:

Quartely 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 indigerous technology is being used.

C. FOREIGN EXCHANGE EARNING & OUTGO:

The actual inflows and outflows of foreign exchange during the year.

(a) Earnings : Nil

(B) Outgo : Nil

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DIRECTORS' REPORT**ANNEXURE - II TO DIRECTORS REPORT (Amounts in INR Thousands)**

Financial Year Ended 31st March	2018	2019	2020	2021	2022
Operating Results					
Sales and other Income	164049.93	153135.76	109176.64	98739.00	142321.50
Operating Profit	18438.00	10356.27	19319.11	11346.66	28858.42
Interest	8044.48	6786.66	8054.69	7657.38	7086.31
Gross Profit/(Loss)	10393.52	3569.61	10112.20	3689.00	21,772.11
Depreciation	749.69	813.78	2552.15	1791.75	1347.03
Taxation	1820.00	697.17	7788.00	574.72	5,557.55
Net Profit / (Loss)	7823.92	2058.64	-22137.78	1322.61	12073.98
Dividend (including dividend tax)	-	-	-	-	-
Retained Profit	7823.92	2058.64	-22137.78	1322.61	12073.98
Performance Parameters					
Net Fixed Assets	10094.15	17761.51	15155.89	12,675.54	10,905.57
Share Capital	10000.00	10000.00	10000.00	10000.00	10,000.00
Reserves	10837.49	12896.13	-9241.64	-7,919.03	8,424.72
Net Worth	20837.49	22896.13	758.38	2,081.97	18,424.72
Return on Net Worth %	37.54	-	3.42	16.42	27.55
Borrowings	-	3.78	1.11	-	-
Debit Equity Ratio	-	-	-	-	3.88
Dividend (%)	-	-	-	-	-
Earnings per share (Rs)	7.82	2.06	-22.14	1.32	16.34

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 2022, 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, 2022, its Profit 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 thereunder, 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

INDEPENDENT AUDITOR'S REPORT

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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

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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.

Place : Coimbatore

Date : 17.08.2022

For S. Krishnamoorthi & Co.

Chartered Accountants

Registration No. 001496 S

B. Krishnamoorthi

Membership No.020439

Partner, Auditors

UDIN:22020439ARFMZE5679

INDEPENDENT AUDITOR'S REPORT

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 31.03.2022).

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, 2022 for holding any benami property under the Benami Transactions (prohibition) Act, 1998 (as amended in 2016) and rules made thereunder.
- (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.

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(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 31.03.2022 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 Rs.	Amount Paid Rs.	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 willful 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.

INDEPENDENT AUDITOR'S REPORT

(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.

For S. Krishnamoorthy & Co.

Chartered Accountants
Registration No. 001496 S

B. Krishnamoorthi

Membership No.020439
Partner, Auditors

Place : Coimbatore

Date : 17.08.2022

UDIN:22020439ARFMZE5679

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, 2022 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.

ZThe 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

INDEPENDENT AUDITOR'S REPORT

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, 2022, 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

Registration No. 001496 S

B. Krishnamoorthi

Membership No.020439

Partner, Auditors

Place : Coimbatore

Date : 17.08.2022

UDIN:22020439ARFMZE5679

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

Balance Sheet as at 31st March, 2022		(Amounts in INR Thousands)	
Particulars	Note No.	31.03.2022	31.03.2021
I EQUITY AND LIABILITIES			
1 Shareholder's Funds			
(a) Share Capital	1	10,000.00	10,000.00
(b) Reserves and Surplus	2	<u>8,424.72</u>	<u>(7,919.03)</u>
		18,424.72	2,080.97
2 Non-Current Liabilities			
(a) Long-term borrowings	3	-	-
3 Current Liabilities			
(a) Short-term borrowings	4	71,453.57	82,583.45
(b) Trade payables	5		
Dues to Micro and Small Enterprises		-	-
Dues to Others		3,827.18	12,918.78
(c) Other current liabilities	6	3,845.61	3,345.08
(d) Short-term provisions	7	<u>675.75</u>	<u>800.00</u>
		79,802.11	99,647.31
Total		<u>98,226.83</u>	<u>1,01,728.28</u>
II ASSETS			
1 Non-current assets			
(a) Property, Plant & Equipment and Intangible assets			
Property, Plant & Equipment	8	11,326.20	12,675.54
(b) Deferred tax Assets (Net)	9	17,177.82	22,735.37
(c) Non Current Investments	10	12,862.00	10,035.47
(d) Long term loans and advances	11	-	1,830.00
(e) Other non-current assets	12	<u>4,610.92</u>	<u>5,312.24</u>
		45,976.94	52,588.62
2 Current assets			
(a) Inventories	13	22,494.08	30,529.18
(b) Trade receivables	14	17,811.87	5,588.12
(c) Cash and cash equivalents	15	3,033.91	2,960.73
(d) Short-term loans and advances	16	<u>8,910.03</u>	<u>10,061.63</u>
		52,249.89	49,139.66
Total		<u>98,226.83</u>	<u>1,01,728.28</u>

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. Krishnamoorthi
Membership No.020439
Partner, Auditors

Place : Coimbatore
Date : 17.08.2022

V. Jayaraman
DIN: 00261571
Managing Director

J. Ananthalakshmi
DIN: 00312155
Director

SRI RAMNARAYAN MILLS LIMITED

Coimbatore - 641 018

Statement of profit and loss for the year ended 31st March 2022 (Amounts in INR Thousands)

Particulars	Note No.	31.03.2022	31.03.2021
I Income			
(a) Revenue from operations	17	1,41,362.99	95,743.42
(b) Other Income	18	<u>958.51</u>	<u>2,995.95</u>
Total Revenue		1,42,321.50	98,739.37
II Expenses			
(a) Cost of materials consumed	19	64,707.30	51,376.23
(b) Purchase of Stock-in-Trade		2,952.44	2,583.52
(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	7,052.97	(2,831.16)
(e) Employee benefit expense	21	13,501.36	13,582.08
(f) Financial costs	22	7,086.31	7,657.38
(g) Depreciation and amortization expense	8	1,347.03	1,791.75
(h) Other expenses	23	<u>24,471.47</u>	<u>23,056.76</u>
Total Expenses		1,21,121.19	97,217.55
III Profit/(Loss) before exceptional and extraordinary items and tax		21,200.31	1,521.82
IV Exceptional Items	24	701.00	374.52
V Profit/(Loss) before extraordinary items and tax		21,901.31	1,896.34
VI Extraordinary Items		-	-
VII Profit /(Loss) before tax		21,901.31	1,896.34
VIII Tax expense			
(a) Provision for Income tax		-	-
(b) MAT Credit Entitlement		-	-
Prior Year Income Tax		-	-
(c) Deferred tax asset provided / (reversed)		(5,557.55)	(574.72)
IX Profit/(Loss) for the period from continuing operations		<u>16,343.75</u>	<u>1322.62</u>
X Profit/(Loss) for the period from discontinuing operations (after tax)		-	-
XI Profit/(Loss) for the period		16,343.75	1322.62
XII Earnings per equity share of Face Value Rs.10/- each			
(a) Basic		16.34	1.32
(b) Diluted		16.34	1.32

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. Krishnamoorthi
Membership No.020439
Partner, Auditors

Place : Coimbatore
Date : 17.08.2022

V. Jayaraman
DIN: 00261571
Managing Director

J. Ananthalakshmi
DIN: 00312155
Director

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

Cash Flow Statement For The Year Ended 31.03.2022		(Amounts in INR Thousands)	
Particulars	31.03.2022	31.03.2021	
A. CASH FLOW FROM OPERATING ACTIVITIES:-			
Net profit / (Loss) before Tax & Extraordinary Item	21,901.31	1,897.33	
Adjustments for			
Depreciation	1,347.03	1,791.75	
Interest Paid	7,086.31	7,657.38	
Interest Received	(280.49)	(296.09)	
Profit on Sale of Asset	(340.00)	(184.60)	
Operating Profit / (Loss) before Working Capital Changes	<u>29,714.15</u>	<u>10,865.77</u>	
Adjustments for			
Trade & Other Receivables	(10,370.85)	(4,539.15)	
Inventories	8,035.10	(4,440.10)	
Trade Payables & Other Current Liabilities	(8,591.06)	3,506.56	
Short term borrowings	(11,129.89)	988.41	
Net Cash generated from Operations before Tax & Extraordinary Item	7,657.45	6,381.48	
Direct Taxes	<u>1,705.75</u>	<u>-</u>	
Net Cash From Operating Activities before Extra ordinary item	9,363.20	6,381.48	
Extraordinary Items	-	-	
Net Cash generated from Operations	<u>9,363.20</u>	<u>6,381.48</u>	
B. CASH FLOW FROM INVESTING ACTIVITIES:-			
Purchase of Fixed Assets	-	-	
Investment During the year	(2,832.00)	1.37	
Redemption / deletion of investments	5.47	-	
Interest Receipts	280.49	296.09	
Sale of Fixed Assets	342.31	873.20	
Net Cash used in Investing Activities	<u>(2,203.72)</u>	<u>1,170.66</u>	
C. CASH FLOW FROM FINANCING ACTIVITIES:-			
Issue of share capital	-	-	
Dividend Paid	-	-	
Long Term Borrowings	-	(111.27)	
Interest Paid	<u>(7,086.31)</u>	<u>(7,657.38)</u>	
Net Cash used in Financing Activities	<u>(7,086.31)</u>	<u>(7,768.64)</u>	
Net Increase in Cash and Cash Equivalents	73.17	(216.50)	
Cash and Cash Equivalents (Opening Balance)	2,960.74	3,177.24	
Cash and Cash Equivalents (Closing Balance)	3,033.91	2,960.74	

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. Krishnamoorthi
Membership No.020439
Partner, Auditors

Place : Coimbatore

V. Jayaraman
DIN: 00261571
Managing Director

J. Ananthalakshmi
DIN: 00312155
Director

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

Notes to the Financial Statements		(Amounts in INR Thousands)	
Particulars	31.03.2022	31.03.2021	
I SHAREHOLDER'S FUNDS			
1 Share Capital			
Authorised Share Capital:			
25,00,000 Equity Shares of Rs.10/- each	<u>25,000.00</u>	<u>25,000.00</u>	
Issued, Subscribed and Paid up Share Capital:			
10,00,000 Equity Shares of Rs.10/- each fully paid	<u>10,000.00</u>	<u>10,000.00</u>	
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 Promotes share holding			

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. 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

Notes to the Financial Statements		(Amounts in INR Thousands)	
Particulars	31.03.2022	31.03.2021	
2 Reserves and Surplus			
a Reserves			
General Reserve			
Opening Balance	27,900.00	27,900.00	
Add: Transfer from Profit & Loss Statement	—	—	
Closing Balance	27,900.00	27,900.00	
b Surplus			
Balance in Statement of Profit and Loss			
Opening Balance	(35,819.03)	(37,141.64)	
Add: Profit / (Loss) for the Year	16,343.75	1,322.61	
Closing Balance	(19,475.28)	(35,819.03)	
	<u>8,424.72</u>	<u>(7,919.03)</u>	
II NON CURRENT LIABILITIES			
3 Long - Term Borrowings			
Unsecured Loan			
ICICI Bank Ltd Vehicle Loan	-	-	
Loan repayable in 36 Instalments - Rate of Interest 9.31%			
Period and amount of default - Nil			
III CURRENT LIABILITIES			
4 Short Term Borrowings			
a Secured Loans			
Repayable on Demand from Bank			
i State Bank of India - Cash Credit account	15,328.50	23,717.19	
Limit - Rs.300 Lakhs			
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			
ii GECL COVID LOAN	4,725.07	5,088.90	
Limit - Rs.75 Lakhs			
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 Installments of Rs.2,05,555/-			
Period and amount of default - Nil			
iii State Bank of India LC	4,300.00	8,205.00	
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			
iv Current Maturities of Long Term debt	—	2,372.37	
	<u>24,353.57</u>	<u>39,383.46</u>	

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

Notes to the Financial Statements

(Amounts in INR Thousands)

Particulars	31.03.2022	31.03.2021
b Unsecured Loan Deposits		
From Directors	47,100.00	43,200.00
Interest Rate - 8% p.a.		
Period and amount of default - Nil		
	<u>71,453.57</u>	<u>82,583.46</u>
5 Trade Payables		
a Due to Micro, Small, & Medium Enterprises	-	-
b Due to Others	<u>3,827.18</u>	<u>12,918.78</u>
	<u>3,827.18</u>	<u>12,918.78</u>
6 Other Current Liabilities		
a Interest accrued but not due on borrowings	1,631.96	989.85
b Unpaid Dividends	136.28	139.93
c Advance from Customers	28.33	611.68
d Statutory Liabilities Payable	<u>2,049.05</u>	<u>1,603.61</u>
	<u>3,845.61</u>	<u>3,345.08</u>
7 Short Term Provisions		
a Provision for Bonus	675.75	800.00
b Provision for Provision for Income Tax	-	-
	<u>675.75</u>	<u>800.00</u>

IVNON CURRENT ASSETS

Note: 8 - Property, Plant & Equipment and Intangible assets										
(Amounts in INR Thousands)										
Particulars	Gross Block			Depreciation				Net Block		
	As at 01.04.21	Additions	Sales	As at 31.03.2022	Upto 31.03.2021	For the Year	Withdrawn / Sales	Upto 31.03.2022	As at 31.03.2022	As at 31.03.2021
Property, Plant & Equipment										
Land- Free hold	201.70	-	2.31 *	199.39	-	-	-	-	199.39	201.70
Buildings	4,915.82	-	-	4,915.82	4,619.35	18.69	-	4,638.04	277.79	296.47
Spinning Machinery	1,11,266.75	-	1,729.78	1,09,536.97	1,04,035.58	1,108.87	1,729.78	1,03,414.66	6,122.30	7,231.17
Wind Electric Generator	69,092.91	-	-	69,092.91	65,096.20	95.92	-	65,192.12	3,900.79	3,996.71
Electrical Plant & Machinery	7,750.89	-	-	7,750.89	7,738.50	-	-	7,738.50	12.40	12.40
General Machinery	3,860.33	-	-	3,860.33	3,662.14	11.97	-	3,674.11	186.22	198.19
Vehicles	7,422.35	-	-	7,422.35	6,789.41	94.25	-	6,883.67	538.69	632.94
Electrical Fittings	647.31	-	-	647.31	627.93	1.58	-	629.51	17.79	19.37
Furniture and Fittings	934.14	-	-	934.14	850.65	15.01	-	865.66	68.48	83.49
Canteen Vessels	43.97	-	-	43.97	40.88	0.74	-	41.62	2.35	3.09
Total	2,06,136.19	-	1,732.10	2,04,404.09	1,93,460.64	1,347.03	1,729.78	1,93,077.89	11,326.20	12,675.54
Previous Year	2,21,359.80	-	15,223.61	2,06,136.18	2,06,203.91	1,791.75	14,535.01	1,93,460.64	12,675.54	15,155.89

*Note: The cost of land to the extent of 4.29 acres are converted in to stock-in-hand - refer note no. 25 (20).

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

Notes to the Financial Statements		(Amounts in INR Thousands)	
Particulars	31.03.2022	31.03.2021	
9 Deferred Tax Assets (Net)			
Deferred Tax Assets			
Opening Balance	22,735.37	23,310.09	
Add: Reversed During the year	(5,557.55)	(574.72)	
Closing Balance	<u>17,177.82</u>	<u>22,735.37</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	4,500.00	
(P.Y 45,000 Redeemable Preference shares of Rs.100/-)			
Investment in others - Unquoted			
RK Wind Form 836 Equity shares of Rs.10/- Each fully paid up	-	5.47	
	<u>12,862.00</u>	<u>10,035.47</u>	
11 Long - Term Loans & Advances			
Unsecured , Considered good			
MAT Credit Entitlement	-	1,830.00	
	<u>-</u>	<u>1,830.00</u>	
12 Other Non current assets			
Unsecured , Considered good			
Security Deposits	4,610.92	5,312.24	
	<u>4,610.92</u>	<u>5,312.24</u>	

SRI RAMNARAYAN MILLS LIMITED

Coimbatore - 641 018

Notes to the Financial Statements		(Amounts in INR Thousands)	
Particulars	Note No.	31.03.2022	31.03.2021
V CURRENT ASSETS			
13 Inventories			
a Raw Materials at Cost	1,113.12	2,250.06	
b Work - in - Progress at estimated cost	13,179.02	10,978.44	
c Finished Goods at Net Realisable value	6,237.94	15,775.08	
d Stores and Spares at cost in First in first out basis	705.90	551.10	
e Stock-in-Trade - Land	1.77	-	
f Waste at Net Realisable Value	1,256.33	974.51	
		<u>22,494.08</u>	<u>30,529.18</u>
14 Trade Receivables - Unsecured , Considered good			
a Outstanding for a period exceeding six months			
Others	624.97	624.97	
Due from S.M.Textiles Ltd - Subsidiary company	17,186.91	4,963.16	
		<u>17,811.87</u>	<u>5,588.12</u>
15 Cash and Cash Equivalents			
a Balances with banks		10.26	10.79
b Cash on Hand		15.79	46.40
c Others			
In Term Deposits held as margin money (More than 12 months)	2,871.58	2,763.62	
In Unpaid Dividend Account	136.28	139.93	
		<u>3,007.86</u>	<u>2,903.55</u>
		<u>3,033.91</u>	<u>2,960.73</u>
16 Short - Term Loans & Advances			
Unsecured, Considered Good			
Loans and advances to related party (Purchase advance to subsidiary company)	4,819.96	7,651.96	
Advance for Purchases	50.65	67.35	
Staff & Other Advances	3,021.70	1,446.26	
IT Refund Due	204.83	287.19	
Tax deducted at source	398.34	-	
Deferred Hire Finance Charges	-	2.54	
Prepaid Expenses	414.57	606.33	
		<u>8,910.03</u>	<u>10,061.63</u>

SRI RAMNARAYAN MILLS LIMITED
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Notes to the Financial Statements		(Amounts in INR Thousands)	
Particulars		31.03.2022	31.03.2021
17 Revenue from Operations			
a Sale of Products			
Domestic Sales			
Yarn	1,02,243.03	90,698.85	
Cotton Waste	5,567.52	2,461.06	
Cotton	2,952.44	2,583.52	
		1,10,762.99	95,743.42
b Sale of Land		30,600.00	-
		1,41,362.99	95,743.42
18 Other Income			
Interest Receipts			
Electricity Deposit	160.51	169.74	
SBI-Margin Money Deposit	119.98	126.35	
Interest on Inter-company Loan	-	378.17	
Interest on ESI	69.41	-	
		349.91	674.26
Sale of Scrap		97.36	426.67
Profit on Sale of Assets		340.00	184.60
Excess Provision of gratuity received		135.00	1,710.00
Miscellaneous Income		36.24	0.42
		958.51	2,995.95
19 Cost of Materials Consumed - Cotton			
Opening Stock	2,250.06	721.58	
Add: Purchase	63,570.37	52,904.71	
	65,820.43	53,626.29	
Less: Closing Stock	1,113.12	2,250.06	
		64,707.30	51,376.23
20 Changes in Inventories of Work - in - Progress,			
Finished Goods & Waste			
Opening Stock of WIP	10,978.44	7,140.02	
Less: Closing stock of WIP	13,179.02	10,978.44	
		(2,200.59)	(3,838.41)
Opening stock of Finished Goods	15,775.08	17,291.80	
Less: Closing stock of Finished Goods	6,237.94	15,775.08	
		9,537.15	1,516.72
Opening Stock of Waste	974.51	465.05	
Less: Closing stock of Waste	1,256.33	974.51	
		(281.82)	(509.46)
Opening Stock of Land		-	-
Less: Closing stock of Land	1.77	-	-
		(1.77)	-
		7,052.97	(2,831.16)

SRI RAMNARAYAN MILLS LIMITED
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Notes to the Financial Statements		(Amounts in INR Thousands)	
Particulars	31.03.2022	31.03.2021	
21 Employee Benefit Expenses			
Salaries ,Wages & Bonus	12,184.95	12,010.95	
Contribution to Provident Fund & Other Funds	220.08	496.84	
Staff Welfare Expenses	<u>1,096.33</u>	<u>1,074.29</u>	
	<u>13,501.36</u>		<u>13,582.08</u>
22 Finance Costs			
Interest on Working Capital Loan	2,415.82	3,232.60	
Interest on Unsecured Loan	3,674.10	3,164.16	
Interest on LC	431.78	579.39	
Interest on HP Loans	-	22.64	
Bank Charges	<u>564.59</u>	<u>658.58</u>	
	<u>7,086.31</u>		<u>7,657.38</u>
23 Other Expenses			
Consumption of Stores and Spares	2,299.52		2,319.15
Yarn conversion charges	576.52		429.57
Power & Fuel	10,529.38		10,564.72
(Net of WEG Generation - Rs.1,16,72,154/-	-		-
- Previous Year - Rs.1,28,65,182/-)	-		-
Rent	346.32		346.32
Repairs to Buildings	435.45		350.43
Repairs to Machinery	728.10		616.02
Repairs to Wind Mill Machinery	644.91		1,282.67
Repairs to Others	73.35		28.88
Insurance	473.67		501.22
Rates & Taxes, excluding taxes on income	538.02		451.11
Payment to Auditors for	-		-
Audit fees	35.00		35.00
Taxation matters	49.20		45.00
Others	20.00		
Managerial Remuneration	4,024.29		3,865.00
Miscellaneous Expenses	<u>3,717.75</u>		<u>2,201.68</u>
	<u>24,471.47</u>		<u>23,056.76</u>
24 Exceptional Items			
Excess provision for bonus in Prior Year reversed	489.08		374.52
Reversal of Prov. For ESI Dispute	<u>211.92</u>		<u>-</u>
	<u>701.00</u>		<u>374.52</u>

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 & EQUIPMENTS AND INTANGIBLE ASSETS

i Property Plant & Equipments 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, 2022 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 asset 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 writes 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

(Amounts in INR Thousands)

Particulars	31.03.2022	31.03.2021
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	64,707.30 (51,376.23)	100 (100)	2,299.52 (2,319.15)	100 (100)

5. Contingent liability

Particulars	31.03.2022	31.03.2021
ESI Contribution / Industrial dispute Act Back Wages payable relating to earlier years (2008-09 & 2009-10) dispute pending with ESI Court, Coimbatore and High Court Chennai	-	517.21

The Company has gone on appeal for the ESI disputes. The decision is expected to be in favour of the Company and hence no liability has been provided.

**6 Disclosure pertaining to Micro, Small and Medium Enterprises
(as per information available with the Company)**

Particulars	Rs.	Rs.
1. Principal Amount due as at 31st March 2022	Nil	Nil
2. Interest due on (1) above and unpaid as at 31.03.2022	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 and remaining unpaid as at 31st March 2022	Nil	Nil
7. Amount of further interest remaining due and payable in succeeding year	Nil	Nil

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Notes to the Financial Statements**(Amounts in INR Thousands)****7 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

Particulars		31.03.2022		31.03.2021
Segment Results	Rs.	Rs.	Rs.	Rs.
REVENUE				
Sale of Yarn	1,10,762.99	-	-	1,10,762.99
Power Generation	-	11,672.15	-	11,672.15
Sale of Land	-	-	30,600.00	30,600.00
Other Income	958.51	-	-	958.51
Total Revenue	1,11,721.50	11,672.15	30,600.00	1,53,993.65
Less: Inter Segment Revenue	11,672.15	-	-	11,672.15
Net Revenue from operation	<u>1,00,049.34</u>	<u>11,672.15</u>	<u>30,600.00</u>	<u>1,42,321.50</u>
EXPENDITURE				
Interest 7,086.31	-	-	7,086.31	-
Depreciation	1,251.12	95.92	-	1,347.03
Other expenses	1,11,942.40	644.91	100.54	1,12,687.85
Total Expenditure	<u>1,20,279.82</u>	<u>740.83</u>	<u>100.54</u>	<u>1,21,121.19</u>
Profit/(Loss) before exceptional and extraordinary and tax	(20,230.48)	10,931.33	30,499.46	21,200.31
Exceptional Items	701.00	-	-	701.00
Profit / (Loss) before tax	(19,529.48)	10,931.33	30,499.46	21,901.31
Segment Assets	94,324.27	3,900.79	1.77	98,226.83
Segment Liabilities	98,226.83	-	-	98,226.83

8 Deferred Tax:

Deferred tax asset	Balance as on 01.04.2021	Additions	Reversed	Balance as on 31.03.2022
	Rs.	Rs.	Rs.	Rs.
Disallowance u/s 43B	206.00	174.00	206.00	174.00
On carried Forward Loss	21,214.35	-	5,247.40	15,966.95
On Unabsorbed Depreciation	2,591.32	-	266.23	2,325.09
Difference in Depreciation	(1,276.04)	(11.93)	-	(1,287.97)
	<u>22,735.63</u>	<u>162.08</u>	<u>5,719.63</u>	<u>17,178.08</u>

9 Earnings per share :

Particulars	Reversed	Balance as on 31.03.2022
Net Profit / (Loss) after tax	16,343.75	2,472.06
Total Number of Equity Share	10,00,000	10,00,000
Earnings per share	16.34	2.47

Notes to the Financial Statements

(Amounts in INR Thousands)

10 The Company has taken the office building on lease

Particulars	31.03.2022	31.03.2021
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

11 Related party disclosures:

(A) Name of the Key Managerial Personnel:

V. Jayaraman Managing Directors
J. Harischandravel Whole time Director designated as Executive Director

(B) Relatives of Key managerial Personnel:

	V. Jayaraman	J. Harischandravel
J. Ananthalakshmi	Wife	Mother
J. Ravindra	Son	Brother
J. Harischandravel	Son	-
N. Muthulakshmi	Sister	-

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

(D) Other Related Parties :- None

Particulars	Subsidiary Compan	Key Managerial Personnel	Relatives of Key Managerial Personnel
V. Jayaraman Salary		2,000.00 (1,000.00)	
Interest paid		4,139.26 (864.59)	
Sitting fees		4.00 (3.00)	
Loans and Advances Received		3,900.00 (36,700.00)	
Loans and Advanes Repaid		3,168.00 (25,000.00)	
Payable outstanding		57,232.00 (36,700.00)	
J. Harischandravel Salary		2,024.29 (2,865.25)	
Sitting fees		30.00 (30.00)	

Notes to the Financial Statements

S.No.	Particulars	31.03.2022	31.03.2021
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Detaile of Transactions:

Particulars	Subsidiary Company	Key Managerial Personnel	Relatives of Key Managerial Personnel
J. Ananthalakshmi			
Sitting fees			4.00
			(3.00)
Interest paid			536.79
			(125.26)
Loans and Advances Received			-
			(11,500.00)
Loans and Advanes Repaid			-
			(11,500.00)
Payable outstanding			6,500.00
			(6,500.00)
N. Muthulakshmi			
Rent and Amenties			346.32
			(346.32)
S.M. Textiles Limited			
Investment in Redeemable preference share	2,832.00		
(Adjusted against receivables)	(-)		
Sale of Cotton	3,100.06		
	(-)		
Purchase advance paid	9,123.69		
	(1,511.60)		
Recivable outstanding	22,006.86		
	(12,274.76)		

12 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)	
	31.03.2022	31.03.2021
A. Expenses recognised during the year ended		
1. Current Service cost		-
2. Interest cost		-
3. Expected return on plan assets	312.57	1,010.81
4. Actuarial Losses / (Gains) during the year	(308.44)	(935.81)
5. Total Expense (Income)	4.13	75.00
B. Actual return on plan assets		
1. Expected return on plan assets	312.57	1,010.81
2. Actuarial (Loss)/Gain on plan assets		-
3. Actual return on plan assets	312.57	1,010.81

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Notes to the Financial Statements	Gratuity (Funded)	
	31.03.2022	31.03.2021
Particulars		
C. Net Assets/Liability recognized in the Balance Sheet		
1. Present value of the obligation	134.80	126.70
2. Fair value of the plan assets	4,389.58	4,216.14
3. Difference	4,254.78	4,089.44
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	126.70	179.50
2. Current assets Service cost	-	-
3. Interest cost	4.13	53.10
4. Benefit paid	-	69.69
5. Actuarial (Gain)/Loss on obligation	12.23	22.20
6. Present value of the obligation	134.80	126.70
E. Change in assets during the year ended		
1. Fair value of plan assets	4,216.14	4,990.34
2. Expected return on plan assets	312.57	1,010.81
3. Contribution made	-	-
4. Excess Contribution Refunded/refundable	135.00	1,710.00
5. Benefits paid	4.13	75.00
6. Actuarial Gain/(Loss) on plan assets	-	-
7. Fair value of plan assets	4,389.58	4,216.14
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	5.64%	6.96%
2. Salary escalation	7.50%	10.00%
3. Expected rate of return on plan assets	-	-
4. Attrition rate	3.50%	2.00%

13 Trade Payables ageing schedule

Particulars	Not due	Less than 1 year	Outstanding for following periods from due date of payment			
			1-2 years	2-3 years	More than 3 years	Total
Undisputed dues						
	-	-	-	-	-	-
(i) MSME	(-)	(-)	(-)	(-)	(-)	-
	2,584.09	1,154.84	43.17	35.69	9.39	3,827.18
(ii) Others	4,043.42	8,722.17	86.12	1.09	65.98	12,918.78
	2,584.09	1,154.84	43.17	35.69	9.39	3,827.18
Total	4,043.42	8,722.17	86.12	1.09	65.98	12,918.78

(Figures in brackets denote previous year figures)

* There is no disputed dues and unbilled dues.

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14 Trade Receivables ageing schedule

Particulars	Less than 6 months	6 months - 1 year	Outstanding for following periods from due date of payment			
			1-2 years	2-3 years	More than 3 years	Total
Undisputed Receivables						
	-	17,199.48	-	612.39	-	17,811.87
(i) Considered Good	(-)	4,975.73	(-)	612.39	(-)	5,588.12
	-	-	-	-	-	-
(ii) Considered Doubtful	(-)	(-)	(-)	(-)	(-)	(-)
	-	17,199.48	-	612.39	-	17,811.87
Total	(-)	4,975.73	(-)	612.39	(-)	5,588.12

(Figures in brackets denote previous year figures)

* There is no disputed dues and unbilled dues.

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

16 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.

17 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 31.03.22

18 CWIP aging schedule

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

19 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.

20 Conversion of capital asset into stock-in-trade.

The company presently hold 21.36 acres of land at Gudalur village, Coimbatore, out of which land to the extent of 4.29 acres (as detailed below) has been converted into stock-in-trade w.e.f. April 1, 2021 as approved by board resolution dated 30.06.2021.

Survey field No.	Area (in Acres)
271	0.38
275/2	3.91
Total	<u>4.29</u>

The land converted into stock-in-trade had been acquired in the year 1955 and the proportionate cost thereof works out to Rs.2313. This amount has been shown as deduction from gross block of land in the Schedule detailing property, plant and equipment and has been included in stock-in-trade.

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21. Analytical ratios		31.03.2022			31.03.2021			(Amounts in INR Thousands)		
		Numerator	Denominator	Ratio	Numerator	Denominator	Ratio	% Variance	Remarks	
S. No	Ratio	Numerator	Denominator	Ratio	Numerator	Denominator	Ratio	% Variance	Remarks	
1	Current Ratio	Current Assets	Current Liabilities	0.65	49,139.66	99,647.31	0.49	32.77%	Variance due to increase in trade receivables and decrease in trade payables & short-term borrowings.	
2	Debt-Equity Ratio	Total Debt	Shareholder's Equity	3.88	82,583.45	2,080.97	39.69	-90.23%	Variance due to increase in shareholder's fund, due to current year profit results increase in reserves and surplus.	
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	1.59	1,322.62	1,419.66	0.93	71.10%	Nil	
5	Inventory Turnover Ratio	Turn Over	Average Inventory	5.33	95,743.42	28,309.13	3.38	57.66%	Variance due to increase in turnover, due to current year stock of land sold at a profit.	
6	Trade Receivables Turnover Ratio	Turn Over	Average Trade Debtors	12.08	95,743.42	4,131.98	23.17	-47.86%	Variance due to increase in turnover, due to current year stock of land sold at a profit.	
7	Trade Payables Turnover Ratio	Total Purchases	Average Trade Creditors	7.94	55,488.23	12,954.86	4.28	85.49%	The increase in trade payable ratio is due to increase of efficiency in settling creditors	
8	Net Capital Turnover	Turn Over Ratio	Working Capital	1.98	95,743.42	82,583.45	1.16	70.65%	Variance due to increase in turnover, due to current year stock of land sold at a profit.	
9	Net Profit Ratio	Net Profit After Taxes	Turnover	0.12	1,322.62	95,743.42	0.01	736.93%	Variance due to increase in turnover, due to current year stock of land sold at a profit.	
10	Return On Capital Employed	Net Profit Before Interest and Taxex	Capital Employed	1.57	9,553.71	2,080.97	4.59	-65.73%	Variance due to increase in shareholder's fund, due to current year profit results increase in reserves and surplus	
11	Return On Investments	Income generated from Investments	Time weighted Average	NOT APPLICABLE						Nil

SRI RAMNARAYAN MILLS LIMITED

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Consolidated Balance Sheet as at 31st March, 2022			(Amounts in INR Thousands)	
Particulars	Note	31.03.2022	31.03.2021	
I EQUITY AND LIABILITIES				
1 Shareholder's Funds				
(a) Share Capital	1	10,000.00		10,000.00
(b) Reserves and Surplus	2	(37,926.59)	(51,247.34)	
2 Minority Interest (Including preference shares)	3	<u>(3,294.44)</u>	<u>(3,215.67)</u>	
		(31,221.03)		(44,463.01)
3 Non-Current Liabilities				
(a) Long-term borrowings	4	-	-	
(b) Long-term Provisions	5	<u>1,177.34</u>	<u>1,060.02</u>	
		1,177.34		1,060.02
4 Current Liabilities				
(a) Short-term borrowings	6	1,04,658.87	1,17,290.13	
(b) Trade payables	7			
Dues to Micro and Small Enterprises		-	-	
Dues to Others		6,099.60	19,595.94	
(c) Other current liabilities	8	6,082.44	6,378.73	
(d) Short-term provisions	9	<u>1,287.03</u>	<u>1,600.00</u>	
		<u>1,18,127.93</u>		<u>1,44,864.80</u>
Total		<u>88,084.23</u>		<u>1,01,461.81</u>
II ASSETS				
1 Non-current assets				
(a) Property, Plant & Equipment and Intangible assets				
Property, Plant & Equipment	10	10,905.57	12,352.03	
(b) Deferred tax Assets (Net)	11	23,152.39	28,709.95	
(c) Non Current Investments	12	-	5.47	
(d) Long term loans and advances	13	-	1,830.00	
(e) Other non-current assets	14	<u>5,729.44</u>	-	
		39,787.40		49,957.06
2 Current assets				
(a) Inventories	15	38,413.68	43,257.80	
(b) Trade receivables	16	624.97	641.51	
(c) Cash and cash equivalents	17	4,619.97	4,453.38	
(d) Short-term loans and advances	18	4,415.91	3,148.07	
(e) Other Current assets	19	<u>222.31</u>	<u>4.00</u>	
		<u>48,296.84</u>		<u>51,504.76</u>
Total		<u>88,084.23</u>		<u>1,01,461.81</u>

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. Krishnamoorthi
Membership No.020439
Partner, Auditors

J. Ananthalakshmi
DIN: 00312155
Director

V. Jayaraman
DIN: 00261571
Managing Director

Date : 17.08.2022 Place : Coimbatore

SRI RAMNARAYAN MILLS LIMITED

Coimbatore - 641 018

Consolidated Statement of profit and loss for the year ended 31st March 2022 (Amounts in INR Thousands)

Particulars	Note	31.03.2022	31.03.2021
I Income			
(a) Revenue from operations	20	2,04,302.96	1,41,556.77
(b) Other Income	21	<u>1,100.14</u>	<u>3,152.86</u>
Total Revenue		2,05,403.10	1,44,709.64
II Expenses			
(a) Cost of materials consumed	22	1,13,615.71	82,916.78
(b) Purchase of Stock-in-Trade		2,952.44	2,583.52
(c) Conversion of capital asset in to stock		2.31	-
(d) Changes in inventories of finished goods work-in-progress and Stock-in-Trade	23	3,210.14	(5,979.88)
(e) Employee benefit expense	24	22,792.42	21,808.04
(f) Financial costs	25	9,782.74	10,989.28
(g) Depreciation and amortization expense	8	1,444.15	1,939.20
(h) Other expenses	26	<u>34,672.18</u>	<u>31,859.11</u>
Total Expenses		1,88,472.09	1,46,116.03
III Profit/(Loss) before exceptional and extraordinary items and tax		16,931.00	(1,406.40)
IV Exceptional Items	27	700.53	(219.72)
V Profit/(Loss) before extraordinary items and tax		17,631.53	(1,186.68)
VI Extraordinary Items		-	-
-		17,631.53	(1,186.68)
VIII Tax expense			
(a) Provision for Income tax		-	-
(b) MAT Credit Entitlement		-	-
Prior Year Income Tax		-	-
(c) Deferred tax asset provided / (reversed)		(5,557.55)	(574.72)
IX Profit/(Loss) for the period from continuing operations		12,073.98	(1,761.40)
X Profit/(Loss) for the period from discontinuing operations (after tax)		-	-
XI Profit/(Loss) for the period		12,073.98	(1,761.40)
Profit/(Loss) attributable to minority interest		(1,246.78)	(900.53)
Profit/(Loss) attributable to parent company		13,320.75	(860.86)
XII Earnings per equity share of Face Value Rs.10/- each			
(a) Basic		12.07	(1.76)
(b) Diluted		12.07	(1.76)

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

As per our report annexed

For S. Krishnamoorthi & Co.

Chartered Accountants

Registration No. 001496 S

Date : 17.08.2022

B. Krishnamoorthi

Membership No.020439

Partner, Auditors

Place : Coimbatore

V. Jayaraman

DIN: 00261571

Managing Director

J. Ananthalakshmi

DIN: 00312155

Director

SRI RAMNARAYAN MILLS LIMITED

Coimbatore - 641 018

Consolidated Cash Flow Statement For The Year Ended 31.03.2022		(Amounts in INR Thousands)	
Particulars	Note	31.03.2022	31.03.2021
A. CASH FLOWFROM OPERATING ACTIVITIES:			
Net profit / (Loss) before Tax & Extraordinary Item		17,631.53	(1,186.68)
Adjustments for			
Depreciation		1,444.15	1,939.20
Interest Paid		9,782.74	10,989.28
Interest Received		(467.96)	437.42
Profit on Sale of Asset		(340.00)	(184.60)
Operating Profit / (Loss) before Working Capital Changes		28,050.46	11,994.63
Adjustments for			
Trade & Other Receivables		(139.43)	(7.46)
Inventories		4,844.12	(8,921.10)
Trade Payables & Other Current Liabilities		(13,988.29)	6,763.11
Short term borrowings		(12,631.27)	696.38
Net Cash generated from Operations before Tax & Extraordinary Item		6,135.58	10,525.57
Direct Taxes		1,830.00	-
Net Cash From Operating Activities before Extra ordinary item		7,965.58	10,525.57
Extraordinary Items		-	-
Net Cash generated from Operations		<u>7,965.58</u>	<u>10,525.57</u>
B. CASH FLOW FROM INVESTING ACTIVITIES:			
Purchase of Fixed Assets		-	-
Investment During the year		-	1.37
Redemption / deletion of investments		5.47	-
Interest Receipts		467.96	(437.42)
Sale of Fixed Assets		342.31	873.20
Net Cash used in Investing Activities		<u>815.74</u>	<u>437.15</u>
C. CASH FLOW FROM FINANCING ACTIVITIES:			
Issue of share capital		1,168.00	-
Long Term Borrowings		-	(111.27)
Interest Paid		(9,782.74)	(10,989.28)
Net Cash used in Financing Activities		<u>(8,614.74)</u>	<u>(11,100.54)</u>
Net Increase in Cash and Cash Equivalents		166.58	(137.83)
Cash and Cash Equivalents (Opening Balance)		4,453.38	4,591.21
Cash and Cash Equivalents (Closing Balance)		4,619.96	4,453.38

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. Krishnamoorthi
Membership No.020439
Partner, Auditors
Date : 17.08.2022

V. Jayaraman
DIN: 00261571
Managing Director

J. Ananthalakshmi
DIN: 00312155
Director
Place : Coimbatore

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

Consolidated to the Financial Statement		(Amounts in INR Thousands)	
Particulars	31.03.2022	31.03.2021	
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	2,75,892	2,75,892	
Smt. J. Ananthalakshmi	93,496	93,496	
Sri. J. Narayankumar	51,445	51,445	
Sri. J. Harischandavel	69,885	69,885	
Sri. J. Ravindera	<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 voteper share and the dividend as recommended bythe 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
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)				

SRI RAMNARAYAN MILLS LIMITED

Coimbatore - 641 018

Consolidated to the Financial Statement		(Amounts in INR Thousands)	
Particulars	31.03.2022	31.03.2021	
2 Reserves and Surplus			
a Reserves			
General Reserve			
Opening Balance	28,240.00	28,240.00	
Add: Transfer from Profit & Loss Statement	-	-	
Closing Balance	28,240.00	28,240.00	
b Surplus			
Balance in Statement of Profit and Loss			
Opening Balance	(79,487.34)	(78,626.48)	
Add: Profit / (Loss) for the Year	13,320.75	(860.86)	
Closing Balance	(66,166.59)	(79,487.34)	
	(37,926.59)	(51,247.34)	
3 Minority Interest			
a) In Equity Shares			
Opening Balance	(9,715.67)	(8,815.13)	
Add: Transfer from Profit & Loss Statement	(1,246.78)	(900.53)	
Closing Balance	(10,962.44)	(9,715.67)	
b) In Preference Shares			
Opening Balance	6,500.00	6,500.00	
Add: Issued during the year	1,168.00	-	
Add: Transfer from Profit & Loss Statement	-	-	
Closing Balance	7,668.00	6,500.00	
	(3,294.44)	(3,215.67)	
II NON CURRENT LIABILITIES			
4 Long - Term Borrowings			
Unsecured Loan			
ICICI Bank Ltd Vehicle Loan	-	-	
Loan repayable in 36 Instalments - Rate of Interest 9.31%			
Period and amount of default - Nil			
5 Long Term Provisions			
Provision for Employee Benefits			
Provision for Gratuity	1,177.34	1,060.02	
III CURRENT LIABILITIES			
6 Short Term Borrowings			
a Secured Loans			
Repayable on Demand from Bank			
i State Bank of India - Cash Credit account	15,328.50	23,717.19	
Limit - Rs.300 Lakhs			
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			

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

Consolidated to the Financial Statement	(Amounts in INR Thousands)	
Particulars	31.03.2022	31.03.2021
State Bank of India - Cash Credit Account Limit - Rs.145 Lakhs Rate of Interest - 8.15% PA Security - Secured on Hypothecation of entire current assets of the company, collaterely secured by equitable mortgage of land and building at annur village and personal gaurantee of the Directors Period and amount of default - Nil	9,933.57	7,291.68
ii GECL COVID LOAN Limit - Rs.75 Lakhs 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 Installments of Rs.2,05,555/- Period and amount of default - Nil	4,725.07	5,088.90
GECL COVID LOAN Limit - Rs.27 Lakhs 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 Installments of Rs.75,000/- Period and amount of default - Nil	1,699.73	1,850.00
iii State Bank of India LC 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	4,300.00	8,205.00
State Bank of India LC Limit - Rs.50 Lakhs Secured on goods covered under the LC and Hypothecation of entire current assets of the company, collaterely secured by equitable mortgage of land and building at annur village and personal gaurantee of the Directors. Period and amount of default - Nil	4,940.00	4,940.00
iv Current Maturities of Long Term debt	-	3,197.37
	<u>40,926.87</u>	<u>54,290.14</u>

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

Consolidated to the Financial Statement		(Amounts in INR Thousands)	
Particulars	31.03.2022	31.03.2021	
b Unsecured Loan			
Deposits			
From Directors	63,732.00	63,000.00	
Interest Rate - 8% p.a.			
Period and amount of default - Nil			
	<u>1,04,658.87</u>		<u>1,17,290.14</u>
7 Trade Payables			
a Due to Micro, Small, & Medium Enterprises	-	-	
b Due to Others	6,099.60	19,595.94	
	<u>6,099.60</u>		<u>19,595.94</u>
8 Other Current Liabilities			
a Interest accrued but not due on borrowings	3,555.24	2,834.19	
b Unpaid Dividends	136.28	139.93	
c Advance from Customers	47.04	1,243.13	
d Statutory Liabilities Payable	2,343.89	2,161.47	
	<u>6,082.44</u>		<u>6,378.73</u>
9 Short Term Provisions			
a Provision for Bonus	1,287.03	1,600.00	
b Provision for Provision for Income Tax	-	-	
	<u>1,287.03</u>		<u>1,600.00</u>
IV NON CURRENT ASSETS			

Note: 10 - Property, Plant & Equipment and Intangible assets										(Amounts in INR Thousands)	
Particulars	Gross Block			Depreciation				Net Block			
	As at 01.04.21	Addi- tions	Sales	As at 31.03.2022	Upto 31.03.2021	For the Year	Withdrawn / Sales	Upto 31.03.2022	As at 31.03.2022	As at 31.03.2021	
Property, Plant & Equipment											
Land- Free hold	458.10	-	2.31 *	455.79	-	-	-	-	455.79	458.10	
Buildings	8,107.90	-	-	8,107.90	7,317.05	114.31	-	7,431.36	676.54	790.85	
Spinning Machinery	1,28,959.23	-	1,729.78	1,27,229.44	1,22,815.36	1,108.87	1,729.78	1,22,194.45	5,034.99	6,143.86	
Wind Electric Generator	69,092.91	-	-	69,092.91	65,096.20	95.92	-	65,192.12	3,900.79	3,996.71	
General Machinery	13,036.16	-	-	13,036.16	12,801.35	13.55	-	12,814.90	221.25	234.81	
Vehicles	7,644.38	-	-	7,644.38	7,011.44	94.25	-	7,105.69	538.69	632.94	
Furniture and Fittings	996.96	-	-	996.96	905.29	16.50	-	921.79	75.17	91.67	
Canteen Vessels	43.97	-	-	43.97	40.88	0.74	-	41.62	2.35	3.09	
Total	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	
Previous Year	2,43,563.21	-	15,223.61	2,28,339.60	2,28,583.37	1,939.20	14,535.01	2,15,987.57	12,352.03	14,979.84	

*Note: The cost of land to the extent of 4.29 acres are converted in to stock-in-hand - refer note no. 29 (18).

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

Consolidated to the Financial Statement		(Amounts in INR Thousands)	
Particulars	31.03.2022	31.03.2021	
11 Deferred Tax Assets (Net)			
Deferred Tax Assets			
Opening Balance	28,709.95	29,284.67	
Add: Reversed During the year	<u>(5,557.55)</u>	<u>(574.72)</u>	
Closing Balance		<u>23,152.39</u>	<u>28,709.95</u>
12 Non Current Investments			
Others (at cost)			
Investment in subsidiary - Unquoted			
Investment in others - Unquoted			
RK Wind Form 836 Equity shares of Rs.10/- Each fully paid up	-	5.47	
		<u>-</u>	<u>5.47</u>
13 Long - Term Loans & Advances			
Unsecured , Considered good			
MAT Credit Entitlement	-	1,830.00	
		<u>-</u>	<u>1,830.00</u>
14 Other Non current assets			
Unsecured , Considered good			
Security Deposits		<u>5,729.44</u>	<u>7,059.61</u>
		<u>5,729.44</u>	<u>7,059.61</u>

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

Consolidated to the Financial Statement		(Amounts in INR Thousands)	
Particulars	31.03.2022	31.03.2021	
CURRENT ASSETS			
15 Inventories			
a Raw Materials at Cost	5,364.96		7,186.12
b Work - in - Progress at estimated cost	15,477.66		12,871.11
c Finished Goods at Net Realisable value	14,601.73		20,959.76
d Stores and Spares at cost in First in first out basis	960.27		773.10
e Stock-in-Trade - Land	1.77		-
f Waste at Net Realisable Value	<u>2,007.28</u>		<u>1,467.72</u>
	<u>38,413.68</u>		<u>43,257.80</u>
16 Trade Receivables - Unsecured , Considered good			
a Outstanding for a period exceeding six months			
Others	<u>624.97</u>		<u>641.51</u>
	<u>624.97</u>		<u>641.51</u>
17 Cash and Cash Equivalents			
a Balances with banks	26.28		27.10
b Cash on Hand	52.39		56.07
c Others			
In Term Deposits held as margin money (More than 12 months)	4,405.02	4,230.28	
In Unpaid Dividend Account	<u>136.28</u>	<u>139.93</u>	
	4,541.29		4,370.21
	<u>4,619.97</u>		<u>4,453.38</u>
18 Short - Term Loans & Advances			
Unsecured, Considered Good			
Advance for Purchases	78.68		92.35
Staff & Other Advances	3,021.70		2,044.61
IT Refund Due	246.67		303.65
Tax deducted at source	428.04		47.50
Due from Statutory Authorities	182.44		2.54
Prepaid Expenses	458.38		657.41
	<u>4,415.91</u>		<u>3,148.07</u>
19 Other Current Assets			
Disputed Electricity Tax	220.61		-
Interest Receivable	<u>1.70</u>		<u>4.00</u>
	<u>222.31</u>		<u>4.00</u>

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

Consolidated to the Financial Statement		(Amounts in INR Thousands)	
Particulars	31.03.2022	31.03.2021	
20 Revenue from Operations			
a Sale of Products			
Domestic Sales			
Yarn	1,63,545.77	1,35,880.85	
Cotton Waste	7,204.75	3,092.41	
Cotton	<u>2,952.44</u>	<u>2,583.52</u>	
	1,73,702.96		1,41,556.77
b Sale of Land	30,600.00		-
	<u>2,04,302.96</u>		<u>1,41,556.77</u>
21 Other Income			
Interest Receipts			
Electricity Deposit	204.37	230.76	
SBI-Margin Money Deposit	194.18	206.66	
Interest on Inter-company Loan	-	378.17	
Interest on ESI	<u>69.41</u>	-	
	467.96		815.60
Sale of Scrap	97.36		426.67
Profit on Sale of Assets	340.00		184.60
Excess Provision of gratuity received	135.00		1,710.00
Miscellaneous Income	<u>59.82</u>		<u>16.01</u>
	<u>1,100.14</u>		<u>3,152.86</u>
22 Cost of Materials Consumed - Cotton			
Opening Stock	7,186.12	4,334.55	
Add: Purchase	<u>1,11,794.56</u>	<u>85,768.34</u>	
	1,18,980.68	90,102.89	
Less: Closing Stock	<u>5,364.96</u>	<u>7,186.12</u>	
	<u>1,13,615.71</u>		<u>82,916.78</u>
23 Changes in Inventories of Work - in - Progress, Finished Goods & Waste			
Opening Stock of WIP	12,871.11	8,260.56	
Less: Closing stock of WIP	<u>15,477.66</u>	<u>12,871.11</u>	
	(2,606.55)		(4,610.55)
Opening stock of Finished Goods	20,959.76	20,432.20	
Less: Closing stock of Finished Goods	<u>14,601.73</u>	<u>20,959.76</u>	
	6,358.03		(527.56)
Opening Stock of Waste	1,467.72	625.95	
Less: Closing stock of Waste	<u>2,007.28</u>	<u>1,467.72</u>	
	(539.56)		(841.77)
Opening Stock of Land	-	-	
Less: Closing stock of Land	<u>1.77</u>	-	
	(1.77)		-
	<u>3,210.14</u>		<u>(5,979.88)</u>

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

Consolidated to the Financial Statement		(Amounts in INR Thousands)	
Particulars	31.03.2022	31.03.2021	
24 Employee Benefit Expenses			
Salaries ,Wages & Bonus	20,623.45	19,633.34	
Contribution to Provident Fund & Other Funds	818.75	980.09	
Staff Welfare Expenses	<u>1,350.22</u>	<u>1,194.60</u>	
	<u>22,792.42</u>		<u>21,808.04</u>
25 Finance Costs			
Interest on Working Capital Loan	3,702.35	4,621.32	
Interest on Unsecured Loan	4,676.05	4,712.32	
Interest on LC	431.78	579.39	
Interest on HP Loans	-	22.64	
Bank Charges	<u>972.56</u>	<u>1,053.61</u>	
	<u>9,782.74</u>		<u>10,989.28</u>
26 Other Expenses			
Consumption of Stores and Spares	3,448.19	3,380.34	
Yarn conversion charges	576.52	429.57	
Power & Fuel	17,520.04	16,694.70	
(Net of WEG Generation - Rs.1,16,72,154/- - Previous Year - Rs.1,28,65,182/-)	-	-	
Rent	346.32	-	
Repairs to Buildings	452.87	367.47	
Repairs to Machinery	1,389.59	1,342.84	
Repairs to Wind Mill Machinery	644.91	1,282.67	
Repairs to Others	116.39	68.45	
Insurance	534.57	563.94	
Rates & Taxes, excluding taxes on income	654.67	541.75	
Payment to Auditors for Audit fees	50.00	50.00	
Taxation matters	59.20	55.00	
Others	20.00	40.00	
Managerial Remuneration	4,024.29	3,865.00	
Miscellaneous Expenses	<u>4,834.61</u>	<u>2,831.06</u>	
	<u>34,672.18</u>		<u>31,859.11</u>
27 Exceptional Items			
Excess provision for bonus in Prior Year reversed	488.61	219.72	
Reversal of Prov. For ESI Dispute	211.92	-	
	<u>700.53</u>		<u>(219.72)</u>

SIGNIFICANT ACCOUNTING POLICIES

28 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 PROPERTY, PLANT AND EQUIPMENTS & INTANGIBLES

- 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 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 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

SRI RAMNARAYAN MILLS LIMITED

Coimbatore - 641 018

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, 2021 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 recognized 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 writes 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.

For S. Krishnamoorthy & Co.
Chartered Accountants
Registration No. 001496 S

B. Krishnamoorthi
Membership No.020439
Partner, Auditors

V. Jayaraman
DIN: 00261571
Managing Director

J. Ananthalakshmi
DIN: 00312155
Director

Date : 17.08.2022

Place : Coimbatore

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

Cash Flow Statement For The Year Ended 31.03.2022

(Amounts in INR Thousands)

Particulars	31.03.2022	31.03.2021
29 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		
Earnings in Foreign Exchange	Nil	Nil

4 Value & 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	1,13,615.71 (82,916.78)	100 (100)	3,448.19 (3,380.34)	100 (100)

5 Contingent Liability

ESI Contribution / Industrial dispute Act Back Wages payable relating to earlier years (2008-09 & 2009-10) dispute pending with ESI Court, Coimbatore and High Court Chennai	-	517.21
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The Company has gone on appeal for the ESI disputes. The decision is expected to be in favour of the Company and hence no liability has been provided.

- 6 Disclosure pertaining to Micro, Small and Medium Enterprises
(as per information available with the Company)

Particulars	Rs.	Rs.
1. Principal Amount due as at 31st March 2022	Nil	Nil
2. Interest due on (1) above and unpaid as at 31.03.2022	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 and remaining unpaid as at 31st March 2022	Nil	Nil
7. Amount of further interest remaining due and payable in succeeding year	Nil	Nil

SRI RAMNARAYAN MILLS LIMITED

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7 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

Particulars	Spinning Mills	Wind Energy Generation	Real Estate	Total
	Rs.	Rs.	Rs.	Rs.
Segment Results				
REVENUE				
Sale of Yarn	1,73,702.96	-	-	1,73,702.96
Power Generation	-	11,672.15	-	11,672.15
Sale of Land	-	-	30,600.00	30,600.00
Other Income	1,100.14	-	-	1,100.14
Total Revenue	1,74,803.10	11,672.15	30,600.00	2,17,075.25
Less: Inter Segment Revenue	11,672.15	-	-	11,672.15
Net Revenue from operation	1,63,130.94	11,672.15	30,600.00	2,05,403.10
EXPENDITURE				
Interest	9,782.74	-	-	9,782.74
Depreciation	1,348.23	95.92	-	1,444.15
Other expenses	1,76,499.75	644.91	100.54	1,77,245.20
Total Expenditure	1,87,630.73	740.83	100.54	1,88,472.09
Profit/(Loss) before exceptional and extraordinary and tax	(24,499.79)	10,931.33	30,499.46	16,931.00
Exceptional Items	700.53	-	-	700.53
Profit / (Loss) before tax	(23,799.26)	10,931.33	30,499.46	17,631.53
Segment Assets	84,181.67	3,900.79	1.77	88,084.23
Segment Liabilities	88,084.23	-	-	88,084.23

8 Deferred Tax:-

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

Particulars	Balance as on 01.04.2021	Additions	Reversed	Balance as on 31.03.2022
	Rs.	Rs.	Rs.	Rs.
Disallowance u/s 43B	206.00	174.00	206.00	174.00
On carried Forward Loss	27,247.20	-	5,247.40	21,999.81
On Unabsorbed Depreciation	2,591.32	-	266.23	2,325.09
Difference in Depreciation	(1,334.57)	(11.93)	-	(1,346.50)
	28,709.95	162.08	5,719.63	23,152.40

9 Earnings per share:

Particulars	31.03.2022	31.03.2021
Net Profit / (Loss) after tax	12,073.98	(1,761.40)
Total Number of Equity Share	10,00,000	10,00,000
Earnings per share	12.07	(1.76)

Notes to the Financial Statements

S.No.	Particulars	31.03.2022	31.03.2021
10	The Company has taken the office building on lease	31.03.2022	31.03.2021
	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

11 Related party disclosures:

(A) Name of the Key Managerial Personnel:

V. Jayaraman
J. Harischandavel

Managing Directors
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) Other Related Parties : None

Particulars	Subsidiary Compan	Key Managerial Personnel	Relatives of Key Managerial Personnel
V. Jayaraman Salary		2,000.00 (1,000.00)	
Interest paid		4,139.26 (864.59)	
Sitting fees		4.00 (3.00)	
Loans and Advances Received		3,900.00 (36,700.00)	
Loans and Advanes Repaid		3,168.00 (25,000.00)	
Payable outstanding		57,232.00 (36,700.00)	
J. Harischandavel Salary		2,024.29 (2,865.25)	
Sitting fees		30.00 (30.00)	

Notes to the Financial Statements

S.No.	Particulars	31.03.2022	31.03.2021
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Detaile of Transactions:

Particulars		Subsidiary Company	Key Managerial Personnel	Relatives of Key Managerial Personnel
J. Ananthalakshmi				
Sitting fees				4.00
Interest paid				(3.00)
Loans and Advances Received				536.79
Loans and Advanes Repaid				(125.26)
Payable outstanding				-
				(11,500.00)
				-
				(11,500.00)
				6,500.00
				(6,500.00)
N. Muthulakshmi				
Rent and Amenties				346.32
				(346.32)

12Employee 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)	
	31.03.2022	31.03.2021
A. Expenses recognised during the year ended		
1. Current Service cost		-
2. Interest cost		-
3. Expected return on plan assets	312.57	1,010.81
4. Actuarial Losses / (Gains) during the year	(308.44)	(935.81)
5. Total Expense (Income)	4.13	75.00
B. Actual return onplan assets		
1. Expected return on plan assets	312.57	1,010.81
2. Actuarial (Loss)/Gain on plan assets		-
3. Actual return on plan assets	312.57	1,010.81

Notes to the Financial Statements

S.No.	Particulars	31.03.2022	31.03.2021
	Particulars	Gratuity (Funded)	
		31.03.2022	31.03.2021
C.	Net Assets/Liability recognized in the Balance Sheet		
1.	Present value of the obligation	134.80	126.70
2.	Fair value of the plan assets	4,389.58	4,216.13
3.	Difference	4,254.78	4,089.43
4.	Unrecognised past service cost	1,177.34	1,060.02
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	126.70	179.50
2.	Current assets Service cost		-
3.	Interest cost	4.13	53.10
4.	Benefit paid		69.69
5.	Actuarial (Gain)/Loss on obligation	12.23	22.20
6.	Present value of the obligation	134.80	126.70
E.	Change in assets during the year ended		
1.	Fair value of plan assets	4,216.14	4,990.34
2.	Expected return on plan assets	312.57	1,010.81
3.	Contribution made		-
4.	Excess Contribution Refunded/refundable	135.00	1,710.00
5.	Benefits paid	4.13	75.00
6.	Actuarial Gain/(Loss) on plan assets		-
7.	Fair value of plan assets	4,389.58	4,216.14
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	5.64%	6.96%
2.	Salary escalation	7.50%	10.00%
3.	Expected rate of return on plan assets		-
4.	Attrition rate	3.50%	2.00%

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

14 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.

15 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 31.03.22

16 CWIP aging schedule

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

17 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.

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18 Conversion of capital asset into stock-in-trade.

The company presently hold 21.36 acres of land at Gudalur village, Coimbatore, out of which land to the extent of 4.29 acres (as detailed below) has been converted into stock-in-trade w.e.f. April 1, 2021 as approved by board resolution dated 30.06.2021.

Survey field No.	Area (in Acres)
271	0.38
275/2	3.91
Total	4.29

The land converted into stock-in-trade had been acquired in the year 1955 and the proportionate cost thereof works out to Rs.2313. This amount has been shown as deduction from gross block of land in the Schedule detailing property, plant and equipment and has been included in stock-in-trade.

19

Name the entity	Net Assets i.e total asset minus total liabilities		Share in Profit or Loss	
	As % Consolidated Net Assets	Amount (Rs)	As % Consolidated Net Assets	Amount (Rs)
Parent Sri Ramnarayan Mills Limited	11.99	(37,42,072)	135.36	1,63,43,756
Subsidiaries* SM Textiles Limited	62.31	(1,94,55,104)	(25.04)	(30,23,003)
Minority Interest	25.70	(80,23,856)	(10.33)	(12,46,775)
	100.00	(3,12,21,032)	100.00	1,20,73,978

20 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

INR. THOUSAND

S.NO	Particulars	SM Textiles Limited
1	Reporting Period	31st March 2022
2	Reporting Currency	INR
3	Share Capital	20,000
4	Reserves & Surplus	(47478.96)
5	Total Liabilities	34,031.06
6	Total Assets	34,031.06
7	Investments (Except in case of investments in subsidiaries)	-
8	Turnover (including Other income)	66,181.66
9	Profit (Loss) Before Taxation	(4,269.79)
10	Tax Expense	-
11	Profit / (Loss) after Taxation	(4269.79)
12	Proposed Dividend - Equity	-
13	Percentage of Shareholding	-
	In Equity Shares	70.8%
	In Preference Shares	48.88%

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 subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, 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, 2022, the Consolidated Profit 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.

SRI RAMNARAYAN MILLS LIMITED

Coimbatore - 641 018

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

In preparing the consolidated financial statements, management is 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 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. 3,40,31,062/- as at 31st March, 2022 and Net Loss of Rs. 42,69,778/- 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 reports of the other auditors.

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, 2022 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, 2022 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
 - i. The Company has disclosed the impact of pending litigation on the financial position in its financial statement.
 - ii. The Company 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 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 neither paid nor declared any dividend during the financial year

For S. Krishnamoorthy & Co.
Chartered Accountants
Registration No. 001496 S

B. Krishnamoorthi
Membership No.020439
Partner, Auditors

UDIN:22020439ARFMZE5679

Place : Coimbatore
Date : 17.08.2022

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, 2022, 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 31,2022, 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

Registration No. 001496 S

B. Krishnamoorthi

Membership No.020439

Partner, Auditors

Place : Coimbatore

Date : 17.08.2022

UDIN:22020439ARFMZE5679

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 30th September 2022.

Name & Address of the Shareholder

Sequence No. :

Folio No. :

I hereby record my presence at the 68th ANNUAL GENERAL MEETING at 43, Balasundaram Road, Coimbatore – 641 018. at 3.30 pm on Friday, the 30th September 2022.

Signature of the Member of Proxy

No. of Shares held

Form NoI 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	CINL17111T21954PLC000201
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 / proxy to attend and vote (on poll) for me / us and on my / our behalf at the 68th Annual General Meeting of the Company to be held on Friday the 30th September 2022 at 3.30 pm and at any adjournment there of in respect of such resolutions as are indicated below:

Resolution No. () All () Friday 30th Sep 2022 at 3.30pm

1	
2	
3	
4	
5	
6	

Signed this day of, 2022.

Signature of Shareholder

Signature of the 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.