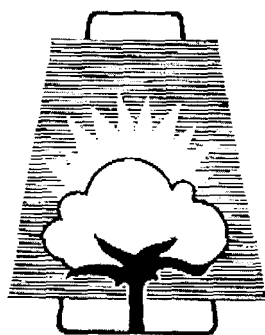


SRI RAMNARAYAN MILLS LIMITED

COIMBATORE - 641 018



67th Annual Report
2020 - 2021

SRI RAMAJAYAM

SRI RAMNARAYAN MILLS LIMITED

COIMBATORE – 641 018

CIN : U17111TZ1954PLC000201

BANKERS

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

BOARD OF DIRECTORS

SMT J. ANANTHALAKSHMI

SRI V. JAYARAMAN
(Managing Director)

SRI J.HARISCHANDRAVEL
(Executive Director)

REGISTERED OFFICE

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

A. TEXTILE DIVISION

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

AUDITORS

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

B. WIND ENERGY DIVISION

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

E Mail Id: srnml2010@bsnl.in | smtex93@gmail.com

Web site: www.srnml.com

NOTICE

NOTICE is hereby given for the 67th Annual General Meeting of the members of Sri Ramnarayan Mills Ltd. will be held at 03.30 P.M on Wednesday, the 29th September, 2021 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 2020-21 viz the Balance Sheet as at 31st March 2021, 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 2020-21 viz the Balance Sheet as at 31st March 2021, the Statement of Profit and Loss, the Cash Flow Statement for the year ended on that date together with the Director's Report and Auditor's Report thereon.
3. To appoint a Director in place of Mrs.J.Ananthalakshmi (DIN 00312155) who retires by rotation and is eligible for reappointment.

Special Business

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

RESOLVED THAT in accordance with the provisions of Section 197, 198, 203 and other applicable provisions of the Companies Act 2013 read with Schedule V thereto and subject to such further approvals as may be necessary, the consent of the Company be and it is hereby accorded for the payment of following remuneration of Sri J. Harischandravel (DIN 00261673) Whole Time Director of the Company for remaining period of 2 Years from 01.06.2022 to 31.05.2024.

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

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

1. a. Salary at Rs. 1,50,000 per month
 - b. Provision for gas, electricity and water at his residence not exceeding 10% of the salary.
-

- c. Personal accident insurance, the premium not exceeding Rs.10,000/- per annum.
 - d. Provision of car with driver, reimbursement of expenses towards telephone, Club fees and others incurred in connection with the business of the company.
 - e. Leave Travel concession for self and family, once in a year incurred in accordance with any rules specified by the company
(So however, that the aggregate amount paid towards salary and perquisites does not in the exceed the limit fixed in Section II of Part II of Schedule V of the Companies Act, 2013).
2. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961
 3. Gratuity payable at the rate not exceeding one-half month's salary for each completed year of service
 4. Encashment of leave at the end of the tenure

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

Explanatory Statement Pursuant To Section 102(1) Of The Companies Act, 2013

Item 4:

Sri J. Harischandravel (DIN 00261673) was appointed as Whole-Time Director of the company for a period of five years, but remuneration payable to him was fixed for a period of three years up to 31.05.2022.

It is now considered necessary that suitable remuneration be paid to him in compensation of services rendered by him in his capacity as Whole-Time Director of the company, commencing from 01.06.2022.

The amount of remuneration fixed at the same terms as fixed at the time of his appointment in the year 2019 subject to modification at the AGM held on 31.12.2020.

The Board of Directors are of the opinion that the amount of remuneration in the form of salary having been refixed at Rs.1,50,000/- per month, the other benefits and perquisites should also be paid to him along with salary in the event of absence of profit or inadequacy of profits in any year during his tenure in such a manner, the aggregate amount so paid will not be in excess of the prescribed limits under Schedule V of the Companies Act, 2013.

The proposed modification to the Resolution passed on 31.12.2020 is to incorporate the decision of the Board to entitle him to receive other benefits and perquisites during the period of present term of appointment up to 31.05.2022, so however the aggregate amount paid is within the prescribed limits under Schedule V of the Act.

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

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

Place: Coimbatore
Date : 28.07.2021

V. JAYARAMAN
Managing Director
DIN: 00261571

NOTICE

Information under Secretarial Standards on General Meetings, brief profile of the Directors, who are proposed to be re-appointed, nature of their expertise in specific functional areas, other directorships and committee memberships, their shareholding and relationship with other Directors of the Company are given below:

Name of the Directors	Mrs. J. Ananthalakshmi	Sri J. Harischandavel
DIN	00312155	00261673
Date of Birth/Age	21.11.1946 / 75 Years	09.11.1970 / 51 Years
Nationality	Indian	Indian
Year of induction to the Board	29.04.1992	30.03.1998
Qualification	–	B.B.M.
Expertise / Skills	29 Years of Experience	23 Years of Experience
Shareholding	93496 Equity Shares	69885 Equity Shares
Relationship	Related to both Managing Director and Whole Time Director	Related to both Managing Director and Director
Terms of Appointment/ Re-appointment	Liable to retire by rotation	Tenure of Appointment is up to 31.05.2024, subject to re-appointment at the AGM
Remuneration sought to be paid	Sitting Fees only applicable	Rs.1.50 Lakhs + other applicable perquisites as per terms of appointment
Remuneration last drawn	Sitting Fees – Rs.4000/- Paid	Rs.3212800/-
No. of Board Meetings attended	Five	Five
List of Directorships held in other Companies	S.M.Textiles Ltd.,	S.M. Textiles Ltd.,
Other Companies Committee Details	Nil	Nil

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 2012-13 have been transferred to the Investors Education and Protection Fund. Shareholders who have not encashed the dividend warrants for the period commencing after that date are requested to claim the amount from the Company. The due date for transfer of these amounts is as under.

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

Financial Year	Dividend declared on	Dividend remaining unpaid* Rs.	Due date for remittance to investors education and protection fund
2013-2014	02.09.2014	1,41,000.00	02.10.2021
2014-2015	No Dividend	Nil	Not Applicable
2015-2016	No Dividend	Nil	Not Applicable
2016-2017	No Dividend	Nil	Not Applicable
2017-2018	No Dividend	Nil	Not Applicable
2018-2019	No Dividend	Nil	Not Applicable
2019-2020	No Dividend	Nil	Not Applicable
2020-2021	No Dividend	Nil	Not Applicable

* Note: 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.

- 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.
- Investors who are holding shares in the same name in more than one folio may please advise the company for consolidating into single folio.
- Members are requested to bring their copy of the Annual report with them to the Annual General Meeting.
- 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.
- Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members of the Company will remain closed during the period from 22nd September, 2021 to 29th September, 2021 (both days inclusive) for determining the names of the members eligible for Annual General Meeting
- 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.
- The Ministry of Corporate Affairs has mandated that the transfer of securities held in physical form, except in case of transmission or transposition, shall not be processed by the Company / Registrars and Share Transfer Agents with effect from 2nd October, 2018. Therefore, members holding share(s) in physical form are requested to dematerialize their shareholding in the Company. Necessary prior intimation in this regard was provided to the shareholders. Members are encouraged to convert their holdings to electronic mode

NOTICE

10. Notes:

STATEMENT OF PARTICULARS IN CONNECTION WITH APPOINTMENT OF WHOLE TIME DIRECTOR

I. GENERAL INFORMATION:

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

Year ended	Turnover	Net Profit/(Loss)	Dividend	Amount
	Rs.	Rs.	%	Rs.
31.03.2021	957.43	13.23		
31.03.2020	1066.76	(221.38)		
31.03.2019	1531.36	27.56	–	–
31.03.2018	1640.50	96.44	–	–
31.03.2017	1303.43	(127.56)	–	–

4. Export Performance And Net Foreign Exchange Collaborations:
The Company has not entered the export market.
5. Foreign Investments Or Collaborators, If Any
Company has not invested in any foreign country nor has taken up any collaboration outside the country.

II. INFORMATION ABOUT THE APPOINTEE:

1. Background details
Shri. J. Harischandavel, BBM Graduate has been appointed as a Director in the year 1993. He has been working under the instructions and guidance of the Managing Director.
2. Past Remuneration
 - a. Salary in the time scale of Rs. 3,30,000 – 15,000 – 3,60,000/- per month
 - b. Contribution of provident fund, superannuation fund or annuity fund in accordance with Companies Rules to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
 - c. Car with driver, telephone at residence, Club fees and medical reimbursement
 - d. Personal accident insurance, the premium not exceeding Rs. 10,000/- per annum.
 - e. Leave Travel Concession for self and family, once in a year incurred in accordance with any rules specified by the Company.
 - f. Encashment of leave at the end of the tenure
The Salary was reduced to Rs.1,50,000/- per month with effect from 01.01.2021 to 31.05.2022 as per Special Resolution passed at the 66th AGM held on 31.12.2020
3. Recognition or Awards
J. Harischandavel is presently one of the members of SITRA - Research Advisory Committee He is also a member in SIMA Labour Sub-Committee.

SRI RAMNARAYAN MILLS LIMITED

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1. Job Profile and his suitability:

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

2. Comparative remuneration:

a. Profile with respect to industry

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

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

b. Size of the company,

1. The installed capacity, in terms of spindles presently is 21264. The Company has installed 3 Autoconers in recent years for more production and productivity with labour saving. The average sales turnover during the last three years has been Rs. 1185.18 lakhs.

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

Mr. J. Harischandavel as Whole – time Director has also been looking after S.M Textiles Limited a Subsidiary Company of Sri Ramnarayan Mills Limited for the past 28 years in charge of Production, Administration.

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

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

4. Remuneration Proposed:

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

- C) In the event of absence of profits or inadequacy of profits in any year during the period of appointment, the Whole Time Director shall be paid the following remuneration not exceeding the limits specified in Section II of Part II of Schedule V to the Companies Act 2013 or such other limits as may be notified by the Government from time to time, as minimum remuneration.
- a. Salary at Rs. 1,50,000 per month
 - b. Provision for gas, electricity and water at his residence not exceeding 10% of the salary.
 - c. Personal accident insurance, the premium not exceeding Rs.10,000/- per annum.
 - d.. Provision of car with driver, reimbursement of expenses towards telephone, Club fees and others incurred in connection with the business of the company.
 - e. Leave Travel concession for self and family, once in a year incurred in accordance with any rules specified by the company
(So however, that the aggregate amount paid towards salary and perquisites does not in the exceed the limit fixed in Section II of Part II of Schedule V of the Companies Act, 2013).
 - f. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961
 - g. Gratuity payable at the rate not exceeding one-half month's salary for each completed year of service
 - h. Encashment of leave at the end of the tenure

III. OTHER INFORMATION:

1. Inadequacy of Profit:

The company has been experiencing difficulties for the past few years due to unprecedented crisis both on the raw material cost and selling price of finished goods. In addition, the lock-down was in force during 2019-20 and as well as in current year due to COVID Pandemic and the mills have to stop operations and production was hampered.

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

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

IV. DISCLOSURES:

1. The remuneration package of the Whole Time Director is as detailed in the resolution.
2. The provisions of "Corporate Governance" are not applicable to the company.

DIRECTOR'S REPORT

Your Directors present their 67th Annual Report together with the Audited Financial Statements of the company for the year ended 31st March 2021

FINANCIAL RESULTS

(Amount in Rs.)

Particulars	31.03.2021	31.03.2020
Gross Sales	9,57,43,422	10,66,75,594
Other Income	29,95,946	25,01,049
Profit / (Loss) Before Tax	18,97,333	-2,99,25,946
Tax Expenses	5,74,720	78,06,403
Profit / (Loss) after tax	13,22,613	-2,21,37,772

REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

The working of the company during the year under review has resulted in a net profit of 13.23 Lakhs against a net loss of 221.38 lakhs in the preceding year. The positive turnaround in the working of the company was possible due to better selling price post lock down for a short period.

We are all aware that the total operations were closed from 4th week of March 2020 till 1st week of June 2020. As a result, the Mill did not work during the months of April and May 2020. Though the lockdown was lifted from 1st May 2020, there were no transport facilities and the workers could not attend to work throughout the month of May 2020. This has resulted in drop in production for full two months with cascading effect on turnover and cash flow.

Further the Bankers have reduced the Working capital limits from 350 lakhs to 300 lakhs when renewed. Even though the Interest on Working capital was converted as term loan, the Company was asked to close the same as on 31st March 2021. This has become an additional burden and cash outflow. Borrowings like CECL & GECL being sanctioned in April 2020, have to be repaid on monthly installments commencing from 1st October 2020. All these cash outflow have to be met from Internal Generation of the company.

The wind energy division generated a revenue of Rs.128.65 Lakhs during the year against 118.99 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 meager price per unit in return. However, we are yet to receive compensation from TANGEDCO for Banked Units surrendered for financial year 2019-20.

FUTURE PROSPECTS

In the prevailing circumstances, the country has witnessed a second wave of COVID Pandemic and lockdown was in force in the state of Tamilnadu from 10th May to 14th June 2021 (36) days in the current financial year severely hitting the operations and the end result is cash crunch.

Unlike in last year, there has been no clarity either from the Bankers or from the Government of India for releasing Emergency line of credit, as on date.

The company has been experiencing severe turmoil. The raw material price has gone up to an unprecedented level and in contrast the demand for end product has been highly volatile. Many of the power loom centers have been closed due to COVID Pandemic in Maharashtra and Madhya Pradesh from April to June 2021. This has been attributed as the main reason for fall in demand for end product.

DIRECTOR'S REPORT

Unless the Company gets any financial support from Bankers or Government of India, It is very difficult to run the mill at this very high cost of production and with wide gap in working capital.

Due to adverse financial working in the last few years, the reserves and surplus have been eroded. The Bankers insist the company to infuse additional funds to shore up the capital. The company is taking steps to bring in funds in the days to come.

DIVIDEND

Your Directors have no alternative than to skip the dividend for the year 2020-21 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. In aggregate the company holds 40.91% of Preference capital and 70.8% of Equity capital as at the close of the year.

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 have given the required declaration and certificate of eligibility .

EMPLOYEE'S SALARY

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

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

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

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

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

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

Five meetings of the Board were held during the year on 30.06.2020, 28.09.2020, 04.11.2020, 02.03.2021 & 29.03.2021. 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.

SRI RAMNARAYAN MILLS LIMITED

Coimbatore - 641 018

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

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

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

There were no loans, guarantees made by the Company referred to under section 186 of the Companies Act, 2013. The company has invested in Equity & Preference Shares in S M Textiles Limited, the subsidiary company. This investment is within the over all limits prescribed.

CORPORATE SOCIAL RESPONSIBILITY

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

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

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

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

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

DIRECTORS RESPONSIBILITY STATEMENT

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

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit/Loss of the Company for the year under review.
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (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.

WEB LINK OF ANNUAL RETURN

The Annual Return of the Company for the financial year 2020-21 as required under Section 92(3) of the Companies Act, 2013 is available on the website of the Company and can be accessed on the Company's website at the link: <https://srnml.com/images/SRNML-FORM-MGT-7.pdf>

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

There were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operation in future.

DIRECTOR'S REPORT

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

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

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

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

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 : 28.07.2021

J. ANANTHALAKSHMI

DIRECTOR
(DIN 00312155)

V. JAYARAMAN

CHAIRMAN OF THE MEETING
(DIN: 00261571)

ANNEXURE-I TO DIRECTORS' 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 years.

(iii) The capital investment on energy conservation equipments – Nil.

B. TECHNOLOGY ABSORPTION

(i) Efforts made towards technology absorption:

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

(ii) The benefits derived:

Cost reduction and quality improvement in cotton yarn manufactured.

(iii) Use of imported technology:

Only indigenous technology is being used.

C. FOREIGN EXCHANGE EARNINGS & OUTGO:

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

(a) Earnings : Nil

(b) Outgo : Nil

DIRECTOR'S REPORT

ANNEXURE-II TO DIRECTORS REPORT

Financial Year Ended 31 st March	2017	2018	2019	2020	2021
Operating Results					
Sales and Other Income	1303.43	1640.5	1531.36	1091.77	987.39
Operating Profit	-112.48	184.38	103.56	-193.19	113.46
Interest	51.68	80.44	67.87	80.55	76.57
Gross Profit/(Loss)	-164.16	103.94	35.69	-112.64	36.89
Depreciation	10.12	7.5	8.14	25.52	17.91
Taxation	-46.71	18.2	6.97	-77.88	5.75
Net Profit /(Loss)	-127.56	78.23	20.58	-221.38	13.23
Dividend (including dividend tax	-	-	-	-	-
Retained Profit	-127.56	78.23	20.58	-221.38	13.23
Performance Parameters					
Net Fixed Assets	108.23	100.94	177.62	151.56	126.75
Share Capital	100.00	100.00	100.00	100.00	100.00
Reserves	30.15	108.37	128.95	-92.42	-79.19
Net Worth	130.15	208.37	228.95	7.58	20.81
Return on Net Worth %	-49.5	37.54		-3.42	16.42
Borrowings	-	-	3.78	1.11	-
Debt Equity Ratio	-	-	-	-	-
Dividend (%)	-	-	-	-	-
Earnings per share (Rs.)	-12.76	7.82	2.06	-22.14	1.32

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 2021, and 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and Profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone 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 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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Being an unlisted public company and not fulfilling the criteria prescribed, key audit matters, if any has not been highlighted.

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

The 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 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.

INDEPENDENT AUDITOR'S REPORT

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 Companies Act, 2013 ("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 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement 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.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

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

Our objectives are 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 the 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 SAs, we exercise professional judgment 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's

report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

- (i) planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the standalone 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.

Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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.

INDEPENDENT AUDITOR'S REPORT

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 and that the same is not in excess of the limit laid down under the said section.

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 has disclosed the impact of pending litigation on the financial position in its financial statement.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the company.

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

Place: Coimbatore
Date : 28.07.2021

K. RAGHU
Partner, Auditors
Membership No.011178
UDIN:21011178AAAAGQ6795

The Annexure referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements

According to the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report the following:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (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 immovable properties are held in the name of the company.
- (ii) The stocks of finished goods, stores, spares and raw materials of the Company at its different locations have been physically verified by the management during the year at reasonable intervals. In our opinion the frequency of such verification is reasonable and no material discrepancies were noticed on physical verification of inventories;
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) The company (since the date of notification of the Act) has not granted any loan to directors or to any other person in whom the director is interested or given any guarantee or provided any security in connection with any loan taken by the director or such other person as contemplated in section 185 of the Act.

The loans, advances given and investments made in the subsidiary company are in compliance with the requirement of section 186 of the Act.
- (v) The Company has not accepted any deposits to which the provisions of sec.73 to 76 or any other relevant provisions of the act and the rules framed there under and the directions issued by the RBI are applicable.
- (vi) Maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act for the industry in which the company is engaged and based on the turnover in the preceding year.
- (vii) (a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and service tax and any other statutory dues to the appropriate authorities. No undisputed arrears of outstanding statutory dues as on 31.3.2021, for a period of more than 6 months from the date they become payable;
- (b) There are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or goods and service tax have not been deposited on account of any dispute except the following:

INDEPENDENT AUDITOR'S REPORT

Name of Statute	Period	Nature of Demand	Amount Disputed	Amount Paid	Forum Where Dispute is pending
ESI Act, 1948	2006	Contribution Arrears	1,96,322	1,96,322	High Court-Chennai
ESI Act, 1948	2008-2009	Contribution Arrears	2,48,714/-	1,24,357	ESI Court
ESI Act, 1948	2009-2010	Contribution Arrears	7,85,168	3,92,854	ESI Court

- (viii) The Company has not defaulted in repayment of dues to financial institution or banks. There was no issue of debentures till 31.3.2021;
- (ix) No term loan has been obtained by the company during the year.
The company has not raised any money by initial public offer or further public offer (including debt instruments) during the year.
- (x) 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.
- (xi) The company has paid/provided for managerial remuneration in accordance with the requisite approval mandated by the provisions of section 197 read with Schedule V of the Act.
- (xii) In our opinion, the company is not a Nidhi company.
- (xiii) In our opinion transactions with related parties are in compliance with section 188 of the Act. Details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) The company has not entered into non cash transactions with directors or persons connected with them.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

Place: Coimbatore
Date : 28.07.2021

K. RAGHU
Partner, Auditors
Membership No.011178
UDIN:21011178AAAAGQ6795

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, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

INDEPENDENT AUDITOR'S REPORT

- (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, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place: Coimbatore
Date : 28.07.2021

K. RAGHU
Partner, Auditors
Membership No.011178
UDIN:21011178AAAAGQ6795

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

BALANCE SHEET AS AT 31ST MARCH, 2021

Amounts in Rupees

Particulars	Note No	31.03.2021	31.03.2020
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	1,00,00,000	1,00,00,000
(b) Reserves and Surplus	2	<u>(79,19,031)</u>	<u>(92,41,644)</u>
		20,80,969	7,58,356
(2) Non-Current Liabilities			
(a) Long-term borrowings	3	<u>—</u>	<u>1,11,269</u>
		—	1,11,269
(3) Current Liabilities			
(a) Short-term borrowings	4	8,02,11,085	7,92,22,680
(b) Trade payables	5	1,44,54,821	1,29,90,947
(c) Other current liabilities	6	41,81,410	21,38,724
(d) Short-term provisions	7	<u>8,00,000</u>	<u>8,00,000</u>
		9,96,47,315	9,51,52,351
Total		<u>10,17,28,284</u>	<u>9,60,21,976</u>
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
Tangible assets	8	1,26,75,541	1,51,55,891
(b) Non Current Investments	9	1,00,35,470	1,00,36,840
(c) Deferred tax Assets (Net)	10	2,27,35,372	2,33,10,092
(d) Long term loans and advances	11	<u>71,42,235</u>	<u>75,43,958</u>
		5,25,88,618	5,60,46,781
(2) Current assets			
(a) Inventories	12	3,05,29,185	2,60,89,083
(b) Trade receivables	13	55,88,121	26,75,846
(c) Cash and cash equivalents	14	29,60,733	31,77,235
(d) Short-term loans and advances	15	1,00,61,626	80,33,031
(e) Other current assets	16	<u>—</u>	<u>—</u>
		4,91,39,666	3,99,75,195
Total		<u>10,17,28,284</u>	<u>9,60,21,976</u>

- See accompanying notes to financial statements

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

K. RAGHU

Membership No. 11178
Partner, Auditors

Place : Coimbatore
Date : 28.07.2021

V. JAYARAMAN
Managing Director
DIN: 00261571

J. ANANTHALAKSHMI
Director
DIN: 00312155

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

Amount in Rupees

Particulars	Note No	31.03.2021	31.03.2020
I. Income			
(a) Revenue from operations	17	9,57,43,422	10,66,75,594
(b) Other Income	18	29,95,946	25,01,049
Total Revenue		9,87,39,368	10,91,76,643
II. Expenses			
(a) Cost of materials consumed	19	5,13,76,234	6,97,50,768
(b) Purchase of Stock-in-Trade		25,83,516	-
(c) Changes in inventories of finished goods work-in-progress and Stock-in-Trade	20	(28,31,155)	40,66,116
(d) Employee benefit expense	21	1,35,82,077	1,87,35,011
(e) Financial costs	22	76,57,375	80,54,692
(f) Depreciation and amortization expense	8	17,91,749	25,52,147
(g) Other expenses	23	2,30,56,756	3,61,88,154
Total Expenses		9,72,16,552	13,93,46,889
III. Profit/(Loss) before exceptional and extraordinary items and tax		15,22,815	(3,01,70,246)
IV. Exceptional Items	24	3,74,518	2,44,299
V. Profit/(Loss) before extraordinary items and tax		18,97,333	(2,99,25,947)
VI. Extraordinary Items		-	-
VII. Profit / (Loss) before tax		18,97,333	(2,99,25,947)
VIII. Tax expense:			
(a) Provision for Income tax		-	-
(b) MAT Credit Entitlement		-	-
Prior Year Income Tax		-	18,229
(c) Deferred tax Asset (provided) / reversed		(5,74,720)	(78,06,403)
IX. Profit/(Loss) for the period from continuing operations		13,22,613	(2,21,37,772)
X. Profit/(Loss) for the period from discontinuing operations (after tax)		-	-
XI. Profit/(Loss) for the period		13,22,613	(2,21,37,772)
XII. Earnings per equity share of Face Value Rs.10/- each			
(a) Basic		1.32	(22.14)
(b) Diluted		1.32	(22.14)

- See accompanying notes to financial statements

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

Chartered Accountants
Registration No. 001496 S

K. RAGHU

Membership No. 11178
Partner, Auditors

Place : Coimbatore
Date : 28.07.2021

V. JAYARAMAN
Managing Director
DIN: 00261571

J. ANANTHALAKSHMI
Director
DIN: 00312155

SRI RAMNARAYAN MILLS LIMITED
Coimbatore - 641 018

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2021

Amounts in Rupees

PARTICULARS	31.03.2021	31.03.2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit / (Loss) before Tax & Extraordinary Item	18,97,333	(2,99,25,946)
Adjustments for		
Depreciation	17,91,749	25,52,147
Interest Paid	76,57,375	80,54,692
Interest Received	(2,96,092)	(3,96,198)
Profit on Sale of Asset	(1,84,598)	(12,63,058)
Operating Profit / (Loss) before Working Capital Changes	1,08,65,763	(2,09,78,363)
Adjustments for		
Trade & Other Receivables	(45,39,148)	(4,10,654)
Inventories	(44,40,102)	1,91,21,009
Trade Payables & Other Current Liabilities	35,06,560	37,96,075
Short term borrowings	9,88,405	47,04,888
Net Cash generated from Operations before Tax & Extraordinary Item	63,81,478	62,32,955
Direct Taxes	-	-
Net Cash From Operating Activities before Extra ordinary item	63,81,478	62,32,955
Extraordinary Items	-	13,266
Net Cash generated from Operations	63,81,478	62,46,221
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	-
Investment During the year	1,370	1,520
Interest Receipts	2,96,092	3,96,198
Sale of Fixed Assets	8,73,200	13,16,530
Net Cash used in Investing Activities	11,70,662	17,14,248
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of share capital	Nil	Nil
Dividend Paid	-	-
Long Term Borrowings	(1,11,269)	(2,67,108)
Interest Paid	(76,57,375)	(80,54,692)
Net Cash used in Financing Activities	(77,68,644)	(83,21,800)
Net Increase in Cash and Cash Equivalents	(2,16,504)	(3,61,331)
Cash and Cash Equivalents (Opening Balance)	31,77,235	35,38,566
Cash and Cash Equivalents (Closing Balance)	29,60,732	31,77,235

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

Chartered Accountants
Registration No. 001496 S

K. RAGHU

Membership No. 11178
Partner, Auditors

Place : Coimbatore
Date : 28.07.2021

V. JAYARAMAN
Managing Director
DIN: 00261571

J. ANANTHALAKSHMI
Director
DIN: 00312155

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

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. FIXED ASSETS

- i. Fixed Assets are shown at cost including allocable borrowing costs and net of GST credit.
- ii. Depreciation on fixed assets is provided on Written Down Value method adopting the useful 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, 2021 has been fully considered. As per policy of the company, Leave encashment is paid as and when liability arises and charged

SRI RAMNARAYAN MILLS LIMITED

Coimbatore - 641 018

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 FOR THE YEAR ENDED MARCH 31, 2021

Amounts in Rupees

Particulars	31.03.2021	31.03.2020
I. SHAREHOLDER'S FUNDS		
1. Share Capital		
Authorised Share Capital:		
10,00,000 Equity Shares of Rs.10/- each	1,00,00,000	1,00,00,000
Issued, Subscribed and Paid up Share Capital:		
10,00,000 Equity Shares of Rs.10/- each fully paid	1,00,00,000	1,00,00,000
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>
Share holders holding more than 5% of total shares		
Sri. V. Jayaraman	2,75,892	2,70,985
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>
<i>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.</i>		
2. Reserves and Surplus		
a. Reserves		
General Reserve		
Opening Balance	2,79,00,000	2,79,00,000
Add: Transfer from Profit & Loss Statement	—	—
Closing Balance	<u>2,79,00,000</u>	2,79,00,000
b. Surplus		
Balance in Statement of Profit and Loss		
Opening Balance	(3,71,41,644)	(1,50,03,871)
Add: Profit / (Loss) for the Year	<u>13,22,613</u>	<u>(2,21,37,773)</u>
Closing Balance	<u>(3,58,19,031)</u>	(3,71,41,644)
	<u>(79,19,031)</u>	<u>(92,41,644)</u>

SRI RAMNARAYAN MILLS LIMITED
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Amounts in Rupees

Particulars	31.03.2021	31.03.2020
II. NON CURRENT LIABILITIES		
3. Long - Term Borrowings		
Unsecured Loan		
ICICI Bank Ltd Vehicle Loan	-	1,11,269
<i>Loan repayable in 36 Instalments -</i>		
<i>Rate of Interest 9.31%</i>		
<i>Period and amount of default - Nil</i>		
III. CURRENT LIABILITIES		
4. Short Term Borrowings		
a. Secured Loans		
Repayable on Demand from Bank		
(i) State Bank of India - Cash Credit account	2,37,17,190	3,79,22,680
Limit - Rs.300 Lakhs		
Rate of Interest - 8.15%		
<i>Secured by hypothecation of stock in trade, book debts and other current assets. Existing land, buildings and machineries of the Company are offered as collateral security.</i>		
<i>Period and amount of default - Nil</i>		
GECL COVID LOAN	50,88,895	
<i>Secured by hypothecation of stock in trade, book debts and other current assets. Factory land and buildings of the Company are offered as collateral security.</i>		
<i>Personal Guarantee given of Directors of the Company.</i>		
<i>Repayable in 36 Monthly Installments of Rs.2,05,555/-</i>		
<i>Period and amount of default - Nil</i>		
(ii) State Bank of India LC	82,05,000	98,00,000
Limit - Rs.100 Lakhs		
<i>Secured on goods covered under LC and hypothecation of entire current assets of the company, collaterally secured by equitable mortgage of land and building at Gudalur village and personal guarantee of directors</i>		
<i>Period and amount of default - Nil</i>		
	3,70,11,085	4,77,22,680
b. Unsecured Loan		
Deposits		
From Directors	4,32,00,000	3,15,00,000
From Others	-	-
Interest Rate - 12% p.a. / 11% p.a.	4,32,00,000	3,15,00,000
Period and amount of default - Nil		
	8,02,11,085	7,92,22,680

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Amounts in Rupees

Particulars	31.03.2021	31.03.2020
5. Trade Payables		
a. Due to Micro, Small & Medium Enterprises	–	–
b. Due to Others	<u>1,44,54,821</u>	<u>1,29,90,947</u>
	<u>1,44,54,821</u>	<u>1,29,90,947</u>
6. Other Current Liabilities		
a. Current Maturities of Long Term debt	23,72,374	2,67,108
b. Interest accrued but not due on borrowings	9,89,852	11,86,817
c. Unpaid Dividends	1,39,929	4,56,533
d. Advance from Customers	6,11,684	–
e. Statutory Liabilities Payable	67,571	2,28,266
	<u>41,81,410</u>	<u>21,38,724</u>
7. Short Term Provisions		
a. Provision for Bonus	8,00,000	8,00,000
Provision for Income Tax	–	–
Less: TDS and TCS	–	–
	<u>8,00,000</u>	<u>8,00,000</u>

IV. NON CURRENT ASSETS

8. Fixed Asset Schedule (Depreciation Calculation workings as per new Companies Act 2013.)

Particulars	Gross Block				Depreciation				Net Block	
	Cost at 01.04.20	Additions	Sales	Cost at 31.03.2021	Upto 31.03.20	For the Year	Withdrawn/ Sales	Upto 31.03.21	As at 31.03.21	As at 31.03.20
TANGIBLE ASSETS										
Land- Free hold	2,01,704	–	–	2,01,704	–	–	–	–	2,01,704	2,01,704
Buildings	49,15,820	–	–	49,15,820	45,98,715	20,631	–	46,19,346	2,96,474	3,17,105
Spinning Machinery	12,64,90,365	–	1,52,23,614	11,12,66,751	11,70,66,246	15,04,343	1,45,35,012	10,40,35,577	72,31,174	94,24,119
Wind Electric Generator	6,90,92,907	–	–	6,90,92,907	6,49,97,926	98,276	–	6,50,96,202	39,96,705	40,94,981
Electrical Plant & Machinery	77,50,894	–	–	77,50,894	77,38,400	98	–	77,38,498	12,396	12,494
General Machinery	38,60,334	–	–	38,60,334	36,54,248	7,892	–	36,62,140	1,98,194	2,06,086
Vehicles	74,22,353	–	–	74,22,353	66,52,408	1,37,006	–	67,89,414	6,32,939	7,69,945
Electrical Fittings	6,47,305	–	–	6,47,305	6,25,766	2,165	–	6,27,931	19,374	21,539
Furniture and Fittings	9,34,143	–	–	9,34,143	8,30,315	20,339	–	8,50,654	83,489	1,03,828
Canteen Vessels	43,972	–	–	43,972	39,882	999	–	40,881	3,091	4,090
Total	22,13,59,797	–	1,52,23,614	20,61,36,183	20,62,03,906	17,91,749	1,45,35,012	19,34,60,643	1,26,75,540	1,51,55,891
Previous Year	22,35,29,223	–	21,69,426	22,13,59,797	20,57,67,713	25,52,147	21,15,955	20,62,03,905	1,51,55,892	1,77,61,510

SRI RAMNARAYAN MILLS LIMITED
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Amounts in Rupees

Particulars	31.03.2021	31.03.2020
9. Non Current Investments		
Others (at cost)		
Investment in Equity Instruments		
- Unquoted		
M/s. S.M.Textiles Ltd - Subsidiary Company		
35,400 Equity shares of Rs.100/- Each fully paid up	55,30,000	55,30,000
45,000 Redeemable Preference shares of Rs.100/- Each fully paid up	45,00,000	45,00,000
RK Wind Form	5,470	6,840
836 Equity shares of Rs.10/- Each fully paid up		
	<u>1,00,35,470</u>	<u>1,00,36,840</u>
10. Deferred Tax Assets (Net)		
Deferred Tax Assets		
Opening Balance	2,33,10,092	1,55,03,689
Add: Provided During the year	(5,74,720)	78,06,403
Closing Balance	<u>2,27,35,372</u>	<u>2,33,10,092</u>
11. Long - Term Loans & Advances		
Unsecured, Considered good		
a. MAT Credit Entitlement	18,30,000	18,30,000
b. Security Deposits	53,12,235	57,13,958
	<u>71,42,235</u>	<u>75,43,958</u>
V. CURRENT ASSETS		
12. Inventories		
a. Raw Materials at Cost	22,50,060	7,21,581
b. Work-in-Progress at estimated cost	1,09,78,436	71,40,024
c. Finished Goods at Net Realisable value	1,57,75,082	1,72,91,803
d. Stores and Spares at cost in First in first out basis	5,51,096	4,70,630
e. Waste at Net Realisable Value	9,74,509	4,65,045
	<u>3,05,29,183</u>	<u>2,60,89,083</u>
13. Trade Receivables - Unsecured, Considered good		
a. Outstanding for a period exceeding six months		
Others	6,24,965	6,12,394
Due from S.M.Textiles Ltd - Subsidiary company	49,63,155	20,63,452
	<u>55,88,120</u>	<u>26,75,846</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Amounts in Rupees

Particulars	31.03.2021	31.03.2020
14. Cash and Cash Equivalents		
a. Balances with banks	10,790	56,677
b. Cash on Hand	46,395	17,060
c. Others		
In Term Deposits held as margin money (More than 12 months)	27,63,619	26,46,964
In Unpaid Dividend Account	1,39,929	4,56,533
	<u>29,03,548</u>	<u>31,03,497</u>
	<u>29,60,733</u>	<u>31,77,234</u>
15. Short - Term Loans & Advances		
Unsecured, Considered Good		
Loans and advances to related party (Purchase advance to subsidiary company)	76,51,955	58,00,000
Advance for Purchases	67,353	25,000
Staff & Other Advances	14,46,262	10,21,246
GST Input Tax Credit	-	1,41,283
Refund Due	2,87,186	2,42,300
Income tax refund due AY 2009-10	-	88,242
Tax deducted at source	-	39,713
Deferred Hire Finance Charges	2,544	25,187
Prepaid Expenses	6,06,326	6,50,059
	<u>24,09,671</u>	<u>22,33,030</u>
	<u>1,00,61,626</u>	<u>80,33,030</u>
16. Other Current Assets	-	-
17. Revenue from Operations		
a. Sale of Products		
Domestic Sales		
Yarn	9,06,98,850	10,30,72,750
Cotton Waste	24,61,056	36,02,844
Cotton	25,83,516	-
	<u>9,57,43,422</u>	<u>10,66,75,594</u>
b. Less: Excise Duty	-	-
	<u>9,57,43,422</u>	<u>10,66,75,594</u>
18. Other Income		
Interest Receipts		
Electricity Deposit	1,69,738	2,44,346
SBI-Margin Money Deposit	1,26,354	1,51,852
Interest on Inter-company Loan	3,78,172	-
Sale of Scrap	4,26,665	83,755
Sale of Wind Power	-	6,12,394
Profit on Sale of Assets	1,84,598	12,63,058
Excess Provision of gratuity received	17,10,000	-
Miscellaneous Income	419	1,45,644
	<u>29,95,946</u>	<u>25,01,049</u>

SRI RAMNARAYAN MILLS LIMITED
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Amounts in Rupees

Particulars	31.03.2021	31.03.2020
19. Cost of Materials Consumed - Cotton		
Opening Stock	7,21,581	1,57,44,887
Add: Purchase	<u>5,29,04,713</u>	<u>5,47,27,462</u>
	5,36,26,294	7,04,72,349
Less: Closing Stock	<u>22,50,060</u>	<u>7,21,581</u>
	<u><u>5,13,76,234</u></u>	<u><u>6,97,50,768</u></u>
20. Changes in Inventories of Work-in-Progress		
Finished Goods & Waste		
Opening Stock of WIP	71,40,024	1,08,91,135
Less: Closing stock of WIP	<u>1,09,78,436</u>	<u>71,40,024</u>
	(38,38,412)	37,51,111
Opening stock of Finished Goods	1,72,91,803	1,73,24,818
Less: Closing stock of Finished Goods	<u>1,57,75,082</u>	<u>1,72,91,803</u>
	15,16,721	33,015
Opening Stock of Waste	4,65,045	7,47,035
Less: Closing stock of Waste	<u>9,74,509</u>	<u>4,65,045</u>
	(5,09,464)	2,81,990
	<u><u>(28,31,155)</u></u>	<u><u>40,66,116</u></u>
21. Employee Benefit Expenses		
Salaries, Wages & Bonus	1,20,10,948	1,67,37,466
Contribution to Provident Fund & Other Funds	4,96,842	11,58,119
Staff Welfare Expenses	<u>10,74,287</u>	<u>8,39,426</u>
	<u><u>1,35,82,077</u></u>	<u><u>1,87,35,011</u></u>
22. Finance Costs		
Interest on Working Capital Loan	32,32,600	40,84,307
Interest on Unsecured Loan	31,64,161	24,01,356
Interest on LC	5,79,387	6,44,616
Interest on HP Loans	22,643	44,312
Interest on warehouse loan	-	5,12,457
Bank Charges	<u>6,58,584</u>	<u>3,67,644</u>
	<u><u>76,57,375</u></u>	<u><u>80,54,692</u></u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Amounts in Rupees

Particulars	31.03.2021	31.03.2020
23. Other Expenses		
Consumption of Stores and Spares	23,19,147	30,36,393
Yarn conversion charges	4,29,572	14,36,884
Power & Fuel	1,05,64,718	1,57,22,150
(Net of WEG Generation - Rs.1,28,65,182/- - Previous Year - Rs.1,18,99,527/-)		
Rent	3,46,320	3,46,320
Repairs to Buildings	3,50,429	3,69,831
Repairs to Machinery	6,16,017	3,31,183
Repairs to Wind Mill Machinery	12,82,667	6,19,135
Repairs to Others	28,881	1,05,175
Insurance	5,01,219	5,41,678
Rates & Taxes, excluding taxes on income	4,51,107	4,75,530
Payment to Auditors		
Audit fees	35,000	35,000
Taxation matters	45,000	45,000
Others	20,000	-
Managerial Remuneration	38,65,253	99,95,300
Miscellaneous Expenses	22,01,425	31,28,575
	<u>2,30,56,756</u>	<u>3,61,88,154</u>
24. Exceptional Items		
Excess provision for bonus in Prior Year reversed	3,74,518	2,44,299
	<u>3,74,518</u>	<u>2,44,299</u>
25. OTHER NOTES ON ACCOUNTS	31.03.2021	31.03.2020
(1) Interest capitalized during the year		Nil
(2) Value of Imports calculated on C.I.F basis during the financial year in respect of	Nil	
1. Raw Material		Nil
2. Components, Stores and Spares		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	5,13,76,234	100	23,19,147	100
	(6,97,50,768)	(100)	(30,36,393)	(100)

(5) Contingent liability

Partiulars	31.03.2021	31.03.2020
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	Rs.5,17,211	Rs.5,17,211

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)

S.No.	Particulars	Rs.	Rs.
1.	Principal Amount due as at 31 st March 2021	Nil	Nil
2.	Interest due on (1) above and unpaid as at 31.03.2021	Nil	Nil
3.	Interest paid to Suppliers	Nil	Nil
4.	Payment made to the supplier beyond the appointed day during the year	Nil	Nil
5.	Interest due and payable for the period of delay	Nil	Nil
6.	Interest accrued ad remaining unpaid as at 31 st March 2021	Nil	Nil
7.	Amount of further interest remaining due and payable in succeeding year	Nil	Nil

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Amounts in Rupees

(7) Segment Information:

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

Segment Results

Particulars	Spinning Mills	Wind Energy Generation	Total
	Rs.	Rs.	Rs.
REVENUE			
Sale of Yarn	9,57,43,422	–	9,57,43,422
Power Generation	–	1,28,65,182	1,28,65,182
Other Income	29,95,946	–	29,95,946
Total Revenue	9,87,39,368	1,28,65,182	11,16,04,550
Less: Inter Segment Revenue	1,28,65,182	–	1,28,65,182
Net Revenue from operation	8,58,74,186	1,28,65,182	9,87,39,368
EXPENDITURE			
Interest	7,65,73,75	–	76,57,375
Depreciation	16,93,473	98,276	17,91,749
Other expenses	8,64,84,761	1282,667	8,77,67,428
Total Expenditure	9,58,35,609	13,80,943	9,72,16,552
Profit/(Loss) before exceptional and extraordinary and tax	(99,61,424)	1,14,84,239	15,22,815
Exceptional Items	3,74,518		3,74,518
Profit / (Loss) before tax	(95,86,906)	1,14,84,239	18,97,333
Segment Assets	9,77,31,579	39,96,705	10,17,28,284
Segment Liabilities	10,17,28,284	–	10,17,28,284

(8) Deferred Tax:

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

Deferred tax asset	Balance as on 01.04.2020	Additions	Reversed	Balance as on 31.03.2021
	Rs.	Rs.	Rs.	Rs.
Disallowance u/s 43B	2,06,000	2,06,000	2,06,000	2,06,000
On carried Forward Loss	2,17,06,640	–	4,92,289	2,12,14,351
On Unabsorbed Depreciation	26,67,561	–	76,244	25,91,317
Difference in Depreciation	(12,69,852)	(6,187)	–	(12,76,039)
	2,33,10,349	1,99,813	7,74,533	2,27,35,629

(9) Earnings per share:

Particulars	31.03.2021	31.03.2020
Net Profit / (Loss) after tax	13,22,613	(2,21,37,772)
Total Number of Equity Share	10,00,000	10,00,000
Earnings per share	1.32	(22.14)

(10) The Company has taken the office building on lease	31.03.2021	31.03.2020
The lease rentals payable charged as rent in the profit and loss statement for the period is	3,46,320	3,46,320
The lease rental payable within the next one year	3,46,320	3,46,320

(11) Related party disclosures:

(A) Name of the Key Managerial Personnel:

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

(B) Relatives of Key managerial Personnel:

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

(C) Subsidiary Company : S.M. Textiles Limited - Extent of Equity shares held 70.80%
Extent of Preference Shares held 40.91%

(D) Other Related Parties : None

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Amounts in Rupees

Detaile of Transactions:

Particulars	Subsidiary Company	Key Managerial Personnel	Relatives of Key Managerial Personnel
V. Jayaraman			
Salary		10,00,000 (60,00,000)	
Interest paid		8,64,592 (25,53,420)	
Sitting fees		4,000 (15,000)	
Loans and Advances Received		3,67,00,000 (1,00,00,000)	
Loans and Advanes Repaid		2,50,00,000 -	
Payable outstanding		3,67,00,000 (2,50,00,000)	
J. Harischandravel			
Salary		28,65,000 (39,95,300)	
Sitting fees		4,000 (15,000)	
J. Ananthalakshmi			
Sitting fees			4,000 (15,000)
Interest paid			1,25,260 (7,10,265)
Loans and Advances Received			1,15,00,000 -
Loans and Advanes Repaid			1,15,00,000 -
Payable outstanding			65,00,000 (65,00,000)
N. Muthulakshmi			
Rent and Amenties			3,46,320 (3,46,320)
S.M. Textiles Limited			
Purchase advance paid	15,11,600 (58,00,000)		
Recivable outstanding	1,22,74,755 (78,63,452)		

12) Employee Benefits:

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

DEFINED BENEFIT PLANS

	Gratuity (Funded)	
	31.03.2021	31.03.2020
A. Expenses recognised during the year ended		
1. Current Service cost		–
2. Interest cost		–
3. Expected return on plan assets	10,10,807	3,42,150
4. Actuarial Losses / (Gains) during the year	(9,35,805)	(28,152)
5. Total Expense (Income)	75,002	3,13,998
B. Actual return on plan assets		
1. Expected return on plan assets	10,10,807	3,42,150
2. Actuarial (Loss)/Gain on plan assets	-	–
3. Actual return on plan assets	10,10,807	3,42,150
C. Net Assets/Liability recognized in the Balance Sheet		
1. Present value of the obligation	1,26,700	1,79,499
2. Fair value of the plan assets	42,37,836	50,12,031
3. Difference	41,11,136	48,32,532
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	1,79,499	2,26,038
2. Current assets Service cost	-	–
3. Interest cost	5,310	2,950
4. Benefit paid	69,692	3,11,048
5. Actuarial (Gain)/Loss on obligation	22,203	91,539
6. Present value of the obligation	1,26,700	1,79,499
E. Change in assets during the year ended		
1. Fair value of plan assets	50,12,031	49,83,879
2. Expected return on plan assets	10,10,807	3,42,150
3. Contribution made	-	–
4. Excess Contribution Refunded/refundable	17,10,000	–
5. Benefits paid	75,002	3,13,998
6. Actuarial Gain/(Loss) on plan assets	-	–
7. Fair value of plan assets	42,37,836	50,12,031
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	6.96%	6.65%
2. Salary escalation	10.00%	7.50%
3. Expected rate of return on plan assets	-	–
4. Attrition rate	2.00%	2.00%

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

ATTENDANCE SLIP

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

Name & Address of the Shareholder

Sequence No. :

Folio No. :

I hereby record my presence at the 67th ANNUAL GENERAL MEETING at Registered office of the Company 43, Dr. Balasundaram Road, Coimbatore - 18 at 3.30 PM on Wednesday, the 29th September 2021.

Signature of the Member or Proxy

No. of Shares held

Form No. MGT-11
PROXY FORM

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

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

As my / our proxy to attend and vote (on poll) for me / us and on my / our behalf at the 67th Annual General Meeting of the Company to be held on **Wednesday** the **29th September 2021** at **3.30 PM** at Registered office of the company 43, Dr. Balasundaram Road, Coimbatore - 18 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No. (✓) All ()

1	
2	
3	
4	

Signed this day of, 2021.

Signature of Shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp

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

BOOK-POST
PRINTED MATTER

If undelivered please return to :

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