# SRI KANNAPIRAN MILLS LIMITED



Annual Report for the year ended March 31, 2023



### Registered Office

MILLS PREMISES Sowripalayam

Coimbatore - 641 028 CIN: U17111TZ1946PLC000188

Phone : (0422) 235 1111

Website: www.kannapiran.co.in E-mail: csd@kannapiran.co.in

## Factories

SOWRIPALAYAM KEMPANAICKENPALAYAM JADAYAMPALAYAM ONAPALAYAM SIPCOT, PERUNDURAI

KALAPATTI

&

P. PULIAMPATTI

#### Registrar and Share Transfer Agent

Cameo Corporate Services Limited "Subramanian Building" No.1, Club House Road, Chennai - 600 002

Phone: (044) 28460390 (5 lines)

E-mail: investor@cameoindia.com

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# Board of Directors

KG BALAKRISHNAN (DIN: 00002174)

Chairman

G BAKTHAVATHSALAM (DIN: 00007132)

Vice Chairman

B SRIRAMULU (DIN : 00002560) B SRIHARI (DIN : 00002556)

Managing Directors

A VELUSAMY (DIN: 00002204)

K B NAGENDRA MURTHY (DIN: 00359864)

K VANITHAMANI (DIN: 00051410)

R SEENIVASAHAN (DIN: 09024674)

G P MUNIAPPAN (DIN: 01653599)

V. BHUVANESHWARI (DIN: 01628512)

(w.e.f.18.05.2022)

Vice President & Chief Financial Officer

G KRISHNAKUMAR

Vice President & Company Secretary

K JAYARAJ Auditors

M/s GOPALAIYER AND SUBRAMANIAN

Chartered Accountants

Coimbatore

Cost Auditor M NAGARAJAN

Cost Accountant Coimbatore

Secretarial Auditor MRLNARASIMHA

Practising Company Secretary Coimbatore

Bankers

INDIAN BANK, Coimbatore

CENTRAL BANK OF INDIA, Coimbatore

THE SOUTH INDIAN BANK LIMITED, Coimbatore

HDFC BANK LIMITED, Coimbatore UNION BANK OF INDIA, Coimbatore

PUNJAB NATIONAL BANK, Coimbatore



### SRI KANNAPIRAN MILLS LIMITED

CIN: U17111TZ1946PLC000188

Registered Office: Sowripalayam, Coimbatore 641 028 Phone 0422 - 2351111 : Fax 0422 - 2351110

Email: csd@kannapiran.co.in Website : www.kannapiran.co.in

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 77" Annual General Meeting of the Members of Sri Kannapiran Mills Limited will be held on Wednesday the 27" day of September 2023 at 11.00 a.m. (IST) through Video Conferencing(VC) or Other Audio Visual Means (OAVM) to transact the following business:

#### **ORDINARY BUSINESS**

- To receive consider and adopt the audited financial statements including Balance Sheet as at 31<sup>st</sup> March 2023, the Statement of Profit and Loss and Cash Flow Statement for the year ended as on that date together with the Report of the Directors and Auditors thereon.
- To appoint a Director in place of Dr G Bakthavathsalam, who retires by rotation and being eligible offer himself for re-appointment.

#### SPECIAL BUSINESS

3. To consider and if thought fit, to pass the following Resolution as a Special Resolution

RESOLVED THAT pursuant to the provisions of Sections 178, 196, 197, 198 & 203, read with Schedule V and any other applicable provisions of the Companies Act, 2013 and Rule 3 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, approval of Members be and is hereby accorded for reappointment of Mr B Sriramulu (DIN: 00002560) as the Managing Director of the Company for a term of three years commencing from 04.06.2023 till 03.06.2026 on the following terms and conditions:

- Salary: ₹12,00,000/- (Rupees twelve lakhs only) per annum.
- 2) Perquisites:
- a) Medical Reimbursement

Medical expenses incurred for self and family, subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.

b) Leave Travel Concession.

For self and family once in a year incurred in accordance with the rules specified by the Company.

c) Club Fees

Fees of clubs to a maximum of two clubs. This will not include admission and life membership fees.

d) Personal Accident Insurance

Premium not to exceed ₹ 25,000 per annum.

e) Provident Fund

Company's contribution to Provident Fund at the rate of 12% of Salary

f) Superannuation Fund

Company's contribution towards Superannuation Fund as per the rules of the Company, but shall not together with the Company's contribution to the Provident Fund exceed 27% of the salary as laid down under Income Tax Rules, 1962.

Gratuity Gratuity payable shall not exceed half a month's salary for each completed year of service.

h) Conveyance and Communication

The Company shall provide a car, a mobile phone and telephone facility at the residence of the Managing Director. The provision of car and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purposes shall be billed by the Company to the Managing Director

FURTHER RESOLVED THAT pursuant to Sections 196, 197 and 198 of the Companies Act, 2013, the remuneration and perquisites shall be subject to the overall ceiling mentioned. In the event of absence or inadequacy of profits in any Financial Year, the remuneration payable shall be minimum remuneration payable under Paragraph (A) of Section II of Part II of Schedule V of the Companies Act, 2013.

FURTHER RESOLVED THAT the Managing Director shall draw remuneration from one or both Companies provided that total remuneration drawn from the Companies does not exceed the higher maximum limit admissible from any one of the companies of which he is a managerial person under the provisions of Section V of Part II of Schedule V of the Companies Act, 2013.

4. To consider and if thought fit, to pass the following Resolution as a Special Resolution

RESOLVED THAT pursuant to the provisions of Sections 178, 196, 197, 198 & 203, read with Schedule V and any other applicable provisions of the Companies Act, 2013 and Rule 3 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, approval of Members be and is hereby accorded for reappointment of Mr B Srihari (DIN: 00002556) as the Managing Director of the Company for a term of three years commencing from 04.06.2023 till 03.06.2026 on the following terms and conditions:

- Salary: ₹12,00,000/- (Rupees twelve lakhs only) per annum.
- 2) Perquisites:
- Medical Reimbursement Medical expenses incurred for self and family, subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
- Leave Travel Concession
   For self and family once in a year incurred in accordance with the rules specified by the Company.
- Club Fees
   Fees of clubs to a maximum of two clubs. This will not include admission and life membership
   fees
- d) Personal Accident Insurance Premium not to exceed ₹ 25,000 per annum.
- e) Provident Fund Company's contribution to Provident Fund at the rate of 12% of Salary
- f) Superannuation Fund

Company's contribution towards Superannuation Fund as per the rules of the Company, but shall not together with the Company's contribution to the Provident Fund exceed 27% of the salary as laid down under Income Tax Rules, 1962.

- g) Gratuity Gratuity payable shall not exceed half a month's salary for each completed year of service.
- h) Conveyance and Communication

The Company shall provide a car, a mobile phone and telephone facility at the residence of the Managing Director. The provision of car and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purposes shall be billed by the Company to the Managing Director.

FURTHER RESOLVED THAT pursuant to Sections 196, 197 and 198 of the Companies Act, 2013, the remuneration and perquisites shall be subject to the overall ceiling mentioned. In the event of absence or inadequacy of profits in any Financial Year, the remuneration payable shall be minimum remuneration payable under Paragraph (A) of Section II of Part II of Schedule V of the Companies Act, 2013.

FURTHER RESOLVED THAT the Managing Director shall draw remuneration from one or both Companies provided that total remuneration drawn from the Companies does not exceed the higher maximum limit admissible from any one of the companies of which he is a managerial person under the provisions of Section V of Part II of Schedule V of the Companies Act, 2013.

5. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) Mr M Nagarajan, Cost Accountant, appointed as Cost Auditor by the Board of Directors of the Company, as recommended by the Audit Committee to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March 2024 on a remuneration of ₹ 85,000/- (Rupees Eighty Five Thousand only) plus applicable taxes and re-imbursement of travelling and out of pocket expenses incurred by him for the purpose of audit be and are hereby ratified and confirmed.

By order of the Board For Sri Kannapiran Mills Limited KG BALAKRISHNAN Chairman DIN: 00002174

Coimbatore 22.08.2023

#### NOTES:

- The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed hereto.
- In view of the massive outbreak of the COVID-19 pandemic, the Government of India, Ministry of Corporate Affairs allowed conducting Annual General Meeting (AGM) through video conferencing (VC) or other audio-visual means (OAVM). Accordingly, the Ministry of CorporateAffairs issued Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, General Circular No.02/2021 dated January 13, 2021, Circular No.19/2021 dated08.12.2021, Circular No.21/2021 dated 14.12.2021, Circular No.2/2022 dated 05.05.2022 and General Circular No.10/2022 dated 28.12.2022 prescribing the procedures and manner of conducting the Annual General Meeting through video conferencing (VC) or other audio-visual means (OAVM). In terms of the said Circulars, the 77th Annual general meeting (AGM) of the members will be held through video conferencing (VC) or other audio-visual means (OAVM). Hence Members can attend and participate in the AGM through VC/OAVM.
- Members desirous of participating in the meeting through VC/OAVM, may refer to the procedure to be adopted as mentioned in Serial No.20 below.
- 4. A Member, entitled to attend and vote at the meeting, is entitled to appoint one or more Proxies to attend and vote on a Poll instead of himself and such Proxy need not be a Member of the Company. Since the AGM is being held in accordance with the MCA Circulars through VC, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of Proxies by the members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed to this notice.
- 5. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorization etc., authorizing its representative to attend the Annual General Meeting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to mrIn54@gmail.com with copies marked to the Company at csd@kannapiran.co. in and to its Registrars and Share Transfer Agents at investor@cameoindia.com
- 6. In compliance with the aforesaid MCA Circulars, Notice of the 77th AGM to be held on 27.09.2023 along with Annual Report of the financial year 2022-23 are being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice of the AGM and Annual Report for the financial year 2022-23 is also available on the Company's website www.kannapiran.co.inmembers (Physical / Demat) who have not registered their email addresses with the Company can get the same registered with the Company by sending an email to csd@kannapiran.co.in and investor@cameoindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.
- Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.
- The Register of Members and Share Transfer Books of the Company will remain closed from 21.09.2023 to 27.09.2023 (both days inclusive).
- Pursuant to Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014, application for transfer of shares held in physical form will not be processed except in the case of transmission / transposition with effect from 2nd October 2018. Accordingly, members who intend to transfer their shares shall get such shares dematerialised before transfer. The Company has entered into agreements with National Securities Depository Limited (NSDL) & Central Depository Services

(India) Limited (CDSL) and shares of the Company are eligible for dematerialisation under ISIN: INE567M01015. Accordingly, the Company /the Registrar and Share Transfer Agent (RTA) namely 51 Cameo Corporate Services Limited, Subramanian Building, No.1 Club House Road, Chennai 600 002 shall not be able to entertain any request for transfer of shares in physical form.

- 10. a) Members are requested to notify immediately any change of address:
  - i. to their Depository Participants ("DPs") in respect of the shares held in electronic form, and
  - to the Company or its RTA, in respect to the shares held in physical form together with a proof of address viz, Aadhar/ElectricityBill/TelephoneBill/Ration Card/Voter ID Card/ Passport etc.
  - b) In case the registered mailing address is without the Postal Identification Number Code ("PIN CODE"), Members are requested to kindly inform their PIN CODE immediately to the Company / RTA/Dps.
- As per the provisions of Section 72 of the Act, facility for making nominations is now available to individuals holding shares in the Company.
- Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the CompanySecretary of the Company or its RTAby quoting the Folio No or the Client ID No with DPID No.
- In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
- Brief resume, details of shareholding and Directors' inter-se relationship of Directors seeking election/re-election as required under Secretarial Standards 2, are provided as Annexure to this Notice.
- 15. Members desirous of receiving any information on the accounts or operations of the Company are requested to forward his / her queries to the Company seven working days prior to the meeting. The same will bereplied by the Company suitably.
- 16. Soft copies the Register of Directors and Key Managerial Personal and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by themembers at the Registered Office of the Company. Members caninspect the sameby sending a email to csd@kannapiran.co.in
- 17. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Secretarial Standard on General Meetings (SS-2) and as per MCA Circulars dated 08.04.2020, 13.04, 2020, 05.05.2020, 13.01.2021, 08.12.2021, 14.12.2021, 05.05.2022 and 28.12.2022 the Company is providing facility of remote e- voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) forfacilitating voting through electronic means, as the authorized e-Voting's agency. The facility of castingvotes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- 18. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first comefirst served basis.

19. In continuation of its General Circular No. 20/2020, dated 05.05.2020, General Circular No:02/2022 dated 05.05.2022 and MCA vide its General Circular No. 10/2022 has allowed the Companies whose AGMs are due in the Year 2023 to conduct their AGMs on or before 30th September, 2023 in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No.20/2020 dated 05.05.2020.

# 20. THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETING AREAS UNDER:

- i. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of Annual General Meeting Notice and holding shares as of the cut-off date,i.e.20.09.2023, may refer to this Notice of the Annual General Meeting, posted on Company's website www.kannapiran.co.in for detailed procedure with regard to remote evoting. Any person who ceases to be the member of the Company as on the cut-off date and is in receipt of this Notice, shall treat this Notice for information purpose only.
- ii. Members attending the meeting through VC shall be provided with the facility of voting through evoting during the meeting. During this time, members who have not already cast their vote through remote e-voting may exercise their vote through the said modes at the meeting.
- iii. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM but shall not be entitled to cast their vote again.
- iv. The voting period begins on 24.09.2023 at 9.00 AM (IST) and ends on 26.09.2023 at 5.00 PM (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 20.09.2023 may cast their vote electronically. The evoting module shall be disabled by CDSL for voting thereafter.
- The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 20<sup>th</sup> September, 2023
- vi. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote by remote e-voting shall not vote by e-voting conducted during the Annual General Meeting.
- vii. The Company has appointed Mr. M.R.L Narasimha, (CP No: 799) Company Secretary in Practice ,as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- viii. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow e-voting for all those members who are present at the Annual General Meeting by electronic means but have not cast their votes by availing the remote e-voting facility.
- ix. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes casted during the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
  - The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.kannapiran.co.in after the declaration of result by the Chairman or a person authorized by him in writing.
- x. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

# 21. Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method		
Individual Shareholders holding securities in Demat mode	Users who have opted for CDSL Easi / Easiest facility, can login through thei existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Eas /Easiest are https://web.cdslindia.com/myeasi/home/login or visi www.cdslindia.com and click on Login icon and select New System Myeasi.		
with CDSL	2) After successful login the Easi / Easiest user will be able to see the e-Votingoption for eligible companies where the evoting is in progress as per theinformation provided by Company. On clicking the evoting option, the user will beable to see e-Voting page of the e-Voting service provider for casting your voteduring the remote e-Voting period or joining virtual meeting & voting during themeeting Additionally, there is also links provided to access the system of all eVoting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the usercar visit the e-Votingservice providers' website directly.		
	<ol> <li>If the user is not registered for Easi/Easiest, option to register is available athttps://web.cdslindia.com/myeasi/Registration/EasiRegistration.</li> </ol>		
	<ol> <li>Alternatively, the user can directly access e-Voting page by providing Dema Account Number and PAN No. from a e-Voting link available onwww.cdslindia.com homepage or click on https://evoting.cdslindia.com.</li> </ol>		
	The system will authenticate the user by sending OTP on registered Mobile 8 Email as recorded in the Demat Account. After successful authentication, use will be able to see the e-Voting option where the evoting is inprogress and also able to directly access the system of all e-Voting Service Providers.		
Individual Shareholders holding securities in demat mode with NSDL	1) If you are already registered for NSDL IDeAS facility, please visit the e Serviceswebsite of NSDL. Open web browser by typing the following URL:https://eservices.nsdl.com either on a Personal Computer or on a mobile Once the home page of e-Services is launched, click on the "Beneficial Owner icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &voting during the meeting.		
	If the user is not registered for IDeAS e-Services, option to register is available athttps://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click a https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp		
	Visit the e-Voting website of NSDL. Open web browser by typing the followingURL: https://www.evoting.nsdl.com/ either on a Personal Computer of on amobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit dema account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e- Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period orjoining virtual meeting & voting during the meeting		

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

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

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

Login type	Helpdesk details	
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at Toll Free No. 1800 22 55 33	
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at Toll Free No. 1800 1020 990 and 1800 22 44 30	

# 23. Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

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

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

- After entering these details appropriately, click on "SUBMIT" tab.
- 8. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- 10. Click on the EVSN for the relevant < Company Name > on which you choose to vote.
- On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the
  option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that
  you assent to the Resolution and option NO implies that you dissent to the Resolution.
- 12. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordinglymodify your vote.
- 14. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- 17. Additional Facility for Non Individual Shareholders and Custodians For Remote Voting only.
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

Ы	The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
	A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
	Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; csd@kannapiran.co.in, if they have voted from individual tab & not uploaded same in the CDSL e- voting system for the scrutinizer to verify the same.

# 24. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM AND E-VOTING DURING MEETING AREAS UNDER:

- The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
- The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- 7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at csd@kannapiran.co.in. The shareholders who do not wish to speak during the AGM but havequeries may send their queries in advance 3 days prior to meeting mentioning their name, DP ID / CLID /folio number, email id, mobile number at csd@kannapiran.co.in. These queries will be replied to by the company suitably by email.
- Those shareholders who have registered themselves as a speaker will only be allowed to express
  their views/ask questions during the meeting. The Company reserves the right to restrict the number
  of speakers depending on the availability of time for the Annual General Meeting.
- Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- 10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

## 25. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

- For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company / RTA email id.
- For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at Toll Free No. 1800 225533

All grievances connected with the facility for voting by electronic means may be addressed to Mr Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call Toll Free No. 1800 22 55 33

> By order of the Board For Sri Kannapiran Mills Limited KG BALAKRISHNAN Chairman

DIN: 00002174

Coimbatore 22.08.2023

#### STATEMENT PURSUANT TO THE PROVISIONS OF THE SECTION 102 OF THE COMPANIES ACT, 2013

#### Item No.3

Mr B Sriramulu was reappointed as Managing Director of the Company for a period of five years from June 4, 2018 at the Annual General Meeting held on 27.09.2018.

Since the aforesaid period expires on 3.6.2023, based on the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 25.05.2023, reappointed Mr.B Sriramulu as Managing Director for period of 3 years from 4.06.2023 subject to the approval of members of the Company on the terms as to remuneration as provided in the text to the resolution as approved by Nomination and Remuneration Committee. Other terms and conditions are within the ceiling limits laid down in Schedule V of the Companies Act, 2013.

Mr B Sriramulu is the eldest son of Mr K G Balakrishnan, Chairman. He is a Graduate Engineer in Textile Technology from Bharathiar University, Tamil Nadu and Master of Science (Textile Technology) from the University of Machestor, UK.

Mr. B Sriramulu is also Managing Director of KG Denim Limited and drawing remuneration.

Mr B Sriramulu shall draw remuneration form one or both companies provided that the remuneration shall be subject to the total remuneration drawn from the companies does not exceed the higher maximum limit admissible from any one of the Companies of which he is a managerial persons under the provisions of Section V of Part II of Schedule V of the Companies Act, 2013 as modified from time to time.

Accordingly, the Board recommends the resolution in relation to reappointment of Mr.B Sriamulu as Managing Director of the Company for the approval of the members of the Company.

Mr B Sriramulu is related to Mr K G Balakrishnan, Dr G Bakthavathsalam and Mr B Srihari, Directors who are deemed to be interested in the proposed resolution.

This explanation together with the accompanying notice may also be considered as an abstract of the terms of the appointment of Managing Director and Memorandum as to the nature of the concern or interest of the Directors in the said appointment, as required under Section 190 of the Companies Act, 2013.

# INFORMATION REQUIRED TO BE DISCLOSED IN TERMS OF SCHEDULE V TO THE COMPANIES ACT, 2013

I. GENERAL INFORMATION	
Nature of Industry	Textiles – Spinning and Weaving and processing of Denim Fabrics,
Date of commencement of commercial production	October 1950
<ol> <li>In case of new companies, expected date of commencement of activities as per project approved by financial institutions in the prospectus</li> </ol>	Not applicable
Financial performance based on given indicators	The financial performance of the Company for 2021-22 and 2022-23 are provided in the Annual Report 2023 which accompanies this Notice
5. Foreign investments or collaborations, if any	Nil

II. INFORMATION ABOUT THE APPOINTEE		
Background details:	Mr B Sriramulu aged 56 years is the eldest son of Mr G Balakrishnan, Executive Chairman. He is a Graduate Engineer in Textile Technology from Bharathiar University, Tamil Nadu and Master of Science (TextileTechnology) from the University of Manchester, UK. and has been in the textile industry for nearly three decades spanning over trading, spinning, weaving, processing, garmenting and retailing operations. He has been closely associated with planning, implementation and follow upon new, expansion and diversification projects with detailed exposure to various functional areas viz production, human resource, administration, commercial, legal, banking, financial and liaison with trade and governmental agencies. He is Managing Director in Sri Kannapiran Mills Limited and K G Denim Limited.	
Past remuneration:	₹ 12,00,000 per annum	
Recognition or awards	-	
Job profile and his suitability	Mr B Sriramulu is a B.Tech, MS(Textiles) and has nearly 3 decades of practical experience in the setting up and management of textile units.	
Remuneration Proposed	Details of proposed remuneration are presented in the resolution and also in the Statement under Section 102 of the Companies Act, 2013	
Comparative remuneration profile with respect toindustry, size of company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration offered to Mr B Sriramulu is at par with the industry norms considering the nature of the industry, size of the Company, profile and position of the person.	
Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel if any	ompany or relationship with the other pecuniary relationship with the Compa	
III. OTHER INFORMATION		
Reasons of loss or inadequate profits	Not Applicable as the Company has earned profit during the year.	
Steps taken or proposed to be taken for improvement	The Company is continuously taking various cost control measures which would result in increased profitability in the ensuing years.	
Expected increase in productivity and profits in measurable terms	Not Applicable	

#### Item No.4

Mr B Srihari was reappointed as Managing Director of the Company for a period of five years from June 4, 2018 at the Annual General Meeting held on 27.09.2018.

Since the aforesaid period expires on 3.6.2023, based on the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 25.05.2023 reappointed Mr.B Srihari as Managing Director for period of 3 years from 4.06.2023 subject to the approval of the members on the terms as to remuneration as provided in the text to the resolution as approved by Nomination and Remuneration Committee. Other terms and conditions are within the ceiling limits laid down in Schedule V of the Companies Act, 2013.

Mr B Srihari is the younger son of Mr K G Balakrishnan, Chairman. He is a Bachelor of Technology in Chemical Engineering from Bharathidasan University, Trichy and Master of Engineering (Chemical) from Cornell University USA.

Mr. B Srihari is also Managing Director of K G Denim Limited and drawing remuneration.

Mr B Srihari shall draw remuneration form one or both companies provided that the remuneration shall be subject to the total remuneration drawn from the companies does not exceed the higher maximum limit admissible from any one of the Companies of which he is a managerial persons under the provisions of Section V of Part II of Schedule V of the Companies Act, 2013 as modified from time to time.

Accordingly, the Board recommends the resolution in relation to reappointment of Mr.B Srihari as Managing Director of the Company for the approval of the members of the Company.

Mr B Srihari is related to Mr K G Balakrishnan, Dr G Bakthavathsalam and Mr. B Sriramulu, Directors who are deemed to be interested in the proposed resolution.

This explanation together with the accompanying noticemay also be considered as an abstract of the terms of the appointment of Managing Director and Memorandum as to the nature of the concern or interest of the Directors in the said appointment, as required under Section 190 of the Companies Act, 2013.

I. GENERAL INFORMATION	
Nature of Industry	Textiles – Weaving, Spinning and processing of Denim Fabrics,
Date of commencement of commercial production	October 1950
<ol> <li>In case of new companies, expected date of commencement of activities as per project approved by financial institutions in the prospectus</li> </ol>	Not applicable
Financial performance based on given indicators	The financial performance of the Company for 2021-22 and 2022-23 are provided in the Annual Report 2023 which accompanies this Notice
5. Foreign investments or collaborations, if any	Nil

II. INFORMATION ABOUT THE APPOINTEE		
Background details:	Mr B Srihari aged 54 years is the younger son of Mr KG Balakrishnan, Executive Chairman.He is a Bachelor of Technology in Chemical Engineering from Bharathidasan University, Trichy and Master of Engineering (Chemical) from Cornell University USA and has been in the textile industry for nearly three decades spanning over trading, spinning, weaving, processing, garmenting and retailing operations. He has been closely associated with planning, implementation and follow up on new, expansion and diversification projects with detailed exposure to various functional areas viz., production, human resource, administration, commercial, legal, banking, financial and liaison with trade and governmental agencies. He is Managing Director in Sri Kannapiran Mills Limited and K G Denim Limited.	
Past remuneration: ₹	₹ 12,00,000 per annum	
Recognition or awards	•	
Job profile and his suitability	Mr B Srihari is a B.Tech & M.Tech (Chemical Engineering) and has nearly 3 decades of practical experience in the setting up and management of textile units.	
Remuneration Proposed	Details of proposed remuneration are presented in the resolution and also in the Statement under Section 102 of the Companies Act, 2013	
Comparative remuneration profile with respect toindustry, size of company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration offered to Mr B Srihari is at par with the industry norms considering the nature of the industry, size of the company, profile and position of the person.	
Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel if any	Besides the remuneration he does not have any other pecuniary relationship with the Company.	
III. OTHER INFORMATION		
Reasons of loss or inadequate profits	Not Applicable as the Company has earned profit during the year.	
Steps taken or proposed to be taken for improvement	The Company is continuously taking various cost control measures which would result in increased profitability in the ensuing years.	

#### Item No.5

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment of Mr M Nagarajan, Cost Accountant, as Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March 2024. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditoris required to beratified by the Members of the Company.

Accordingly, consent of the members is sought for passing an ordinary resolution as set out in Item No.5 of the notice for ratification of the remuneration of the Cost Auditor for the financial year 2023-2024.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the above resolution,

By order of the Board For Sri Kannapiran Mills Limited KG BALAKRISHNAN Chairman DIN: 00002174

Coimbatore 22.08.2023

# DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT /APPOINTMENT IN TERMS OF SECRETARIAL STANDARD-2(SS-2) ON "GENERAL MEETINGS" ISSUED BY ICSI, IS GIVEN HERE UNDER

Name	Dr G Bakthavathsalam	Mr B Sriramulu	Mr B Srirahi
DIN	00007132	00002560	00002556
Date of Birth	05.07.1942	27.04.1967	06.09.1968
Date of appointment on the Board	27.12.1991	25.05.2023	25.05.2023
Inter-se relationship with other directors or Key Managerial Personnel of the Company	He is related to K G Balakrishan Director.	He is related to Mr K G Balakrishnan, Dr G Bakthavathsalam Directors, and Mr B Srihari, Managing Director of the Company.	He is related to Mr K G Balakrishnan, Dr G Bakthavathsalam Directors, and Mr B Sriramulu, Managing Director of the Company.
Qualification	MS, FIC, FAMS,D.Sc	B.Tech., MS	B.Tech., M.Tech.,
Experience/ Expertise in functional areas	He is an eminent surgeon, philanthropist, a dedicated teacher and founder of word class health care institutions. He is having 50 years experience in management and administration.	He is a Graduate Engineer in Textile Technology from Bharathiar University, Tamil Nadu and Master of Science (Textile Technology) from the University of Manchester, UK. and has been in the textile industry for nearly three decades spanning over trading, spinning, weaving, processing, garmenting and retailing operations. He has been closely associated with planning, implementation and follow up on new, expansion and diversification projects with detailed exposure to various functional areas viz.,production, humanresource, administration, commercial, legal, banking, financial and liaison with trade and governmental agencies.	He is a Bachelor of Technology in Chemical Engineering from Bharathidasan University, Trichy and Master of Engineering (Chemical) from Cornell University, USA and has been in the textile industry for nearly three decades spanning over trading, spinning, weaving, processing, garmenting and retailing operations. He has been closely associated with planning, implementation and follow up on new, expansion and diversification projects with detailed exposure to various functional areas viz.,production, humanresource, administration, commercial, legal, banking, financial and liaison with trade and governmental agencies.

No. of Shares held	152057	253040	799682
Board Position held	Director	Managing Director	Managing Director
Terms and conditions of appointment / r e - appointment	Liable to retire by rotation	He is proposed to be appoint ed a s Managing Director of the Company on the terms and conditions as specified in Item No. 3 of the Notice	He is proposed to be appointed as Managing Director of the Company on the terms and conditions as specified in Item No. 4 of the Notice.
Remuneration sought to be paid	Sitting Fee	₹ 12,00,000 p.a	₹12,00,000 p.a
Number of Board meetings attended	2	5	5
Directorships held in other Companies	Sridevi Textile Private Limited K G Surgicals Private Limited K G Healthcare Private Limited Dr G B Healthcare Private Limited	K G B Securities & Investments Private Limited Enterprise Telesys Limited Kumaran Ganapathy Investments Private Limited Ganapathy Kumaran Investments Private Limited K G Denim Limited K G Denim Limited KGB Education Foundation Danalakshmi Paper Mills Private Limited	K G B Securities & Investments Private Limited Enterprise Telesys Limited Kumaran Ganapathy Investments Private Limited Ganapathy Kumaran Investments Private Limited K G Denim Limited A n a n d h i Power Limited Kannapiran Polymers Limited Kannapiran Polymers Limited Productive Play House India Private Limited K G B Education Foundation RND Softech U K Limited RND Softech INC
Chairmanship / Membership of the Committees of the Board of other Companies in which he is Director	Chairman and Managing Trustee of K G Hospital and Post Graduate Medical Institute, Coimbatore, K G College of Health Sciences, K G Healthcare and KGInformation Systems Limited	<i>§</i> 2	-

By order of the Board For Sri Kannapiran Mills Limited KG BALAKRISHNAN Chairman DIN: 00002174

Coimbatore 22.08.2023



#### DIRECTORS REPORT TO SHAREHOLDERS

Your Directors have pleasure in submitting their 77th Annual Report and audited financial statements of your Company for the year ended March 31, 2023.

#### Summary of Financial Results

(₹ in lakhs)

	Standalone		Consolidated	
	For the year ended 31" March, 2023	For the year ended 31" March, 2022	For the year ended 31" March, 2023	For the year ended 31" March, 2022
Income	49608.19	49577.23	50749.44	49577.15
Gross Profit before financial Charges, depreciation and taxes	3118.09	6522.38	3085.89	6517.18
Less: Financial Charges	1498.27	1664.27	1557.06	1664.27
Depreciation	751.82	830.19	774.10	830.19
Profit Before Tax	868.00	4027.92	754.73	4022.72
Less: Current Tax (MAT)	-220.81	-724.00	-220.81	-724.00
MAT Credit Entitlement	ž	233.26		233.27
Deferred Tax Assets (+) / Liability (-)	21.63	-762.90	20.84	-761.82
Prior year Income (+) / Expenses (-)	2.39	-1.90	2.39	-1.90
Profit After Tax	671.22	2772.38	528.36	2768.27
Less: Appropriation - Dividend on Preference Shares		-96.84	5	-96.84
Less: Minority Interest		R	-28.79	-1.03
Profit Carried to Balance Sheet	671.22	2675.54	528.36	2670.40

#### State of Company Affairs

During the year under review, the Company had earned Revenue of ₹ 49608 lakhs and Net Profit After Tax of ₹ 671 Lakhs on standalone basis and Revenue of ₹ 50749 lakhs and Net Profit After Tax of ₹ 528 lakhs on consolidated basis.

# Spinning Business

The yarn production for the year was 165 lakhs kgs compared to previous year of 189 lakhs kgs due to varied product specifications. The Company had been increasing productivity in its machines by continuous modernization. The main raw material viz., Cotton price which was very high during starting of current financial year has however started to reduce from Oct'22. However in view of depressed demand for yarn in domestic and export market resulted in drastic reduction in yarn price which resulted in lower profitability compared to previous financial year. The Company is changing its product mix in line with the changing market condition and which resulted in better yarn movement. The Company is continuously sourcing its 100% power requirements from firm and continuous private power suppliers which are lower than TANGEDCO prices.

The Company has installed third party solar power panels in its factory roof top.

#### Weaving Business

The Denim Fabric production for the year was 81 lakhs meters compared to previous year of 86 lakhs meter. Grey Fabric production for other Customers was 26 lakhs meters compared to 29 lakhs meters of previous year.

The company's Denim Facility is World's only CII GreenCo Gold rated Denim facility. Also it is certified "Great Place to work" amongst Top 50 // Large India's Best workplaces. The Company's Products ,both Yam and Fabrics are CII Green Pro certified.

Higg FEM rating at 87% for the sustainability measures taken by the Company is regarded as a very good score in the Textile Industry and HIGG FSLM rating of 93.9% proves the company's commitment towards "Well Being" of its Staff & Workers.

The Company continue to be a part of Ellen Mac Arthur Foundation's Jeans Redesign project where the principles of circular economy is followed to make denim fabrics for the market.

Under UK Brands, the company holds Marks & Spencer's ECP number and is Tesco's preferred fabric supplier in India. Moreover, the Company is "Join Life" Partner of Inditex Brand in Spain.

#### **Industry Structure & Developments**

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries with strengths across the entire value chain from fibre, yarn, fabric to apparel. It is highly diversified with a wide range of segments ranging from products of traditional handloom, handicrafts, wool and silk products to the organized textile industry.

India is the world's second-largest producer of textiles and garments. It is also the fifth-largest exporter of textiles spanning apparel, home and technical products. The textiles and apparel industry contribute 2.3% to the country's GDP, 13% to industrial production and 12% to exports. Around 45 million people are working in the textile business, including 3.5 million people who work on handlooms. The Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US\$ 190 billion by 2025-26. The Indian apparel market stood at US\$ 40 billion in 2020 and is expected to reach US\$ 135 billion by 2025. The textile industry is labor intensive and is one of the largest employers making it the largest source of industrial employment in India.

Currently at 8%-9% CAGR, the Indian Denim Market is expected to stand around ₹ 91894 Crores. With annual capacity of over 1600 million meters, India has the second largest installed capacity for denim fabrics in the World behind China.

India enjoys a comparative advantage in terms of skilled manpower and in cost of production relative to other major textile producers. India's textile and apparel exports (including handicrafts) stood at US\$ 44.4 billion in FY22, a 41% increase YoY.

The Government approved the Mega Integrated Textile Region and Apparel (MITRA) Park scheme worth 
₹ 4,445 Crore to establish seven integrated mega textile parks with state-of-the art infrastructure, common utilities and R&D lab over a three-year period, which will boost textile manufacturing in the country.

The Indian government wants to establish 75 textile hubs, similar to Tiruppur, which will greatly increase employment opportunities while promoting the export of textile products and ensuring the use of sustainable technology.

Cotton production in India was 30 million bales in financial year 2022 and expected to be at 33 million bales in financial year 2023 due to more acreage and yield. India is the third largest producer of cotton accounting for 37% of the global cotton area and contributes to 25% of the global cotton production. Cotton prices are ruling favorably during the current cotton season in view of better crop production and lower demand for cotton from spinning industry.

The demand for Ring and Open end yarn was very low during the current year and the margin was also reduced compared to previous year substantially. The demand for denim fabrics was also low on account of lower demand an excess capacity Power position in Tamil Nadu was stable during the year.

The textile industry has suggested various measures to improve the performance of textile mills in India to Government of India for stabilizing cotton prices, good infrastructure to improve the movement of goods at low cost, lowering of import duty on cotton, extension of export benefits, lower power cost and Bank interest rate.

The company is able to sell its products in view of varied product mix viz., Compact yarn, Slubyarn, polyester yarn, denim yarn, glove yarn, denim fabrics and industrial fabrics. The Company had exported ₹ 83 Crores during the year. The Company had dealer network at various places in India to meet the end user's requirements immediately.

#### Opportunities

The growing anti-China sentiment that was triggered by the US China trade tension intensified further after outbreak of Corona virus in China. Global apparel manufacturers in USA and EU are now finding Bangladesh, Vietnam and India as competitive markets over China. Covid 19 has opened avenues for e commerce players as consumers increased their online purchasing as a safe alternative to physical shopping. The industry will witness increased e commerce sales and digitalization of supply chain. This is likely to pave way for India to earn global attention after the tide turns favorable. Indian industry need to prepare themselves to take advantage of the changed situation with support from Government.

It is expected that Large and Mid-sized Denim Players will continue increasing the share of premium and high-value added denim fabric through premiumisation, vertical integration and consolidation as the oversupply situation has prolonged and squeezed margins in the mass segments. Denim players have increased their garmenting facilities given consolidation of unorganised small garment players post demonetisation and implementation of the Goods and Services Tax (GST).

It is also expected that Company will stand to gain in a large way mainly due to sustainable efforts in water conservation and reuse for weaving and processing of fabric. Company got National Water Award 2018 from Government of India. Company holds several certifications for process and product quality which all will enable increase in volumes, sales and profits over the future years.

#### Threats

Leading global brands reduced scale of operations not booking new orders on slowdown of economy in Europe and USA, continuing Ukraine war which deeply added to the woes of Indian players causing huge job losses across the value chain.

However the industry is expected to revive gradually in long run. First half of FY 24 is however expected to be tough on account of lower demand. Stiff competition from low cost countries due to duty concession and finished product import from other countries continues to pose threat.

The challenges that face the country are to flatten the curve, rebuild supply chains, repair and revive the stricken economy and return life to normalcy. There is a widespread recognition that only in close coordination among all stakeholders will the people of India be able to determine the shape of the recovery.

Indian textile industry is highly dependent on availability of domestic cotton at a competitive price. Continuation of present cotton prices in next season and revival of yarn demand and apparel segments demand will help to improve sales and profitability.

There is shortage of skilled labor in the industry despite India having a favorable demographic profile and industry expects normalcy during the current year. It is expected that this will lead to more innovation and automation of operations. The widening political issues between Russia and Ukraine & other countries will impact exports.

### Segment wise or product wise performance

The Company is engaged in the business of spinning of yarn and weaving of fabrics and accordingly this is the only Single Reportable Segment.

#### Outlook

Overall, FY 2024 is expected to be a normal year for the textile industry due to lower domestic and overseas demand. However major focus shall be on cost cutting measures, improving productivity, value added sustainable products, reduction in wastage and efforts on taking quality to next level and deriving efficiency to make products further cost competitive. Further, the Division plans to make some structural changes in organization to make it lean and agile and focus will be on giving improved services to customers to retain market share.

Indian Denim industry may finally see the demand supply gap narrowing as the overcapacity is getting adjusted to market developments. With mass consumption expected to improve and denim players going for more premium value added products, gross margins are expected to improve over the future years if not during next year. Influence of fashion conscious youths and international brand, casualization of fashion and e commerce will be the growth drivers.

The division expects to bounce back with its new world-wide product range ensuring competitive products with different finishes along with growing focus on sustainability range of products. It is a testing period for all of us, but with our good brand image and network in the market, the dependency on reliable reputed players in the market, we expect to be back on track soon. Marketing Network has also been widened with 14 overseas Business Associates apart from 25 domestic Business Associates. Company has its own Sample Studio and Design Lab.

The company is able to sell its products due to wider product range viz., compact yarn, slub yarn, gassed mercerized yarn, polyester yarn, denim yarn, glove yarn denim and industrial fabrics. Exports for the year were ₹ 83 Crores constituting 17 % of total sales. Company has dealer network at various places in India to meet the end user's requirements immediately.

## Risk and concerns

Cotton being an agriculture product, is the key raw material used for manufacture of cotton yarn, the cultivation is dependent on monsoon and yield percentage. Availability of quality cotton at stable prices is crucial for the profitability. The continuing tension among Russia, Ukraine, US and China and other countries has impacted yarn exports with consequential impact in domestic markets.

RBI stepped forward and announced various liquidity, monetary, regulatory and supervisory measures in the form of higher structural and durable liquidity.

This is aimed at striking a balance between protecting the interest of depositors and maintaining financial stability on one hand and preserving the economic value of viable businesses by giving durable relief to businesses and individuals affected by lower demand.

### Health, Safety and Environmental Protection

Company is committed to protecting the health and safety of its employees. Each manufacturing location has a Safety Officer and Safety Committees which include representation from Workmen and Executives. The Committees meet regularly to review issues impacting plant safety and employee health. Regular health checkup of the employees is carried out through tie-up with reputed hospitals. Various training programs are conducted at the plant on health and safety issues including emergency preparedness, work safety, first-aid, etc.

#### Environment

Company continuously endeavors to enhance Environmental Management and through all activities demonstrates its commitment to protect the environment. The factories of the Company are equipped with

modern Effluent Treatment Plants for treating and discharging treated water with parameters well within the norms laid down by the Tamil Nadu State Pollution Control Board. The emissions from the boilers and generator stacks are regularly monitored for compliance. Various energy saving measures and efficiency improvement activities adopted by the Company have reduced the consumption of fuels compared to previous years.. Action plans are being pursued to reduce consumption of water further in the coming years.

Your Company has complied with all the applicable Environmental and Labor Laws. Company continues to be certified under ISO 9001:2008 Standard for manufacture of denim and industrial fabrics. Company also holds approval of HOENSTEIN Textile Testing Institute, Germany for use of Oeko-Tex mark. Company has been complying with the relevant laws and has been taking all necessary measures to protect the environment and maximize protection and safety

### Sustainability

Company continues its efforts on sustainability initiatives in the fields of water and waste water treatment, zero discharge and environment protection to turn out sustainable products. Company had already obtained National Water Award from the Ministry of Water Resources for lower water consumption of water per meter of fabric. The partnership with The Ellen MacArthur Foundation will further usher more efforts on the sustainability front. Company hopes that these sustained efforts will enable it to augment sale of its fabrics as more countries will now look to India due to growing anti China sentiment.

#### Human Resource & Skill Development Initiatives

A large number of employees are attached with the Company for more than 30 years. Company imparts training on technical and work skills by conducting In house Training Programs and also sponsoring them to training programs organized by Industry & Trade Associations. Company encourages knowledge and skill development and sponsors staff for management development programs. The HR Team worked proactively for setting up processes to ensure the safety of the workforce when Corona virus broke out, The Senior Management Team was in constant communication with the staff and workforce to boost their morale during the lockdown period. Festival celebrations nurtured a healthy bonding amongst workforce. Industrial relations at all the manufacturing locations have been harmonious and peaceful.

Company employs people from more than 9 States who are all skilled under Pradhan Mantri Kaushal Vikas Yojana (PMKVY) and KG Centurion Work Integrated and Advanced Skills Centre set up in association with Centurion University of Technology and Management for ITI/Vocational Training. The accent on skill development is continuous.

#### Dividend

No dividend is proposed considering the need to conserve funds for augmenting working capital margin.

#### Transfer of Amount to Reserves

Company does not propose to transfer any amount to General Reserve for the financial year ended 31st March 2023.

### Transfer of Unclaimed Dividend to Investor Education and Protection Fund

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as no dividend was unpaid for more than 7 years.

### **Public Deposits**

The Company has not accepted any deposit from its members or public within the meaning of Sections 73 and 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014 including any statutory modification(s) and amendment(s) thereof.

Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Report

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this Report.

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# **Sri Kannapiran Mills Limited**

#### **Board Meeting**

The Board met 5 times and the meetings were held on 18.05.2022, 06.07.2022, 22.08.2022, 22.11.2022 and 24.02.2023 The number of meetings directors attended is as follows.

Name of the Director	Category	No. of Meeting held	No. of Meetings Attended
Mr K G Balakrishnan	Chairman	5	4
Dr G Bakthavathsalam	Vice Chairman	5	2
Mr B Sriramulu	Executive, Managing Director	5	5
Mr B Srihari	Executive, Managing Director	5	5
Mr A Velusamy	Director	5	- 5
Mr K B Nagendra Murthy	Independent, Non-Executive	5	4
Mr G P Muniappan	Independent, Non-Executive	5	5
Mrs V Bhuvaneshwari (w.e.f.18.05.2022)	Independent, Non-Executive	5	4
Mrs K Vanithamani	Executive, Whole Time Director	5	5
Mr R Seenivasahan	Executive, Whole Time Director		5

### **Audit Committee Meeting**

The Audit Committee Meeting held on 05.07.2022, 22.08.2022, 22.11.2022 and 24.02.2023. Composition of the Audit Committee as on 31st March, 2023 and the attendance during the year are as under:

Name of the Director	Position	Category	No. of Meeting held	No. of Meetings Attended
Mr G P Muniappan	Chairman	Independent, Non-Executive	4	4
Mr A Velusamy	Member	Director	4	4
Mr K B Nagendra Murthy	Member	Independent, Non-Executive	4	3
Mrs V Bhuvaneshwari (w.e.f.18.05.2022)	Member	Independent, Non-Executive	4	4

# Nomination & Remuneration Committee Meeting

The Nomination & Remuneration Committee Meeting held on 18.05.2022. Composition of the Nomination & Remuneration Committee as on 31st March, 2023 and the attendance during the year are as under:

Name of the Director	Position	Category	No. of Meeting held	No. of Meetings Attended
Mr G P Muniappan	Chairman	Independent, Non-Executive	1	1
Mr A Velusamy	Member	Director	1	1
Mr K B Nagendra Murthy	Member	Independent, Non- Executive	1	

#### Stakeholders Relationship Committee Meeting

The Stakeholders Relationship Committee Meeting held on 08.04.2022, 26.05.2022,20.06.2022, 12.10.2022, 29.12.2022, 04.01.2023 and 27.02.2023 Composition of the Stakeholders Relationship Committee Meeting as on 31" March, 2023 and the attendance during the year are as under:

Name of the Director	Position	Category	No. of Meeting held	No. of Meetings Attended
Mr K G Balakrishnan	Chairman	Non Independent, Non-Executive	7	6
Mr A Velusamy	Member	Non Independent, Non-Executive	7	6
Mrs K Vanithamani (w.e.f.18.05.2022)	Member	Non Independent, Executive	7	6

#### Risk Management Committee Meeting

The Risk Management Committee Meeting held on 18.05.2022. Composition of the Risk Management Committee as on 31" March, 2023 and the attendance during the year are as under:

Name of the Director	Position	Category	No. of Meeting held	No. of Meetings Attended
Mr B Srihari	Chairman	Executive	1	1
Mr A Velusamy	Member	Non Independent, Non-Executive	1	1
Mr G Krishnakumar	Member	Chief Financial Officer	ì	1

#### Independent Directors Meeting

Meeting Independent Director's Meeting held on 24.02.2023. Composition of the Independent Director's as on 31st March, 2023 and the attendance during the year are as under:

Name of the Director	No. of Meeting held	No. of Meetings Attended
Mr K B Nagendra Murthy	1	1
Mr G P Muniappan	1	1
Mrs V Bhuvaneshwari (w.e.f.18.05.2022)	9	1

### Directors' responsibility statement

In compliance of Section 134(5) of the Companies Act, 2013 the Directors of Your Company confirms:-

- a) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) that the directors had prepared the annual accounts on a going concern basis; and
- that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

# Statement on Declaration given by Independent Directors under Sub-Section (7) of Section 149 of the Companies Act, 2013

The independent directors have submitted the declaration of independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section(6).

#### **Nomination and Remuneration Committee**

The Nomination and Remuneration Committee consists of the following members namely Mr A Velusamy, Mr K B Nagendra Murthy and Mr G P Muniappan.

#### Scope

- 1. Brief description of terms of reference:
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board for their appointment and removal;
- 3. Carry on the evaluation of every director's performance;
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
- Recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- 6. Formulation of criteria for evaluation of Independent Directors and the Board;
- 7. Devising a policy on Board diversity; and
- 8. Any other matter as the Board may decide from time to time.

#### Nomination and Remuneration Policy

The objectives of the Policy

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies.
- 3. To carry out evaluation of the performance of Directors.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage

# Particulars of Loans, Guarantees and Investments under Section 186 of Companies Act, 2013

The Company has not given any loans. The details of guarantee and investments made during the financial year ended on 31st March, 2023 are given in the Notes to Financial Statements in compliance with the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014.

# Consolidated Financial Statements

The consolidated financial statements of the Company are prepared in accordance with relevant Indian accounting standards issued by the Institute of Chartered Accountants of India and forms an integral part of this report.

Pursuant to Section 129(3) of the Companies at 2013 read with rule 5 of the Companies (Accounts) Rules, 2014, a statement of subsidiary is given in form AOC-1 which forms an Integral part of this report. Annexure -1.

As per provisions of Section 136 of the Companies Act, 2013, a copy of separate audited financial statements of the subsidiary will be provided to the Shareholders at their request.

Particulars of Contracts and Arrangements with Related Parties Referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no material related party transactions with the Promoters, Directors or Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All related party transactions are placed before the Audit Committee and also to the Board for approval on a quarterly basis. Prior Omnibus approval of the Audit Committee is obtained on an annual basis for the transaction which are of a foreseen and repetitive nature. The transactions entered in to pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis. None of the Directors has any pecuniary relationship or transactions vis-a-vis the Company.

The details of the related party transactions, as per requirement of Accounting Standards-18 are disclosed in notes to the financial statements of the Company for the financial year 2022-23. All the directors have disclosed their interest in Form MBP-1 pursuant to Section 184 of the Companies Act, 2013 and as & when any changes in their interest take place, such changes are placed before the Board at its meetings. None of the transactions with any of the related parties was in conflict with the interest of the Company. A statement in the prescribed Form AOC-2 as per Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed to this Report as **Annexure – 4**.

#### Annual Return

The Annual Return for financial year 2021-22 as per provisions of the Act and Rules thereto, is available on the Company's website at https://www.kannapiran.co.in/ MGT-7-Annual-Return forthe-FY-2021-2022.pdf

Conservation of Energy, Technology absorption, Foreign Exchange Earnings and Outgo pursuant to provisions of Section 134(3)(m) of the Companies, Act, 2013 (Act) read with Rule 8 (3) of the Companies (Accounts) Rules, 2014.

Information with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134(3) (m) of the Act read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 is prepared and the same is annexed as Annexure - 2 to this Report

#### Risk Management Committee

Risk Management Committee consists of the following persons namely Mr B Srihari, Chairman, Mr A Velusamy and Mr G Krishnakumar as members.

The Committee had formulated a Risk Management Policy for dealing with different kinds of risks which it faces in day to day operations of the Company. Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures to be adopted by the Board. The Company has adequate internal control systems and procedures to combat the risk. The Risk management procedure is reviewed by the Audit Committee and Board of Directors on a Quarterly basis at the time of review of Quarterly Financial Results of the Company.

## Corporate Social Responsibility Committee

Corporate Social Responsibility is commitment of the Company to improve the quality of life of the workforce and also the community and society at large. The Company believes in undertaking business in such a way that it leads overall development of all stakeholders and society.

The Board of Directors of the Company has constituted Corporate Social Responsibility Committee consisting of the following persons namely Mr K G Balakrishnan, Mr A Velusamy and Mrs V Bhuvaneshwari as members and adopted policy for Corporate Social Responsibility.

Corporate Social Responsibility policy was adopted by the Board of Directors on the recommendation of Corporate Social Responsibility Committee.

The Report on Corporate Social Responsibility (CSR) as per Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as **Annexure - 3**.

#### Directors

Dr G Bakthavathsalam retire by rotation at the ensuing Annual General Meeting and is eligible for reappointment.

Mr.B Sriramulu and Mr.B Srihari were reappointed as Managing Directors of the Company for further period of 3 years with effect from 4.06.2023.

### Statutory Auditors

M/s Gopalaiyer and Subramanian [Firm Registration No: 000960S], Chartered Accountants, Coimbatore were reappointed as Statutory Auditors of the Company at the AGM held on 28th September 2022 to hold office for a second term of five years commencing from conclusion of 76th AGM till the conclusion of 81st AGM of the Company. Accordingly M/s Gopalaiyer and Subramanian, Chartered Accountants will continue as Statutory Auditor of the Company till FY 2027-2028. The requirement of seeking ratification of appointment of Statutory Auditors by members at each Annual General Meeting has been done away vide Notification dated May 7, 2018 issued by the Ministry of Corporate Affairs.

#### Auditor's Report

M/s Gopalaiyer and Subramanian [Firm Registration No: 000960S], Chartered Accountants, Coimbatore have issued Auditor's Report for the financial year ended 31" March 2023 and the Report does not contain any qualification or adverse remark and the same is attached with the Report.

#### Cost Auditor

As per the requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company has been carrying out audit of cost records every year.

The Board of Directors, on the recommendation of the Audit Committee, at their meeting held on 24.02.2023 appointed Mr M Nagarajan, Cost Accountant (Firm Registration Number 000088) as Cost Auditor to audit the cost accounts of the company for FY 2023-24. As required under the Companies Act, 2013 a resolution seeking members' approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting for their ratification.

#### Secretarial Auditor

Pursuant to Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, Company has appointed Mr M R L Narasimha, Practising Company Secretary (CP No 799) for conducting the Secretarial Audit of the Company for the financial year ended 31.03.2023. The Secretarial Audit Report issued by Mr M.R.L Narasimha is annexed as **Annexure - 5** to this Report.

#### Internal control systems and their accuracy

The Company has a proper and adequate internal control system to ensure that all the assets are safe guarded and protected against the loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly.

The internal control is supplemented by an extensive programme of internal audits, review by management and documented policies, guidelines and procedures. The internal control is designed to ensure that financial and other records are reliable for preparing financial statements and other data and for maintaining accountability of assets.

#### Vigil Mechanism / Whistle Blower Policy:

The Board of Directors has adopted a Whistle Blower Policy which is hosted on the company's website. The Whistle Blower Policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. All permanent employees of the Company are covered under the Whistle Blower Policy.

A mechanism has been established for employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases.

#### Environment

Company is primarily focused on Environmental Management System. It ensures that the manufacturing is carried or without affecting the environment both in the working area and the surrounding

#### Policy on Sexual Harassment

The Company has adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year ended 31st March, 2023, the Company has not received any complaints pertaining to sexual harassment.

#### Legal Requirements

Company is conscious of improving the occupational and personal health of all its employees. In addition to the medical camps, Company regularly organizes Employees Health Checkup Programs from outside hospitals on an annual basis. Company provides a safer work environment for its employees. Basic equipments are provided to ensure safety from fire. Awareness classes are being conducted periodically with the help of External Agencies about basis safety, fire fighting, mock drills, mass evacuation, first aid etc..

# Insurance

All the properties and insurable interests of the Company including building, plant and machinery and stocks have been fully insured.

### Finance

Your Directors acknowledge with gratitude, the valuable assistance and support extended by our Bankers for term loans and working capital i.e., Indian Bank, Central Bank of India, The South Indian Bank Limited, Punjab National Bank, HDFC Bank Limited and Union Bank of India.

#### Material changes and commitments

There are no material changes and commitments in the business operations of the Company from the financial year ended 31st March, 2023 to the date of signing of the Director's Report.

# Significant and material orders passed by the Regulators or Courts

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations. There are no material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the Report.

#### Personnel

The Industrial relations were cordial during the year under review.

## Particulars of Employees

During the year under review there were no employees in receipt of remuneration covered by Section 197(12) read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

# Details of frauds (if any) reported by the Auditors

There are no frauds reported by the Statutory and Secretarial Auditors of the Company in their report.

## Compliance with Secretarial Standards

During the period under review the Company has complied with all the provisions of the Secretarial Standards -1 and Secretarial Standards - 2 issued by the Institute of Company Secretaries of India.

#### Details of buy back of Shares

The Company has not bought back any shares during under review.

## Acknowledgment

Your Directors place on record their sincere thanks to the Banks for their continued support and also express their appreciation for the co-operation extended by the employees at all levels. Our prayers to Lord Then Thirumalai Shri Venkatachalapathy, Lord Muruga and Goddess Sri Saradambal for the continued prosperity of the Company.

> For and on behalf of the Board K G Balakrishnan Chairman

DIN: 00002174

Coimbatore 22.08.2023



## Annexure - 1

Form AOC 1 (Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

#### PART A - Subsidiaries

Sr. No.	Particulars	Name of the Subsidiary
		Kannapiran Polymers Limited
1	The date on which the subsidiaries were incorporated	11-10-2021
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	:
3	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable
4	Share capital	178.30
5	Reserves and Surplus	-118.17
6	Total Assets	844.52
7	Total Liabilities	784.39
8	Investments (total)	Nil
9	Turnover	1242.81
10	Profit Before Tax	-113.27
11	Provision for taxation - Deferred Tax Liability	-0.80
12	Profit after taxation	-114.07
13	Proposed Dividend	***
14	% of shareholding	75%
-11111	Pro-Pro-Pro-Pro-Pro-Pro-Pro-Pro-Pro-Pro-	2777.3477

The above subsidiary has commenced its operation.

PART - B: There are no Associates / Joint Ventures.

# ANNEXURE - 2

Conservation of Energy, Technology absorption, Foreign Exchange Earnings and Outgo pursuant to provisions of Section 134(3)(m) of the Companies, Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014.

## A. Conservation of Energy

Steps taken or impact on conservation of energy	Spinning: Installation of Energy Efficient (IE -3) Motor in Autoconer & Preparatory HMD Pump motor at Srinivasa Mill.
	BD 448-7,8 Third hand fan motor's running controlled by timers & Inverters instead of continious running for a savings of 60 units/day at Eshwara Mill.
	Installation of MAG Spindle Monitoring sytem at Srinivasa Mills. Enables to identify the Ring frames deviation to take remedial action on day to day basis.
	Providing energy meter of BD-480-7,8 the using power monitoring purpose at Eshwara Mill.
	Canteen Boller unit with Gas to power unit modified due to this gas consumption reduced and saving /month appx ₹ 50000/
	Weaving: Automation in H-Plant by installing Rh controller and achieving the
	energy saving of 2400 units / month.
	Installation of timer to optimize weaving OHTC working and energy saving of 3600 units / month achieved.
	40 Nos of Sodium vapour lamp of 250w replaced with 100w LED ligh Replacement of Thermic Fluid Heater ID fan motor with energy efficien iE3 motor and increase the motor efficiency from 85 to 92%.
	Optimization of compressed air by Loom wise CFM study by air flow meter and leakage arrest.
	Replacement of LPG gas with CNG gas to reduce carbon footprint.
Steps taken by the company for utilizing alternative sources of energy	Company has multiple sources of power viz., Natural Gas (23.54%) Wind (20.45%), Solar (29.65%), EB (9.3085%)
Capital investment on energy conservation equipments	₹ 3.3 lakhs

### B. Technology absorption

- (i) The efforts made towards technology absorption; Indigenous technology is only used.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution; Company's own Research and Development department continues its activities in the field of process control, quality improvement, product development /diversifications and cost reduction resulting in considerable improvement in productivity and quality.
- (iii) Details of technology imported during the last three years : Nil
  - (a) The details of technology imported;
  - (b) The year of import;
  - (c) Whether the technology been fully absorbed;
  - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof.
  - (iv) The expenditure incurred on Research and Development.

The Company is having its own Research and Development department and its expenses have been included in employee cost and other expenses.

### C. Foreign Exchange Earnings and Outgo

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

₹ in Lakhs

Particulars	31.03.2023	31.03.2022	
Used	2371	492	
Earned	8334	9501	

For and on behalf of the Board KG Balakrishnan Chairman

DIN: 00002174

Coimbatore 22.08.2023

#### ANNEXURE - 3

Annual Report on Corporate Social Responsibility Activities.

(Pursuant to Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. Brief outline on the Corporate Social Responsibility (CSR) Policy of the Company

The CSR Policy is available on the Company's Website www.kannapiran.co.in. The Company had proposed to undertake activities relating to rural development including livestock development, community irrigation, water conservation etc.

Composition of CSR Committee

SI. No	Name of Director	of Directorship		Number of meetings of CSR Committee attended during the Year.
1	Mr.K G Balakrishnan	Director	3	2
2.	Mrs.V Bhuvaneswhari	Independent Director	3	3
3	Mr.A Velusamy	Director	3	3

The web-link where composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are discussed on the Website of the Company

The composition of CSR Committee – https://www.kannapiran.co.in/composition of the Committees of the Board

CSR Policy - https://www.kannapiran.co.in/csrpolicy.pdf

CSR Projects as approved by the Board : https://www.kannapiran.co.in/csr

The details of impact assessment of CSR Projects carried out in pursuance of sub-rule (3) of the rule 8
of the Companies (Corporate Social Responsibility Policy) Rules, 2014 if applicable.

Not applicable

 Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial years, if any.

Not applicable

- Average Net Profit of the Company as per Section 135(5) ₹ 1476.73 lakhs
- 7. a) Two percent of average net profit of the Company as per Section 135(5): ₹29.53 lakhs
  - b) Surplus arising out of the CSR Projects / Programmes / activities of the previous

financial year: Nil

- c) Amount required to be set off for the financial year: Nil
- d) Total CSR obligation for the Financial Year (7a+7b-7c): ₹29.53 lakhs

#### 8. a) CSR amount spent or unspent for the financial Year

	Amount Unspent (in ₹)								
spent for the Financial year	Unspent CSR Account as	Amount transferred to any fund specified under Schedul VII as per second proviso to Section 135(5)							
(in ₹)	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer				
29,56,658	Nil	Nil	Nil	Nil	Nil				

#### b) Details of CSR amount spent against ongoing projects for the financial year

1	2	3	4		5	6	7	8	9	10		11	
SI. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	formation of the medical	Location of the project	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of implementation Direct Yes/No	imple th Impl	flode of ementation hrough lementing Agency	
				State	District						Name	CSR Registration Number	
	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	

#### c) CSR amount spent against other than ongoing projects for the financial year

1	2	3	4		5	6	7		8
SI.No	Name of the Project	ltem from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of	ocation of the project		Mode of impleme ntation Direct Yes/No	Mode of implementation through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Healthcare	i)	Yes	Tamil Nadu	Coimbatore	3,56,658	Yes	33	250
2	Healthcare Environmental Sustainability Education	i) iv) ii)	Yes	Tamil Nadu	Coimbatore	26,00,000	No	Sri Kannapiran Mil Trust Foundation	CSR 0000301

d) Amount spent in Administrative Overheads: Nil

e) Amount spent on Impact Assessment, if applicable: Not Applicable

f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹29.56 lakhs

g) Excess amount for set off, if any : Not Applicable

9. a) Details of Unspent CSR amount for the preceding three financial years

SI. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹)	in the report Financial Year	Amount transferred to any fund			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of Transfer	
				NIL			

 Details of CSR amount spent in the financial year for ongoing Projects of the preceding financial year(s)

1	2	3	4	5	6	7	8	9
SI. No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the Project Completed/ Ongoing
				NIL				

- In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year. (asset wise details)
  - a. Date of creation or acquisition of capital asset(s) Not Applicable
  - b. Amount of CSR spent for creation or acquisition of capital asset Not Applicable
  - Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc., - Not Applicable
  - d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) – NotApplicable
- Specify the reason(s), if the company has failed to spend two percent of the average net profit as per Section 135(5) – Not Applicable

Coimbatore 22.08.2023 KG Balakrishnan Chairman of CSR Committee DIN: 00002174 B Srihari Managing Director DIN: 00002556



#### **ANNEXURE 4** FORM NO. AOC-2

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

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

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

There were no contracts or arrangements or transactions not at arm's length basis

2. Details of material contracts or arrangement or transactions at arm's length basis

S. No.	Name of the related party and nature of relationship	Nature of Contracts/ arrangements/ transactions		Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances if any
1.	K G Denim Limited Section 2(76)(v) Public Company in which a Director is a Director and holds along with relatives more than 2% of its paid up share capital.	Provision of Services	3 years till 31.03.2025	Transaction covered under Section 188(1)(a) & (d) of the Companies Act, 2013.  For the year 2022-2023 Conversion Charges (Receipt) ₹ 24.59 lakhs; Conversion Charges Payment ₹ 2.42 lakhs; Purchase of Power ₹ 562.25 lakhs; Sale of Goods ₹ 4463.29 lakhs; Purchase of Goods ₹ 103.96 lakhs. Lease Rent Payment ₹ 2.21 lakhs.	06.07.2022 22.08.2022 22.11.2022 24.02.2023	Nil
2.	Sri Balamurugan Textile Processing Limited Section 2(76)(v) Public Company in which a Director is a Director and holds along with relatives more than 2% of its paid up share capital.	Purchase / Sale of Goods, Lease of Capital goods.	3 years till 31.03.2025	Transaction covered under Section 188(1)(a) & (d) of the Companies Act, 2013.  For the year 2022-2023 Sale of Goods ₹ 4275.40 lakhs; Lease Rent Payment ₹ 21.24 lakhs.	06.07,2022 22.08.2022 22.11.2022 24.02.2023	Nil

Coimbatore 22.08.2023

For and on behalf of the Board KG Balakrishnan Chairman DIN: 00002174

#### ANNEXURE 5 Form No. MR-3

#### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

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

To,

The Members, Sri Kannapiran Mills Limited Coimbatore-641028.

I have conducted a Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **Sri Kannapiran Mills Limited** (hereinafter called "the Company") during the financial year from 1\* April, 2022 to 31\* March, 2023 ("the year"/ "audit period"/ "period under review"). I conducted the Secretarial Audit in a manner that provided me a reasonable basis for evaluating the Company's corporate conducts / statutory compliances and expressing my opinion thereon.

I am issuing this report based on my verification of the books, papers, minute books and other records maintained by the Company, forms and returns filed, compliance related action taken by the Company during the year as well as after 31<sup>st</sup> March 2023 but before the issue of this audit report and the information provided by the Company, its officers, agents and authorised representatives during my conduct of the Secretarial Audit.

#### 1. I hereby report that:

- 1. In my opinion, during the audit period covering the financial year ended on 31<sup>st</sup> March 2023, the Company
  has complied with the statutory provisions listed hereunder and also has proper Board processes and
  compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.
  The Members are requested to read this report along with my letter of even date annexed to this report as
  Annexure A
- 1.2 I have examined the books, papers, minute books and other records maintained by the Company and the forms, returns, reports, disclosures and information filed or disseminated during the year according to the applicable provisions of:
  - The Companies Act, 2013 (the Act), and the rules made thereunder.
  - (ii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder.
  - (iii) The following laws, that are specifically applicable to the Company:
    - (a) Essential Commodities Act 1955, with reference to "Hank Yarn Packing Notification 2003" (No.2/TDRO/8/2003 dated 17\* April, 2003); and
    - (b) The Electricity Act, 2003.
- 1.3 I have also examined compliance with the applicable clauses of the following:
  - Secretarial Standards (SS-1) on "Meetings of the Board of Directors" and Secretarial Standards (SS-2) on "General Meetings" issued by The Institute of Company Secretaries of India.
- 1,4. During the period under review, and also considering the compliance related action taken by the Company after 31<sup>st</sup> March 2023 but before the issue of this report, the Company has, to the best of my knowledge and belief and based on the records, information and explanations furnished to me, complied with the applicable provisions/Clauses of the Acts, Rules, Regulations, Agreements, Guidelines and Standards mentioned under paragraphs 1.2 and 1.3 above.

- 1.5. I am informed that, during / in respect of the year:
  - i) The following Acts / Regulations and Guidelines are not applicable:
    - Securities Contracts (Regulations) Act, 1956 and the Rules made thereunder.
    - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
    - The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
    - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
    - The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
    - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
  - (ii) Due to non-occurrence of certain events, the Company was not required to comply with the following laws / guidelines / regulations and consequently was not required to maintain any books, papers, minute books or other records or file any forms/ returns under:
    - Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - (iii) There was no law, other than those specified in paragraph 1.2 (iii) above, that was specifically applicable to the Company, considering the nature of its business. Hence the requirement to report on compliance with specific laws did not arise.

#### 2. I further report that:

- 2.1 The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Board also have one Woman Director.
- 2.2 Adequate notice is given to all directors to schedule the Board Meetings. Notice of Board meetings were sent at least seven days in advance. Agenda and detailed notes on agenda were sent at least seven days before the Board meetings with the exception of the following items, which were either circulated separately or at the meetings:
  - Supplementary agenda notes and annexures in respect of unpublished price sensitive information such as audited accounts / results, unaudited financial results and connected papers; and
  - (ii) Additional subjects / information / presentations and supplementary notes.
    Consent of the Board for circulating them separately or at the meeting was duly obtained as required under the Secretarial Standards.
- 2.3 A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings. Majority decision is carried through. I am informed that there were no dissenting members' views on any of the matters discussed during the year that were required to be captured and recorded as part of the minutes.

#### 3. I further report that:

3.1 There are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

3.2 The Company has stood guarantee to its subsidiary Kannapiran Polymers Limited for 683 lacs which constitutes term loan of ₹ 283 lacs and CC of ₹ 400 lacs and loan outstanding of such subsidiary as on 31.03.2023 is ₹ 262.16 lacs and ₹ 373.31 lacs respectively.

Other than above, there were no instances of:

Public / Rights / Preferential issue of Shares / Debentures / Sweat Equity.

Major decision taken by the members pursuant to Section 180 of the Companies Act, 2013.

Merger / Amalgamation / Reconstruction etc.

Foreign technical collaborations

Place:- Coimbatore Date:- 22.08.2023

UDIN: F002851E000837685

M.R.L. Narasimha Practicing Company Secretary Membership No: 2851 Certificate of Practice 799 Peer Review No:-1420/2021

#### Annexure - A to Secretarial Audit Report of even date

The Members.

Sri Kannapiran Mills Limited,

Coimbatore.

### My Secretarial Audit Report (Form MR-3) of even date for the financial year ended 31st March 2023 is to be read along with this letter

- The Company's management is responsible for maintenance of secretarial records and compliance with the
  provisions of corporate and other applicable laws, rules, regulations and standards. My responsibility is to
  express an opinion on the secretarial records produced for my audit.
- I have followed such audit practices and processes as I considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
- While forming an opinion on compliance and issuing this report, I have also considered compliance related action taken by the Company after 31st March 2023 but before the issue of this report.
- 4. I have verified the secretarial records furnished to me on a test basis to see whether the correct facts are reflected therein. I also examined the compliance procedures followed by the Company on a test basis. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
- I have not verified the correctness and appropriateness of financial records and books ofaccounts of the Company.
- I have obtained the Management's representation about compliance of laws, rules and regulations and happening of events, wherever required.
- My Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy
  or effectiveness with which the management has conducted the affairs of the Company.

Place:- Colmbatore Date:- 22.08.2023

UDIN: F002851E000837685

M.R.L. Narasimha
Practicing Company Secretary
Membership No: 2851
Certificate of Practice 799
Peer Review No:-1420/2021



#### INDEPENDENT AUDITORS' REPORT

To

The Members of M/s. SRI KANNAPIRAN MILLS LIMITED,

#### Report On the Audit of the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of M/s. SRI KANNAPIRAN MILLS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2023, 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 (herein after referred to as the "Standalone Financial Statements").

#### Opinion

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, ('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, 2023, its profits and 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 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 independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules hereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion 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. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Information other than the Standalone Financial Statements and auditors' 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 Annexure to Board's Report, Business Responsibility Report but does not include the Standalone Financial Statements, Consolidated Financial Statement 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.

#### Management's responsibility for the Standalone Financial Statements

- A. The Company's Board of Directors are 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 and financial performance, and its 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.
- B. 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 is also responsible for overseeing the Company's financial reporting process.

#### Auditor's responsibilities for the audit of the Standalone Financial Statements

- A. 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
- B. 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. Under Section 143(3)(I) of the Companies
    Act, 2013, we are also responsible for expressing our opinion on whether the Company has
    adequate internal financial controls system in place and the operating effectiveness of such
    controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- C. 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.
- D. 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.
- E. 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

- The provisions of the Companies (Auditor's Report) Order, 2020 ("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 statement of cash flows dealt with by this report agree 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 March 31, 2023 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls refer to our separate report in "Annexure B".

- (g) With respect to other matters included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Companies Act, 2103, 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 Director's during the year is in accordance with the provisions of the Section 197 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 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 impact its financial position:
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - (iii). There are no amounts that are 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 anymanner 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.
    - (d) The company has not declared dividend during the year

#### FOR GOPALAIYER AND SUBRAMANIAN

Chartered Accountants FRN: 000960S

CA. R.MAHADEVAN

Partner

(Membership No. 027497) UDIN: 23027497BGXPCI2586

Place: Coimbatore Date: 06.07,2023

#### ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of M/s, SRI KANNAPIRAN MILLS LIMITED of even date)

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

#### i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment
  - (B) The Company has maintained proper records showing full particulars of intangible assets
- (b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) Based on our examination of the property tax receipts and land documents on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date. However, we express no opinion on the validity of the title of the company to these properties.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder and hence reporting under clause 3(i)(e) does not arise.

#### ii. In respect of Inventories,

- (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us and examined by us, no material discrepancies were noticed on such verifications.
- (b) The Company has been sanctioned with working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets. The following are discrepancies noted in the Quarterly Statement filed with the Bank or Financials Institutions, ₹ in lakhs

Quarter	Particulars of securities provided	Amount as per books of Accounts	Amount as reported in Quarterly returns /statement	Amount of difference	
June 22	Inventories &	18079	18120	-41	
September 22	Receivables	14852	14684	168	
December 22	P. P. S.	15755	15804	-49	
March 23	1	15829	16327	-542	

<sup>\*</sup>The difference was on account of different method of stock valuation adopted in respect of Inventories and pending reconciliations of sundry debtors for the purpose of reporting in quarterly bank statements vis-a-vis books of accounts.

- According to information and explanation given to us, the company has made investments and has provided guarantee during the year.
  - (a) The company has Stood Guarantee to its subsidiary- Kannapiran Polymers Limited for Rs. 683 lacs which constitutes term loan of Rs.283 lacs and CC of Rs.400 lacs and the loan outstanding of such subsidiary as on 31.03.2023 is Rs.262.16 lacs and Rs.372.31 lacs respectively.
  - (b) The Investments made by the Company, and Guarantee provided by the company are not prejudicial to the interest of the Company.
  - (c) There are no loans and advances provided by the Company to the subsidiary. Accordingly the reporting under the clause (iii) (c) to clause (iii) (f) is not applicable.
- iv. The company has compiled with the provisions of Section 185 and 186 of the Companies Act 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits during the year and hence the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act 2013 are not applicable.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanation given to us, in respect of statutory dues:
  - (a) The Company has generally been 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 other material statutory dues applicable to it to the appropriate authority.
  - (b) There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
  - (c) There is no due in respect of any undisputed demand in respect of income- tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise as on 31st March 2023.
- 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. According to the information and explanation given to us,
  - (a) Based on our audit procedures, we are of the opinion that the company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government as at the balance sheet date.
  - (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - (c) The Term Loan taken by the Company were applied for the purpose which they are obtained.
  - (d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.



- (e) On an overall examination of the 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 any loans during the year on the pledge of securities held in its Subsidiaries, Joint Ventures or Associate Companies and hence reporting on clause 3(ix) (f) of the Order does not arise.
- (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order does not arise.
  - (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.
- (a) Based on the audit procedures performed, we have neither come across any instance of material fraud by the company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
  - (b) Since, no instance of material fraud by the company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management 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, with respect to commitment of an offence involving fraud.
  - (c) The Company has not received any whistle blower complaints during the year (and up to the date of this report), and hence reporting under clause (xi)(c) does not arise.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required under Accounting Standards (AS) 18, Related Party Disclosures specified under Section 133 of the Act.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
  - (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its Directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable. (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the Statutory Auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company.

We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the Companies Act, 2013.
  - (b) There are no unspent amounts towards Corporate Social Responsibility (CSR) on ongoing projects requiring a transfer to a Special Account in compliance with the sub-section (6) of the Section 135 of the Companies Act, 2013.

#### FOR GOPALAIYER AND SUBRAMANIAN

Chartered Accountants FRN: 000960S

CA. R.MAHADEVAN

Partner

(Membership No. 027497) UDIN : 23027497BGXPCI2586

Place: Coimbatore

Date: 06.07.2023

#### "ANNEXURE B" TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2(f) under 'Report on other legal and regulatory requirements' section of our report of the even date to the members of **M/s. SRI KANNAPIRAN MILLS LIMITED** on the Standalone Financial Statements for the year ended March 31, 2023.

#### Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of section 143 of the Act.

 We have audited the internal financial controls over financial reporting of M/s SRI KANNAPIRAN MILLS LIMITED ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

2. 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 (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 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

#### Auditors' Responsibility

- 3. 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") issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143 (10) of the Act 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 ICAI. 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 controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
- 4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
- We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

6. 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 transaction 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 accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisation of management and directors of the company; and
- 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.

7. 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

8. In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over Financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### FOR GOPALAIYER AND SUBRAMANIAN

Chartered Accountants FRN: 000960S

CA. R.MAHADEVAN

Partner (Membership No. 027497)

UDIN: 23027497BGXPCI2586

Place: Coimbatore Date: 06.07.2023

## —— KS Sri Kannapiran Mills Limited ——

Particulars	No	te No	31.03.2023	31.03.2022
EQUITY AND LIABILITIES				
Shareholders' Funds				
		2	542.00	542.00
Share capital Reserves and surplus		3		10927.03
Non-current liabilities		3	11598.25	10927.03
Long Term Borrowings		4	3294.61	4421.72
Deferred tax liabilities (Net)		5	1828.90	1850.53
Other long term liabilities		6	540.85	469.67
Long Term Provisions		7	453.89	433.30
Current liabilities			455.05	433.30
		12		
Short Term Borrowings		8	10008.04	8787.66
Trade payables				
<ul><li>(a) total outstanding dues of micro enterpr</li></ul>	rises and	2	272722	227.
small enterprises		9	119.98	25.14
<ul><li>(b) total outstanding dues of creditors other</li></ul>	er than	9	5024.12	6742.40
micro and small enterprises		10	1184.37	1406.55
Other Current Liabilities		20 S	* NAME (1994)	
Short - Term Provisions		11	63.42	143.55
ASSETS	TOTAL		34658.43	35749.56
Non-Current Assets				
Property, Plant & Equipment and Intangible ass	ets			
(a) Property, Plant & Equipment		12	13762.41	13539.06
(b) Intangible Assets			0.05	0.05
(c) Capital Work-in-Progress			-	Alexand
Non - Current Investments		13	858.25	858.49
Long - Term Loans and Advances		14	63.86	63.63
Other Non Current Assets		15	1365.23	1444.01
Current assets				
Inventories		16	10235.15	10898.49
Trade Receivables		17	5529.29	6175.87
Cash and Cash Equivalents		18	489.12	491.04
Short-Term Loans and Advances Other Current Assets		19 20	2174.89 180.18	1888.66 390.27
Other Current Assets	T0741			Carrier // article
	TOTAL	32	34658.43	35749.56
Significant Accounting Policies Additional information to financial statements		1 28		
see accompanying notes to the financial statements	w years		teres e e e e e e	
and had fill film and a second and a second and a	s (50/-)		alakrishnan rman	
In terms of our Report of even date For Gopalaiyer and Subramanian	D	IN No : I	00002174	
Firm Regd. No.000960S	(Sd/-) B Sriramul	10 To 20 To	B Srihari	
Chartered Accountants	Managing Director DIN No : 00002560			ing Director : 00002556
(Sd/-) CA R Mahadevan			VOM.100.0000	
Coimbatore Partner	(Sd/-) G Krishnakui	nar	(Sd/-)	K Jayaraj

	Particulars		Note No	31.03.2023	31.03.202
DEVENUE	rationals		Note No	31.03.2023	31.03.202
REVENUE Revenue	from operations		21	49041.86	49357.82
Other Inc			22	566.33	219.41
	То	tal Revenue		49608.19	49577.23
EXPENSES					
	naterials consumed		23	33811.54	30245.47
17777117K	s of Stock in Trade		6600000	1019.32	1517.38
Changes Work-in-F	in inventories of Finished Goo	ds and	24	-1331.83	-2267.53
Power &				4286.96	3954.99
Employee	e Benefits Expense		25	5039.26	4885.86
Finance (	Costs		26	1498.27	1664.27
Deprecia	tion			751.82	830.19
Other Ex	penses		27	3664.85	4718.68
	То	tal Expenses		48740.19	45549.31
Profit Befor	е Тах			868.00	4027.92
Tax Expens	e:				
Current T	'ax			- 220.81	-724.00
Add: MA	T Credit Entitlement			*	233.26
Prior Yea	r Income (+) / Expenses (-)			2.39	-1.90
Deferred	Tax Assets (+) / Liability (-)			21.63	-762.90
Dividend	Paid On Preference Shares				-96.84
Profit After	Tax & Appropriations			671.22	2675.54
Basic and D	r Equity Share iluted Earnings per share(in ₹) ₹10/- Per share)			12.38	49.36
	ccounting Policies		1		
Additional in	formation to Financial Stateme	ents	28		
ee accompanyir	ng notes to the financial statemen	its		Balakrishnan	
	of our Report of even date			nairman : 00002174	
For G	opalalyer and Subramanian Firm Regd. No.000960S Chartered Accountants	(Sd/-) B Sr Managing D DIN No : 00	ramulu Director	(Sd/ Mana	-) B Srihari ging Director to: 00002556
oimbatore 3.07.2023	(Sd/-) CA R Mahadevan Partner Membership No. 027497	(Sd/-) G Krisi Chief Financia	nnakumar	(Sd/-	·) K Jayaraj any Secretary

### -KS Sri Kannapiran Mills Limited ——

Cash Flow Statement for the year ended 31st March,		₹ in lakhs
Particulars	31.03.2023	31.03.2022
A. Cash Flow from Operating Activities		
Net Profit Before Tax	868.00	4027.92
Adjustments for :		
Depreciation	751.82	830.19
Loss on sale of Assets	-82.43	119.96
Interest Income	-33.64	-23.88
Dividend Income	-0.07	-0.02
Interest Paid	1498.27	1664.27
Operating Profit Before Working Capital Changes	3001.96	6618.43
(Increase)/Decrease in trade and other receivables	625.43	-2160.75
(Increase)/Decrease in inventories	663.36	-4447.17
Increase/(Decrease) in trade and other payables	-1730.33	956.67
Cash generated from operations	2560.42	967.18
Direct Taxes Paid	-295.69	-406.14
Net Cash from Operating activities	2264.73	561.03
	ALUT: (U	301.03
B. CASH FLOW FROM INVESTING ACTIVITIES	4040.70	005 50
Purchase of Fixed Assets	-1012.78	-925.52
Proceeds from sale of Fixed Assets	120.03	47.11
Purchase of Investment	0.00	-290.54
Sale of Investment	2.39	-1.90
Prior year expenses Interest received	34.26	21.89
Dividend received	0.07	0.02
Net cash used in investing activities	-855.78	-1148.94
	-655.76	-1140.34
C. CASHFLOW FROM FINANCING ACTIVITIES	6225323	70000000000000000000000000000000000000
Long Term Borrowings received	398.92	1080.00
Long Term Borrowings repaid	-1526.03	-1321.81
Short Term Borrowings	1220.38	2790.01
Interest Paid	-1504.14	-1667.62
Share Capital Account	0.00	-135.00
Dividend paid on preference shares	0.00	-96.84
Net Cash used in Financing Activities	-1410.87	648.73
Net increase in Cash and Cash equivalents	-1.92	60.83
Cash and Cash equivalents at beginning of the period	491.04	430.22
Cash and Cash equivalents at end of the period	489.12	491.04
Components of Cash and Cash equivalents as at 31st March 202	3	
Cash and Cheques on hand	14.13	10.55
in Current Account	73.97	7.21
in Deposit Account	401.02	473.28
	489.12	491.04

see accompanying notes to the financial statements

In terms of our Report of even date For Gopalaiyer and Subramanian

Firm Regd. No.000960S Chartered Accountants

(Sd/-) CA R Mahadevan

Coimbatore Partner 06,07,2023 Membership No. 027497 (Sd/-) KG Balakrishnan

Chairman DIN No : 00002174

(Sd/-) B Sriramulu Managing Director DIN No: 00002560

(Sd/-) G Krishnakumar Chief Financial Officer (Sd/-) B Srihari Managing Director DIN No: 00002556

(Sd/-) K Jayaraj Company Secretary

1 Significant Accounting Policies (In the order of applicability of Accounting Standards)

#### AS-1 DISCLOSURE AND BASIS OF ACCOUNTING

- a) The Financial Statements have been prepared under the Historical cost convention in accordance with the provisions of the Companies Act, 2013 and accounting principles generally accepted in India and comply with the Accounting Standards as prescribed under 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, provisions of Companies Act, 2013 to the extent notified. Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy hitherto in use.
- The Company has been consistently following the accrual basis of accounting in respect of it Income and Expenditure.
- The Accounts are prepared on the basis of Going Concern concept only.

#### AS-2 VALUATION OF INVENTORIES

Inventories are valued at lower of cost and net realizable value, where

- Cost of raw materials is determined on specific identification method
- Stock of stores, spares and packing materials is determined on weighted average method.
- Finished goods and work in progress is determined under FIFO method where cost includes conversion and other costs incurred in bringing the inventories to their present location and condition.

#### AS-3 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, where by the profit before tax is adjusted for the effect of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. Cash and Cash equivalent include cash on hand and balances with banks in current and deposit accounts with necessary disclosure of cash and cash equivalent balances that are not available for you by the company.

#### AS-5 NET PROFIT/LOSS FOR THE PERIOD AND PRIOR PERIOD ITEMS

All items of income and expenses pertaining to the year are included in arriving at the net profit for the year unless specifically mentioned elsewhere in the financial statement or as required by Accounting Standards.

#### AS-6 DEPRECIATION ACCOUNTING

Depreciation on Fixed Assets has been provided on Straight line basis based on the balance useful life of the assets as prescribed in Schedule II of the Companies Act, 2013 effective from 01/04/2014. Depreciation on machinery & electrical machinery has been provided base on useful lives as applicable continuous process. In respect of additions and sales, pro rata depreciation is calculated from the date of purchase or to the date of sale as the case may be.

#### AS-9 REVENUE RECOGNITION

- a) Revenue from sale transactions is recognised as and when the property in the goods sold is transferred to the buyer for a definite consideration. Revenue from service transactions are recognised on the completion of the contract at the contracted rate and when there is no uncertainty regarding the amount of consideration or collect ability.
- b) Direct Sales as reported are net of GST.
- Proceeds of export sales are accounted on the basis of credit given by our bankers.
- Export incentives under DEPB licence and premium on transfer of Export incentives are accounted on accrual basis.
- e) Dividend income from investments is accounted in the year in which it is actually received.
- Other incomes are accounted on accrual basis.

#### AS-10 ACCOUNTING FOR FIXED ASSETS

The cost of fixed assets is shown at historical cost less accumulated depreciation,

#### AS-11 FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are recorded at the prevailing exchange rates at the time of initial recognition. Exchange differences arising on final settlement are recognized as income or expense in the profit and loss account. Outstanding balances of monetary items denominated in foreign currency are restated at closing exchange rates.

The premium or discount arising at the inception of forward exchange contracts is accounted as income or expense over the life of the contract. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense in the period in which they arise.

#### AS-13 ACCOUNTING FOR INVESTMENTS

Long term investments are stated at cost. A provision for diminution, if any, is made to recognise a decline, other than temporary, in the value of long term investments.

#### **AS-15 EMPLOYEE BENEFITS**

a) Short term employee benefits (other than termination benefits) which are payable within 12 months
after the end of the period in which the employees render service are accounted on accrual basis.

#### b) Defined Contribution Plans

Company's contributions paid / payable during the year to Provident Fund, Superannuation Fund and ESIC are recognized in the profit and loss account.

#### c) Defined Benefit Plans

Company's liabilities towards gratuity is determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past services are recognized on a straight line basis over the average period until the amended benefits becomes vested. Actuarial gains or losses are recognized immediately in the statement of profit and loss account as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate

#### AS-16 BORROWING COSTS

Borrowing Costs that are attributable to the acquisition of construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

#### AS-19 LEASES

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the profit and loss account on a straight line basis over the lease term.

#### AS-20 EARNING PER SHARE

The earning considered in ascertaining the Company's earnings per share comprises of Net Profit after tax and includes post tax adjustments of prior period and extra-ordinary items.

#### AS-22 ACCOUNTING FOR TAXES ON INCOME

Deferred tax resulting from timing differences between book and tax profits is accounted under liability method at enacted or substantively enacted rate as on the balance sheet date. Deferred tax asset, other than those arising on account of unabsorbed depreciation or carried forward of losses under tax loss, are recognised and carried forward subject to consideration of prudence only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

Deferred tax asset, arising on account of unabsorbed depreciation or carried forward of losses under tax loss, are recognised and carried forward subject to consideration of prudence only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised.

Current tax is determined at the amount of tax payable in respect of estimated taxable income for the vear.

#### AS-26 INTANGIBLE ASSETS

Software is being amortised over a period of 1-3 years depending on the licenses of the respective software.

#### AS-28 IMPAIRMENT OF ASSETS

An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired.

#### AS-29 PROVISIONS, CONTINGENT LIABILITY AND CONTINGENT ASSETS

- a) Provisions involving degree of estimation in measurement are recognized when there is a
  present obligation as a result of past event and it is probable that there will be an outflow of
  resources.
- b) Contingent liabilities in respect of show cause notice received are considered only when they
  are converted to demands. Contingent liabilities are disclosed by way of notes to accounts.
- c) Contingent liability under various fiscal laws includes those in respect of which the company/department is in appeal.

#### OTHERS

#### SUNDRY DEBTORS AND ADVANCES

Specific debts and advances identified as irrecoverable are written off.

#### USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities as at the date of the financial statements and reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to the estimates is recognized prospectively.

#### Notes forming part of Financial Statements

₹ in lakhs

	Particulars	Numbers 31.03.2023	Numbers 31.03.2022	Amount 31.03.2023	Amount 31.03.2022
2	Share Capital Number and amount of Equity Shares Authorized (Face Value ₹ 10 each)	27000000	27000000	2700.00	2700.00
	Number and amount of Preference Shares Authorized (Face Value ₹ 100 each)	600000	600000	600.00	600.00
	Number and amount of Equity Shares Issued	5503024	5503024	550.30	550.30
	Number of Equity Shares Subscribed and Fully paid up Add : Forfeited Shares	5419928 -	5419928 -	541.99 0.01	541.99 0.01
	Total	5419928	5419928	542.00	542.00

Par value per Equity share (in ₹ 10 each)

#### Shares held by Promoters

		Equity Sh	ares hek	d by Prom	oters	
SL	Described News		March 2023	As at 31, 2		% of
NO	Promoter's Name	No of shares	% of Total shares	No of shares	% of Total shares	change during the year
_1	K G Balakrishnan	670434	12.37	670434	12.37	0.00
2	B Sathyabama	433242	7.99	433242	7.99	0.00
3	B Sriramulu	253040	4.67	253040	4.67	0.00
4	Pranav Sriram	105702	1.95	105702	1.95	0.00
5	B Srihari	799682	14.75	799682	14.75	0.00
6	Aadya Srihari	392315	7.24	392315	7.24	0.00
7	Deepika Karthikeyan	1880	0.03	1880	0.03	0.00
8	T Anandhi	134285	2.48	134285	2.48	0.00
9	Sailendran	73228	1.35	73228	1.35	0.00
10	Niketana Thulasidaran	73228	1.35	73228	1.35	0.00
11	K G Denim Limited	331588	6.12	331588	6.12	0.00
12	Crocodile India Private Limited	500000	9.23	500000	9.23	0.00
13	Sri Balamurugan Textile Processing Limited	30700	0.57	30700	0.57	0.00
14	Dr.G.Bakthavathsalam	152057	2.81	152057	2.81	0.00
15	B Dhanalakshmi	26550	0.49	26550	0.49	0.00
16	B Ashok	32150	0.59	32150	0.59	0.00
17	R Vasanthi	31930	0.59	31930	0.59	0.00
18	B Dhanalakshmi Trustee - Vasanthi Marriage Trust	16000	0.30	16000	0.30	0.00
19	Dr.G.Bakthavathsalam Trustee - V Vasanthi Education Trust	19616	0.36	19616	0.36	0.00
20	Dr.G.Bakthavathsalam Trustee - Ashok Education Trust	19600	0.36	19600	0.36	0.00
21	G Kannappan	17981	0.33	17981	0.33	0.00
22	K Krithika	52116	0.96	52116	0.96	0.00

			Equity Shares held by Promoters			
SL	Promoter's Name		March 2023	As at March 31, 2022		% of
NO		No of shares	% of Total shares	No of shares	% of Total shares	change during the year
23	Nirmala Rajeswari Trustee - Krithika Marriage Trust	47504	0.88	47504	0.88	0.00
24	G Kannappan-Trustee - Krithika Education Trust	40048	0.74	40048	0.74	0.00
25	Sree Manneswarasamy Investments P Ltd	800	0.01	800	0.01	0.00
26	Sri Rangathaswamy Investments P Ltd	1400	0.03	1400	0.03	0.00
27	Sri Selvavinayagar Investments P Ltd	1792	0.03	1792	0.03	0.00
28	GK Investments P Ltd.	300	0.01	300	0.01	0.00
29	G Vijayakumar	9673	0.18	9673	0.18	0.00
30	V Geethalakshmi	19104	0.35	19104	0.35	0.00
31	Saritha Santhanalakshmi	27124	0.50	27124	0.50	0.00
32	V Sanjana	25924	0.48	25924	0.48	0.00
33	G Vijayakumar Trustee- V Sanjana Education Trust	16600	0.31	16600	0.31	0.00
34	G Vijayakumar Trustee - V Saritha Santhanalakshmi Education Trust	20000	0.37	20000	0.37	0.00
35	V Geethalakshmi Trustee - Sanjana Marriage Trust	16000	0.30	16000	0.30	0.00
36	V Geethalakshmi Trustee - Sartiha Santhanalakshmi Marriage Trust	32960	0.61	32960	0.61	0.00
37	GV Investments P Ltd	350	0.01	350	0.01	0.00
38	G Ramaswamy	99333	1.83	99333	1.83	0.00
39	R Santhamani	35488	0.65	35488	0.65	0.00
40	R Ashyanth	9523	0.18	9523	0.18	0.00
41	R Annush	9524	0.18	9524	0.18	0.00
42	G Ramaswamy Trustee - Ashyanth Education Trust	28000	0.52	28000	0.52	0.00
43	GRV Investments P Ltd	350	0.01	350	0.01	0.00

#### Terms & Conditions of equtly shares:

The Company has only one class of equity shares having a par value of ₹10 per share. Each Shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion of their share holding. There are no shares allotted as fully paid without payments being received in cash, bonus shares or shares bought back immediately preceding five previous years. 46401 shares were bought back by the Company during the year 2016-17. The Company has redeemed Preference shares of ₹ 135 lakhs during the year 2021-22.

### - KS Sri Kannapiran Mills Limited -

ot	es forming part of Financial Statements		₹ in lakh
2.52	Particulars	31.03.2023	31.03.2022
3	The state of the s		
	General Reserve		
	As per last Balance Sheet	3671.00	3806.00
	Less: Transfer to Capital Redemption reserve towards redemption of Preference Shares		135.00
		3671.00	3671.00
	Capital Redemption Reserve	3	2
	As per last Balance sheet	139.64	4.64
	Add: Transfer to Capital Redemption Reserve towards redemption of Preference Shares	79090494010V	135.00
		139.64	139.64
	Surplus As per last Balance Sheet	4110.04	1434.50
	Add : Transfer from Profit and Loss Statement	671.22	2675.54
	Closing Balance	4781.26	4110.04
	Revaluation Reserve		
	As per last Balance Sheet	1392.25	1392.25
		1392.25	1392.25
	Capital Reserve		404440
	As per last Balance Sheet	1614.10	1614.10
		1614.10	1614.10
	Non Current Liabilities	11598.25	10927.03
4	Long Term Borrowings		
	Secured		
	Term Loans From Banks	3038.58	3832.79
	LC Liability for Capital Goods-Indian Bank	3	196.61
	Unsecured		
	Long-term maturities of finance lease obligations	35.12	62.32
	Deposits:		
	(a) Inter Corporate Deposit	190.91	300.00
	(b) Performance Deposit	30.00	30.00

#### SECURITY CLAUSE AS AT 31.3.2023

Term Loans from Indian Bank amounting of Rs.858.09 lakhs is secured by first pari passu charge a) on all immovable properties situated at 1) Sowripalayam, Coimbatore 2) Kempanaicken palayam, Annur 3) Then Tirumalai, Mettupalayam 4) Onapalayam, Coimbatore 5) leasehold rights of 32.825 acres of land at SIPCOT Industrial Growth Centre, Perundurai and Yam processing unit at Kalapatti, Coimbatore. b) all plant and machineries including machineries and other movable assets(excluding assets exclusively charged to Union Bank of India, South Indian Bank and ICICI Bank) of Spinning units 1) Sowripalayam, Coimbatore 2) Kempanaicken palayam, Annur 3) Then Tirumalai, Mettupalayam 4) Onapalayam, Coimbatore, 5) Weaving unit at SIPCOT Industrial Growth Centre, Perundurai and Yarn processing unit at Kalapatti, Coimbatore and second pari passu charge on stock in trade and book debts of all units of Company.

3294.61

4421.72

Term Loan from Union Bank of India of ₹133.41 lakhs is secured by first charge on the Second Dyeing & Sizing line together with other equipments acquired for the Expansion Scheme by hypothecation and mortgage of leasehold rights of 32.825 acres of land at SIPCOT Industrial Growth Centre, Perundural together with buildings and hypothecation of all plant and machinery (including equipments purchased for Effluent Treatment Project & Expansion Scheme) on first pari passu charge and pari passu second charge on the current assets of the Company.

Term loan from South Indian Bank of ₹ 855.90 lakhs is secured by exclusive charge on assets acquired out of the term loan and pari-passu second charge on the entire current assets of the Company along with Indian Bank and Union Bank of India.

Term Loan from HDFC Bank of ₹ 152.10 lakhs is secured by an exclusive charge on one acre of land at Trichy Road, Coimbatore by way of equitable mortgage.

GECL Loans availed from Indian Bank of  $\mathfrak{T}$  816.75 lakhs, Central Bank of India of  $\mathfrak{T}$  225.29 lakhs, South Indian Bank Ltd of  $\mathfrak{T}$ 168.25 lakhs, Punjab National Bank of India of  $\mathfrak{T}$  492.87 lakhs, HDFC Bank of  $\mathfrak{T}$ 478.50 lakhs and Union Bank of India of  $\mathfrak{T}$ 366.34 lakhs have been secured by paripassu first charge on the entire current assets of the Company and pari-passu second charge on entire fixed assets of the Company (Excluding assets exclusively charged to Union Bank of India, South Indian Bank Ltd and ICICI Bank).

₹ in lakhs

Bank	Outstanding as on		Interest rate %	Repayment months	From	Last Installment
	31.3.23	31.3.22				
Indian Bank TL	294.27	483.36	8.40	19		Oct'25
Indian Bank TL	563.82	829.02	7.50	26		May'25
Indian Bank Covid	9.66	125.52	7.30	1		Apr'23
Indian Bank ECLGS	489.75	653.00	8.30	36		Mar'26
Indian Bank ECLGS	327.00	327.00	9.25	48	Jan'24	Dec'27
South Indian Bank TL	855.90	431.00	9.75	54		Sep'27
South Indian Bank ECLGS	101.25	135.00	9.25	36		Mar'26
South Indian Bank ECLGS	67.00	67.00	9.25	48	Apr'23	Mar'27
Central Bank of India ECLGS	128.09	189.75	9.25	34		Jan'26
Central Bank of India ECLGS	97.20	98.00	8.25	48	Mar'24	Feb'28
Punjab National Bank- ECLGS	283.95	378.00	8.25	36		Mar'26
Punjab National Bank- ECLGS	208.92	(e)	8.25	48	Apr'24	Mar'28
Union Bank of India TL	133.41	287.84	8.25	7		Oct'23
Union Bank of India ECLGS	209.35	253.41	7.95	32		Nov'25
Union Bank of India ECLGS	156.99	157.00	7.85	48	Mar'24	Feb'28
HDFC Bank TL	152.10	380.10	9.85	9		Nov'23
HDFC Bank ECLGS	138.54	186.04	9.20	47		Feb'26
HDFC Bank ECLGS	149.96	200.00	9.20	36		Mar'26
HDFC Bank ECLGS	190.00		8.50	48	Sep'23	Aug'28
ICICI Bank	34.41	56.79	12.25	16		Jul'24
ICICI Bank	53.60	63.72	10.76	48		Mar'27

The Term Loans (excluding GECL Loans) from Indian Bank, Central Bank of India, The South Indian Bank Ltd., HDF Bank Ltd., Union Bank of India and Punjab National Bank are guaranteed by Mr B Srihari, Managing Director.

There is no delay in payment of term loan dues and interest payment as at 31.3.2023

Working capital facilities from Indian Bank Consortium (Indian Bank, Central Bank of India, The South Indian Bank Ltd, Punjab National Bank, HDFC Bank and Union Bank of India) are secured by pari passu first charge on the entire current assets of the company and pari passu second charge on all the immovable properties and plant and machineries of company (Excluding assets exclusively charged to Union Bank of India, HDFC Bank, South Indian Bank Ltd and ICICI Bank).

The Working Capital limits from Indian Bank, Central Bank of India, The South Indian Bank Ltd., HDFC Bank Ltd., Union Bank of India and Punjab National Bank are guaranteed by Mr B Srihari, Managing Director

As regards current maturities of long term borrowings refer Note No.8 - Short Term Borrowings.

There is no case of default as on the balance sheet date in repayment of loans and interest.

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ot	es forming part of Financial Statements		₹ in lakhs
	Particulars	31.03.2023	31,03,2022
5	Deferred Tax Liabilities		
	Deferred Tax Asset:		
	Amalgamation Expenses	1.86	4.03
	Provision for Gratuity	144.84	134.13
		146.70	138.16
	Deferred Tax Liability:		
	On account of Depreciation	1975.60	1988.70
	Net Deferred Tax Liabilities	1828.90	1850.53
6	Other Long Term Liabilities		
	Other Payable - Electricity Taxes payable	540.85	469.67
	DERING TO THE DESIGNATION OF STATE AND ADMINISTRATION OF COLORS (SEASON ASSESSMENT).	540.85	469.67
7	Long Term Provisions	10/20/2 (12/20/5)	70000
	Provision for Gratuity	453.89	433.30
		453.89	433.30
	Current liabilities		
8	Short Term Borrowings		
	Secured Loans repayable on Demand from Banks (Secured)	7117.44	6386.62
	From Bank (Unsecured)	1284.47	902.75
	Current maturities of long term Debt	1606.13	1498.29
		10008.04	8787.66
9	Trade Payables		
	Due to Micro, Small & Medium Enterprises	119.98	25.14
	Others	5024.12	6742.40
		5144.10	6767.54
	For ageing schedule refer note no: 1&2 in other note:	3	
10	Other Current Liabilities		
	Current maturities of finance lease obligations	51.10	20.29
	Interest accrued and due on borrowings	13.89	19.76
	Advances from Customers	54.76	149.89
	Other Payables - Expenses payable	1064.62	1216.61
	Short-Term provisions	-	
11	Provision for Employee Benefits		
8	Provision for Employee Benefits  Provision for Gratuity	63.42	45.75
	Provision for Tax (Net of Advance Tax)	0.00	97.80
	Provision for tax (Net of Advance Tax)	63.42	143.55
		05.42	140.0

		Gross	Gross Block		1	Depre	Depreciation		Net	Net Block
Description of Assets	As at 01.04,2022	Additions During the year	Sales During the year	As at 31.03.2023	Upto 31.03.2022	Forthe	Withdrawn for the Year	Upto 31.03.2023	As at 31.03.2023	As at 31.03.2022
TANGIBLE ASSETS										
1. Land	1835.55	14.11	9.29	1840.37	•	*	×	38	1840.37	1835.55
2. Building	4 939.49	129.31	00:	5 068.81	2255.61	124.93	8)	2380.54	2688.26	2 683.89
3. Machinery	18978.62	795.46	262.87	19511.21	10648.75	508.11	234.55	234.55 10922.31	8 588.90	8 329.87
4. Elec.Machinery	2431.89	23.26	00.	2 455.16	1932.72	85.98	00.	2018.70	436.45	499.17
5. Furniture & Fixtures	417.14	11.01	00:	428.16	395.45	2.11	35	397.56	30.59	21.69
6. Office Equipments	128.13	4.38	00:	132.51	104.10	5.67	χ	109.77	22.74	24.03
7. Motor Vehicles	379.66	35.25	00:	414.91	236.84	25.01	.02	261.85	153.06	142.82
8. Weighing Scale	20.25	394	03	20.25	19.24	i.	æ	19.24	1.01	1.01
9. Tools & Equipments	20.63	0.00	646	20.63	19.60	٠		19.60	1.03	1.03
	29151.36	1012.79	272.15	29891.99	15612.30	751.82	234.53	16129.58	13762.41	13539.06
INTANGIBLE ASSETS 10. Software	7.12	8	6.	7.12	7.07		65	70'2	0.05	0.05
TOTAL	29158.48	1012.79	272.15	29899.11	15619.37	751.82	234.53	16136.65	13762.46	13539.11
Previous year	29225.99	925.52	993.04	29158.48	15615.14	830.19	825.97	825.97 15619.37	13539.11	13610.85

### Notes forming part of Financial Statements

#### Non-Current Investments

nvestments in Equity Instruments (At C	Jacj				₹ in lakhs
Particulars	Face value	31.03.2023 Nos.	31.03.2022 Nos.	31.03.2023 Amount	31.03.2022 Amount
Non Trade-Quoted-Fully paid up					
Rajshree Sugars and Chemicals Ltd.	10	5 000	5 000	0.50	0.50
IDBI Bank Limited	10	14 240	14 240	11.57	11.57
Indian Bank	10	1 000	1 000	0.91	0.91
The South Indian Bank Ltd	1	4 323	4 323	0.61	0.61
Trade Investments - Quoted					
K G Denim Limited	10	30 65 183	30 65 183	423.85	423.85
Kannapiran Polymers Limited - Unquote	10	13 32 946	13 32 946	133.29	133.29
Trade Investments - Unquoted					
iEnergy Wind Farms (Theni) Private Limited1	0	700	1 500	0.07	0.15
Watsun Infrabuild Pvt Ltd	10	1 78 934	1 78 934	17,89	17.89
Arkay Energy (Rameswaram) Ltd	10	2 29 883	7 56 502	22.99	75.65
Arja Energys Pvt Ltd	10	2 50 000	2 50 000	25.00	25.00
Vishnuvimal Yarns India Pvt Ltd	10	26 000	26 000	2.60	2.60
Cotton Sourcing Company Limited	10	10 000	10 000	1.00	1.00
Nellai Renewables Private Limited	10	21 00 000	15 75 000	210.00	157.50
Non Trade Investments - Unquoted					
National Saving Certificate				0.00	0.00
Kannapiran Mills Employee's Co-op.				0.04	0.04
Stores Limited					
Investment in Partnership firm					
M/s. K G House (Madras)				7.94	7.94
				858.25	858.49
Aggregate Value of quoted investments Cost				427.42	437.43
Market Value				437,43 716.26	
				20040000000	1447.90
Aggregate amount of unquoted investments				412.88	413.12

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No	es forming part of Financial Statements		₹ in lakhs
	Particulars	31.03.2023	31.03.2022
14.	Long-Term Loans and Advances		
	(Unsecured, considered good)		
	Other Loans and Advances:		
	Advances recoverable in cash or kind, for value to be received	63.86	63.63
		63.86	63.63
15.	Other Non Current Assets		
	Long Term Trade Receivables	63.53	102.63
	TUF Subsidy Receivable	36.02	11.47
	Security Deposits	86.07	90.90
	MAT Credit Entitlement	11 79.62	12 39.01
		1365.23	14 44.01
16.	Inventories (At lower of cost or net realisable value)	(Memphorphotocon)	
	Cotton & Cotton Waste	31 29.85	51 16.75
	Yarn	5 19.16	4 70.38
	Work-in-Progress	36 75.32	22 91.62
	Finished goods -Yarn	10 44.58	11 84.73
	Finished goods -Fabrics	14 04.62	13 16.33
	Stock In Trade - Equity Shares	40.00	40.00
	Stores and Spares	2 29.38	2 53.24
	Chemicals	192.24	2 25.44
		102 35.15	108 98.49
	Refer Accounting policy AS -2 for mode of valuation		
17.	Trade Receivables		
	(Unsecured, considered good)		
	Outstanding for a period exceeding six months from due date	63.45	1 10.26
	Others	54 65.84	60 65.60
		55 29.29	61 75.87
	For ageing schedule refer note No: 3 & 4 in other notes		1
18.	Cash and Bank Balances		
	Cash and cash equivalents		
	Balances with Banks		
	In Current Account	73.97	7.21
	Cheque on hand	1.41	(5)
	Cash on hand	12.72	10.55
	Other Bank Balances		
	Deposits held as Margin money	401.02	473.28
		489.12	491.04
19.	Short-Term Loans and Advances		
	(Unsecured, Considered Good)	n ingwaterative	
	Advances recoverable in cash or in kind, or for value to be received		1711.40
	GSTReceivable	88.03	53.76
	Prepaid expenses	122.86	123.50
	Advance Taxes (Net of Provisions thereof)	36.47	0.00
		2174.89	18 88.66

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- 7.	es forming part of Financial Statements		₹ in lakhs
	Particulars	31.03.2023	31.03.2022
0.	Other current assets		
	(a) Interest accrued on Bank Deposits	5.42	6.05
	(b) Income Receivable:		
	(i) TUF Subsidy Receivable	0.00	24.55
	(ii) Duty draw back receivable	12.16	37.33
	(iii) Conversion Charges Receivable	8.25	7.06
	(iv) MEIS Premium Receivable	0.42	1.56
	(v) RODTEP Premium Receivable	44.59	2 66.1
	(vi) Other income receivable	6.96	-
	(c) Security Deposit	1 02.38	47.60
		180.18	3 90.27
1.	Revenue from operations	-	
	a) Sale of Products		
	Yarn	310 79.15	321 99.38
	Glove	5 25. 52	5 23.32
	Fabric	161 49.24	152 66.31
	Waste	2 36.04	1 20.17
		479 89.93	481 09.19
	b) Sale of Services	1110/1010101	100000000000000000000000000000000000000
	Conversion Charges-Others	6 64.97	7 28.0
	c) Other operating revenues:		
	Export Incentives	3 86.96	5 20.58
		49 04 1.86	49 357.82
2.	Other Income		
	Interest Income	33.64	23.88
	Dividend Income	0.07	0.02
	Service Income	1 83.61	-
	Rent Received	17.63	4.13
	Profit on sale of assets	82.43	.00
	Agriculture Income	.00	5.31
	Foregin Exchange (gain)-Net	95.75	1 16.23
	Miscellaneous receipts	1 53.21	69.84
		5 66.33	2 19.4
3.	Cost of materials consumed Opening Stock		
	Raw Material - Cotton & Yarn	55 48.71	35 26.62
	Waste - Cotton	38.43	21.64
	Add: Purchases - Cotton, Waste Cotton & Chemicals	318 73.70	322 84.3
		374 60.83	358 32.60
	Less : Sale of Raw material	0.29	0.00
	Less: Closing Stock	2020 27	EE 40 7
	Raw material - Cotton & Yarn & Chemicals	36 26.27	55 48.7
	Waste - Cotton	22.74	38,43
	B. (1) - (1) - (1) - (1)	338 11.54	302 45.47
	Details of Materials Consumed	200 05 70	007007
	Cotton, Waste Cotton and Yarn	322 95.78	287 20.7
	Chemicals	15 15.76	15 24.73
		338 11.54	302 45.47

W	otes forming part of Financial Statemen	เร		₹ in lakhs
	Particulars		31.03.2023	31.03.2022
4	Changes ininventory of Finished Goods and WIP Opening Stock			
	Finished Goods - Yam		22 43.85	6 89.97
	Finished Goods - Fabrics		13 16.33	11 07.66
	Finished Goods -Glove		47.77	7.03
	Work in Process		11 84.73	7 20.49
	Stock In Trade - Shares		40.00	40.00
	Closing Stock		48 32.68	2565.15
	Finished Goods - Yarn		36 65.36	22 43.85
	Finished Goods - Fabrics		14 04.62	13 16.33
	Finished Goods -Glove		9.96	47.77
	Work in Process		10 44.58	11 84.73
	Stock In Trade - Shares		40.00	40.00
			61 64.51	4832.68
	Stock (Increase) / Decrease		13 31.83	2267.53
5	Employee Benefits Expenses		800000 0000000	0.094.0000.000.000
	Salaries and Wages		43 93.16	43 00.37
	Contribution to Provident and other funds		1 79.19	1 34.99
	Gratuity Expenses		54.50	18.79
	Welfare Expenses		3 81.24	3 94.42
	Managerial Remuneration		31.17	37.30
	managena (renanelano)		50 39.26	48 85.86
6	Finance Cost		30 39.20	46 65.00
	Interest on Working Capital		9 50.85	10 16.46
	Interest on Term Loan		4 28.66	5 52.93
	Bank Charges		1 18.76	94.88
221	ALL SPANOULDS AND HALLOW		14 98.27	16 64.27
7	Other Expenses		(C) (C)	
	Consumption of Stores and Spare Parts		62.81	56.96
	Consumption of packing materials		3 59.82	3 86.79
	Repairs to Buildings		2 86.51	2 17.30
	Repairs to Machinery		10 02.11	13 40.74
	Repairs & maintenance - others		80.75	73.70
	Insurance		81.08	82.70
	Ratesand Taxes, excluding, Taxes on Income		62.71	76.26
	Accountancy and Legal charges		56.21	83.69
	Filling Fees		0.48	0.05
	Brokerage & Commission		3 96.26	4 14.95
	Selling Expenses		1 10.81	1 62.35
	Carriage Outwards		3 37.83	4 64.38
	Lease Rent		42.47	40.01
	Auditors Remuneration	202223		15000
	- For Audit Fees	5.00		5.00
	For Tax Audit Fees     For Certification Fees & Other Miscellaneous Fees	1.00	7.12	1.00 2.21 8.21
		-11.12	4.50	2.25
	Sitting Fees			
	CSR Expenses		29.57	7.80
	Processing Charges		2 19.37	3 22.18
	Travelling Expenses & Maintenance of Vehicles		3 47.85	2 37.72
	Postage Telegram & Telephone charges		91.36	67.54
	Bad Debts Written off		.00	4 61.16
	Prayer Hall Expenses		37.99	48.63
	Loss on Sale of Assets (Net)		.00	1 19.96
	Agriculture expenses		0.55	6.88
	Loss on MCX Cotton Future Trading		1.04	.00
	Miscellaneous expenses		45.69	36.46
	ппосышнеска ехренаса		36 64.85	47 18.68
			30 04.00	47 10.00

#### 28. Additional information to financial statement

- 1 Estimated amount of contracts remaining to be executed on capital accounts not provided for as on 31.03.2023: Nil (31.03.2022 ₹ 228.25 lakhs).
- 2 Future Hire Purchase charges payable as on 31.03.2023 is ₹ 11.63 lakhs. (Previous year ₹13.52 lakhs)
- 3 Income tax Assessment for the Assessment years 2022-23 and onwards pending.
- 4. Imports CIF Basis

#### a) Purchases

₹ in lakhs

Particulars	31.03.2023	31.03.2022
Raw material	1746.89	-
Spares and Components	166.32	148.78
Capital Goods	401.78	329.63

#### b) Consumption

Particulars	Imported	Indigenous	Imported	Indigenous
Raw material value	1665.12	32146,42		30125.99
As a % of Total Raw material Consumption	4.92%	95.08%		100%
Spares and Components	99.23	965.68	138.89	1258.81
As a % of Total Spares & Components	9.32%	90.68%	9.94%	90.06%

5 1)	Expenditure in Foreign Currency	31.03.2023	31.03.2022
131 04	Travelling Expenses	56.41	13.90
iii	) Earnings in Foreign Currency		
	Export of Goods FOB Basis on Direct Export	8334.27	9500.69
100	) Export through Merchant Exporters		180 X 0 400 M 1800

6 Particulars regarding investment in the capital of the partnership firm.

Name of the Firm : K G House (Madras)

Total Capital of the Firm : ₹ 16,18,400/-

Name of the Partner	Capital Contribution ₹	Share Ratio
The Kadri Mills (Cbe) Ltd*	7,93,800/-	49.0%
Sri Kannapiran Mills Ltd	7,93,800/-	49.0%
Sri Palanivel Murugan Co.	7,700/-	0.5%
Mr K Govindaswamy Naidu (deceased)	7,700/-	0.5%
Mrs G Rukmaniammal (deceased)	7,700/-	0.5%
Mrs G Seethalakshmi Ammal (deceased)	7,700/-	0.5%

<sup>\*</sup> The Kadri Mills (Cbe) Limited's (Demerged Company) Capital investment vested with M/s S.K.G.Mills Limited (Resulting company) vide NCLT, Single Bench, Chennai. Demerger order CA/B7268/CAA/2017 dated 11.12.2017

- 7 Balance of certain Creditors, Debtors, Loans and Advances given are subject to confirmation and reconciliation with the respective Parties, however in the opinion of management, there would not be any material impact on financial statements.
- 8 The segmental reporting as required under AS-17 is not applicable as the Company operates in only one segment, i.e., Textile.
- 9 AS 15 Employee Benefits.

#### A. Defined Benefit Plan

I. Principal Acutarial Assumptions	31.03.2023	31.03.2022
Discount Rate	7.50%	7.30%
Salary Escalation Rate	4.00%	4.00%
Attrition Rate	1.00%	1.00%
Expected Rate of Return on Plan Assets	0.00%	0.00%
II. Changes in the present value of the obligation (PVO) – Reconciliation of Opening and Closing Balances	Gratuity (Unfunded)	₹ in lakhs Gratuity (Unfunded)
PVO as at the beginning of the period	479.05	444.82
Interest Cost	34.95	30.22
Current Service Cost	45.77	42.91
Past Service Cost - (Non Vested Benefits)	0	0
Past Service Cost - (Vested Benefits)	0	0
Benefits Paid	-16.25	-18.79
Actuarial loss/(gain) on obligation (balancing figure)	-26.22	-20.12
PVO as at the end of the period	517.30	479.05
III. Changes in the fair value of plan assets–Reconciliation of opening and closing balances		
Fair value of the plan assets as at the beginning of the period	0	0
Expected return on plan assets	0	0
Contributions	0	0
Benefitspaid	0	0
Actuarialgain/(loss) on plan assets (balancing figure)	0	0
Fairvalue of plan assets as at the end of the period	0	0
IV. Actual return on plan assets		
Expected return on plan assets	0	0
Actuarial gain/(loss) on plan assets	0	0
V. Actuarial gain/loss recognized		
Actuarial gain/(loss) for the period - Obligation	-26.22	-20.13
Actuarial gain/(loss) on plan assets	0	0
Total gain/(Loss) for the period	-26.22	-20.13
Actuarial gain/(loss) recognized in the period	-26.22	-20.13

VI. Expenses recognized in the statement of profit and loss		₹ in lakhs
Current service cost	45.77	42.91
Interest Cost	34.95	30.23
Expected return on plan assets	0	0
Net actuarial (gain)/loss recognized in the year	-26.22	-20.13
Expenses recognized in the statement of profit and loss	54.50	53.02
VII. Movements in the liability recognized in the balance she	et	
Opening net liability	479.05	444.82
Expense as above	80.72	73.14
Contribution paid	(16.25)	(18.79)
Closing net liability	517.30	479.05

#### Note:

- i. The salary escalation considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
   ii. Gratuity is based on last drawn basic salary. The scheme takes into account each completed year of service or part thereof in excess of six months.

#### B. Defined Contribution Plan

Contribution to Provident Fund

179.18

134.99

10 AS18 - Related Party Disclosures

Particulars	Names of related parties			
Key Management Personnel	Dr G Bakthavathsalam, Director Mr B Sriramulu, Managing Director Mr B Srihari , Managing Director Mr A Velusamy, Director Mrs Vanithamani, Whole Time Director Mr R Seenivasahan, Whole Time Director Mr G Krishnakumar, Chief Financial Officer Mr K Jayaraj, Company Secretary			
2 Relatives of Key Management Personnel	Mr KG Balakrishnan, Chairman Mrs T Anandhi			
3. Subsidiary	Kannapiran Polymers Limited			
Other Related Parties	K G Denim Limited Sri Balamurugan Textile Processing Limited RND Softtech Private Limited Trigger Apparels Limited Sri Karthikeya Spinning and Weaving Mills Private Limited Danalakshmi Paper Mills Private Limited The Rajaratna Mills Private Limited RND Herbals Private Limited			

₹ in lakhs

Particulars	Subsidiary		Other Related Party*		Key Management Personnel		Relatives of Key Management Personnel	
	2023	2022	2023	2022	2023	2022	2023	2022
Purchase of Goods	0.01	0.31	103.96	287.63			100	1990
Purchase of Power			562.25	604.42	22	<u> </u>	425	223
Sale of Goods	1.83	0.08	8743.94	7111.52	44	34		***
Conversion Charges (Receipt)	S	-	24.49	141.84		-11	22.0	-
Conversion Charges (Paid)	-	-	2.42		-	-		-
Managerial Remuneration	2.2	104		- 4	90.61	94.99	.546	
Sitting Fees				3.00	-	-	0.40	0.25
Lease Rent Paid – Land/Building/Machinery	1 22		23.45	21,24	-	188	26.43	21.23
Lease Rent Received- Land/Building/Machinery	15.81	: <del>:==</del>	**	8	77:	27	-	
Asset Management Fees	102.45	(min	- 44	-	**	34	36	- 2
Services charges receipt			106.2			.55	-	-
Interest Paid on Inter corporate Deposit		0.52	17.45	-	+6	700	3##3	380
Balance Outstanding as on March 31 <sup>st</sup>							**	
Payable		**	191.78	300.00	6.95	7.01	149	-
Receivable	29.61	56.85	914.64	370.63	**	**	**	

## —— Kg Sri Kannapiran Mills Limited —

#### \* Other related party transactions

(₹ in Lakhs)

Particulars	Other Related Party			
	2022-23	2021-22		
Purchase of Goods	103.96	287.63		
KG Denim Limited	15.45	126.79		
The Rajaratna Mills Private Limited	59.07	-		
RND Herbals Private Limited	21.35	-		
Sri Balamurugan Textile Processing Limited		160.83		
Others	8.09	0.01		
Purchase of Power	562.25	604.42		
KG Denim Limited	562.25	604.42		
Sale of Goods	8743.94	7111.52		
KG Denim Limited	4461.50	2920.05		
Sri Balamurugan Textile Processing Limited	4275.41	3814.86		
Others	7.02	376.61		
Conversion Charges (Receipt)	24.59	141.84		
KG Denim Limited	24.59	141.84		
Conversion Charges (Paid)	2.42	1575		
KG Denim Limited	2.42			
Managerial Remuneration	100	-		
Sitting Fees	1 Na	22		
Lease Rent Paid - Land/Building/Machinery	23.45	21.24		
Sri Balamurugan Textile Processing Limited	21.24	21.24		
KG Denim Limited	2.21	701		
Lease Rent Received -Land/Building/Machinery		294		
Asset Management Fees	744	3744		
Services charges receipt	106.2			
RND Softtech Private Limited	106.2	-		
Interest Paid on Inter corporate Deposit	17.45	-		
RND Softtech Private Limited	17.45	-		
Balance Outstanding as on March 31st				
Payable	191.78	300		
Receivable	914.64	370.63		



#### 11 AS 19-LEASES

The Company's significant leasing arrangements are mainly in respect of Godown rent. The aggregate rentals payable on these leasing arrangements are charged as lease rent under other expenses.

₹ in lakhs

Particulars	31.03.2023	31.03.2022
Not later than one year	18.84	26.97
Later than one year but not later than five Years	-	16.50
Later than Five years	-	8-5

#### 12 AS 20 - EARNINGS PER SHARES

₹ in lakhs

Particulars Particulars	31.03.2023	31.03.2022	
Net profit after tax and adjustments	671.22	2675.54	
Weighted average No. of Equity Shares	54,19,928	54,19,928	
Basic & diluted Earnings Per Share	12.38	49.36	
(Face Value – ₹ 10/- each)			

#### 13 AS 22 - DEFERRED TAX LIABILITY

₹ in lakhs

	Opening as on 01.04.2022	Adjustments made during the year	Closing as on 31.03.2023
Deferred Tax Liability			
Depreciation	1988.70	-13.09	1975.60
Total	1988.70	-13.09	1975.60
Deferred Tax Asset			
Provision for Gratuity (Net)	134.13	10.70	144.84
Amalgamation Expenses	4.03	-2.17	1.85
Total	138.16	8.54	146.70
Net Deferred Tax Asset / (Liability)	1850.53	-21.63	1828.90

- 14 TANGEDCO, Tamil Nadu is demanding E -Tax on Maximum Demand charges and self generation Tax on units generated through windmills/D G sets. An amount of ₹ 255.36 lakhs (Previous year ₹ 225.81 lakhs) towards self-Generating Tax and ₹ 79.86 lakhs (Previous year ₹ 62.46 lakhs) towards E-tax payable on Maximum Demand. The Company has gone through TASMA (Textiles Association) for appeal and the same is pending before the Supreme court. In respect of Deemed demand benefit of ₹ 205.60 lakhs (Previous year ₹ 182.06 lakhs). TANGEDCO has gone for appeal in Madras High Court and the same is pending. These amounts are shown as liability in the books of accounts as on 31.3.23.
- 15 Electricity charges debited in Profit and loss account is net of electricity generation through wind mill of ₹ 156.26 lakhs (Previous year ₹149.46 lakhs).

 Disclosure required under Micro, Small and Medium Enterprises Development Act, 2006 (the Act) are given below: ₹ in lakhs

	Particulars	31.03.2023	31.03.2022
a)	Principal amount due Interest due on above	119.94 0.04	25.14
b)	Interest paid during the period beyond the appointed date	100	23
c)	Amount of Interest due and payable for the period of delay in making payment without adding the interest specified under the Act	25	9
d)	Amount of Interest accrued and remaining unpaid at the end of the period	8	**
e)	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to small enterprise for the purpose of disallowance as a deductible expenditure under Sec 23 of the Act.		70

17. In the opinion of the Board of Directors, assets other than fixed assets and noncurrent investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated

#### 18. Analytical Ratios

SI No		2023	2022	Variance %	Remarks
1	Current Ratio (in times)	1.13	1.16	-2	Decrease in current assets without proportionate decrease in current liabilities resulted in reduction of ratio
2	Debt Equity Ratio (in times)	0.27	0.39	-30	Repayment of Term loans resulted in reduction in ratio
3	Debt Service Coverage Ratio (in times)	1.05	2.69	-62	Decrease in profits resulted for reduction in ratio
4	Return On Equity (in percentage)	6	26	-79	Decrease in profits resulted for reductior in ratio
5	Inventory Turnover Ratio(in times)	4.64	5.69	-18	Increase in Average inventory level resulted for reduction in ratio
6	Trade Receivable Turnover Ratio(in times)	8.38	9.13	-8	Increase in Average Receivables level resulted for reduction in ratio
7	Trade Payable Turnover Ratio(in times)	5.35	5.55	-4	Decrease in purchase volume resulted for reduction in ratio
8	Net Capital Ratio (in times)	19.82	38.02	-48	Increase in Working capital volume resulted for reduction in ratio
9	Net Profit Ratio(in percentage)	1	5	-75	Decrease in selling margin resulted in reduction in ratio
10	Return on Capital Employed(in percentage)	8	21	-61	Decrease in profits resulted for reduction in ratio
11	Return on Investment(in percentage)*	5	20	-75	Decrease in profits resulted for reduction in ratio

Return on investment is computed by considering Net Profit After Tax in Numerator and investment in Property, Plant and Equipment in Denominator

#### 19.Other Regulatory Information

#### (i). Trade Payable ageing schedule as on 31.3.2023

₹ in lakhs

Particulars	Not Due	Lessthan 1 vear	1 year 2 years	2 years- 3 years	Above 3 years	Total
(i) MSME	119.98	1110 W. Cont. Cont. 1	-	-	-	119.98
(ii) Others	124.18	4886.11			13.82	5024.12
(iii) Disputed dues – MSME		*	5 <b>-</b> 91	*	¥:	-
(iv) Disputed dues - others						

#### (ii). Trade Payable ageing schedule as on 31.3.2022

₹ in lakhs

Particulars	Not Due	Less than 1 year	1 year 2 years	2 years- 3 years	Above 3 years	Total
(i) MSME	25.14	127.5	-	- 10g	- 1	25.14
(ii) Others	2210.40	4455.87	6.85	10.81	58.47	6742.40
(iii) Disputed dues - MSME		-	- 2	227	27	
(iv) Disputed dues - others		· ·	9		29	-

#### (iii). Trade Receivable ageing schedule as on 31.3.2023

₹ in lakhs

Particulars	Not Due	Less than 6 months	6mont hs 1year	1 year 2years	2 years -3 years	Above 3 years	Total
Undisputed Trade Receivable– Considered good	2274.74	3191.09	50.98	13.04	7.43	29.13	5567.84
Undisputed Trade Receivable— Considered Doubtful		525	62	26	9 <u>6</u> 9	2)	22
Disputed Trade Receivable- Considered good		( <b>1</b>	12.46	<b>5</b> 5	125	13.92	26.38
Disputed Trade Receivable- Considered Doubtful			æ	*	) <b>e</b>		-

#### (iv). Trade Receivable ageing schedule as on 31.3.2022

₹ in lakhs

Particulars	Not Due	Less than 6 months	6mont hs 1year	1 year 2years	2 years -3 years	Above 3 years	Total
Undisputed Trade Receivable– Considered good	5511.52	648.67	0.57	22.87	0.49	94.37	6278.49
Undisputed Trade Receivable – Considered Doubtful		1940	×	1541	16 <del>4</del> 0		-
Disputed Trade Receivable- Considered good			**	1.0	1826	12	2:
Disputed Trade Receivable- Considered Doubtful		3	)á	· ē	3	5	8

#### (v). Loans and advances made to Director, KMP related parties

Particulars		or advance in the noutstanding	Percentage to the total loans and advances in the nature of loan	
Promoters	-	-	-	-
	9	9	*3	
		-	-	

(vi) Disclosure regarding the discrepancies noted in the quarterly statement filed by the company with the banks (Indian Bank, The South Indian Bank, Central Bank of India, HDFC, Union Bank of India and Punjab National Bank)
₹ in lakhs

Quarter	Particulars of securities provided	Amountasper books of Accounts	Amount as reported in Quarterly returns/statement	Amount of difference
June 22	Inventories &	18079	18120	-41
September 22	Receivables	14852	14684	168
December 22		15755	15804	-49
March 23		15829	16327	-542

The difference was on account of different method of stock valuation adopted in respect of inventories and pending reconciliation of sundry debtors for the purpose of reporting in quarterly Bank statement vis-à-vis Books of accounts.

- (vii). All title deeds of immovable properties of the Company are held in the name of Company only.
- (viii). During the year, there is no Capital work in process on account of fixed assets.
- (ix). The Company has no intangible assets under development.
- (x). The Company is not holding any benami property and hence no proceeding has been initiated or pending against the company in this regard.
- (xi). The Company has not been declared as willful defaulter by any bank or financial institution during the year, as there was no over dues in working capital limits and term loans
- (xii). There is no transaction with struck off companies under section 248 of companies Act 2013 or section 560 of companies Act 1956
- (xiii). The company has created all required charges in respect of new term loan/working capital limits and also filed satisfaction of charges in respect of loans closed during the year with Registrar of Companies.
- (xiv). The company has not revalued its property, plant and equipment based on market price during the year.
- (xv). There has been no Scheme of Arrangement approved by the competent authority.
- (xvi). The Company has not made any Investment which is more than 2 layers.
- (xvii). The Company has not loaned or advanced the borrowed funds or Share Premium amount to any other persons or entities with an understanding to
  - 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)
  - b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year's disclosure/classification.

see accompanyin	g notes to the financial statement			
	of our Report of even date	Chairman DIN No : 00002174		
1.5.701.177	Firm Regd. No.000960S	(Sd/-) B Sriramulu	(Sd/-) B Srihari	
	Chartered Accountants	Managing Director	Managing Director	
	(Sd/-) CA R Mahadevan	DIN No : 00002560	DIN No : 00002556	
Coimbatore	Partner	(Sd/-) G Krishnakumar	(Sd/-) K Jayaraj	
06.07.2023	Membership No. 027497	Chief Financial Officer	Company Secretary	

#### INDEPENDENT AUDITORS' REPORT

To

The Members of SRI KANNAPIRAN MILLS LIMITED,

#### Report On the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying Consolidated Financial Statements of **SRI KANNAPIRAN MILLS LIMITED** ("the Company"), and its subsidiary together referred to as the "Group" which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss and consolidated Statement of cash flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (herein after 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, ('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, 2023, its profit and 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 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 independence requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the rules hereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion 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 Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Information other than the Consolidated Financial Statements and auditors' 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 Annexure to Board's Report, Business Responsibility Report but does not include the Consolidated Financial Statement and our auditor's report thereon.

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

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

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

#### Management's responsibility for the Consolidated Financial Statements

- A. The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the financial position and financial performance, and its 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 Consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
- B. In preparing the Consolidated financial statements, the respective board of directors of the companies are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

#### Auditor's responsibilities for the audit of the Consolidated Financial Statements

- A. 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.
- B. 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, mis-representations, 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
    Companies Act, 2013, 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 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 Company 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.
- C. 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.
- D. 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.
- E. 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:

- The consolidated audited financial statements include the financial information of the subsidiary, Kannapiran Polymers Limited. The consolidated financial statement includes, total assets of Rs. 844.51 lakhs as at March 31, 2023 and total revenues of Rs.1245.58 Lakhs for the year ended March 31,2023, total net loss after tax of Rs. 114.07 lakhs for the year ended March 31, 2023 and net cash flows of Rs. 1.52 Lakhs for the year ended March 31, 2023 in respect of this subsidiary, considered in the statement.
- The financial statements of the subsidiary Kannapiran Polymers Limited which was audited by us, and our conclusion on the statement, in so far as it relates to the amounts and disclosure included in respect of the subsidiary.

#### Report on other legal and regulatory requirements

- 1. 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;
  - 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 consolidated balance sheet, the consolidated statement of profit and loss and the consolidated statement of cash flows dealt with by this report agree with the books of account;
  - (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 as on March 31, 2023 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls refer to our separate report in "Annexure A".
- (g) With respect to other matters included in the Auditor's Report in accordance with the requirements of section 197(16) of the Companies Act, 2013, 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 Director's during the year is in accordance with the provisions of the Section 197 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 Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
  - The Company does not have any pending litigations which would impact its financial position;
  - (ii). The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - There are no amounts that are 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.
    - (d) The holding company and its subsidiaries has not declared dividend during the year.
- 2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143 (11) the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For Gopalaiyer and Subramanian Chartered Accountants FRN: 000960S

Place : Coimbatore CA. R.Mahadeva,
Date : 06.07.2023 Partner (Membership No. 027497)
(UDIN:23027497BGXPCJ8189)

#### "ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2(f) under 'Report on other legal and regulatory requirements' section of our report of the even date to the members of M/s. SRI KANNAPIRAN MILLS LIMITED on the Consolidated Financial Statements for the year ended March 31, 2023.

#### Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of section 143 of the Act.

 We have audited the internal financial controls over financial reporting of M/s SRI KANNAPIRAN MILLS LIMITED ("the Company") as of March 31, 2023 in conjunction with our audit of the consolidated financial statements of the company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

2. The respective board of directors of the company and its subsidiary company is 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 (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 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.

#### Auditors' Responsibility

- 3. Our responsibility is to express an opinion on the Company and its subsidiary 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") issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143 (10) of the Act 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 ICAI. 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 controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
- 4. 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 and its subsidiary company

#### Meaning of Internal Financial Controls Over Financial Reporting

6. 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 transaction 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 accounting principles,
  and that receipts and expenditures of the company are being made only in accordance with
  authorisation of management and directors of the company; and
- 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.

7. 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

8. In our opinion, the company and its subsidiary has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31,2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Gopalaiyer and Subramanian Chartered Accountants FRN: 000960S

CA. R.Mahadevan Partner (Membership No. 027497) (UDIN:23027497BGXPCJ8189)

Place: Coimbatore Date: 06.07.2023

Consolidated Balance Sheet as at 31st March, 2023

₹ in Lakhs

Particulars	Note No	31.03.2023	31.03.2022
# 25 may	Note No	31.03.2023	31.03.2022
EQUITY AND LIABILITIES			
Shareholders' Funds Share Capital	2	542.00	542.00
Reserves and Surplus	3	11509.91	10923.97
Minority Interest	3a	15.18	43.98
Non-Current Liabilities			
Long Term Borrowings	4	3520.17	4611.44
Deferred Tax Liabilities (Net)	5	1828.62	1849.45
Other Long Term Liabilities	6	540.85	469.67
Long Term Provisions	7	453.89	433.30
Current Liabilities			
Short Term Borrowings	8	10442.94	8808.67
Trade Payables			
(a) total outstanding dues of micro enterprises	and		
small enterprises	9	125.69	25.14
<ul><li>(b) total outstanding dues of creditors other th</li></ul>			
micro enterprises	9	5060.30	6749.69
Other current liabilities	10	1236.81	1384.26
Short-Term Provisions	11	63.42	143.55
ASSETS	TOTAL	35339.77	35985.13
Non-Current Assets			
Property, Plant & Equipment and Intangible assi	ets		
(a) Property, Plant & Equipment	12	14140.38	13539.06
(b) Intangible assets		0.18	0.05
(c) Capital work-in-progress		67.91	285.43
Non-Current Investments	13	724.96	725.20
Long-Term Loans and Advances	14	71.53	108.68
Other Non current assets	15	1365.33	1444.11
Current assets			
Inventories	16	10441.04	10983,21
Trade Receivables	17	5597.05	6175.87
Cash and Cash Equivalents	18	492.85	493.25
Short-Term Loans and Advances	19	2258.27	1840.01
Other Current Assets	20	180.26	390.27
	TOTAL	35339.77	35985.13
Significant Accounting Policies	1	-	
Additional information to financial statements	28		

see accompanying notes to the financial statements

In terms of our Report of even date For Gopalaiyer and Subramanian Firm Regd. No.000960S Chartered Accountants

(Sd/-) CA R Mahadevan

Coimbatore Partner 06.07.2023 Membership No. 027497 (Sd/-) KG Balakrishnan

Chairman DIN No : 00002174

(Sd/-) B Sriramulu Managing Director DIN No : 00002560

(Sd/-) G Krishnakumar Chief Financial Officer (Sd/-) B Srihari Managing Director DIN No : 00002556

(Sd/-) K Jayaraj Company Secretary

Consolidated Statement of Profit and loss for the Year ended 31st March, 2023 ₹ in Lakt

Particulars	Note No	31.03.2023	31.03.2022
REVENUE			
Revenue from operations	21	50284.68	49357.74
Other Income	22	464.77	219.41
Total Revenue		50749.44	49577.15
EXPENSES			
Cost of materials consumed	23	34823.25	30245.39
Purchases of stock in Trade		1020.83	1517.38
Changes in inventories of Finished Goods and Work-in-Progress	24	-1416.80	-2267.53
Power & Fuel		4286.96	3954.99
Employee Benefits Expense	25	5137.80	4885.86
Finance Costs	26	1557.06	1664.27
Depreciation		774.10	830.19
Other Expenses	27	3811.51	4723.86
Total Expenses		49994.71	45554.42
Profit Before Tax		754.73	4022.72
Tax Expense:			
Current Tax (MAT)		-220.81	-724.00
Less : MAT Credit Entitlement		1:*11	233.27
Prior Year Expenses Income (+) / Expenses	s (-)	2.39	-1.90
Deferred Tax Asset (+) / Liability (-)		20.84	-761.82
Dividend Paid on Preference Shares		,	-96.84
Profit After Tax & Appropriations		557.15	2671.44
Minority Interest Loss		-28.79	-1.03
Profit for the period		528.36	2670.40
Earnings per Equity Share			
Basic and Diluted Earnings per Share (in ₹) (Face value ₹ 10/- Per share)		9.75	49.27
Significant Accounting Policies	81		
Additional information to Financial Statements	28		

see accompanying notes to the financial statements

In terms of our Report of even date For Gopalaiyer and Subramanian Firm Regd. No.000960S

(Sd/-) CA R Mahadevan

Chartered Accountants

Coimbatore Partner 06.07.2023 Membership No. 027497 (Sd/-) KG Balakrishnan

Chairman DIN No : 00002174

(Sd/-) B Sriramulu Managing Director DIN No : 00002560

(Sd/-) G Krishnakumar Chief Financial Officer (Sd/-) B Srihari Managing Director DIN No : 00002556

(Sd/-) K Jayaraj Company Secretary

Particulars	31.03.2023	31.03.202
A. Cash Flow from Operating Activities		
Net Profit Before Tax	754.74	4022.7
Adjustments for :		
Depreciation	774.10	830.1
Loss on sale of Assets	-82.43	119.9
Interest Income	-33.70	-23.8
Dividend Income	-0.07	-0.0
Interest Paid	1555.01	1664.2
Extraordinary Items	0.00	5.10
Operating Profit before Working Capital Changes	2967.66	6618.4
(Increase)/Decrease in trade and other receivables	547.00	-2223.1
(Increase)/Decrease in inventories	542.17	-4534.5
Increase/(Decrease) in trade and other payables	-1663,14	998.5
Cash generated from operations	2393.68	859.3
Direct taxes paid	-295.69	-406.1
Extra ordinary Items	0.00	-5.1
Net Cash from Operating activities	2097.99	447.9
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-1195.64	-1210.9
Capital Advances	0.00	-45.1
Proceeds from sale of Fixed Assets	120.03	47.1
Purchase of Investment	0.00	-290.5
Sale of Investment	0.24	
Prior year expenses	2.39	-1.90
Interest received	34.32	21.8
Dividend received	0.07	0.02
Net cash used in investing activities	-1038.59	-1479.5
C. CASHFLOW FROM FINANCING ACTIVITIES		
Long Term Borrowings received	498.18	1269.7
Long Term Borrowings repaid	-1589.43	-1321.8
Short Term Borrowings	1592.34	2867.8
Interest Paid	-1560.89	-1667.6
Share Capital Account	0.00	43.3
Dividend paid on preference shares	0.00	-96.8
Net cash used in financing activities	-1059.80	1094.5
Net increase in cash and cash equivalents	-0.40	63.0
Cash and cash equivalents at beginning of the period	493.25	430.2
Cash and cash equivalents at end of the period	492.85	493.2
Components of Cash and Cash equivalents as at 31st March 2023		
Cash and Cheques on hand	14.59	11.0
in Current Account	74.60	8.89
in Deposit Account	403.66	473.2
	492.85	493.2

see accompanying notes to the financial statements

In terms of our Report of even date For Gopalaiyer and Subramanian Firm Regd. No.000960S

Chartered Accountants

Coimbatore (Sd/-) CA R Mahadevan
Partner
06.07.2023 Membership No. 027497

(Sd/-) KG Balakrishnan

Chairman DIN No : 00002174

(Sd/-) B Sriramulu (Sd/-) B Srihari
Managing Director
DIN No : 00002560 DIN No : 00002556

(Sd/-) G Krishnakumar
Chief Financial Officer (Sd/-) K Jayaraj
Company Secretary

#### 1 Significant Accounting Policies

(In the order of applicability of Accounting Standards)

#### Principles of Consolidation

The Consolidated Financial Statement relate to Sri kannapiran Mills Limited and its Subsidiary, have been prepared on a line by line basis by adding together the book values like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions as stated in Accounting Standard 21.

The subsidiary companies considered in the consolidated financial statements are

Name of the Company	Country of Incorporation	Proportion of voting power as on 31.03.2023
Kannapiran Polymers Limited	India	75%

#### AS-1 DISCLOSURE AND BASIS OF ACCOUNTING

- a) The Financial Statements have been prepared under the Historical cost convention in accordance with the provisions of the Companies Act, 2013 and accounting principles generally accepted in India and comply with the Accounting Standards as prescribed under 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, provisions of Companies Act, 2013 to the extent notified. Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy hitherto in use.
- b) The Company has been consistently following the accrual basis of accounting in respect of its Income and Expenditure.
- The Accounts are prepared on the basis of Going Concern concept only.

#### AS-2 VALUATION OF INVENTORIES

Inventories are valued at lower of cost and net realizable value, where

- a) Cost of raw materials is determined on specific identification method
- Stock of stores, spares and packing materials is determined on weighted average method.
- c) Finished goods and work in progress is determined under FIFO method where cost includes conversion and other costs incurred in bringing the inventories to their present location and condition.

#### AS-3 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, where by the profit before tax is adjusted for the effect of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. Cash and Cash equivalent include cash on hand and balances with banks in current and deposit accounts with necessary disclosure of cash and cash equivalent balances that are not available for you by the company.

#### AS-5 NET PROFIT/LOSS FOR THE PERIOD AND PRIOR PERIOD ITEMS

All items of income and expenses pertaining to the year are included in arriving at the net profit for the year unless specifically mentioned elsewhere in the financial statement or as required by Accounting Standards.

#### AS-6 DEPRECIATION ACCOUNTING

Depreciation on Fixed Assets has been provided on Straight line basis based on the balance useful lifeof the assets as prescribed in Schedule II of the Companies Act, 2013 effective from 01/04/2014. Depreciation on machinery & electrical machinery has been provided base on useful lives as applicable continuous process. In respect of additions and sales, pro rata depreciation is calculated from the date of purchase or to the date of sale as the case may be.

#### AS-9 REVENUE RECOGNITION

- a) Revenue from sale transactions is recognised as and when the property in the goods sold is transferred to the buyer for a definite consideration. Revenue from service transactions are recognised on the completion of the contract at the contracted rate and when there is no uncertainty regarding the amount of consideration or collectability.
- b) Direct Sales as reported are net of Sales Tax.
- Proceeds of export sales of yarn are accounted on the basis of credit given by our bankers.
- d) Export incentives under DEPB licence and premium on transfer of Export incentives are accounted on account hasis
- Dividend income from investments is accounted in the year in which it is actually received.
- Other incomes are accounted on accrual basis.

#### AS-10 ACCOUNTING FOR FIXED ASSETS

The cost of fixed assets is shown at historical cost less accumulated depreciation.

#### **AS-11 FOREIGN CURRENCY TRANSACTIONS**

Foreign currency transactions are recorded at the prevailing exchange rates at the time of initial recognition. Exchange differences arising on final settlement are recognized as income or expense in the profit and loss account. Outstanding balances of monetary items denominated in foreign currency are restated at closing exchange rates.

The premium or discount arising at the inception of forward exchange contracts is accounted as income or expense over the life of the contract. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense in the period in which they arise.

#### AS-13 ACCOUNTING FOR INVESTMENTS

Long term investments are stated at cost. A provision for diminution, if any, is made to recognise a decline, other than temporary, in the value of long term investments.

#### **AS-15 EMPLOYEE BENEFITS**

a) Short term employee benefits (other than termination benefits) which are payable within 12 months after the end of the period in which the employees render service are accounted on accrual basis.

#### b) Defined Contribution Plans

Company's contributions paid / payable during the year to Provident Fund, Superannuation Fund and ESIC are recognized in the profit and loss account.

#### c) Defined Benefit Plans

Company's liabilities towards gratuity is determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past services are recognized on a straight line basis over the average period until the amended benefits becomes vested. Actuarial gains or losses are recognized immediately in the statement of profit and loss account as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate

#### **AS-16 BORROWING COSTS**

Borrowing Costs that are attributable to the acquisition of construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

#### **AS-19 LEASES**

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the profit and loss account on a straight line basis over the lease term.

#### AS-20 EARNING PER SHARE

The earning considered in ascertaining the Company's earnings per share comprises of Net Profit after tax and includes post tax adjustments of prior period and extra-ordinary items.

#### AS-22 ACCOUNTING FOR TAXES ON INCOME

Deferred tax resulting from timing differences between book and tax profits is accounted under liability method at enacted or substantively enacted rate as on the balance sheet date. Deferred tax asset, other than those arising on account of unabsorbed depreciation or carried forward of losses under tax loss, are recognised and carried forward subject to consideration of prudence only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

Deferred tax asset, arising on account of unabsorbed depreciation or carried forward of losses under tax loss, are recognised and carried forward subject to consideration of prudence only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised.

Current tax is determined at the amount of tax payable in respect of estimated taxable income for the year.

#### **AS-26 INTANGIBLE ASSETS**

Software is being amortised over a period of 1-3 years depending on the licenses of the respective software.

#### AS-28 IMPAIRMENT OF ASSETS

An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired.

#### AS-29 PROVISIONS, CONTINGENT LIABILITY AND CONTINGENT ASSETS

- Provisions involving degree of estimation in measurement are recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources.
- Contingent liabilities in respect of show cause notice received are considered only when they are converted to demands. Contingent liabilities are disclosed by way of notes to accounts.
- Contingent liability under various fiscal laws includes those in respect of which the company/department is in appeal.

#### OTHERS

#### SUNDRY DEBTORS AND ADVANCES

Specific debts and advances identified as irrecoverable are written off.

#### **USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities as at the date of the financial statements and reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to the estimates is recognized prospectively.

#### Notes forming part of Consolidated Financial Statements

₹ in lakhs

	Numbers	Numbers	Amount	Amount
Particulars	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Share Capital				
Number and amount of Equity shares authorized (Face Value ₹ 10 each)	27000000	27000000	2700.00	2700.00
Number and amount of Preference Shares Authorized (Face Value ₹ 100 each)	600000	600000	600.00	600.00
Number and amount of Equity shares issued	5503024	5503024	550.30	550.30
Number of Equity shares subscribed and fully paid	5419928	5419928	541.99	541.99
Add : Forfeited Shares	<u>⊊</u>	¥	0.01	0.01
Total	5419928	5419928	542.00	542.00

Par value per Equity share (in ₹ 10 each)

#### Terms & Conditions of equtiy shares:

The Company has only one class of equity shares having a par value of ₹10 per share. Each Shareholder is eligible for one vote per share.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion of their share holding

There are no shares allotted as fully paid without payments being received in cash, bonus shares or shares bought back immediately preceding five previous years. 46401 shares were bought back by the Company during the year 2016-17. The Company has redeemed Preference shares of ₹135 lakhs during the year 2021-22 (previous year outstanding ₹135 lakhs)

otes forming part of Consolidated Financial S		₹ in Lakh
Particulars	31.03.2023	31.03.2022
3 Reserves and Surplus General Reserve		
As per last Balance Sheet	3671.00	3806.00
Less: Transfer to Capital Redemption reserve towards redemption of Preference Shares	0.00	135.00
Capital Redemption Reserve	3671.00	3671.00
As per last Balance sheet	139.64	4.64
Add: Transfer from General Reserve towards	0.00	135.00
redemption of Preference Shares	139.64	139.64
Surplus		
As per last Balance Sheet	4106.98	1434.50
Add: Transfer from Profit and Loss Statement	671.22	2675.54
Add: Share of Profit from Subsidiary	-85.28	-3.07
Closing balance	4692.92	4106.98
Revaluation Reserve As per last Balance sheet	1392.25	1392,25
Capital Reserve	1392.25	1392.25
As per last Balance sheet	1614.10	1614.10
	1614.10	1614.10
3a Minority Interest	11509.91	10923.97
Share Capital	45.01	45.01
Reserves and Surplus	-29.83	-1.03
Non Current Liabilities	15.18	43.98
4 Long Term Borrowings Secured	: <del></del> 28	- <del>5</del>
Term Loans From Banks	3264.13	4022.51
LC Liability for Capital Goods -Indian Bank Unsecured	0.00	196.61
Long term maturities of finance lease obligations Deposits:	35.12	62.32
(a) Inter Corporate Deposit	190.91	300.00
(b) Performance Deposit	30.00	30.00
	3520.17	4611.44

#### SECURITY CLAUSE AS AT 31.3.2023

Term Loans from Indian Bank amounting of ₹ 858.09 lakhs is secured by first pari passucharge a) on all immovable properties situated at 1) Sowripalayam, Coimbatore 2) Kempanaicken palayam, Annur 3) Then Tirumalai, Mettupalayam 4) Onapalayam, Coimbatore 5) leasehold rights of 32.825 acres of land at SIPCOT Industrial Growth Centre, Perundurai and Yarn processing unit at Kalapatti, Coimbatore. b) all plant and machineries including machineries and other movable assets(excluding assets exclusively charged to Union Bank of India, South Indian Bank and ICICI Bank) of Spinning units 1) Sowripalayam, Coimbatore 2) Kempanaicken palayam, Annur 3) Then Tirumalai, Mettupalayam 4 Onapalayam, Coimbatore, 5) Weaving unit at SIPCOT Industrial Growth Centre, Perundurai and Yarn processing unit at Kalapatti, Coimbatore and second pari passu charge on stock in trade and book debts of all units of Company.

Term Loan from Union Bank of India of ₹ 133.41 lakhs is secured by first charge on the Second Dyeing & Sizing line together with other equipments acquired for the Expansion Scheme by hypothecation and mortgage of leasehold rights of 32.825 acres of land at SIPCOT Industrial Growth Centre, Perundurai together with buildings and hypothecation of all plant and machinery (including equipments purchased for Effluent Treatment Project & Expansion Scheme) on first pari passu charge and pari passu second charge on the current assets of the Company

Term loan from South Indian Bank of ₹ 855.90 lakhs is secured by exclusive charge on assets acquired out of the term loan and pari-passu second charge on the entire current assets of the Company along with Indian Bank and Union Bank of India.

Term Loan from HDFC Bank of ₹ 152.10 lakhs is secured by an exclusive charge on one acre of land at Trichy Road, Coimbatore by way of equitable mortgage.

Term loan availed by subsidiary company from Union Bank of India outstanding ₹ 262.17 lakhs [PY ₹199.51 lakhs] is secured by hypothecation of machineries purchased out of bank finance and other assets created out of bank finance.

Vehicle loan availed by subsidiary company from Kotak Mahindra Bank Limted is secured by hypothecation of the vehicle purchased out of the loan.

GECL Loans availed from Indian Bank of ₹ 816.75 lakhs, Central Bank of India of ₹ 225.29 lakhs, South Indian Bank Ltd of ₹168.25 lakhs, Punjab National Bank of India of ₹ 492.87 lakhs, HDFC Bank of ₹ 478.50 lakhs and Union Bank of India of ₹ 366.34 lakhs have been secured by pari-passu first charge on the entire current assets of the Company and pari-passu second charge on entire fixed assets of the Company (Excluding assets exclusively charged to Union Bank of India, South Indian Bank Ltd and ICICI Bank).

₹ in Lakhs

Bank	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	anding on	Interest rate %	Repayment months	From	Last Installmen
conto perci	31.3.23	31.3.22	12079			155-110/155
Indian Bank TL	294.27	483.36	8.40	19		Oct'25
Indian Bank TL	563.82	829.02	7.50	26		May'25
Indian Bank Covid	9.66	125.52	7.30	1		Apr'23
Indian Bank ECLGS	489.75	653.00	8.30	36		Mar'26
Indian Bank ECLGS	327.00	327.00	9.25	48	Jan'24	Dec'27
South Indian Bank TL	855.90	431.00	9.75	54	1	Sep'27
South Indian Bank ECLGS	101.25	135.00	9.25	36		Mar'26
South Indian Bank ECLGS	67.00	67.00	9.25	48	Apr'23	Mar'27
Central Bank of India ECLGS	128.09	189.75	9.25	34	100000000000000000000000000000000000000	Jan'26
Central Bank of India ECLGS	97.20	98.00	8.25	48	Mar'24	Feb'28
Punjab National Bank- ECLGS	283.95	378.00	8.25	36		Mar'26
Punjab National Bank- ECLGS	208.92	-	8.25	48	Apr'24	Mar'28
Union Bank of India TL	133.41	287.84	8.25	7		Oct 23
Union Bank of India ECLGS	209.35	253.41	7.95	32		Nov'25
Union Bank of India ECLGS	156.99	157.00	7.85	48	Mar'24	Feb'28
HDFC Bank TL	152.10	380,10	9.85	9		Nov'23
HDFC Bank ECLGS	138.54	186.04	9.20	47		Feb'26
HDFC Bank ECLGS	149.96	200.00	9.20	36		Mar'26
HDFC Bank ECLGS	190.00		8.50	48	Sep'23	Aug'28
ICICI Bank	34.41	56.79	12.25	16	70.	Jul'24
ICICI Bank	53.60	63.72	10.76	48		Mar'27
Union Bank of India - TL	262.17	199.51	10.05	56		Dec'27

The Term Loans (excluding GECL Loans) from Indian Bank, Central Bank of India, The South Indian Bank Ltd., HDF Bank Ltd., Union Bank of India and Punjab National Bank are guaranteed by Mr B Srihari, Managing Director.

There is no delay in payment of term loan dues and interest payment as at 31.3.2023.

Working capital facilities from Indian Bank Consortium (Indian Bank, Central Bank of India, The South Indian Bank Ltd, Punjab National Bank, HDFC Bank and Union Bank of India) are secured by pari passu first charge on the entire current assets of the company and pari passu second charge on all the immovable properties and plant and machineries of company (Excluding assets exclusively charged to Union Bank of India, HDFC Bank, South Indian Bank Ltd and ICICI Bank).

The Working capital limits from Indian Bank, Central Bank of India, The South Indian Bank Ltd., HDFC Bank Ltd., Union Bank of India and Punjab National Bank are guaranteed by Mr B Srihari, Managing Director.

Working capital facilities availed by subsidiary company from Union Bank of India are secured by hypothecation of stock & book debts of the company.

As regards current maturities of long term borrowings refer Note No.8 – Short Term Borrowings.

There is no case of default as on the balance sheet date in repayment of loans and interest. M/s. Sri Kannapiran Mills Limited have given Corporate Guarantee and Mr.Govind M Padiath, Director of the Subsidiary Company has given personal guarantee to the Union Bank of India for working capital limits and term loan availed by Subsidiary Company. The aggregate value of guarantees as on 31.03.2023 was Rs 683.00 lakhs [PY ₹ 683.00 lakhs]

# —— KS Sri Kannapiran Mills Limited ——

	Particulars	31.03.2023	31.03.2022
5	Deferred tax liabilities		
	Deferred Tax Asset:		
	On account of Business Loss	23.92	1.08
	Amalgamation Expenses	1.86	4.03
	Provision for Gratuity	144.84	134.13
	Preliminary Expenses	1.08	
	CONTRACTOR	171.70	139.24
	Deferred Tax Liability:	-	
	On account of Depreciation	2000.32	1988.70
	Net Deferred Tax Liabilities	1828.62	1849.45
	Other Long Term Liabilities		
	Other Payable	540.85	469.67
		540.85	469.67
	Long Term Provisions	**************************************	
	Provision for Gratuity	453.89	433.30
		453.89	433.30
	Current liabilities		
	Short Term Borrowings		
	Secured		
	Loans repayable on Demand from Banks (Secured)	7489.75	6386.62
	From Bank (Unsecured)	1284.47	902.75
	Current maturities of long term Debt	1668.72	1519.30
		10442.94	8808.67
)	Trade Payables		
	Due to Micro, Small & Medium Enterprises	125.69	25.14
	Others	5060.30	6749.69
		5185.99	6774.84
	For ageing schedule refer note no: 1 & 2 in other notes	1	-
0	Other Current Liabilities		
STE.	Current maturities of finance lease obligations	51.10	20.29
	Interest accrued and due on borrowings	14.02	19.84
	Advances from Customers	58.76	149.89
	Other Payables	1112.92	1194.24
		1236.81	1384.26
	Short-Term Provisions		
1	Provision for Employee Benefits :		
	Provision for Gratuity	63.42	45.75
	Provision for Tax (Net of Advance Tax)	0.00	97.80



Notes forming part of Consolidated Financial Statements 12. FIXED ASSETS

			Gross Block	Sk.		Dec	Depreciation		Net	Net Block
Description of Assets	As at 01.04.2022	Additions During the year	Sales During the year	As at 31.03.2023	Upto 31.03.2022	For the Year	Withdrawn for the Year	Upto 31.03.2023	As at 31.03.2023	As at 31.03.2022
TANGIBLE ASSETS 1. Land	1 835.55	14.11	9.29	1 840.37	00	00	00:	90,	1 840.37	1 835.55
2. Building	4 939.49	163.12	00	5 102.61	2 255.61	125.91	00.	2 381.51	2 721.09	2 683.89
3. Machinery	18 978.62	1 110.57	262.87	19 826.33	10 648.75	525.04	234.55	10 939.24	8 887.09	8 329.87
4. Elec. Machinery	2 431.89	51.65	8.	2 483.54	1 932.72	88.43	0,	2 021.16	462.39	499.17
5. Furniture & Fixtures	417.14	11.13	00	428.16	395.45	2.13	00'	397.58	30.69	21.69
6. Office Equipments	128.13	7.20	90,	135.33	104.10	6.19	00.	110.29	25.04	24.03
7. Motor Vehicles	379.66	49.68	00,	429.34	236.84	26.07	02	262.92	166.41	142.82
8.Weighing Scale	20.25	1.41	0,	21.66	19.24	.07	00.	19.31	2.35	1.01
9.Tools & Equipments	20.63	4.13	00,	24.76	19.60	.24	00:	19.83	4.93	1.03
10. Work in Progress	00	67.91	00.	67.91	00	00	00.	00.	67.91	285.43
	29151.36	1480.91	272.15	30360.00	15612.30	774.08	234.53	16151.85	14208.29	13824.49
INTANGIBLE ASSETS 10. Software	7.12	.15	00.	7.27	7.07	.02	00.	7.09	.18	.05
TOTAL	29158.48	1481.06	272.15	30367.27	15619.37	774.10	234.53	16158.94	14208.47	13824.54
Previous year	29511.42	925.52	993.04	29443.91	15615.14	830.19	825.97	15619.37	13824.54	13610.85

Note: Office furniture Cost includesRs.78,39,677 towards cost of Jewels, Golden Charriot, and Thoobasthambam of Prayer Hall Then Thirumalai

## -KS Sri Kannapiran Mills Limited ———

### Notes forming part of Consolidated Financial Statements

Non-Current Investments

Particulars	Face value	31.03.2023 Nos.	31.03.2022 Nos.	31.03.2023 Amount	31.03.2022 Amount
Non Trade- Quoted-Fully paid up					
Rajshree Sugars and Chemicals Ltd.	10	5 000	5 000	0.50	0,50
IDBI Bank Limited	10	14 240	14 240	11.57	11.57
Indian Bank	10	1 000	1 000	0.91	0.91
The South Indian Bank Ltd	1	4 323	4 323	0.61	0.61
Trade Investments - Quoted					
K G Denim Limited	10	30 65 183	30 65 183	423.85	423.85
Trade Investments - Unquoted					
iEnergy Wind Farms (Theni) Private Limited	10	700	1 500	0.07	0.15
Watsun Infrabuild Pvt Ltd	10	1 78 934	1 78 934	17.89	17.89
Arkay Energy (Rameswaram) Ltd	10	2 29 883	7 56 502	22.99	75.65
Arja Energys Pvt Ltd	10	2 50 000	2 50 000	25.00	25.00
Vishnuvimal Yarns India Pvt Ltd	10	26 000	26 000	2.60	2.60
Cotton Sourcing Company Limited	10	10 000	10 000	1.00	1.00
Nellai Renewables Private Limited	10	21 00 000	15 75 000	210.00	157.50
Non Trade Investments - Unquoted					
Kannapiran Mills Employee's Co-op. Stores Limited				0.04	0.04
Investment in Partnership Firm					
M/s. K G House (Madras)				7.94	7.94
Aggregate Value of quoted investments				724.96	725.20
Cost				437.43	437.43
Market Value				1447.90	856.92
Aggregate amount of unquoted investments				279.55	279.79

## 

••••	otes forming part of Consolidated Financial Statemen		₹ in Lakh
	Particulars	31.03.2023	31.03.2022
4	Long-Term Loans and Advances		
	(Unsecured, considered good)		
	Other Loans and Advances :		
	Advances recoverable in cash or kind, for value to be	74.50	4.00.00
	received	71.53	1 08.68
ı	Other Non Current Assets	71.53	1 08.68
3	Long Term Trade Receivables	63.53	102.63
	TUF Subsidy Receivable	36.02	11.47
	Security Deposits	86.17	91.00
	MAT Credit Entitlement	1179.62	12 39.01
	WIAT Great Emilienent		
		13 65.33	14 44.11
6	Inventories (At lower of cost or net realisable value)		
	Cotton & Cotton Waste	31 29.85	51 96.45
	Yam	5 19.16	4 70.38
	Pet Bottles	1 02.95	¥4
	Work-in-progress	10 44.59	11 84 73
	Finished goods -Yarn	36 75.32	22 91.62
	Finished goods -Fabrics	14 04.62	13 16.33
	Finished goods - Pet Flakes	46.85	-
	Pet waste	38.12	- TO
	Stock In Trade -Equity shares	40.00	40.00
	Stores and spares	2 47.36	2 58.26
	Chemicals	1 92.24	2 25.44
	Refer Accounting policy AS -2 for mode of valuation	104 41.04	109 83.21
7	/ BANKS SAMES AND SAME AND		
	(Unsecured, considered good)		
	Outstanding for a period exceeding six months from the due date	63.45	1 10.26
	Others	55 33.60	60 65,60
	FOR COMMON CONTRACTOR OF STATE	55 97.05	61 75.87
	For ageing schedule refer note No: 3 & 4 in other notes		
8	Cash and Bank Balances		
	Cash and cash equivalents		
	Balances with Banks		
	In Current Account	74.60	8.89
	Cheque on hand	1.41	
	Cash on hand	13.17	11.08
	Other Bank Balances		
	Deposits held as Margin money	4 03.66	4 73.28
_	20 52 7 000	4 92.85	4 93.25
9	Short-Term Loans and Advances		
	(Unsecured, Considered Good)		
	Advances recoverable in cash or in kind, or for value to	19 32.33	16 62.74
	be received		
	GST Receivable	1 62.13	53.76
	Prepaid expenses	1 25.62	1 23.50
	Advance Taxes ( Net of Provisions thereof )	38.19	-
		22 58.27	18 40.01

## 

14	otes forming part of Consolidated Fir		₹ in Lakh
	Particulars	31.03.2023	31.03.2022
20	Other Current Assets		
	(a) Interest accrued on Bank Deposits	5.42	6.05
	(b) Income Receivable:		
	(i) TUF Subsidy Receivable	0.00	24.55
	(ii) Duty draw back receivable	12.16	37.33
	(iii) Conversion Charges Receivable	8.25	7.06
	(iv) MEIS Premium Receivable	0.42	1.56
	(v) RODTEP Premium Receivable	44.59	2 66.12
	(vi) Other income receivable	7.04	
	(c) Security Deposit	1 02.38	47.60
		1 80.26	3 90.27
21	Revenue from operations	<u>-</u> -	
	a) Sale of Products Yam	310 79.15	321 99.30
	Glove	5 25.52	5 23.32
	Fabric	161 49.24	152 66.31
	Waste	2 91.94	
	9 TO TO THE STATE OF THE STATE		1 20.17
	Pet flakes	11 86.91	1 <del>4</del>
	20200 22 2	492 32.76	481 09.11
	b) Sale of Services		
	Conversion Charges -Others	6 64.96	7 28.08
	c) Other operating revenues:		
	Export Incentives	3 86.96	5 20.55
		500.04.00	400 57 74
22	Other Income	502 84.68	493 57.74
22	Interest Income	33.70	23.88
	Dividend Income	0.07	0.02
	Service Income	93.41	
			4.40
	Rent Received	5.23	4.13
	Profit on sale of assets	82.43	0.00
	Agriculture Income	0.00	5.31
	Foregin Exchange (gain) -Net	95.75	1 16.23
	Miscellaneous receipts	1 54.19	69.84
		4 64.77	2 19.41
23	Cost of materials consumed		
૿ૼૻ	Opening Stock		
	Raw material	56 28.41	35 26.62
	Waste	38.43	21.64
	Add : Purchases	329 59.99	322 84.27
		386 26.83	358 32.53
	Loop - pole of Powmotorial		-
	Less ; sale of Rawmaterial Less: Closing Stock	51.62	
	[[[[전경기 및 기기 및 기기 및 []] [[[[[] 기기 등 기기 등 지원 및 기기 등 기기 기	26 26 27	SE 40 74
	Raw material - Cotton & Yarn	36 26.27	55 48.71
	Waste - Cotton	22.74	38.43
	PET Bottles	1 02.95	000 15 55
		348 23.25	302 45.39
	Details of Materials Consumed		
	Cotton, Waste Cotton and Yam	322 95.78	287 20.66
	Chemicals	15 15.76	15 24.73
	Pet Bottles	10 11.72	
		348 23.25	302 45.39

## —— KS Sri Kannapiran Mills Limited ——

otes forming part of Consolidated Financia		₹ in Lakhs
Particulars	31.03.2023	31.03.2022
24 Changes in inventory of Finished Goods and WIP		
Opening Stock		
Finished Goods - Yarn	22 43.85	6 89.97
Finished Goods - Fabrics	13 16.33	11 07.66
Finished Goods - Glove	47.77	7.03
Work in Process	11 84.73	7 20.49
Stock In Trade -Shares	40.00	40.00
THE RESIDENCE OF THE PROPERTY.	48 32.68	25 65.15
Closing Stock		
Finished Goods - Yarn	36 65.36	22 43.85
Finished Goods - Fabrics	14 04.62	13 16.33
Finished Goods - Glove	9.96	47.77
Work in Process	10 44.58	11 84.73
Stock In Trade -Shares	40.00	40.00
Pet flakes & waste	84.97	
5t1-0	62 49.48	48 32.68
Stock (Increase) / Decrease	14 16.80	22 67.53
25 Employee Benefits Expenses		
Salaries and wages	44 79.01	43 00.37
Contribution to provident and other funds	1 81.93	1 34.99
Gratuity Expenses	54.50	18.79
Welfare expenses	3 83.19	3 94.42
Managerial Remuneration	39.17	37.30
	51 37.80	48 85.86
26 Finance Cost		
Interest on Working Capital	9 78.36	10 16.46
Interest on Term Loan	4 57.90	5 52.93
Bank Charges	1 20.80	94.88
8 <u>7</u> 8	15 57.06	16 64.27

## 

		otes forming part of Consolidated Financial Statements	
_	Particulars	31.03.2023	31.03.2022
7	Other Expenses		
	Consumption of Stores and Spare Parts	84.50	56.96
	Consumption of packing materials	3 70.15	3 86.79
	Repairs to Buildings	2 88.80	2 17.30
	Repairs to Machinery	10 29.72	13 40.74
	Repairs & Maintenance - Others	80.79	73.69
	Insurance	83.65	82.70
	Rates and Taxes, excluding, Taxes on Income	63.35	76.26
	Accountancy and Legal charges	56.76	83.69
	Filling Fees	0.95	0.05
	Brokerage & Commission	3 97.88	4 14.97
	Selling Expenses	1 10.84	1 62.35
	Carriage Outwards	4 00.66	4 64.38
	Lease Rent	42.47	40.01
	Auditors Remuneration		
	- For Audit Fees	5.60	5.00
	- For Tax Audit Fees	1.00	1.00
	- For Certification Fees & Other Miscellaneous Fees	1.33	2.21
	Sitting Fees	4.50	2,25
	C S R Expenses	29.57	7.80
	Processing Charges	2 19.37	3 22.18
	Travelling Expenses & Maintenance of Vehicles	3 60.94	2 37.72
	Postage Telegram & Telephone charges	91.76	67.54
	Bad Debts Written off		4 61.16
	Prayer Hall Expenses	37.99	48.63
	Loss on Sale of Assets (Net)	-	1 19.96
	Agriculture expenses	0.55	6.88
	Loss on MCX Cotton Future Trading	1.04	20
	Miscellaneous expenses	47.36	41.64

#### 28. Additional information to Consolidated Financial Statement

- 1 Estimated amount of contracts remaining to be executed on capital accounts not provided for as on 31.03.2023 is ₹ 7.67 lakhs (Advance Paid ₹7.67 lakhs) (31.03.2022 ₹ 228.25 lakhs).
- 2 Future Hire Purchase charges payable as on 31.03.2023 is ₹ 17.03 lakhs. (Previous year ₹ 13.52 lakhs)
- 3 Income tax Assessment for the Assessment years 2022-23 and onwards pending

### Imports - CIF Basis

#### a) Purchases

₹ in Lakhs

Particulars	31.03.2023	31.03.2022
Raw material	1746.89	
Spares and Components	166.32	148.78
Capital Goods	401.78	329.63

#### b) Consumption

Particulars	Imported	Indigenous	Imported	Indigenous
Raw material value	1665.12	32146.42	72	30125.99
As a % of Total Raw material Consumption	4.92%	95.08%		100%
Spares and Components	99.23	965.68	138.89	1258.81
As a % of Total Spares & Components	9.32%	90.68%	9,94%	90.06%

i) Expenditure in Foreign Currency

31.03.2023	31.03.2022	Travelling Expenses	56.41	13.90	
ii) Earnings in Foreign Currency	Export of Goods FOB Basis on Direct Export	8334.27	9500.69		
iii) Export through Merchant Exporters	- - - -				

6 Particulars regarding investment in the capital of the partnership firm.

Name of the Firm : K G House (Madras)

Total Capital of the Firm : ₹ 16,18,400/-

Name of the Partner	Capital Contribution (₹)	Share Ratio
The Kadri Mills (Cbe) Ltd *	7,93,800/-	49.0%
Sri Kannapiran Mills Ltd	7,93,800/-	49.0%
Sri Palanivel Murugan Co.	7,700/-	0.5%
Mr K Govindaswamy Naidu (deceased)	7,700/-	0.5%
Mrs G Rukmaniammal (deceased)	7,700/-	0.5%
Mrs G Seethalakshmi Ammal (deceased)	7,700/-	0.5%

<sup>\*</sup> The Kadri Mills (Cbe) Limited's (Demerged Company) Capital investment vested with M/s S.K.G.Mills Limited (Resulting company) vide NCLT, Single Bench, Chennai. Demerger order CA/B7268/CAA/2017 dated 11.12.2017

- 7 Balance of certain Creditors, Debtors, Loans and Advances given are subject to confirmation and reconciliation with the respective Parties, however in the opinion of management, there would not be any material impact on financial statements.
- 8 The segmental reporting as required under AS-17 for the Consolidated Statement is not applicable as the revenue of Subsidiary Company is less than 10% total revenue.

#### 9 AS 15 Employee Benefits

#### A. Defined Benefit Plan

I. Principal Acutarial Assumptions	31.03.2023	31.03.2022
Discount Rate	7.50%	7.30%
Salary Escalation Rate	4.00%	4.00%
Attrition Rate	1.00%	1.00%
Expected Rate of Return on Plan Assets	0.00%	0.00%
II. Changes in the Present Value of the Obligation (PVO) Reconciliation of Opening and Closing Balances	Gratuity (Unfunded)	₹ in Lakhs Gratuity (Unfunded)
PVO as at the beginning of the period	479.05	444.82
Interest Cost	34.95	30.22
Current Service Cost	45.77	42.91
Past Service Cost - (Non Vested Benefits)	o	0
Past Service Cost - ( Vested Benefits)	0	0
Benefits Paid	-16.25	-18.79
Actuarial loss / (gain) on obligation (balancing figure)	-26.22	-20.12
PVO as at the end of the period	517.30	479.05
III. Changes in the fair value of plan assets – Reconciliation of opening and closing balances		
Fair value of the plan assets as at the beginning of the period	0	0
Expected return on plan assets	0	0
Contributions	0	0
Benefits paid	0	0
Actuarial gain / (loss) on plan assets (balancing figure)	0	0
Fair value of plan assets as at the end of the period	0	0
IV. Actual return on plan assets		
Expected return on plan assets	0	0
Actuarial gain / (loss) on plan assets	0	0
V. Actuarial gain / loss recognized		
Actuarial gain/(loss) for the period - Obligation	-26.22	-20.13
Actuarial gain / (loss) on plan assets	0	0
Total gain / (Loss) for the period	-26.22	-20.13
Actuarial gain / (loss) recognized in the period	-26.22	-20.13

VI. Expenses recognized in the statement of profit and loss		₹ in Lakhs
Current service cost	45.77	42.91
Interest Cost	34.95	30.23
Expected return on plan assets	0	0
Net actuarial (gain)/loss recognized in the year	-26.22	-20.13
Expenses recognized in the statement of profit and loss	54.50	53.02
VII. Movements in the liability recognized in the balance she	et	
Opening net liability	479.05	444.82
Expense as above	0.72	73.14
Contribution paid	(16.25)	(18.79)
Closing net liability	517.30	479.05

#### Note:

Receivable

- The salary escalation considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
- Gratuity is based on last drawn basic salary. The scheme takes into account each completed year of service or part thereof in excess of six months.

### B. Defined Contribution Plan Contribution to Provident Fund ₹ in Lakhs 179.63 134.99

#### 10 AS 18 - Related Party Disclosures

Particulars	Names of related parties
Key Management Personnel	Dr G Bakthavathsalam, Director Mr B Sriramulu, Managing Director Mr B Srihari , Managing Director Mr A Velusamy, Director Mrs Vanithamani, Whole Time Director Mr R Seenivasahan, Whole Time Director Mr G Kristnakumar, Chief Financial Officer Mr K Jayaraj, Company Secretary
2 Relatives of Key Management Personnel	Mr KG Balakrishnan, Chairman Mrs T Anandhi
3. Subsidiary	Kannapiran Polymers Limited
Other Related Parties	K G Denim Limited Sri Balamurugan Textile Processing Limited RND Softlech Private Limited Trigger Apparels Limited Sri Karthikeya Spinning and Weaving Mills Private Limited Danalakshmi Paper Mills Private Limited The Rajaretna Mills Private Limited RND Herbals Private Limited

Particulars	Other Rela	ted Party *	Key Mar Perso	agement innel	Relatives Management	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Purchase of Goods	103.96	287.63	20	3.25	2	2
Purchase of Power	562.25	604.42	(40)	-		-
Sale of Goods	8743.94	7111.52	1993		8	7.0
Conversion Charges (Receipt)	24.49	141.84	120			- C-
Conversion Charges (Paid)	2.42	2	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		. □ ₽ I	20
Managerial Remuneration	-	-	90.61	94.99		- 1
Sitting Fees	18	-	(22)	7E3	0.4	0.25
Lease Rent Paid – Land/Building/Machinery	23.45	21.24	3477	144	26.43	21.23
Lease Rent Received- Land/Building/Machinery	- 44	-	(47	***		241
Asset Management Fees		-		**	+	040
Services charges receipt	106.2	22	-			**
Interest Paid on Inter corporate Deposit	17.45	15	(75)			77.1
Balance Outstanding as on March 31"	to the superior		187		77	#Z0
Payable	191.78	300.00	6.95	7.01	92	3-2-5

914.64

#### \* Other related party transactions

₹ in Lakhs

Particulars	articulars Other Related	
	2022-23	2021-22
Purchase of Goods	103.96	287.63
KG Denim Limited	15.45	126.79
The Rajaratna Mills Private Limited	59.07	1000000
RND Herbals Private Limited	21.35	-
Sri Balamurugan Textile Processing Limited	<u>-</u>	160.83
Others	8.09	0.01
Purchase of Power	562.25	604.42
KG Denim Limited	562.25	604,42
Sale of Goods	8743.94	7111.52
KG Denim Limited	4461.50	2920.05
Sri Balamurugan Textile Processing Limited	4275,41	3814.86
Others	7.02	376.61
Conversion Charges (Receipt)	24.59	141.84
KG Denim Limited	24.59	141.84
Conversion Charges (Paid)	2.42	
KG Denim Limited	2.42	
Managerial Remuneration	-	-
Sitting Fees	72	-00
Lease Rent Paid - Land/Building/Machinery	23.45	21.24
Sri Balamurugan Textile Processing Private Limited	21.24	21.24
KG Denim Limited	2.21	-
Lease Rent Received – Land/Building/Machinery	255	855
Asset Management Fees		(100
Services charges receipt	106.2	100
RND Softtech Private Limited	106.2	(C)
Interest Paid on Inter corporate Deposit	17.45	- 1
RND Softtech Private Limited	17.45	20-7
Balance Outstanding as on March 31"		
Payable	191.78	300.00
Receivable	914.64	370.63

#### 11 AS 19 - LEASES

The Company's significant leasing arrangements are mainly in respect of Godown rent. The aggregate rentals payable on these leasing arrangements are charged as lease rent under other expenses.

₹ in Lakhs

Particulars	31.03.2023	31.03.2022
Not later than one year	18.84	26.97
Later than one year but not later than five Years		16.50
Later than Five years		1000

#### 12 AS 20-EARNINGS PER SHARES

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Net profit after tax and adjustments	528.36	2670.40
Weighted average No. of Equity Shares	54,19,928	54,19,928
Basic & diluted Earnings Per Share (Face Value - ₹ 10/- each)	9.75	49.27

#### 13 AS 22- DEFERRED TAX LIABILITY

₹ in Lakhs

Particulars	Opening as on 01.04.2022	Adjustments made during the year	Closing as on 31.03.2023
Deferred Tax Liability			
Depreciation	1988.70	-11.63	2000.33
Total	1988.70	-11.63	2000.33
Deferred Tax Asset			
Provision for Gratuity (Net)	134.13	10.70	144.84
Amalgamation Expenses	4.03	-2.17	1.86
Preliminary Expenses	1.08		1.08
On account of Loses	-	23.92	23.92
Total	139.24	32.46	171.70
Net Deferred Tax Asset / (Liability)	1849.45	-20.83	1828.63

- 14 TANGEDCO, Tamil Nadu is demanding E -Tax on Maximum Demand charges and self-generation Tax on units generated through windmills/D G sets. An amount of ₹ 255.36 lakhs (Previous year ₹ 225.81 lakhs) towards self-Generating Tax and ₹ 79.86 lakhs (Previous year ₹ 62.46 lakhs) towards E-tax payable on Maximum Demand. The Company has gone through TASMA (Textiles Association) for appeal and the same is pending before the Supreme court. In respect of Deemed demand benefit of ₹ 205.60 lakhs (Previous year ₹ 182.06 lakhs). TANGEDCO has gone for appeal in Madras High court and the same is pending. These amounts are shown as liability in the books of accounts as on 31.3.23.
- 15 Electricity charges debited in Profit and loss account is net of electricity generation through wind mill of ₹156.26 lakhs (Previous year ₹ 149.46 lakhs).

16 Disclosure required under Micro, Small and Medium Enterprises Development Act, 2006(the Act) are given below: ₹ in Lakhs

	Particulars	31.03.2023	31.03.2022
a)	Principal amount due	125.65	25.14
	Interest due on above	0.04	
b)	Interest paid during the period beyond the appointed date	*	*8
c)	Amount of Interest due and payable for the period of delay in making payment without adding the interest specified under the Act	*	80
d)	Amount of Interest accrued and remaining unpaid at the end of the period	*	8
e)	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to small enterprise for the purpose of disallowance as a deductible expenditure under Sec 23 of the Act.	2	25

17. In the opinion of the Board of Directors, assets other than fixed assets and noncurrent investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

#### 18. Other Regulatory Information

(i) Trade Payable ageing schedule as on 31.3.2023

₹ in Lakhs

Particulars	Not Due	Lessthan 1 year	1 year 2 years	2 years - 3 years	Above 3 years	Total
(i) MSME	125.69		- 63			125.69
(ii) Others	160.28	4886.19			13.82	5060.30
(iii) Disputed dues – MSME			0.0			1.50
(iv) Disputed dues - others		9	898	-	8	(6)

(ii) Trade Payable ageing schedule as on 31.3.2022

	Lak	

the second of the second of the second	acid transmission to the second trans-	the same to be transferred at the				unitio
Particulars	Not Due	Less than 1 year	1 year 2 years	2 years - 3 years	Above 3 years	Total
(i) MSME	25.14			2		25.14
(ii) Others	2217.69	4455.87	6.85	10.81	58.47	6749.69
(iii) Disputed dues – MSME		34	*	*	-	
(iv) Disputed dues - others	Ï	3	-	8	-	3

(iii) Trade Receivable ageing schedule as on 31.3.2023

#### ₹ in Lakhs

Particulars	Not Due	Less than 6 months	6mon ths 1 year	1 year - 2 years	2 years - 3 years	Above 3 years	Total
Undisputed Trade Receivable – considered good	2338.60	3179.38	66.61	13.04	7.43	29.14	5634.20
Undisputed Trade Receivable – considered Doubtful		21	828	2	2	7527	72
Disputed Trade Receivable- Considered good			12.46	-5		13,92	26,38
Disputed Trade Receivable- Considered Doubtful		125	\$#E	40		(*)	94

(iv) Trade Receivable ageing schedule as on 31.3.2022

#### (₹ in Lakhs)

Particulars	Not Due	Less than 6 months	6months - 1 year	1 year - 2 years	2year s-3 years	Above 3 years	Total
Undisputed Trade Receivable – considered good	5511.52	648.67	0.57	22.87	0.49	94.37	6278.49
Undisputed Trade Receivable – considered Doubtful		8	181	18	-	135	
Disputed Trade Receivable - Considered good		ž.		3	2	126	•
Disputed Trade Receivable - Considered Doubtful					*:	1-	

(v) Capital Work-in-progress ageing schedule as on 31.03.2023

#### ₹ in Lakhs

(+) Ouplied From	can brodiess ageing	acricanic as of	101.00.E0E0		/ III Lakiis
Particulars	An	nount of Capital	Work-in-progress	for a period of	
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	67.91	Nil	Nil	Nif	67.91
Projects temporarily suspended	Nil	Nil	Nil	Nii	Nil

(vi) Capital Work-in-progress ageing schedule as on 31.03.2022

₹ in Lakhs

Particulars	Amount	of Capital Work-i	n- progress for a	period of	
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	285.43	Nil	Nil	Nil	285.43
Projects temporarily suspended	Nil	Nil	Nil	Nil	Nii

(vii) Loans and advances made to Director, KMP related parties

Particulars	Amount of Loan o nature of loan		Percentage to the advances in the	
Promoters		4		
	2	120	0.	72
	2	100	29	

(vi) Disclosure regarding the discrepancies noted in the quarterly statement filed by the company with the banks (Indian Bank, The South Indian Bank, Central Bank of India, HDFC, Union Bank of India and Punjab National Bank)

Quarter	Particulars of securities provided	Amount as per books of Accounts	Amount as reported in Quarterly returns/statement	Amount of difference
June 22	Inventories &	18079	18120	-41
September 22	Receivables	14852	14684	168
December 22		15755	15804	-49
March 23		15829	16327	-542

The difference was on account of different method of stock valuation adopted in respect of inventories and pending reconciliation of sundry debtors for the purpose of reporting in quarterly Bank statement vis-ă-vis Books of accounts.

- (ix) All title deeds of immovable properties of the Company are held in the name of Company only.
- (x) The Company has no intangible assets under development.
- (xi) The Company is not holding any benami property and hence no proceeding has been initiated or pending against the company in this regard.
- (xii) The Company has not been declared as willful defaulter by any bank or financial institution during the year, as there was no over dues in working capital limits and term loans
- (xiii) There is no transaction with struck off companies under section 248 of companies Act 2013 or section 560 of companies Act 1956
- (xiv) The company has created all required charges in respect of new term loan/working capital limits and also filed satisfaction of charges in respect of loans closed during the year with Registrar of Companies.
- (xv) The company has not revalued its property, plant and equipment based on market price during the year.
- (xvi) There has been no Scheme of Arrangement approved by the competent authority.
- (xvii) The Company has not made any Investment which is more than 2 layers.
- (xviii) The Company has not loaned or advanced the borrowed funds or Share Premium amount to any other persons or entities with an understanding to
  - (a) 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)
  - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year's disclosure/classification.
- For all other Common notes forming part of Consolidated Financial Statements, the Notes of Holding Company Sri Kannapiran Mills may be referred.

see accompanying notes to the financial statements (Sd/-) KG Balakrishnan Chairman In terms of our Report of even date DIN No: 00002174 For Gopalaiyer and Subramanian (Sd/-) B Sriramulu (Sd/-) B Srihari Firm Regd. No.000960S Managing Director Managing Director Chartered Accountants DIN No : 00002560 DIN No: 00002556 (Sd/-) CA R Mahadevan Coimbatore (Sd/-) G Krishnakumar (Sd/-) K Jayaraj Partner Chief Financial Officer Membership No. 027497 Company Secretary 06.07.2023

## - Kg Sri Kannapiran Mills Limited ———

			For the ye	For the year ended March 31	arch 31					
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenue from Operations	17476.40	18284.56	16692.17	17613.04	18971.62	30326.95	30234.21	25194.09	49357.82	49041.86
Other Income	181.62	250.38	242.51	229.3	170.44	604.03	312.02	294.08	219.41	566.33
Total Revenue	17658.02	18534.94	16934,68	17842.34	19142.06	30930.98	30546.23	25488,17	49577,23	49608.19
Profit Before Interest and Depreciation	1749.84	2307.73	2455.79	2327.05	2364.28	3378.21	2754.82	2844.92	6522.38	3118.09
Financial Charges	1076.92	1193.51	1038.07	853.40	762.24	1762.44	1891.03	1766.86	1664.27	1498.27
Depreciation	628.19	434.65	442.21	455.70	461.26	849,75	781.75	757.83	830.19	751.82
Profit Before Taxation	44.73	679.57	975.51	1017.95	1140.78	766.02	82.04	320.23	4027.92	868.00
Profit After Taxation	44.73	679.57	970.86	999.16	877.73	766.02	-46.30	228.36	2675.54	671.22
Gross Fixed Assets	15886.88	16491.08	16615.07	16388.28	17326.31	29196.17	29211.08	29225.99	29158,48	29899.11
Net Fixed Assets	6369.42	7066.48	6998.68	7010.37	7529.54	14736.76	14154,04	13610.85	13539.11	13762.46
Share Capital	368.30	368.30	368.30	363.66	363.66	677.00	677.00	677.00	542.00	542.00
Reserves and Surplus	2576.59	3018.22	3689.14	4377.99	5184.64	8069.43	8023.14	8251.50	10927.03	11598.25
Long Term Borrowings	4346.68	3932.57	2974.96	2412.00	2033.82	5127.38	4027.92	6164.83	5920.01	4730.93