



**SUPER SALES INDIA LIMITED**

---

**COIMBATORE**

**42ND ANNUAL REPORT 2023 - 24**

# SUPER SALES INDIA LIMITED

CIN : L17111TZ1981PLC001109

Regd. Office: 34-A, Kamaraj Road, Coimbatore - 641 018.

Phone : 0422-2222404 - 405 FAX : 0422-2221427

Email : [ssil@vaamaa.com](mailto:ssil@vaamaa.com)

Website : [www.supersales.co.in](http://www.supersales.co.in)

## **BOARD OF DIRECTORS**

Sri. Sanjay Jayavarthanavelu (Chairman) - DIN 00004505  
Sri. Ravi Sam - DIN 00007465  
Sri. S. Venkataraman- DIN 02538050  
Smt. Vijayalakshmi Narendra - DIN 00412374  
Sri. B. Lakshmi Narayana - DIN 00504396  
Smt. Chitra Venkataraman - DIN 07044099  
Ms. Shivali Jayavarthanavelu - DIN 07441741  
Sri. Gopinath Bala - DIN 01645781  
Sri. G. Mani (Managing Director) - DIN 08252847

## **CHIEF FINANCIAL OFFICER**

Sri. S. Ravindran (upto 4<sup>th</sup> March, 2024)  
Sri. C. V. Venkatesh (w.e.f. 5<sup>th</sup> March, 2024)

## **COMPANY SECRETARY**

Sri. S. K. Radhakrishnan

## **AUDITORS**

Statutory Auditors  
M/s. Subbachar & Srinivasan  
Chartered Accountants

Secretarial Auditor  
Sri. M.R.L. Narasimha  
Practising Company Secretary

Cost Auditor  
Sri. G. Sivagurunathan  
Cost Accountant

## **BANKERS**

Indian Overseas Bank  
Indian Bank  
IDBI Bank Limited

## **REGISTRARS AND SHARE TRANSFER AGENTS**

Link Intime India Private Limited,  
"Surya" 35, May flower Avenue,  
Behind Senthil Nagar,  
Sowripalayam Road,  
Coimbatore – 641028.

## **CONTENTS**

## **Page No.**

Notice	...	01
Director's Report	...	23
Management Discussion & Analysis Report	...	41
Corporate Governance Report	...	45
Auditor's Report	...	59
Balance Sheet	...	74
Statement of Profit and Loss	...	76
Cash Flow Statement	...	79
Significant Accounting Policies	...	80
Notes to Financial Statements	...	93

**SUPER SALES INDIA LIMITED**

CIN : L17111TZ1981PLC001109

Regd. Office: 34-A, Kamaraj Road, Coimbatore - 641 018.

Phone : 0422 - 2222404 - 405, FAX : 0422 - 2221427

Email : [ssil@vaamaa.com](mailto:ssil@vaamaa.com) Website : [www.supersales.co.in](http://www.supersales.co.in)

**NOTICE TO SHAREHOLDERS**

NOTICE is hereby given that the 42<sup>nd</sup> Annual General Meeting of the shareholders of Super Sales India Limited, Coimbatore - 641 018 will be held on Friday, the 2<sup>nd</sup> August, 2024 at 4.35 P.M IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2024 including Balance Sheet as at 31<sup>st</sup> March, 2024, Statement of Profit and Loss and Cash Flow Statement for the year ended 31<sup>st</sup> March, 2024, Statement of changes in Equity and the Reports of the Board of Directors and Auditors thereon.
2. To declare a Dividend.
3. To appoint a director in the place of Sri. Ravi Sam (DIN 00007465), who retires by rotation and being eligible offers himself for reappointment.

**SPECIAL BUSINESS**

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

RESOLVED that Sri. Gopinath Bala (DIN 01645781), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 29<sup>th</sup> May, 2024, in terms of Section 161 of the Companies Act, 2013 and Articles of Association of the Company, whose term of office expires at the ensuing Annual General Meeting, in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing Sri. Gopinath Bala's candidature for the office of Independent Director, who has submitted a declaration that he met the criteria for independence as provided in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, upon the recommendation of the Nomination and Remuneration Committee and Board of Directors, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years with effect from 29<sup>th</sup> May, 2024 to 28<sup>th</sup> May, 2029, pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under read with schedule IV of the Companies Act, 2013 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory amendments or modification(s) or re-enactment thereof for the time being in force). He is not liable to retire by rotation.

RESOLVED FURTHER that Board of Directors (including Committees thereof) be and is hereby authorised to take all steps as may be necessary and / or give such directions as may be necessary, proper or expedient, to give effect to the above resolution without being required to seek any further consent or approval of the members and the members shall be deemed to have given approval thereto expressly by the authority of this Resolution.

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

RESOLVED that pursuant to Regulations 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory amendment(s) or modification(s) or re-enactment thereof for the time being in force) and pursuant to the approval of the Audit Committee and on the recommendation of the Board of Directors of the Company, consent of the Company be and is hereby accorded for entering into Material related party transactions with M/s. Lakshmi Machine Works Limited by the Company upto a maximum of Rs. 300 Crores with effect from the conclusion of the Annual General meeting to be held during the year 2024 upto the conclusion of the next Annual General Meeting as per the details morefully described in the statement annexed to this notice pursuant to section 102 of the Companies Act, 2013, notwithstanding the fact that such transaction either taken individually or together with previous transactions during the Financial Year may exceed 10% of the annual consolidated turnover of the Company as per the last audited financial statements or such other materiality threshold as may be specified under applicable laws/regulations from time to time.

RESOLVED FURTHER that Board of Directors (including its Committees thereof) be and is hereby authorised to do all such acts, deeds, matters and things, to finalise the terms and conditions of the transactions with the aforesaid party, and to execute or authorize any person to execute all such documents, instruments and writings as may be considered necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution.

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

RESOLVED that in pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under read with Schedule V of the Companies Act, 2013 (including any statutory amendments, modifications or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded for the re-appointment and remuneration of Sri. G. Mani (DIN 08252847) as Managing Director of the Company for a further period of three years from 24.10.2024 to 23.10.2027 on the following remuneration and terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and Board at their respective meetings:

- a) Basic Salary : Rs. 4,14,400 per month
- b) House rent allowance : Rs. 2,07,200 per month
- c) Special allowance : Rs. 49,730 per month
- d) Perquisites : In addition to the salary he is entitled to the following perquisites:
  - i) Leave Travel Assistance : One month's basic salary, per annum
  - ii) Medical benefits : One month's basic salary, per annum

For the purpose of calculating the ceiling, perquisites shall be evaluated as per Income Tax rules wherever applicable.

Gratuity shall be payable as per the rules of the Company.

The Managing Director is entitled for leave as per the rules of the Company. He can encash the un-availed leave at the end of tenure which shall not be included in the computation of the ceiling on remuneration or perquisites.

Provision of car with driver and telephone facility for use on Company's business will not be considered as perquisites. Use of the car for private purposes and personal calls on telephone shall be billed by the Company to the Managing Director.

RESOLVED FURTHER that in the event of loss or inadequacy of profit in any financial year during his tenure of office, in compliance with the provisions of Schedule V of the Companies Act, 2013, the remuneration and perquisites mentioned above shall be paid as minimum remuneration.

RESOLVED FURTHER that Sri. G. Mani shall conduct the affairs of the Company subject to the superintendence, control and direction of the Board of Directors.

RESOLVED FURTHER that the Board of Directors (including committees thereof) be and are hereby authorised to alter and vary the terms of re-appointment and / or remuneration payable to the Managing Director, as it may deem fit, subject to the same not exceeding the limits as approved by the shareholders.

RESOLVED FURTHER that the Board of Directors be and are hereby severally authorized to take all such steps and/or give such directions as may be necessary, proper or expedient to give effect to the above resolution without being required to seek any further consent or approval of the members and the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

7. 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 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory amendments or modification(s) or re-enactment thereof for the time being in force), the remuneration payable to Sri. G. Sivagurunathan, Cost Accountant, who has been appointed by the Board of Directors on the basis of the recommendation of the Audit Committee to conduct the cost audit in respect of the Textile division and Engineering Division - Gears unit for the financial year ending 31<sup>st</sup> March, 2025, amounting to Rs. 1,25,000/- and reimbursement of out of pocket expenses incurred by him in connection with the Audit plus taxes as applicable be and is hereby approved.

Coimbatore  
29<sup>th</sup> May, 2024

By Order of the Board  
**S. K. Radhakrishnan**  
Company Secretary

**NOTES:**

1. The Ministry of Corporate Affairs vide its circulars dated 8<sup>th</sup> April, 2020, 13<sup>th</sup> April, 2020, 5<sup>th</sup> May, 2020, 13<sup>th</sup> January, 2021, 5<sup>th</sup> May, 2022, 28<sup>th</sup> December, 2022 and 25<sup>th</sup> September, 2023 and Securities Exchange Board of India vide its circulars dated 12<sup>th</sup> May, 2020, 15<sup>th</sup> January, 2021 and 13<sup>th</sup> May, 2022, 5<sup>th</sup> January, 2023 and 7<sup>th</sup> October, 2023 permitted holding of the Annual General Meeting ("AGM") through Video conference (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA and SEBI Circulars, the ensuing AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF. SUCH PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. Since the ensuing AGM is being held through VC / OAVM, 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.

3. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC/ OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through his registered email address to [bk.scrutiniser@gmail.com](mailto:bk.scrutiniser@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). The cut off date to decide the eligibility of members to attend and vote at AGM is 26<sup>th</sup> July, 2024.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 27<sup>th</sup> July, 2024 to Friday, 2<sup>nd</sup> August, 2024 (both days inclusive). The dividend as recommended by the Board, if sanctioned at the annual general meeting will be paid to the shareholders, subject to deduction of tax at source, whose names appear in the Register of Members as on 26<sup>th</sup> July, 2024 in respect of shares held in physical form and in respect of shares held in dematerialized form, the dividend shall be paid on the basis of the beneficial ownership as per the details furnished by the Depositories for this purpose at the end of the business hours on 26<sup>th</sup> July, 2024.
5. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out details relating to Special Business at the meeting, is provided hereto.
6. Pursuant to Section 124 and 125 of the Companies Act, 2013, all unclaimed dividends shall be transferred to the "Investor Education and Protection Fund" of the Central Government after a period of 7 years from the date of declaration. Shareholders, who have not encashed their dividend warrants for the years from 2016 -17 to 2022 - 23 are requested to write to the Registrars and Share Transfer Agents, M/s. Link intime India Pvt Limited, "Surya" 35, May flower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore – 641028 for claiming the dividend.
7. Brief resume, details of shareholding and inter-se relationship of director seeking election/ re-election are provided in the notice.
8. Members holding shares in physical mode are requested to communicate their change of postal address (enclose copy of Aadhar Card), e-mail address, if any, PAN (enclose self-attested copy of PAN Card) and Bank account details (enclose cancelled cheque leaf) quoting name of the company, name of the shareholder and their folio numbers to the Registrars and Share Transfer Agents, M/s. Link intime India Pvt Limited, "Surya" 35, May flower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore – 641028. Similarly, members holding shares in Demat form shall intimate the above details to their respective Depository Participants.
9. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of Shareholders with effect from April 1, 2020 and the Company is required to deduct tax at source from dividend paid to the Shareholders at the prescribed rates. For the prescribed rates for various categories, the Shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. Members are requested to submit the required documents through online by clicking on the following link <https://liiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html>.

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source in the above link on or before the end of the business hours of 26<sup>th</sup> July, 2024. Shareholders are requested to note that in case their PAN is not registered or 206AA/206AB of the Income Tax Act, 1961 attracts, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, any other document which may be required to avail the tax treaty benefits by submitting the documents in the above link. The aforesaid declarations and documents need to be submitted by the shareholders on or before the end of business hours of 26<sup>th</sup> July, 2024.

10. Members holding shares in electronic form may please note that as per the regulations of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), the Company is obliged to print the details on the Dividend Warrants as furnished by these Depositories to the Registrars and Share Transfer Agents/Company and the Company cannot entertain any request for deletion / change of bank details already printed on dividend warrants as per the information received from the concerned Depositories. In this regard, Members should contact their Depository Participants (DP) and furnish particulars of any changes desired by them.
11. As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, transfer of shares in physical mode is not allowed from 1<sup>st</sup> April, 2019. Further, SEBI had mandated the listed entities to issue shares only in dematerialized mode, with effect from 25<sup>th</sup> January, 2022 to shareholder(s) / claimant(s) holding shares in physical mode, as against their service requests including for transmission or transposition of shares.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN), bank account details, nomination and other KYC details by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the KYC details to their Depository Participants with whom they are maintaining their demat account(s). Members holding shares in physical mode are requested to update the KYC details at the earliest pursuant to the SEBI circulars by coordinating with the Registrars and Share Transfer Agents (RTA), M/s. Link Intime India Private Limited, "Surya" 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore – 641028, Tamil Nadu, India. The Shareholders are also requested to take note of investors services request related points in the SEBI Master Circular SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated 17<sup>th</sup> May, 2023 (as amended from time to time).
13. Pursuant to SEBI Master Circular dated 17<sup>th</sup> May, 2023 and amendment circular(s) dated 17<sup>th</sup> November, 2023 and 7<sup>th</sup> May, 2024, members holding shares in physical form whose folio(s) lack PAN, nomination details, contact details, bank account details or updated specimen signature, will only be eligible for payment of dividend through electronic mode effective from 1<sup>st</sup> April, 2024. Therefore, members holding shares in physical form are requested to update the mentioned details by providing the appropriate requests through ISR forms with the Registrar and Share Transfer Agent to ensure receipt of dividend and for servicing of any other requests. Necessary prior intimation(s) in this regard was provided to the concerned Shareholders. A copy of the said circular(s) is available on the Company's website <https://www.supersales.co.in>. The shareholders are requested to co-ordinate with the Company's RTA. The shareholders may also note that as per advisory of SEBI, the Company's RTA has launched an investors' self-service portal 'SWAYAM' to access investor requests / services <https://swayam.linkintime.co.in>
14. Members who require any clarifications on the accounts or operations of the Company are requested to write to the Company Secretary so as to reach him before July 26, 2024 (5.00 pm IST). The queries will be answered accordingly.

15. In view of the Green Initiative adopted by MCA, the Company proposes to send the Annual Reports, Notices and its annexures in electronic form to the e-mail addresses of the members. In order to serve the documents in electronic mode, members holding shares in physical form are requested to communicate their e-mail address quoting their folio numbers to the Registrars and Share Transfer Agents. Similarly, members holding shares in Demat form shall intimate their e-mail address to their respective Depository Participants at the earliest.
16. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Electronic copy of the Notice of the AGM along with the Annual Report 2023 - 24 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2023 - 24 will also be available on the Company's website [www. supersales.co.in](http://www.supersales.co.in) and website of the BSE Limited at [www.bseindia.com](http://www.bseindia.com). Members who requires physical copy of the Annual Report 2023-24, the same will be provided.
17. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. In case of Joint Holders, the member whose name appears as First Holder in the order of names on the Register of Members of the Company will be entitled to vote.  
  
Since the AGM will be held through VC / OAVM, the Route Map of the venue is not annexed in this Notice.
18. The results of the e-voting and e-voting during the Annual General Meeting will be announced by the Chairman or person authorised by the Chairman within 2 days from the date of conclusion of the Annual General Meeting at the Registered office of the Company. A copy of which will be posted on the Company's website and forwarded to Stock Exchange.
19. The Registers and documents maintained under the Act, which are eligible for inspection, will be available electronically for inspection by the members during AGM.
20. Pursuant to Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer all shares in respect of which dividends are not claimed for the last 7 consecutive years to the demat account of Investor Education and Protection Fund Authority. (IEPF Authority).
  - a. All the underlying shares in respect of which dividends were not claimed for the last 7 years have been transferred to the demat account of IEPF Authority. The members shall be entitled to claim the shares from IEPF in accordance with procedure and on submission of documents as may be prescribed by IEPF authority from time to time.
  - b. The Company will send individual notices through Post to the latest available addresses of the shareholders whose dividends are lying unclaimed for the last 7 years, advising them to claim the dividends expeditiously.
  - c. The statement containing the details of name, folio number/demat account number relating to shares due for transfer will be made available in the website [www.supersales.co.in](http://www.supersales.co.in) for information and necessary action by the shareholders.
  - d. Shareholders who have not claimed their dividends from the year 2016 - 17 can write to our Registrars and Share Transfer Agents, M/s. Link intime India Pvt Limited for further details and for making a valid claim for the unclaimed dividends. In case no valid claim has been made, the shares in respect of which the dividends are lying unclaimed for the last 7 years will be transferred to the demat account of IEPF Authority.



**DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT**

**Sri. Ravi Sam (DIN 00007465)**

Sri. Ravi Sam a leading industrialist born on 31.03.1956 has completed his graduation in Commerce and post graduation in Science (Textiles) in UK. He is from a renowned family engaged in the textile business at Coimbatore. He is also one of the trustees in charitable trusts contributing to promotion of health and education.

Experience: More than three decades of experience in the areas of Textiles, Financial Management and Administration.

**Other Directorships :**

1) Adwath Textiles Private Limited 2) Adwath Lakshmi Industries Private Limited 3) Lakshmi Ring Travellers (Coimbatore) Private Limited 4) Shri Kara Engineering Private Limited 5) Lakshmi Caipo Industries Limited 6) Titan Paints and Chemicals Private Limited 7) Sri Kamakoti Kamakshi Enterprises Private Limited 8) Integrated Electrical Controls India Private Limited 9) Eshaan Enterprises Private Limited 10) Bhadra Lakshmi Management Private Limited 11) Confederation of Indian Textile Industry 12) Eeshapriya Private Limited 13) Lotus Solubiz Private Limited 14) The Cotton Textile Export Promotion Council 15) TSV Consulting Private Limited.

**Membership of Committees of Companies:**

<b>Audit Committee</b>	<b>Nomination and Remuneration Committee</b>	<b>Share Transfer Committee</b>
Super Sales India Limited	Super Sales India Limited	Super Sales India Limited

Date of appointment into the Board : 30.06.1989.

Board position held : Non Executive – Non Independent Director.

No. of Shares held in the Company : 1,000 equity shares of Rs. 10/- each constituting 0.033% of the paid up capital.

No. of Shares held in the Subsidiary Company: Not Applicable.

He is not related to any other Director, Manager or Key Managerial Personnel.

He is entitled to receive remuneration by way of fees and reimbursement of expenses for participation in the meetings of the Board and / or Committees or any other meeting of directors and profit related commission, if any, in terms of Section 197 and other applicable provision of the Companies Act, 2013, and as determined by the Board from time to time, within the overall limits specified under the Companies Act, 2013 as well as the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

Remuneration paid to him during the year 2023-24 was Nil.

Sitting fee paid to him during the year 2023-24 was Rs. 1.25 Lakhs.

Number of Board meetings attended by him during 2023-24 was 2.

He has not resigned his Directorship from any listed Company during the last three years.

Based on the performance evaluation and recommendation of Nomination and Remuneration Committee, the Board recommends the reappointment of Sri. Ravi Sam as a Director of the Company. He is liable to retire by rotation.

Except Sri. Ravi Sam, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in the Item No. 3.

The disclosure as required under Listing Regulations and Secretarial Standard 2 are furnished and form part of the notice.

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 4**

Sri. Gopinath Bala (DIN: 01645781) was appointed as an Additional Director of the Company in Independent, Non-Executive capacity with effect from 29<sup>th</sup> May, 2024 at the Board meeting held on 29<sup>th</sup> May, 2024.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Sri. Gopinath Bala holds office as Director of the Company up to the date of the Annual General Meeting. Further, Notice has been received from a member proposing Sri. Gopinath Bala as a candidate for the office of Director. He is not disqualified from being appointed as Director in terms of Section 164 of the Act and is not debarred from holding the office of Director by virtue of any Securities and Exchange Board of India order or any such authority. Accordingly, Sri. Gopinath Bala is proposed to be appointed as an Independent Director of the Company for a period of five consecutive years with effect from 29<sup>th</sup> May, 2024 to 28<sup>th</sup> May, 2029.

Company has received a declaration from Sri. Gopinath Bala that he met the criteria for independence as prescribed in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

Nomination and Remuneration Committee of Directors and the Board were of the opinion, after reviewing his mix of skills, experience, competency and other attributes, that his association would be of immense benefit to the Company and it is desirable to continue to avail the services of Sri. Gopinath Bala as an Independent Director. He is not liable to retire by rotation.

Board is of the opinion that Sri. Gopinath Bala fulfills the conditions and criteria of independence as specified in the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 for his appointment as an Independent Director of the Company and independent of the Management. Copy of the draft letter of appointment of Sri. Gopinath Bala as an Independent Director of the Company would be available for inspection without any fee by the members, during normal business hours, at the registered office of the Company.

Accordingly, the Board recommends this special resolution in relation to appointment of Sri. Gopinath Bala as an Independent Director as set out in item No. 4 of the notice for approval of shareholders.

Sri. Gopinath Bala born on 02.03.1977 has completed B.Tech -Textile Technology in Bapuji Institute of Engineering and Technology, MS- Polymer Materials & Engineering and MBA in Auburn University, USA.

He is having 20+ years of experience in Polymers & Chemistry, Technical Textiles, Fibers, Yarns & Fabrics, Nano Materials & Technical Product Development and Multi Functional Materials.

He is also having experience at Zyvex Nano-Materials, NASA, & Department of Defence (USA) in Composites, Nanotube Fibers, Advanced Nano Structural Nano Materials, Polymers.

He holds a 3 SBIR grants from NASA and DOD-DARPA, US Patent (US 2010 / 0009165 A1), Prestigious R&D 100 Award and NASA Publication Award.

**List of Directorship in other Companies:**

Sri Venkatalakshmi Spinners Limited.

South Indian Textile Research Association (SITRA).

Indian Texpreneurs Federation (ITF) and SVS Advanced Fabrics Private Limited

**Membership of Committees of Companies:**

He is not a member of any of the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, CSR Committee, Share Transfer Committee and Risk Management Committee.

Date of appointment to the Board : 29<sup>th</sup> May, 2024.

Board Position held : Additional Director, Independent Directorship Category.

No. of shares held in the Company: Nil.

No. of shares held in Subsidiary Company : Not applicable.

He is not related to any other director, Manager or Key Managerial Personnel.

Remuneration Paid to him during the year 2023-24 was Nil.

Sitting fee paid to him during the year 2023-24 was Nil.

Number of Board meetings attended by him during 2023-24 was Nil.

He has not resigned from any listed Company during the past three years.

He is an Independent Director and entitled to receive remuneration by way of sitting fees and reimbursement of expenses for participation in the meetings of the Board and / or Committees or any other meeting of directors and profit related commission, if any, in terms of Section 197 and other applicable provisions of the Companies Act, 2013, and as determined by the Board from time to time, within the overall limits specified under the Companies Act, 2013 as well as the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

Except Sri. Gopinath Bala, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out in Item No. 4.

The explanatory statement may also be construed as disclosure under Regulation 36 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

**Item No. 5**

As per Regulations 23 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, if the Company proposes to enter into any related party transactions with a related party and the amount of the transactions to be entered into either individually or taken together with the previous transactions in a financial year exceeds Rs. 1000 Crores or ten percent of the annual consolidated turnover of the company whichever is lower, as per the last audited financial statements, are considered as material related party transactions which require the approval of the shareholders whether the transactions are in the ordinary course or not or Arms' length or not.

SEBI vide its Circular SEBI/HO/CFD/ CMD1/CIR/P/2022/47 dated 8<sup>th</sup> April, 2022 has clarified that the shareholders' approval obtained for the material related party transactions is valid up to the date of next Annual General Meeting for a period of not exceeding fifteen months.

Accordingly, the transactions proposed to be entered by the Company with M/s. Lakshmi Machine Works Limited (LMW) may exceed ten percentage of the annual consolidated turnover of the Company and which will continue for future period as well. So this requires the approval of the shareholders by a resolution. Hence the resolution is placed to the shareholders for their approval.

Information pursuant to SEBI circular No. SEBI/HO/CFD/POD2/CIR/P/2023/120 dated 11<sup>th</sup> July, 2023.

<p>Type, material terms and particulars of the proposed transaction</p>	<p>Proposed related party transactions with Lakshmi Machine Works Limited are : sale, purchase or supply of any products, goods or materials, availing or rendering of any services, leasing of property of any kind, appointment of any agent for purchase or sale of Products, materials, services or property. The price charged for the transaction is as the same price charged to unrelated third parties. The proposed transactions involve more than 10% of the consolidated turnover of the Company.</p>
-------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Lakshmi Machine Works Limited (LMW) is part of the promoter group and holding 9.77% of equity share capital in the Company. Company in which Sri. Sanjay Jayavarthanavelu, Chairman is also Chairman & Managing Director of LMW and holds along with his relatives, more than 2% of its paid up share capital. Nature of interest is financial. Ms. Shivali Jayavarthanavelu, Director of the Company holds 0.07% of the paid up share capital of LMW and forms part of the promoter Group.
Tenure of the proposed transactions	From the conclusion of the Annual General Meeting to be held during the year 2024 upto the conclusion of next Annual General Meeting to be held in the year 2025.
Value of proposed transactions	Rs. 300 Crores.
The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year that is represented by the value of the proposed transaction	71.56 percentage based on audited financials for the year ended 31 <sup>st</sup> March, 2024.
Justification as to why the RPT is in the interest of the listed entity	As below

Your Company is acting as one of the selling agents for sale of the machineries manufactured by LMW. This contributes a major part of the revenue to the Company by way of commission for the sale of the machineries, Components and erection charges. The rate of commission is fair and comparable with competitors. Your Company is also one of the suppliers of the gears, gear boxes, accessories manufactured at its Engineering division and also providing services to LMW. LMW is a leading capital machinery manufacturer requires large volume of gears, gear boxes and accessories. As LMW is an OE manufacturer constant order flow at fair market price could be ensured and hence capacity utilization would be optimum.

Your Company is also purchasing raw materials, machineries and spares from LMW because of the fair price, quality, consistency in performance and good after sales services.

All the transactions with LMW are arms' length transactions, taking place in the ordinary course of business and are not prejudicial to the interest of the Company. Hence the Board of Directors recommended the resolution set out in the Item No. 5 of the notice for approval of the shareholders.

The proposed transactions not involve any loans, inter-corporate deposits, advances or investments.

The Company has not relied upon the valuation or any external report in relation to the transactions with the related party and hence disclosure regarding the same does not arise.

Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis : NA

Any other information that may be relevant : NA

Accordingly, the Board recommended this resolution in relation to proposed material related party transactions with Lakshmi Machine Works Limited as set out in item No. 5 of the notice for approval of shareholders.

None of the Directors except Sri. Sanjay Jayavarthanavelu, Chairman, Ms. Shivali Jayavarthanavelu and Sri. Ravi Sam, Directors, none of other Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out in Item No. 5.

The Members may note that in terms of the provisions of the Listing Regulations, no related party as defined thereunder (whether such related party is a party to the aforesaid transactions or not), shall vote to approve the resolution under item No. 5 of this notice.

**Item No. 6****Re-appointment of Managing Director**

Sri. G. Mani (DIN 08252847) has been appointed as Managing Director of the Company for a period of three years with effect from 24<sup>th</sup> October, 2021 and his term expires on 23<sup>rd</sup> October, 2024. It is proposed to re-appoint him as Managing Director for a further period of three years from 24<sup>th</sup> October, 2024.

Nomination and Remuneration Committee of Directors and the Board were of the opinion, after evaluating the performance, appropriate mix of skills, experience, competency and other attributes, that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Sri. G. Mani as a Managing Director.

Based on the recommendations of the Nomination and Remuneration Committee and the Audit Committee, the Board of Directors of the Company had approved the re-appointment and remuneration payable to Sri. G. Mani for the period of 3 years with effect from 24<sup>th</sup> October, 2024 to 23<sup>rd</sup> October, 2027 subject to the approval of the shareholders.

The approval of the members is being sought to re-appoint Sri. G. Mani as Managing Director and the terms, conditions and stipulations and the remuneration payable to him.

The terms and conditions proposed are after taking into account of the financial position of the Company and keeping in line with the remuneration package that is necessary to encourage good and experienced professional managers with a sound career record to the important position as that of the Managing Director.

Pursuant to the provisions of the Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee had also approved the remuneration payable to Sri. G. Mani as Managing Director of the Company for a period of three years and recommended the same to the Board.

The details as required under Schedule V of the Companies Act, 2013 and brief bio-data of Sri. G. Mani and other disclosures as per Secretarial Standard 2 are furnished and forms a part of this notice.

Pursuant to Section 197 and Schedule V of the Companies Act, 2013, the managerial personnel are eligible to receive minimum remuneration and remuneration in excess of the limits as specified in Companies Act, 2013 upon receipt of approval of the Shareholders by means of a Special Resolution. If the Company is not able to earn sufficient profits for payment of remuneration to the Directors due to business conditions, approval of the Shareholders is being sought under a Special Resolution, to ensure payment mentioned in the resolution as minimum remuneration to Sri. G. Mani, Managing Director.

Accordingly, the Board recommends these resolutions as a special resolution in relation to re-appointment of Sri. G. Mani as Managing Director as set out in Item No. 6 of the notice for approval of shareholders.

Sri. G. Mani is born on 09.03.1955 and raised in Coimbatore. He is an Engineer from PSG College of Technology. He started his career as a Trainee in Design Department at Lakshmi Machine Works Limited (LMW) in the year 1975.

He was the Team Leader in early 1990s in Design & Development of Blow Room machine, System Leader for Research & Development in early 2000s for Card Sliver System and in 2010, he became the Head of R&D.

In 2014, he took over Global Service functions of TMD and was heading the Dr. DJ R&D Centre for validation of all new products. In 2017, he became the Vice - President and streamlined the processes of Global service, Information Technology and Human resource functions (HR & IR), Safety, Health & Environment, Energy Engineering, Civil, Liaisoning, Public Relations, Corporate Social Responsibility and Administrative functions of the LMW. He has registered more than 15 patents for inventions in Textile machines. He won many TMAA R&D awards for the products designed by him.

He is not holding any directorship in other companies.

**Membership of Committees of Companies :**

<b>Audit Committee</b>	<b>Nomination and Remuneration Committees</b>	
Nil	Nil	
<b>Share Transfer Committees</b>	<b>CSR Committees</b>	<b>Stakeholders Relationship Committees</b>
Super Sales India Limited.	Super Sales India Limited.	Super Sales India Limited.

He is not entitled to receive remuneration by way of fees and reimbursement of expenses for participation in the meetings of the Board and / or Committees or any other meeting of directors. He is entitled to receive remuneration as mentioned in the resolution.

Remuneration paid to him during the year 2023-24 : Rs. 74.01 Lakhs.

No. of shares held in Subsidiary Company : Not Applicable.

He has not resigned his Directorship from any listed Company during the last three years.

Based on the performance evaluation and recommendation of Nomination and Remuneration Committee, the Board recommends the reappointment of Sri. G Mani as Managing Director of the Company. He is not liable to retire by rotation.

Except Sri. G. Mani, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out in Item No. 6.

The explanatory statement may also be construed as disclosure under Regulation 36 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

**Item No. 7**

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, your company is required to appoint a cost auditor to conduct audit of the cost records maintained by the Company in respect of the Textile Division and Engineering Divisions - Gears unit. Accordingly, the Board of Directors of the Company, on the basis of the recommendation of the Audit Committee, appointed Sri. G. Sivagurunathan, Cost Accountant as Cost Auditor having relevant qualifications to conduct audit in respect of the Textile Division and Engineering Division - Gears unit. Rule 14 of the Companies (Audit and Auditors) Rules, 2014 requires that the remuneration payable to the Cost Auditor is to be approved by the shareholders. Accordingly, the remuneration payable to the Cost Auditor is placed to the shareholders for approval.

Board of Directors recommended the ordinary resolution set out in the Item No. 7 of the notice for approval of the shareholders.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out in Item No. 7.

Coimbatore  
29<sup>th</sup> May, 2024

By Order of the Board  
**S. K. Radhakrishnan**  
Company Secretary

**Statement of information relevant to Sri. G. Mani, Managing Director of the Company as per Schedule V of the Companies Act, 2013.**

**I. GENERAL INFORMATION**

1. Nature of Industry : Textile and Engineering Industries.
2. Date or expected date of commencement of commercial production:  
The Company was incorporated on 18<sup>th</sup> September, 1981 and commenced commercial production on 7<sup>th</sup> December, 1981.
3. In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.

4. Financial performance based on given indicators: (Rs. in Lakhs)

Particulars	2023-24	2022-23
Sales & Other Income	43000.88	37471.78
Profit/ (Loss) Before Tax	2561.89	3405.95
Profit/ (Loss) After Tax	1986.72	2836.80
Paid-up Equity Capital	307.15	307.15
Other Equity	55459.75	43128.94
Basic Earning per share (Rs)	64.68	92.36

5. Foreign Investments or collaborations, if any - Nil

**II. INFORMATION ABOUT THE APPOINTEE**

1. Background details of Sri. G. Mani: Refer explanatory statement to item No. 6.
2. Past remuneration: Rs. 74.01 Lakhs P.A. (eligible past remuneration).
3. Recognition or awards : Refer explanatory statement to item No. 6.
4. Job profile and his suitability :  
He is responsible for performance of all the divisions of the Company. With his vast experience in the textile machinery manufacturing industry, both in technical and administrative capacities, he is found suitable for the job.
5. Remuneration proposed: Details of proposed remuneration has been disclosed in Item No. 6 of this Notice.
6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) : Taking into consideration of the size of the Company, profile of Sri. G. Mani, responsibility undertaken by him and the industry standard, the remuneration paid / payable is commensurate with the remuneration packages payable to Managerial Personnel in similar Companies.
7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any : Besides the remuneration being received, the Managing Director does not have any pecuniary relationship with the Company. He is not related to any other Director of the Company.

**III. OTHER INFORMATION**

## 1. Reasons for loss or inadequate profits:

Considering the availability and volatility in the prices of raw material, cost and non availability of labour, fluctuations in power, competition and subdued demand due to geo political issues and limited export opportunities, profit margin is very thin in textile industry.

## 2. Steps taken or proposed to be taken for improvement.

Plan to purchase raw material at low cost, for a long term establish premium quality yarn and establishment of new products & facilities to meet the requirement of Medium and Heavy duty Gear boxes.

## 3. Expected increase in productivity and profits in measurable terms.

Plan for higher productivity by 3 to 5 percent and implementation of automation to reduce the cost of labour by around 2 percent and enhance custom build products in gears unit by 5 percent.

**IV. DISCLOSURES**

The following disclosures shall be mentioned in the 'Board of Directors' report under the heading "Corporate Governance", if any, attached to the financial statement.

1. All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc. of all the directors: Details are disclosed in the Corporate Governance Report.
2. Details of fixed component and performance linked incentives along with the performance criteria: Details are disclosed in the Corporate Governance Report.
3. Service contracts, notice period, severance fees : Details are disclosed in the Corporate Governance Report.
4. Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable: The Company has not issued any Stock option.



**Additional information on Directors recommended for appointment / re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard issued by ICSI.**

Name	Sri. G. Mani
DIN	08252847
Date of Birth / Nationality	09.03.1955/Indian
Date of appointment on the Board	23.10.2018
Inter-se relationship with other Directors or Key Managerial Personnel of the Company	He is not related to any of the Directors or Key Managerial Personnel of the Company.
Qualification	DME., BE.,
Experience/Expertise in functional areas	More than 4 decades / Global service, Information Technology and Human resource functions (HR & IR), Safety, Health & Environment, Energy Engineering, Civil, Liaisoning, Public Relations, Corporate Social Responsibility and Administration.
No. of shares held	Nil
Board position held	Managing Director
Terms and conditions of appointment	As specified in item No. 6 of the notice
Remuneration sought to be paid	As specified in item No. 6 of the notice
Remuneration last drawn	Rs. 74.01 Lakhs PA (eligible past remuneration)
Number of Board meetings attended	4
Directorships held in other companies	Nil
Association Membership in other Committees	Member of Stakeholders Relationship Committee and Share Transfer Committee and Chairman of CSR Committee of Super Sales India Limited.

**VOTING THROUGH ELECTRONIC MEANS**

In compliance with the provisions of Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 read with Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules (including any statutory modifications, clarifications, exemptions or re-enactment thereof for the time being in force), the Company is pleased to provide the members the facility to exercise their votes for all the resolutions detailed in the Notice of the 42<sup>nd</sup> Annual General Meeting scheduled to be held on Friday, the 2<sup>nd</sup> August, 2024 at 4.35 PM by electronic means and the business may be transacted through remote e-voting and e-voting system during the AGM. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast 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 during the AGM.

The Company has engaged the services of NSDL as the authorized agency to provide the remote e-voting and e-voting during the AGM as per instructions below.

**Vote by Remote e-Voting and e-voting during the AGM**

The Board of Directors has appointed Sri. B. Krishnamoorthy, Chartered Accountant, failing which Smt. Indira, Chartered Accountant as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.

Any person, who acquires Shares of the Company and becomes Member of the Company after sending of the Notice and holding Shares as on the cut-off date, may obtain login ID and password by sending a request at [evoting@nsdl.com](mailto:evoting@nsdl.com). However, if he / she is already registered with NSDL to remote e-voting then he / she can use his / her existing user ID and password for casting vote. Any person who ceases to be the member of the Company as on cut-off date and in receipt of this notice, shall treat this Notice for information purpose only.

The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again. Once the vote on a Resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

The Members can join the AGM in the VC/OAVM mode 15 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 for 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 come first served basis.

The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:**

The remote e-voting period begins on 30<sup>th</sup> July, 2024 at 9:00 A.M. and ends on 1<sup>st</sup> August, 2024 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 26<sup>th</sup> July, 2024 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 26<sup>th</sup> July, 2024.

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. 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 demat 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div> </div>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
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. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL 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. NSDL and CDSL.

Login type	Helpdesk details
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 <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**B) Login Method for e-voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is :</b>
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [bk.scrutiniser@gmail.com](mailto:bk.scrutiniser@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 or send a request to Ms. Prajakta Pawle at [evoting@nsdl.com](mailto:evoting@nsdl.com)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide 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 [coimbatore@linkintime.co.in](mailto:coimbatore@linkintime.co.in).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to ([coimbatore@linkintime.co.in](mailto:coimbatore@linkintime.co.in)). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:**

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/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 in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [secretary@vaamaa.com](mailto:secretary@vaamaa.com) from July, 20, 2024 (9:00 a.m. IST) to July 26, 2024 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Coimbatore  
29<sup>th</sup> May, 2024

By Order of the Board  
**S. K. Radhakrishnan**  
Company Secretary



## **DIRECTORS' REPORT**

Your Directors have pleasure in presenting the 42<sup>nd</sup> Annual Report of the Company together with audited accounts of the Company for the financial year ended 31<sup>st</sup> March, 2024.

### **FINANCIAL RESULTS**

Financial results for the year under review are summarized below:

Particulars	<b>2023-24</b> (Rs. in Lakhs)	2022-23 (Rs. in Lakhs)
Income from operations	<b>41918.39</b>	36679.85
Other Income	<b>1082.49</b>	691.93
Profit before Interest and Depreciation	<b>5297.02</b>	5328.94
Less: Interest	<b>732.56</b>	432.19
Profit/(Loss) before Depreciation	<b>4564.46</b>	4896.75
Less: Depreciation	<b>2213.95</b>	1911.05
Profit/(Loss) before Tax and exceptional item	<b>2350.51</b>	2985.70
Add: Exceptional item	<b>211.38</b>	420.25
(Add)/Less: Provision for Taxes	<b>575.17</b>	569.15
Profit/(Loss) after Tax	<b>1986.72</b>	2836.80

### **DIVIDEND**

Your Directors recommended a dividend of Rs. 7.00/- (70%) per equity share of Rs.10/- each for the financial year ended 31<sup>st</sup> March, 2024, subject to deduction of Tax at Source, which if approved at the forthcoming Annual General Meeting, will be paid to those equity shareholders whose names appear in the Register of Members as on 26<sup>th</sup> July, 2024 in respect of shares held in physical form and in respect of shares held in dematerialized form, the dividend shall be paid on the basis of the beneficial ownership as per the details furnished by the Depositories for this purpose at the end of business hours on 26<sup>th</sup> July, 2024.

### **SEGMENT WISE PERFORMANCE**

#### **Agency Division**

Though the textile market is slow during the year under review, some customers who booked orders in earlier years have taken delivery of the machines because of the readiness of the infrastructures, has helped the division to show better performance.

The division has earned a total revenue of Rs. 3242.77 Lakhs as against Rs. 2931.15 Lakhs and a PBT of Rs. 2048.84 Lakhs as against Rs. 1842.71 Lakhs.

#### **Textile Division**

Import of fabric and yarn, change in the consumption pattern, mismatch of the raw material and selling prices and increase in the cost of production have affected the margin of this division.

This division earned revenue of Rs. 30422.45 Lakhs, compared to Rs. 26057.20 Lakhs to the previous year.

This division has earned a profit of Rs. 4.02 Lakhs (including an exceptional income of Rs. 211.38 Lakhs) as against the profit of Rs. 206.11 Lakhs in the previous year.

#### **Engineering Division**

Better off take of the existing products by the OEMs and introduction of new products have helped the division to post a better performance during the year under review.

This division earned a total revenue of Rs. 9099.45 Lakhs, compared to Rs. 8391.64 Lakhs of the previous year.

This Division earned a PBT of Rs. 1348.89 Lakhs as against Rs. 1858.74 Lakhs (including an exceptional income of Rs. 420.25 Lakhs).

**EXPORTS**

In textiles, since sheeting order from export market was good, your company exported yarn for Rs. 6492.84 Lakhs out of which Rs. 2434.71 Lakhs were merchant export. In Gears unit export during the year under review was Rs. 141.64 Lakhs.

**PROSPECTS**

As the predictions are positive in the textile and apparel segment, foreseeing a good demand for our yarn, ease out of cotton prices due to higher area of cultivation and higher yield, the textile division may show a positive performance.

Expectation of the continuation of modernization programmes by the customers due to quality requirements of weaving and knitting segments coupled with expectation of higher demand, performance of the agency division will improve.

Newly developed products, direct marketing measures, establishment of custom built gear boxes will help to show better turnover in the gears unit.

**DIRECTORS**

Sri. Ravi Sam, Director (DIN : 00007465) retires by rotation at the ensuing Annual General Meeting, being eligible, offers himself for re-appointment.

**INDUSTRIAL RELATIONS**

Industrial relations are cordial and your Directors appreciate the co-operation extended by the employees.

**LISTING**

Your Company's shares are listed in BSE Limited. The listing fee to the BSE has been duly paid. The shares are regularly traded in BSE Limited and were not suspended at any time during the year.

**AUDITORS****Statutory Auditors:**

The Statutory Auditors M/s. Subbachar & Srinivasan, Chartered Accountants were appointed as Statutory Auditors for a term of five years commencing from the financial year 2021-22 who will retire at the conclusion of the Annual General Meeting to be held in the year 2026 and the shareholders have authorized the Board to fix the remuneration payable to the auditors from time to time.

The auditors, M/s. Subbachar & Srinivasan, Chartered Accountants, have confirmed their eligibility for continuing as Statutory Auditors of the Company.

**Cost Auditor:**

Pursuant to provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Board of Directors, on the recommendation of the Audit Committee, has appointed Sri. G. Sivagurunathan, Cost Accountant, as the Cost Auditor of the Company for the financial year 2024-25.

**Secretarial Auditor:**

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors has appointed Sri. M.R.L.Narasimha, Practising Company Secretary to undertake the Secretarial Audit of the Company for the financial year 2024-25.

The secretarial audit report in form MR3 obtained pursuant to Companies Act, 2013 and 24A of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the financial year 2023-24 is enclosed as Annexure 1.

**Internal Auditors:**

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the Board of Directors, on the recommendation of the Audit Committee, has appointed M/s. Karthikeyan & Jayaram, Chartered Accountants, as Internal Auditors of the Company for a period up to 31.03.2027.

The annual return prepared as per the provisions of the Companies Act, 2013 is posted in the Company's website <https://supersales.co.in/Disclosure-under-regulation-46/Financial>. The Board of Directors met 4 times during the Financial year 2023-24. The details of the meetings of the Board and Committees and attendance of directors are given in the Corporate Governance Report.

**DIRECTORS' RESPONSIBILITY STATEMENT**

In compliance of Section 134 of the Companies Act, 2013, the Directors of your Company confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures;
- b. 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;
- c. 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. the directors had prepared the annual accounts on a going concern basis;
- e. the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and
- f. 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.

**DISCLOSURES**

Independent Directors have met all the criteria of Independent Directors and they have given a declaration to the effect that they have met all the criteria of independent directors as prescribed in Section 149 of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Further, they have also declared that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

The Salient features of the Nomination and Remuneration Policy is enclosed to this annual report. The familiarisation programme was held on 21<sup>st</sup> March, 2024 at the Registered Office. All the independent directors were present for the above programme.

Directors are eligible to get only sitting fee for attending the Board or Committee or other meetings of Directors. Outstation directors are entitled to get reimbursement of out of pocket expenses incurred by them in connection with attending the Board or Committee or other meetings.

There is no qualification, reservation, adverse remarks or disclaimer by the Statutory Auditors in their audit report or Practising Company Secretary in his secretarial audit report except an observation contained Secretarial Audit report which is self explanatory. The auditors have not reported any fraud to the Audit Committee or to the Board or to the Central Government during the financial year 2023-24.

Company has not provided any loans, guarantees, security under Section 186 of the Companies Act, 2013 during the year under review. The Company has not made any investment during the financial year 2023-24.

All the transactions entered by the Company during the financial year 2023-24 with the related parties are in the ordinary course of business and at Arm's length. The details of material related party transactions are given in form AOC - 2 as Annexure 2. The policy on Related Party is available on the Company's website at <https://supersales.co.in/Disclosure-under-regulation-46/policies>.

Board of Directors has decided to transfer Rs. 500 Lakhs, out of profits for the year 2023-24 to General Reserve. The paid up share capital of the Company as at 31<sup>st</sup> March, 2024 stood at Rs. 307.15 Lakhs. During the year under review, your company has not made any fresh issue of shares.

There is no material change and commitment which have occurred between the end of the financial year and to the date of the report which affect the financial position of the Company. There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016. There was no instance of one time settlement with any Bank or Financial Institution.

**(A) Conservation of Energy**

i. the steps taken or impact of conservation of energy	Installation of airflow meter to identify the leakages and replacement of LED bulbs were made to reduce energy consumption
ii. the steps taken by the Company for utilizing alternate source of energy	The Company has utilized 57.12% of energy requirements through wind and solar power.
iii. the Capital investment on energy conservation equipments	Rs. 11.39 Lakhs

**(B) Technology absorption**

i. Efforts made towards technology absorption	-
ii. Benefits derived like product improvement, cost reduction, product development, import substitution, etc	-
iii. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year) (a) Details of technology imported. (b) Year of import. (c) Whether the technology been fully absorbed? (d) If not fully absorbed, areas where this has not taken place, reasons there for and future plans of action.	-
iv. The expenditure incurred on Research and Development	-

**(C) Foreign exchange earnings and out go**

The Foreign Exchange earnings and outgo during the year under review were as follows:

Foreign Exchange Earned	: Rs. 4178.49 Lakhs
<u>Foreign Exchange Outgo</u>	
Raw Material imports	: Rs. 1496.15 Lakhs
Stores and Spares imports (including advances)	: Rs. 302.94 Lakhs
Capital Imports	: Rs. 1814.75 Lakhs
Others	: Rs. 4.67 Lakhs
Total	: <u>Rs. 3618.51 Lakhs</u>

**RISK MANAGEMENT**

The Company has established a risk management framework to identify, evaluate the business risks and opportunities. The main object of the framework is to minimise the adverse impact of the risks by taking effective mitigating measures to retain the business advantages. The identified risks and mitigation measures are reviewed by the concerned Heads and all the risks identified and mitigation measures are placed before the Board. Board is of the opinion that there is no risk which affects the existence of the Company.

**CSR ACTIVITIES**

The CSR Committee consists of four directors out of which three are independent directors. The Board has approved the CSR Policy and the same is posted in the website of the Company <https://supersales.co.in/Disclosure-under-regulation-46/policies>. As per the policy, Company can spend the amount required to be spent under Corporate Social Responsibility to any of the Projects or activities covered under Schedule VII (as amended from time to time) based on the recommendation of the CSR Committee and approved by the Board. The amount can be spent anywhere in India, however preference shall be given to the geographical locations where the Company's operations are located. The amount required to be spent under CSR activities may be spent by the Company itself or contributed to any trust which is having established track record as recommended by the CSR Committee and approved by the Board. The CSR Committee shall periodically review and monitor the expenditure made on various projects or activities as approved by the Board. The Company has spent the entire amount required to be spent during the financial year 2023-24. Annual Report on CSR activities is enclosed as Annexure 3.

**DISCLOSURE UNDER RULE 8**

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board has carried out annual evaluation of its own performance, that of its committees and individual directors for the financial year 2023-24. The Chairman of the Board has sent a list of criteria, as approved by the Nomination and Remuneration Committee, for evaluation of the Board's performance, that of its committees and individual directors to all the Directors. Each Director has evaluated based on the criteria and communicated the results of the evaluation to the Chairman of the Board. Separate meeting of independent directors has also been convened for this purpose and results were communicated by the Chairman of the meeting to the Chairman of the Board.

There is no change in the nature of business. Sri. B. Lakshmi Narayana has been re-appointed as an Independent Director of the Company for a period of five years with effect from 23<sup>rd</sup> October, 2023. Board of Directors formed the opinion on the independent Director appointed during the financial year 2023-24 and found integrity, expertise and experience (including proficiency) of the Independent Director are satisfactory.

Sri. Gopinath Bala has been appointed as an Additional Director of the Company with effect from 29<sup>th</sup> May, 2024. Board is of the opinion that his integrity, expertise and experience (including proficiency) are satisfactory. Board has recommended his appointment as Director of the Company for approval of the shareholders. Suitable resolution is included in the notice of Annual General Meeting for approval of the shareholders.

There is no resignation or cessation of any of the Director during the year 2023-24.

There are no Subsidiaries, Joint ventures or Associates and there is no addition or cessation of Subsidiaries, Joint ventures or Associates during the year 2023-24. The Company has not accepted or holds any deposit from the public or directors or shareholders. There are no significant material orders passed by the regulators or courts or tribunals which affects the going concern status or operations in future.

The Company has implemented and evaluated the internal financial controls with reference to the financial statements which provide a reasonable assurance. The Directors and Management confirm that the internal financial controls are adequate with respect to size and operations of the Company. The Company has established adequate internal control system which is commensurate with its nature and volume of operations. The accounting transactions and operations are audited by the Internal Auditors viz-a-viz the internal controls, policies and procedures and the deviations, if any, are reported and corrective actions are taken appropriately.

Details of appointment, re-appointment of director who retires by rotation are provided elsewhere in the Annual Report.

The Composition of the Audit committee is given in the Corporate Governance Report. Board has accepted all the recommendations made by the Audit Committee during the financial year 2023-24.

In the preparation of financial statements, no treatment different from that of prescribed accounting standards has been followed. The Company has complied with the applicable secretarial standards.

The Company has maintained all the cost accounting records, as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

Particulars pursuant to Section 197(12) and the relevant rules are given in the Annexure 4.

The Company has transferred dividend and the equity shares in respect of which dividend has not been claimed by the members for seven consecutive years or more to the Investors Education and Protection Fund Authority (IEPF) as and when it is due for transfer. The details of shares transferred have been uploaded in the website of the Company. The Company has transferred the unclaimed dividend of Rs. 2,77,812.00 after a period of seven years to the Investors Education and Protection Fund and 5766 shares have also been transferred to the Investors Education and Protection Fund in respect of which dividends have not been claimed by the members for seven consecutive years or more.

#### **VIGIL MECHANISM**

The Company has established vigil mechanism and adopted whistle blower policy which protects persons who uses the mechanism from victimization and allows direct access to the Chairman of the Audit Committee if required. The Policy is posted in the website of the Company. Weblink to access the policy is <https://supersales.co.in/Disclosure-under-regulation-46/policies>. During the year under review, there was no complaint received under this mechanism

## REMUNERATION POLICY

Based on the recommendation of the Nomination and Remuneration Committee, the Board has approved the Remuneration Policy of the Company for selection and appointment of Directors, senior management personnel, their remuneration, succession plans, Board diversity. The salient features of same is enclosed as Annexure 5 to this report. Weblink to access the policy is <https://supersales.co.in/Disclosure-under-regulation-46/policies>.

The composition of Nomination and Remuneration Committee is given in the Corporate Governance Report.

A certificate from the Statutory Auditors of the Company regarding compliance of the conditions of Corporate Governance is enclosed as Annexure 6. Pursuant to Regulation 34(2)(F) of Listing Regulation, applicability of providing the Business Responsibility and Sustainability Report does not arise.

### Information pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014

In terms of Rule 5 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 the Company has no employee drawing salary exceeding Rs. 102 Lakhs per annum or Rs. 8.50 Lakhs per month during the year under review. No employee has drawn remuneration in excess of the remuneration drawn by the Managing Director and holds by himself or along with his spouse and dependent children not less than two percent of equity share capital of the Company.

List of top 10 employees based on salary drawn is enclosed as Annexure 7. Company is not paying any commission to the Directors and Managing Director.

### Disclosures under the Sexual Harassment of women at work place (Prevention, Prohibition and Redressal) Act, 2013

The Company has constituted Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to hear and redress the complaints, if any received from women employees.

- |                                                                |       |
|----------------------------------------------------------------|-------|
| (a) number of complaints filed during the financial year       | - Nil |
| (b) number of complaints disposed of during the financial year | - Nil |
| (c) number of complaints pending as on end of the year         | - Nil |

### ADDITIONAL DISCLOSURES

In line with the requirement of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis Report, Corporate Governance Report, Related Party disclosures are made part of the Annual Report.

A certificate from CEO/CFO, interalia, confirming the correctness of the financial statements is also made part of the Annual Report.

### ACKNOWLEDGEMENT

The Directors place on record their sincere thanks to all the Principals for their whole hearted co-operation and to the bankers of the Company for their financial assistance. Directors also wish to thank the customers for their support and confidence reposed in the Company and to the employees at all levels for their co-operation and dedication.

For and on behalf of the Board

Coimbatore  
29<sup>th</sup> May, 2024

**SANJAY JAYAVARTHANAVELU**  
Chairman  
DIN 00004505

**ANNEXURE 1  
FORM NO. MR-3****SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2024**

[PURSUANT TO SECTION 204(1) OF THE COMPANIES ACT, 2013 AND RULE NO.9 OF THE COMPANIES (APPOINTMENT OF MANAGERIAL PERSONNEL AND REMUNERATION) RULES, 2014 AND REGULATION 24A OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENT) REGULATIONS,2015, AS AMENDED]

To,

The Members,  
Super Sales India Limited,  
Coimbatore.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Super Sales India Limited (L17111TZ1981PLC001109). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Super Sales India Limited books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Super Sales India Limited ("the Company") for the financial year ended on 31<sup>st</sup> March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder and Companies Act,1956 (to the extent applicable);
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings does not arise;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Company has not issued any securities during the year under review and hence the question of compliance of provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 does not arise;
  - (d) The Company has not issued any securities during the year under review and hence the question of compliance of provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 does not arise;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 does not arise;



- (f) 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;
- (g) The Company has not delisted its securities from any of the Stock Exchanges in which it is listed during the period under review and hence the question of complying with the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 does not arise;
- (h) The Company has not bought back any securities and hence the question of complying with the provisions of Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 does not arise: and
- (i) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (j) The Following law, that are specifically applicable to the Company:  
Essential Commodities Act, 1955, with reference to "Hank Yarn Packing Notification, 2003" (No. 2/ TDRO/8/2003 dated 17<sup>th</sup> April, 2003).

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, except to the extent of the following

During the year under review, the Company had made a delayed submission of proceedings of the Annual General Meeting. However, the company has submitted an explanation for delay as required under second proviso to the Regulation 30(6) of Securities and Exchange Board of India (listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) to the Stock Exchange on 8<sup>th</sup> April, 2024 in reply to the email received from BSE dated 6<sup>th</sup> April, 2024.

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Based on the verification of the records and the Minutes, the decisions of the Meetings of the Board and Committees of the Company were carried out with the consent of all the Directors/ Committee Members and there were no dissenting members as per the Minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Coimbatore  
29<sup>th</sup> May, 2024

**M.R.L. Narasimha**  
Practising Company Secretary  
FCS No. 2851, C P No. 799  
Peer Review No.1420/2021  
UDIN:FO02851 F000477391

This report is to be read with my letter of even date which is Annexed as annexure A and forms an integral part of this report.

**ANNEXURE A TO SECRETARIAL AUDIT REPORT OF EVEN DATE**

To

The Members,  
Super Sales India Limited,  
Coimbatore.

My Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to make a report based on the secretarial records produced for my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my report.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. I have obtained the management's representation about the compliances of laws, rules and regulations and happenings of events, wherever required.
5. Compliance with the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management.
6. This 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.

Coimbatore  
29<sup>th</sup> May, 2024

**M.R.L. Narasimha**  
Practising Company Secretary  
FCS No. 2851, C P No. 799  
Peer Review No.1420/2021  
UDIN: FO02851 F000477391

**ANNEXURE 2**

**AOC – 2**

**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 arm's length transactions under third proviso thereto**

1. Details of contracts or arrangements or transactions not at arm's length basis	All the transactions are at arms length basis
(a) Name(s) of the related party and nature of relationship	NA
(b) Nature of contracts/ arrangements/ transactions	
(c) Duration of the contracts / arrangements/ transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	
(f) date(s) of approval by the Board	
(g) Amount paid as advances, if any:	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

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

a) Name(s) of the related party and nature of relationship	Lakshmi Machine Works Limited, Director along with his relatives hold more than 2% of the Paid up share capital of the Company and hence it is a related party.
(b) Nature of contracts/ arrangements/ transactions	Purchase or sale of products, materials and goods and Rendering and availing of services.
(c) Duration of the contracts / arrangements/ transactions	01.04.2020 to 31.03.2025.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Price charged for the above transactions was competitive, based on the prevailing market price and not be less than the price charged for such transactions to unrelated third party customers having such dealings or transactions with them. Transactions value is Rs. 14157.23 Lakhs.
(e) Date(s) of approval by the Board, if any:	25.05.2020
(f) Amount paid as advances, if any:	Rs. 435.71 Lakhs.
Form shall be signed by the persons who have signed the Board's report.	Sanjay Jayavarthanavelu Chairman DIN: 00004505

**ANNEXURE 3  
ANNUAL REPORT OF CORPORATE SOCIAL RESPONSIBILITY**

**1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:**

Company believes that Corporate Social Responsibility (CSR) is a process with the aim to increase the responsibility for the Company's actions and encourage a positive impact through its activities on the environment, education, healthcare, drinking water, infrastructure development, promoting sports, interests of customers, communities, stakeholders and all other members of the public sphere who may also be considered stakeholders. Company can spend the amount either by itself or through a trust for any of the projects/areas covered under the Companies Act read with relevant rules from time to time. Company has constituted a CSR Committee to identify the CSR activities to be under taken, approve budget and establish monitoring mechanism for the spending. The Company believes that socially responsible business practice is an integral part of an organization's effort at ensuring good Corporate Governance. CSR is therefore a tool through which an organization reflects and pledges its commitment to support and participate in community building efforts.

**2. COMPOSITION OF CSR COMMITTEE:**

Sl. No	Name of Directors	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Sri. G. Mani	Chairman	1	1
2.	Sri. S. Venkataraman	Member	1	1
3.	Smt. Vijayalakshmi Narendra	Member	1	1
4.	Sri. B. Lakshmi Narayana	Member	1	1

**3. Provide the web-link where Composition of CSR committee, CSR policy and CSR projects approved by the board are disclosed on the website of the Company.**

CSR Committee : <https://www.supersales.co.in/Disclosure-under-regulation-46/Composition>  
 CSR Policy : <https://www.supersales.co.in/Disclosure-under-regulation-46/policies>  
 CSR Projects : <https://www.supersales.co.in/Investors/other-disclosures/others>

**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). NA**

5.	(a) Average net profit of the company as per section 135(5)	Rs. 3632.24 Lakhs
	(b) Two percent of average net profit of the company as per section 135(5)	Rs. 72.64 Lakhs
	(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
	(d) Amount required to be set off for the financial year, if any	Nil
	(e) Total CSR obligation for the financial year (b + c – d).	Rs. 72.64 Lakhs

6.	(a) Amount spent on CSR Projects:	
	(i) On going Project	NA
	(ii) Other than On going Project	Rs. 73.00 Lakhs
	(b) Amount spent in Administrative Overheads.	--
	(c) Amount spent on Impact Assessment, if applicable.	NA
(d) Total amount spent for the Financial Year [(a)+(b)+(c)].	Rs. 73.00 Lakhs	

**(e) CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year, (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to unspent CSR Account as per section 135 (6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135 (5).		
	Amount.	Date of transfer	Name of the fund	Amount	Date of transfer
Rs. 73,00,000	-	-	-	-	-

**f) Excess amount for set off, if any**

Sl.No	Particulars	Amount (in Rs Lakhs.)
i)	Two percent of average net profit of the Company as per section 135 (5)	72.64
ii)	Total amount spent for the Financial Year	73.00
iii)	Excess amount spent for the financial year [(ii-i)]	0.36
iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
v)	Amount available for set off in succeeding financial years [(iii) - (iv)]	-

**7) Details of Unspent CSR amount for the preceding three financial years:**

S. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs)	Balance amount in unspent CSR amount under section 135(6) (in Rs)	Amount spent in the Financial Year (in Rs)	Amount transferred to a fund as specified under Schedule VII as per section 135(5), if any		Amount remaining to be spent in succeeding financial years (in Rs)	Deficiency, if any
					Amount (in Rs)	Date of transfer		
1	2020-21	NA	NA	NA	NA	NA	NA	NA
2	2021-22	NA	NA	NA	NA	NA	NA	NA
3	2022-23	NA	NA	NA	NA	NA	NA	NA
	<b>TOTAL</b>	NA	NA	NA	NA	NA	NA	NA

**8) Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:**

Yes / No - No

If Yes, enter the number of Capital assets created / acquired: Rs.

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered address
	NA	NA	NA	NA	NA		

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

**9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). - NA**

Coimbatore  
29<sup>th</sup> May, 2024

**G. Mani**  
MD & Chairman of CSR Committee  
DIN 08252847

## ANNEXURE 4

## PARTICULARS PURSUANT TO SECTION 197(12) AND THE RELEVANT RULES :

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year;	53.61:1 For this purpose, Sitting fees paid to the Directors have not been considered as remuneration.
(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Directors are entitled to receive only sitting fee for attending the Board/Committee or other meetings of Directors. There is no change in the salary of the Managing Director, then CFO salary increased by 13.91% and Company Secretary increased by 3.88%.
(iii) the percentage increase in the median remuneration of employees in the financial year;	Median Employee remuneration increased by 8.33%
(iv) the number of permanent employees on the rolls of Company;	1236 employees
(v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average percentage of increase in the salaries of employees other than managerial personnel was 6.94%. Average percentage of increase in the salaries of managerial personnel was 8.07%.
(vi) affirmation that the remuneration is as per the remuneration policy of the Company.	Managing Director Affirmed that the remuneration paid to the employees were as per the remuneration policy of the Company.

**ANNEXURE 5****SALIENT FEATURES OF NOMINATION AND REMUNERATION POLICY**

Introduction:

Company believes that the human resources are one of the most important valuable assets of the Company. As per the requirement of the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, to meet and attract the valuable asset and harmonize the payment to Directors, Key Managerial Personnel and other employees of the Company in line with the mission, vision and values of the Company this policy has been formulated by the Nomination and Remuneration Committee for the Directors, Key Managerial Personnel, Senior Management Personnel and approved by the Board of Directors.

The objective and purpose of this policy are:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors and persons who may be appointed in Senior Management and Key Managerial positions.
- To lay down guiding principle for remuneration payable to Executive Directors, Non-Executive Directors, Senior Management Personnel and Key Managerial Personnel, retirement and removal.
- To recommend remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies.
- To provide them reward linking to their effort, performance, dedication and achievement in the Company's operations/performance.
- To design suitable remuneration package to attract, retain, motivate and promote best calibre directors and employees, create strong performance orientated environment and reward, achievement of meaningful targets over the short and long-term and create competitive advantage.
- Determine the criteria for qualifications, positive attributes and independence of Directors.
- Devising criteria for board diversity and evaluation.
- Develop succession plan for the Board, Senior Management and Key Managerial Personnel.

Based on the above parameters, the Nomination and Remuneration policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors.



## ANNEXURE 6

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members,  
**SUPER SALES INDIA LIMITED,**  
Coimbatore.

We have examined the compliance of conditions of Corporate Governance by **SUPER SALES INDIA LIMITED** ('the Company') for the year ended **March 31, 2024** as per relevant Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

**Managements' Responsibility**

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

**Auditors' Responsibility**

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on certification of Corporate Governance issued by the Institute of Chartered Accountants of India, the standards on Auditing specified under section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India, which requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

Based on our examination of the relevant records and to the best of our information and according to the explanations given to us and the representation provided by the management, we certify that the Company has complied with the conditions of Corporate Governance as specified in the relevant Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as applicable during the year ended 31<sup>st</sup> March, 2024.

We state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For M/s Subbachar & Srinivasan**  
Chartered Accountants  
Firm Registration No.004083S

**T.S.ANANDATHIRTHAN**  
Partner

Coimbatore  
29<sup>th</sup> May, 2024

Membership No. 230192  
UDIN : 24230192BKCRPK8990

ANNEXURE 7

Top 10 Employees Salary, Qualification & Experience Details

Sl. No	Name	Designation	Remuneration received (Rs in Lakhs)	Name of employment Contract or otherwise	Qualification	Total Experience (In Yrs)	Date of commencement of employment	Age
1.	SRI.MANI G	Managing Director	74.01	Permanent	DME.,BE	47	17/08/2018	68
2.	SRI.RAVINDRAN S	then Chief Financial Officer	28.16 *	Permanent	B.COM., DMM.,	47	19/10/2001	69
3.	SRI.PANDIAN K	General Manager - Operations	25.31	Permanent	DME.,	26	01/04/2019	51
4.	SRI.MUKUNTHARAJAN S	Vice President - Marketing	24.17	Permanent	DTT., B.TECH.,	36	23/03/2015	55
5.	SRI.SRINIVASAN A	General Manager - Marketing & Services (Agency Division)	18.38	Permanent	DTT.,	30	01/12/1993	53
6.	SRI.CHANDRA SEKARAN S	General Manager (Jay II)	18.24	Permanent	DTT	35	18/11/2021	53
7.	SRI.RADHAKRISHNAN S.K	Company Secretary	18.03	Permanent	MCOM.,ACS., BGL.,ACMA.,	22	03/03/2006	45
8.	SRI.SIVAKUMAR RAGHU-NATHAN	Manager - IT	17.56	Permanent	MCA	22	01/06/2022	52
9.	SRI.BALASUBRAMANIAM.A	Deputy General Manager - Sales & Marketing (Gears Unit)	13.45	Permanent	DME., DPM.,	29	10/01/2017	48
10.	SRI.UMA MAHESWARAN M	then Senior Manager -HR	10.51 **	Permanent	MSW - HR	17	28/08/2020	42

Sl. No	Name	Last employment	%of equity shares held	Whether he is relative to any Director
1.	SRI.MANI G	Lakshmi Machine Works Ltd	0	No
2.	SRI.RAVINDRAN S	Ramakrishna Group	0	No
3.	SRI.PANDIAN K	AVTECH Ltd	0	No
4.	SRI.MUKUNTHARAJAN S	Rajapalayam Mills Ltd	0	No
5.	SRI.SRINIVASAN A	Nili (First employment in SSIL)	0	No
6.	SRI.CHANDRA SEKARAN S	Raja Cotton Pvt Ltd	0	No
7.	SRI.RADHAKRISHNAN S.K	Elgi Electric & Industries Ltd	0	No
8.	SRI.SIVAKUMAR RAGHUNATHAN	Road Map IT Solution Pvt Ltd	0	No
9.	SRI.BALASUBRAMANIAM.A	Remi Electricals	0	No
10.	SRI.UMA MAHESWARAN M	Abex Pharmaceutical Pvt Ltd	0	No

\* upto 4<sup>th</sup> March, 2024

\*\* upto 5<sup>th</sup> December, 2023

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****ECONOMY OVER VIEW:****Growth in 2023 and outlook for 2024**

Global economic growth in 2023 estimated at 3.2 percent from 3.4 percent due to high borrowing costs, withdrawal of fiscal support, longer-term effects from the COVID-19 pandemic, Russia's invasion of Ukraine, weak growth in productivity, increasing geo-economic tensions and high headline inflation. As per the latest projections, the global economy continues to grow at a similar pace as in 2023 during 2024 & 25 as well, the reasons being the steady decline of headline and core inflation, further strengthening of the United States economy, recovery in the Euro area from low growth in 2023 and stable growth of the emerging and developing economies through 2024 and 2025, with regional differences.

Growth of the Advance economies in 2023 estimated at 1.6 percent with the growth of United States at 2.5 percent, Euro area at 0.4 percent, Japan at 1.9 percent and other advance economies at 1.8 percent. Advanced economies growth is projected to rise from 1.6 percent in 2023 to 1.7 percent in 2024 and 1.8 percent in 2025.

In the United States, growth is projected to increase to 2.7 percent in 2024. The US economy entered in 2024 on strong footing, but headwinds, including rising consumer debt, elevated interest rates, cooling of consumer spending, softening in labour market will weigh on economic growth.

Growth in the Euro area is projected to recover from its low rate of growth estimated 0.4 percent in 2023, which reflected relatively high exposure to the war in Ukraine, to 0.8 percent in 2024 and 1.5 percent in 2025. Stronger household consumption, as the effects of the shock to energy prices subside and a fall in inflation which may support growth in real income, is expected to drive the recovery.

In Japan, output is projected to slow from an estimated 1.9 percent in 2023 to 0.9 percent in 2024 and 1 percent in 2025 due to less domestic consumptions.

Estimated Growth of Emerging and developing economies in 2023 at 4.3 percent with Emerging and developing Asia at 5.6 percent, with China at 5.2 percent and India at 7.8 percent, and Emerging and Developing Europe at 3.2 percent.

Emerging and developing economies growth is expected to be stable at 4.2 percent in 2024 and 2025. Growth in emerging and developing Asia is expected to fall from an estimated 5.6 percent in 2023 to 5.2 percent in 2024 and 4.9 percent in 2025. Growth in China is projected to slow from 5.2 percent in 2023 to 4.6 percent in 2024 and 4.1 percent in 2025 due to withdrawal of boost to consumption, fiscal stimulus and weakness in the property sector persists.

Growth in India is projected to remain strong at 6.8 percent in 2024 and 6.5 percent in 2025, with the robustness reflecting continuing strength in domestic demand and a rising working-age population.

Continuity of Policy relating to Capital spending and focus on infrastructure development by the Government after the general election, strong manufacturing activity, pick up of private industrial capital spending based on the projects sanctioned by major banks and financial institutions, rising capacity utilization, robust credit growth and upbeat business sentiment, ongoing supply chain diversification benefits and investors' response to the government's production-linked incentive (PLI) scheme to boost key manufacturing industries, rising auto sales, consumer optimism and double-digit credit growth suggest gaining to economic momentum.

However, the constraints on production factors (both labour and capital), country's lack of integration into global trade based on drop in FDI flows, India's Inflation concerns, shift in consumer spending pattern, high household liabilities, rain levels in the 2023 monsoon season were 6.5% lower than normal across the entire

country due to El Nino, risk relates to monetary policy against the backdrop of re-emerging inflationary pressure and international environment, geopolitical risks may lead to downward revision of economic growth.

**OPPORTUNITIES AND THREATS:****Opportunities:**

1. Positive sign of textile and apparel segments' products demand.
2. Adoption of China plus one strategy by other countries.
3. Availability of raw material.
4. Expectation of continuation of modernization programmes.
5. Establishment of new products and avenues for Gears and Gears Boxes.

**Threats:**

1. High attrition and availability of skilled labour force.
2. Inconsistency in power supply.
3. Volatility in yarn selling prices.
4. Quicker deliveries at lower cost by competitors.

**SEGMENT WISE PERFORMANCE:****Agency Division**

Though the textile market is slow during the year under review, some customers who booked orders in earlier years have taken delivery of the machines because of the readiness of the infrastructures, has helped the division to show better performance.

The division has earned a total revenue of Rs. 3242.77 Lakhs as against Rs. 2931.15 Lakhs and a PBT of Rs. 2048.84 Lakhs as against Rs. 1842.71 Lakhs.

**Textile Division**

Import of fabric and yarn, change in the consumption pattern, mismatch the raw material and selling prices and increase in the cost of production have affected the margin of this division.

This division earned revenue of Rs. 30422.45 Lakhs, compared to Rs. 26057.20 Lakhs to the previous year.

This division has earned a profit of Rs. 4.02 Lakhs (including an exceptional income of Rs. 211.38 Lakhs) as against the profit of Rs. 206.11 Lakhs in the previous year.

**Engineering Division**

Better off take of the existing products by the OEMs and introduction of new products have helped the division to post a better performance during the year under review.

This division earned a total revenue of Rs. 9099.45 Lakhs, compared to Rs. 8391.64 Lakhs of the previous year.

This Division earned a PBT of Rs. 1348.89 Lakhs as against Rs. 1858.74 Lakhs (including an exceptional income of Rs. 420.25 Lakhs).

**EXPORTS**

In textiles, since sheeting order from export market was good, your company exported yarn for Rs. 6492.84 Lakhs out of which Rs. 2434.71 Lakhs were merchant export. In Gears unit export during the year was Rs. 141.64 Lakhs.

**PROSPECTS**

As the predictions are positive in the textile and apparel segment, foreseeing a good demand for our yarn, ease out of cotton prices due to higher area of cultivation and higher yield, the textile division may show a positive performance.

Expectation of the continuation of modernization programmes by the customers due to quality requirements of weaving and knitting segments coupled with expectation of higher demand, performance of agency division will improve.

Newly developed products, direct marketing measures, establishment of custom built gear boxes will help to show better turnover in gears unit.

**RISK AND CONCERN:**

Consistency in availability of quality cotton, impact of import of fabric and yarn, export of cotton, incentives offered by other states, extension of the benefit of least developing country to Bangladesh are cause of concern for the demand and margin.

**INTERNAL CONTROL SYSTEM AND ADEQUACY:**

The Company has an adequate internal control system commensurate with its size and nature of its business. Management has overall responsibility for the Company's internal control system to safeguard the assets and to ensure reliability of financial records.

The Company has a detailed budgetary control system and the actual performance is reviewed periodically and decision taken accordingly.

Internal audit programme covers all areas of activities and periodical reports are submitted to the Management. Audit Committee reviews all financial statements and ensures adequacy of internal control systems. The Company has a well-defined organization structure, authority levels and internal rules and guidelines for conducting business transactions.

**FINANCIAL PERFORMANCE AND ANALYSIS:**

(Rs. in Lakhs)

Particulars	<b>2023-24</b>	2022-23	Change	Percentage (%)
Income from Operations	<b>41918.39</b>	36779.85	5138.54	13.97
Other Income	<b>1082.49</b>	691.93	390.56	56.45
Profit before Interest & Depreciation	<b>5297.02</b>	5328.94	(31.92)	(0.60)
Interest	<b>732.56</b>	432.19	300.37	69.50
Profit before Depreciation	<b>4564.46</b>	4896.75	(332.29)	(6.79)
Less: Depreciation	<b>2213.95</b>	1911.05	302.90	15.85
Profit before Tax and exceptional item	<b>2350.51</b>	2985.70	(635.19)	(21.27)
Profit after Tax	<b>1986.72</b>	2836.80	(850.08)	(29.97)

**HUMAN RESOURCES:**

The Company's HR objectives aim to develop and train each individual to perform to his/her fullest capacity, achieving individual excellence and Company's Goals. The shortage of man power in the Textile division has become a severe problem and efforts have been taken to mitigate the same. The number of permanent people employed was 1236.

**CAUTION:**

Statements in the management discussion and analysis describing the Company's objectives, projections, estimates and expectations may be considered as "forward looking statements" within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. The factors that might influence the operations of the Company are demand-supply conditions, finished goods prices, raw material costs & availability, change in the government regulations, WTO and natural calamities over which the Company has no control.

The Company assumes no responsibility in respect of the forward-looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

For and on behalf of the Board

**SANJAY JAYAVARTHANAVELU**

Coimbatore

29<sup>th</sup> May, 2024

Chairman

DIN 00004505

**Significant changes in the key financial ratios along with explanations: (Changes in more than 25% compared to previous year)**

S.No	Name of the Ratio	2023-24	2022-23	% of change
1	Debtor turnover ratio	<b>6.54</b>	5.41	(20.89)
2	Inventory turnover ratio	<b>5.87</b>	4.75	(23.58)
3	Interest coverage ratio	<b>7.23</b>	12.33	(41.36)
4	Current ratio	<b>1:1.41</b>	1:1.44	(2.08)
5	Debt equity ratio	<b>0.14</b>	0.18	(22.22)
6	Operating margin (%)	<b>12.32</b>	14.26	(13.60)
7	Net profit margin (%)	<b>4.74</b>	7.71	(38.52)

**Explanations: (Changes in more than 25% compared to previous year)**

Changes in Interest coverage ratio and Net profit margin ratio are more than 25%.

Interest coverage ratio was low due to lower profit and higher interest cost. High interest cost is due to usage of loan for Raw material purchases.

Net profit margin was low due to higher cost of production and mismatch of cotton and yarn prices.

**Details of any change in return on network as compared to immediate previous financial year along with detailed explanation thereof.**

Return on Network has come down from 6.53% to 3.56% due to lower profit and higher network.

**CORPORATE GOVERNANCE REPORT**

**1. PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

The Company is committed to ensure a good practice of Corporate functioning, maximizing the customer satisfaction by offering quality service & products (in least possible time) at reasonable cost and ensure compliance with all regulations as applicable with adequate transparency and accountability.

**2. BOARD OF DIRECTORS**

In order to enable the Board to discharge its responsibilities effectively all statutory, significant and material information are placed before the Board on quarterly basis.

**(A) Board Composition**

The composition of the Board of Directors is:

Name of the Directors	DIN	Category	Number of Other Directorships	No. of committees in which he/she is Member/ Chairman
Sri. Sanjay Jayavarthanavelu	00004505	Non-Executive, Chairman, Promoter, Non-Independent	11	7/4
Sri. Ravi Sam	00007465	Non-Executive, Promoter Group, Non- Independent	15	3/0
Sri. S. Venkataraman	02538050	Non-Executive, Independent	1	4/3
Smt. Vijayalakshmi Narendra	00412374	Non-Executive, Independent, Woman Director	4	9/0
Sri. B. Lakshmi Narayana	00504396	Non- Executive, Independent	4	8/2
Justice Smt. Chitra Venkataraman	07044099	Non- Executive, Independent	3	11/2
Ms. Shivali Jayavarthanavelu	07441741	Non-Executive, Promoter Group, Non- Independent	6	1/0
Sri. G. Mani	08252847	Executive, Non- Independent	--	3/1

Number of Membership/Chairmanship in committees of all Directors is within the Limits specified in SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

**Particulars of Directorship and Category in other companies**

Name of the Directors	Name of the other listed entity in which he/ she is a Director	Category of Directorship
Sri. Sanjay Jayavarthanavelu	Lakshmi Machine Works Ltd	Executive-Non-Independent
	Lakshmi Electrical Control Systems Ltd	Non- Executive-Non-Independent
	The Lakshmi Mills Company Ltd	Non- Executive-Non-Independent
	Carborundum Universal Ltd	Non- Executive-Independent
Sri. Ravi Sam	Nil	Nil
Sri. S. Venkataraman	Nil	Nil

Name of the Directors	Name of the other listed entity in which he/ she is a Director	Category of Directorship
Smt. Vijayalakshmi Narendra	Ambika Cotton Mills Ltd Magna Electro Castings Ltd	Non- Executive-Independent
Sri. B. Lakshmi Narayana	Super Spinning Mills Ltd	Non- Executive-Independent
Justice Smt. Chitra Venkataraman	The Ramco Cements Ltd Ramco Industries Ltd	Non- Executive- Independent Non- Executive- Independent
Ms. Shivali Jayavarthanavelu	Nil	Nil
Sri. G. Mani	Nil	Nil

**(B) Board Meeting and Attendance**

Four Board Meetings were held during the period from 1<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024, on 25.05.2023, 28.07.2023, 26.10.2023, and 13.02.2024. Details of attendance of each Director at the Board meeting and Last AGM during the financial year ended 31<sup>st</sup> March, 2024 are given below:

Name of the Directors / Date of Meetings	25.05.23	28.07.23	26.10.23	13.02.24	AGM 28.07.23
Sri. Sanjay Jayavarthanavelu	✓	✓	✓	✓	✓
Sri. Ravi Sam	✓	✗	✓	✗	✗
Sri. S. Venkataraman	✓	✓	✓	✓	✓
Smt. Vijayalakshmi Narendra	✓	✓	✓	✓	✓
Sri. B. Lakshmi Narayana	✓	✓	✓	✓	✓
Justice Smt. Chitra Venkataraman	✓	✓	✓	✓	✓
Ms. Shivali Jayavarthanavelu	✓	✓	✓	✓	✓
Sri. G. Mani	✓	✓	✓	✓	✓

Sri. Sanjay Jayavarthanavelu and Ms. Shivali Jayavarthanavelu are relatives and No Director is related to other Director.

Non- Executive Directors' share holding:

Sri. Sanjay Jayavarthanavelu	: 216288 shares
Sri. Ravi Sam	: 1000 shares
Sri. S. Venkataraman	: Nil
Smt. Vijayalakshmi Narendra	: Nil
Sri B. Lakshmi Narayana	: Nil
Justice Smt. Chitra Venkataraman	: Nil
Ms. Shivali Jayavarthanavelu	: 25500 shares

The familiarisation programme was held on 21<sup>st</sup> March, 2024 at the Registered Office. All the independent directors were present for the above programme.

In addition to the above, all the improvements and major changes in the operations or functions of the company are updated to the Directors in the Board and its Committee meetings. The details of the familiarisation programme is available at <https://supersales.co.in/Disclosure-under-regulation-46/Familiarisation>.



Skill Matrix: In order to carryout the duties and responsibilities by a director in the Company, following skill matrix have been identified by the Board for selection and utilize the skills possessed by the directors.

1. Leadership,
2. Board services and Corporate Governance,
3. Business strategy,
4. Technology and innovation,
5. Financial,
6. Sales and marketing and
7. Human resources.

All the above core skill sets are available with the present Board of Directors. All the Directors are possessing all the above skills.

Board is of the opinion that all the independent directors have met all the criteria of Independence as prescribed in the SEBI (LODR) Regulations, 2015 and the Companies Act, 2013 and are independent of the Management. There is no case of resignation of an Independent Director before expiry of his/her term during the year 2023-24.

#### **Retirement of Directors by rotation and being eligible, offer himself for reappointment**

Sri. Ravi Sam, Director (DIN 00007465) is retiring at the ensuing annual general meeting. He is eligible and offers himself for reappointment.

Brief profile, other directorships, Committees in which he is member/ Chairman, details of his shareholding and inter-se relationships are given in the Notice of the Annual General Meeting.

### **3. AUDIT COMMITTEE**

Audit Committee has been constituted on 28.06.2002. The broad terms of reference to the Committee are compliance of adequate internal control system, financial disclosures and other issues confirming to the requirements specified in Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Last reconstitution of Audit Committee was on 05.08.2019 and at present, the Committee consists of the following Directors as its Members:

- |                                |            |
|--------------------------------|------------|
| 1. Sri. S. Venkataraman        | - Chairman |
| 2. Sri. Ravi Sam               | - Member   |
| 3. Sri. B. Lakshmi Narayana    | - Member   |
| 4. Smt. Vijayalakshmi Narendra | - Member   |

The Committee has met 4 times during the financial year ended 31<sup>st</sup> March, 2024.

The Chairman of the Committee attended the AGM held on 28<sup>th</sup> July, 2023.

Sri. S.K. Radhakrishnan, Company Secretary is the Secretary of the Committee.

Details of attendance of each member at the Audit Committee meeting held during the year 2023-24 are given below:

Name of the Directors / Date of Meetings	25.05.23	28.07.23	26.10.23	13.02.24
Sri. S. Venkataraman	✓	✓	✓	✓
Sri. Ravi Sam	✓	✓	✗	✗
Smt. Vijayalakshmi Narendra	✓	✓	✓	✓
Sri. B. Lakshmi Narayana	✓	✓	✓	✓

**4. NOMINATION AND REMUNERATION COMMITTEE**

The Committee has been formed to determine the Company's policy on remuneration package to the Directors, Key Managerial Personnel and other Employees and identify suitable person for the directorship and senior management, formulate performance evaluation criteria for independent Director, Board, Committees and other directors and other requirements specified in Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. The Committee has been reconstituted on 05.08.2019 and the reconstituted Committee consists of the following Directors as its Members.

1. Sri. S. Venkataraman - Chairman
2. Sri. Ravi Sam - Member
3. Sri. B. Lakshmi Narayana - Member
4. Smt. Vijayalakshmi Narendra - Member

Nomination and Remuneration Committee has met twice during the financial year ended 31<sup>st</sup> March, 2024. The Chairman of the Committee attended the AGM held on 28<sup>th</sup> July, 2023.

Details of attendance of each member at the Nomination and Remuneration Committee meeting held during the year 2023-24 are given below:

Name of the Director	25.05.2023	13.02.2024
Sri. S. Venkataraman	✓	✓
Sri. Ravi Sam	✓	✗
Sri. B. Lakshmi Narayana	✓	✓
Smt. Vijayalakshmi Narendra	✓	✓

Performance evaluation criteria for independent directors: Securities Exchange Board of India has issued a guidance note for evaluation of the Directors, for evaluation of Board as a Whole, Individual directors (including independent Directors and Chairman) and various Committees. Based on the guidance note, Nomination and Remuneration Committee has adopted criteria to evaluate the independent directors. Criteria are : Qualification, experience, knowledge & competency, ability to fulfill allotted functions/rolls, ability to function as a team, pro-activeness, participation and attendance, commitments, contribution, integrity, independence from Company, ability to articulate independent views and judgment. Based on these Criteria, the evaluations have been carried out.

**5. STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Committee has been formed to specifically look into Shareholders / Investors complaints, if any, on transfer of shares, non-receipt of dividends, balance sheet, etc., and also the action taken by the Company on the above matters.

The Committee has been reconstituted on 05.08.2019 and the reconstituted Committee consists of the following Directors as its Members.

1. Sri. S. Venkataraman - Chairman
2. Smt. Vijayalakshmi Narendra - Member
3. Sri. B. Lakshmi Narayana - Member
4. Sri. G. Mani - Member

Sri. S. K. Radhakrishnan, Company Secretary is the Compliance Officer.

The Chairman of the Committee attended the AGM held on 28<sup>th</sup> July, 2023.

During the financial year, the Company has received 1 complaint from the investors and the same was resolved. The outstanding complaint as on 31<sup>st</sup> March, 2024 was Nil. The Committee has met 2 times during the financial year ended 31<sup>st</sup> March, 2024.

Particulars of Stakeholder Relationship Committee meeting and attendance of the members present at the meetings are given below:

Name of the Directors / Date of Meetings	28.07.2023	13.02.2024
Sri. S. Venkataraman	✓	✓
Smt. Vijayalakshmi Narendra	✓	✓
Sri. B. Lakshmi Narayana	✓	✓
Sri. G. Mani	✓	✓

**5A. Risk management Committee is not applicable to the Company.**

**5B. Particulars of Senior managerial personnel**

S.No	Name	Designation
1.	Sri. C. V. Venkatesh	Chief Financial Officer
2.	Sri. K. Selvam	GM - Jay Textiles Unit I
3.	Sri. S. Chandrasekaran	GM - Jay Textiles Unit II
4.	Sri. K. Pandian	GM - Gears Unit
5.	Sri. A. Srinivasan	GM - Agency Division
6.	Sri. S. Mukuntharajan	VP - Marketing
7.	Sri. S. K. Radhakrishnan	Company Secretary
8.	Sri. A. Balasubramanian	DGM - Marketing

**Change in the senior managerial personnel**

S.No	Name and Designation	Appointment/ Resignation	Effective date
1.	Sri. N. Balasubramanian, Unit Head- Jay Textiles Unit I	Appointment	29.05.2023
2.	Sri. M. Uma Maheshwaran, Sr. Manager- HR	Resignation	05.12.2023
3.	Sri. N. Balasubramanian Unit Head- Jay Textiles Unit I	Resignation	10.02.2024

S.No	Name and Designation	Appointment/ Resignation	Effective date
4.	Sri. K. Selvam Unit Head- Jay Textiles Unit I	Appointment	13.02.2024
5.	Sri. S. Ravindran Chief Financial Officer	Retirement	04.03.2024
6.	Sri. C. V. Venkatesh Chief Financial Officer	Appointment	05.03.2024

**6. REMUNERATION OF DIRECTORS**

The Company does not have any pecuniary relationship or transactions with its Non- Executive Directors during the financial year ended 31<sup>st</sup> March, 2024.

At present, the Company pays only sitting fees to all the Non-Executive Directors for attending the meetings of the Board, Committee or any other meeting of directors.

Remuneration and sitting fee paid to the Directors during the financial year ended 31<sup>st</sup> March, 2024 are as follows:

Name	Amount in Rs.
	Sitting fee
Sri. Sanjay Jayavarthanavelu	1,00,000
Sri. Ravi Sam	1,25,000
Sri. S.Venkataraman	3,50,000
Smt. Vijayalakshmi Narendra	3,50,000
Sri. B. Lakshmi Narayana	3,50,000
Justice Smt. Chitra Venkataraman	1,25,000
Ms. Shivali Jayavarthanavelu	1,00,000

Remuneration paid to Sri. G. Mani, Managing Director during the year 2023-24 are as follows:

Particulars	Amount Rs. In Lakhs
Basic Salary	41.43
HRA	20.71
Special Allowance	4.97
Medical Reimbursement	3.45
Leave travel assistance	3.45
Total	<u>74.01</u>

**Other Benefits:**

Company has provided a car with Driver and Telephone for official use.

He is entitled to gratuity and encashment of leave as per the rules of the Company. All the payments mentioned above to the Managing Director are fixed in nature and there is no performance linked payment to him.

Sri. G Mani has been appointed as Managing Director of the Company with effect from 24<sup>th</sup> October, 2021. He is not entitled to sitting fee for attending the Board and Committee meetings.

Criteria for making payment to the Non-executive Directors were uploaded in the website and the same is available at <https://supersales.co.in/Disclosure-under-regulation-46/policies>.

No other remuneration, Benefit, other than the above, Bonus, Stock Option, Performance linked incentives, Severance fee, notice period pay and Pension are given to any Directors.

## **7. GENERAL BODY MEETINGS**

Information regarding last 3 years General Body Meetings are given below:

Location	AGM / EGM	Day	Date	Time
Video Conferencing	AGM	Thursday	22.07.2021	3:30 PM
Video Conferencing	AGM	Thursday	01.09.2022	4:30 PM
Video Conferencing	AGM	Friday	28.07.2023	4:35 PM

1. During 2020-21 one special resolution was passed-

At the 39<sup>th</sup> AGM held on 22.07.2021 one special resolution was passed for re-appointment of Sri. G. Mani as Managing Director of the Company for a period from 24<sup>th</sup> October, 2021 to 23<sup>rd</sup> October, 2024.

2. During 2021-22 one special resolution was passed-

At the 40<sup>th</sup> AGM held on 01.09.2022 one special resolution was passed for appointment of Justice Smt. Chitra Venkataraman as an Independent Director of the Company for a period five years from 6<sup>th</sup> July, 2022 to 5<sup>th</sup> July, 2027.

3. During 2022-23 one special resolution was passed-

At the 41<sup>st</sup> AGM held on 28.07.2023 one special resolution was passed for appointment of Sri. B. Lakshmi Narayana as an Independent Director of the Company for a period five years from 23<sup>rd</sup> October, 2023 to 22<sup>nd</sup> October, 2028.

The Company has not conducted any business by postal Ballot as provided in Rule 22 of the Companies (Management and Administration) Rules, 2014 during the year 2023-24. During the year under review no Extra Ordinary General Meeting was held.

There is no proposal to conduct any business through Postal Ballot at the ensuing Annual General Meeting.

## **8. MEANS OF COMMUNICATION**

The quarterly results were published in leading Newspapers viz., Financial Express [English] and Dinamalar [Tamil]. The corporate information, shareholding pattern, financial statements are posted in the Company's web-site [www.supersales.co.in](http://www.supersales.co.in). There is no official release and presentation to institutional investors or analysts during the year.

## **9. GENERAL SHAREHOLDERS INFORMATION**

- a. Annual General Meeting

Day & Date : Friday, the 2<sup>nd</sup> August, 2024

Time : 4.35 PM

Venue : Through Video Conferencing or Other Audio Visual Means

b. Financial year - 2024-25

Financial Calendar (2024-25)

Results for the financial year 2023-24 : 29<sup>th</sup> May, 2024

Posting of Annual Report : On or before 12<sup>th</sup> July, 2024

Announcement of Quarterly Results : August, 2024, October, 2024, January, 2025 & May, 2025 (Tentative)

c. Dividend Payment Date : on or before 31<sup>st</sup> August, 2024

d. Listing on Stock Exchanges and payment of listing fee

The shares of the Company are listed in BSE Limited, Mumbai. The Company has paid the Listing fee for the years 2023-24 and 2024-25.

e. Scrip Code at Bombay Stock Exchange : 512527

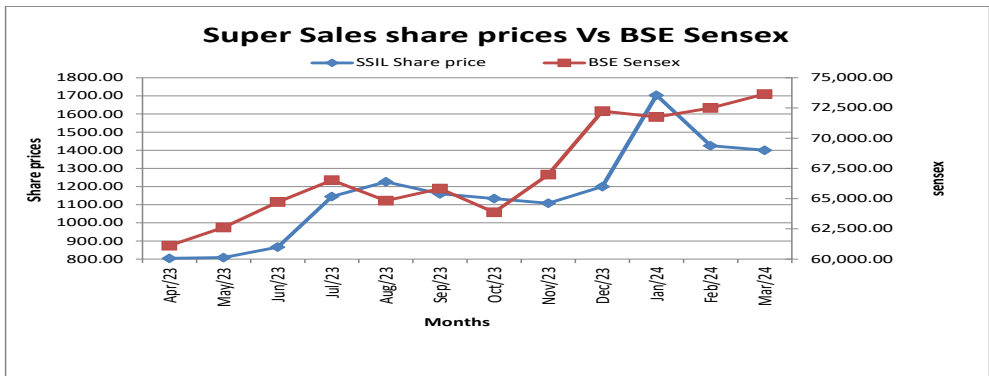
International security identification number (ISIN) : INE091C01017

f. Market Price data: Monthly High and Low Prices : (BSE)

The market price data of High and Low during each month in the last financial year at BSE Limited, Mumbai is given below:

Month	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
High (Rs)	853.95	871.5	884	1235	1240.85	1259	1248.7	1195.95	1250	1710	1750	1499
Low (Rs)	725.1	681	779.9	850.1	1025.05	1083	980	1053	1095	1156.1	1212	1250.25
Sensex	61112.44	62622.24	64718.56	66527.67	64831.41	65828.41	63874.93	66988.44	72240.26	71752.11	72500.3	73651.35

g. Super Sales share Price



h. The shares are regularly traded in BSE Limited and trading was not suspended at any time during the year.

i. Registrars and Share Transfer / Demat Agents

Company's share transmission, dematerialization etc., are done by M/s. Link intime India Private Limited, "Surya" 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore – 641028,. (Phone: 0422- 4958995, 2539835-836, Fax : 0422- 2539837 and Email: coimbatore@linkintime.co.in). The shareholders can contact them for all matters related to their shareholdings in the Company.

j. Share Transfer System

The share transmission, Issue of duplicate certificates, change in name etc., are registered and returned within the period specified if the documents are in order and subject to applicable laws.

k. Distribution of Shareholding as on 31.03.2024

No. of equity shares held	No. of share holders	No. of shares held	% held
Up to 500	4277	382113	12.44
501 to 1000	162	123990	4.04
1001 to 2000	74	107520	3.50
2001 to 3000	33	78203	2.55
3001 to 4000	14	49969	1.63
4001 to 5000	13	60961	1.98
5001 to 10000	18	132734	4.32
10001 and above	21	2136010	69.54
<b>Total</b>	<b>4612</b>	<b>3071500</b>	<b>100.00</b>

l. Dematerialization of Shares

As on 31.03.2024, 29,78,796 shares constituting 96.98% of the total paid up capital of the Company have been dematerialized with CDSL and NSDL. In view of the numerous advantages offered by the depository system, members are requested to avail the facility of dematerialization of the Company's shares.

m. Outstanding GDR/ADR

The Company has not issued any GDR/ADR.

n. The Company has not entered into any forward cover or hedging to cover the Commodity price risk or foreign exchange risk.

1. Risk Management policy of the listed entity with respect to commodities including through hedging (such policy shall take into account total exposure of the entity towards commodities, commodity risk faced by the entity, hedging exposures etc as specified below):

Cotton: The Company has a policy to maintain 2 to 3 months stock of cotton always to mitigate the volatility in the prices.

Steel Rods and castings: The Company has a policy to maintain stocks at an average of two months. Orders shall be placed one month in advance. This arrangement ensures that any price increase in the market is absorbed with a lead time of 3 months.

2. Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:

a. Total exposure of the listed entity to commodities in INR 24575.06 Lakhs

b. Exposure of the listed entity to various commodities

Commodity name	Exposure towards the particular commodity (Rs. In Lakhs)	Exposure in Quantity in terms towards the particular commodity (Tones)	% of such exposure hedged through commodity derivatives				
			Domestic Market		International Market		Total
			OTC	Exchange	OTC	Exchange	
Cotton	21709.52	11919.89	Nil	Nil	Nil	Nil	Nil
Steel Rods and castings	2865.54	911.91	Nil	Nil	Nil	Nil	Nil

c. Commodity risks faced by the listed entity during the year and how they have been managed:

Cotton: The Company has maintained 2 to 3 months stock of cotton always to mitigate the volatility in the prices.

Steel Rods and castings : Stocks were maintained at an average of two months requirements. Orders are also placed one month in advance. This arrangement ensures that any price increase in the market is absorbed with a lead time of 3 months, within which the prices of finished goods are negotiated and fixed based on revised steel prices. However no hedging is undertaken for both the commodities

o. Plant Locations

The Company is having three Divisions viz., Agency Division, Textile Division and Engineering Division.

The Agency Division is functioning at Perumal Complex, 69, Nethaji Road, Pappanaickenpalayam, Coimbatore - 641 037 and other Divisions are functioning at the following locations:

Textile Division

Jay Textiles – Unit I   Ayyampalayam,  
Pollachi – 642 005.

Jay Textiles – Unit II   Othakkalmandapam,  
Coimbatore – 641 032.

Engineering Division   Thekkampatti,  
Mettupalayam – 641 113.

p. Address for Correspondence

Company Secretary,  
Super Sales India Limited,  
Registered Office:  
34-A, Kamaraj Road, Coimbatore - 641 018.  
Investor grievances: investorscell@vaamaa.com.

q. List of all credit rating obtained by the entity along with revision thereto during 2023-24 for all debt instruments or any Fixed Deposit or any Scheme or proposal involving mobilization of funds: The Company has not obtained any credit rating of any debt instrument or fixed deposit or scheme or proposal involving mobilization of funds during 2023-24.



**10. OTHER DISCLOSURES**

Details of transactions entered with the related parties, as per the accounting standards, during the year 2023-24 are disclosed in the notes to accounts.

The Quattro Engineering India Limited (formerly known as Lakshmi Life Sciences Limited) is the only entity that holds more than 10% shareholding in Super Sales India Limited.

There is no transaction with Quattro Engineering India Limited during the year 2023-24.

- a. There is no material significant related party transaction that would have been a potential conflict with the interests of the Company at large.
- b. No penalty or strictures have been imposed on the Company by any Regulatory Authority for non-compliance of any matter relating to capital markets during the last three years.
- c. The Company has adopted Vigil mechanism, whistle blower policy and no person has been denied access to the Audit Committee.
- d. The Company has complied with all applicable mandatory compliance requirements and not adopted any of the non-mandatory requirements given in the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- e. The Company has no subsidiary and hence there is no policy for deciding the material subsidiary.
- f. Policy for dealing with related parties is available at <https://supersales.co.in/Disclosure-under-regulation-46/policies>
- g. The Company has not entered into any forward cover or hedging to cover the Commodity price risk.
- h. Details of utilisation of funds raised by preferential allotment/QIP - Company has not raised any money via preferential allotment or QIP during the year 2023-24.
- i. Company has obtained a Certificate from Sri.M.R.L.Narasimha, Practising Company Secretary that none of the directors are debarred or disqualified from being appointed or continuing as directors of companies by SEBI or Ministry of Corporate Affairs or any other authority. Certificate is annexed as Annexure – A.
- j. Board of Directors has accepted all the recommendations of the Committees during 2023-24.
- k. Total fee for all the services, on consolidated basis, to statutory auditors and all entities in network firm/network entity of which the statutory auditors is a part Rs. 6.34 Lakhs.
- l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
  - a. number of complaints filed during the financial year - Nil
  - b. number of complaints disposed of during the financial year - Nil
  - c. number of complaints pending as at end of the financial year – Nil
- m. Loans and advances in the nature of loan to firms/companies in which directors are interested by name and amount : Nil
- n. Details of material subsidiaries of the Listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries. NA.

11. The Company has complied with all the requirements as specified in sub para (2) to (10) of Part C of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 in the Corporate Governance report to the extent applicable.
12. The Company has not adopted any of the non-mandatory requirements given in the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
13. The Company has complied with all the requirements as specified in Regulation 17 to 27 and has disseminated all the details in the website of the Company as per clauses 46 (2) SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 except Policy for deciding the material subsidiary which is not applicable.

**CERTIFICATE OF COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

Certificate from the Statutory Auditors confirming the compliance with all the applicable conditions of Corporate Governance as stipulated in SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 forms part of the Directors report.

**DISCLOSURES RELATING TO UNCLAIMED SUSPENSE ACCOUNT**

In terms of the schedule VI of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, intimations have been sent to the shareholders to claim the unclaimed shares. Even after the reminders, some of the shares had not been claimed by the Shareholders and as per schedule VI of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 these shares have been kept in a separate demat account opened for this purpose. The unclaimed shares have been transferred to the Investor Education and Protection Fund during the year 2018-19 pursuant to the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

- a. Number of cases and number of shares unclaimed at the beginning of the year: Nil
- b. Number of shareholders claimed during the year : Nil
- c. Number of shares transferred to the shareholders: Nil
- d. Number of cases and number of shares unclaimed at the end of the year : Nil
- e. Voting rights of the unclaimed shares remain frozen.

The shareholders who have not claimed their shares are requested to apply to the Investor Education and Protection Fund authority for claiming the shares.

**Disclosure of certain types of agreements binding on the listed entities:**

Information disclosed under clause 5A of paragraph A of Part A of Schedule III of these regulations: There is no such agreement and hence no such disclosure was made during the financial year 2023-24.

For and on behalf of the Board

Coimbatore  
29<sup>th</sup> May, 2024

**SANJAY JAYAVARTHANAVELU**  
Chairman  
DIN 00004505

**CHIEF EXECUTIVE'S CERTIFICATE ON CODE OF CONDUCT**

The Board has adopted a Code of conduct for the Board members and Senior Management Personnel of the Company and the same has also been posted in the website of the Company.

The requisite certificate affirming the compliance with the Code of conduct has also been obtained from the Board members and Senior Management Personnel to whom this code of conduct is applicable.

Coimbatore  
29<sup>th</sup> May, 2024

**G. Mani**  
Managing Director  
DIN 08252847

**ANNEXURE - A**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of Super Sales India Limited,  
34-A, Kamaraj Road, Coimbatore - 641 018.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of SUPER SALES INDIA LIMITED having CIN L17111TZ1981PLC001109 and having registered office at 34-A, Kamaraj Road, Coimbatore - 641 018 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company, for the Financial Year ended on 31<sup>st</sup> March, 2024, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Coimbatore  
29<sup>th</sup> May, 2024

**M.R.L. NARASIMHA**  
Practising Company Secretary  
Membership No. F2851, Certificate of Practice No.799  
Peer Review No. 1420/2021  
UDIN : F002851F000477380

**CEO & CFO CERTIFICATE**

To  
The Board of Directors,  
Super Sales India Limited.

- (a) We hereby certify that we have reviewed the financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2024 and that to the best of our knowledge and belief :
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) there are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year 2023-24, which are fraudulent, illegal or violate any of the company's code of conduct.
- (c) We accept the responsibility for establishing and maintaining internal controls for financial reporting, the same have been evaluated for the effectiveness of the internal control system of the Company pertaining to financial reporting and the same have been disclosed to the Auditors and Audit Committee. We are of the opinion that the design or operations of internal controls are in order. There is no deficiency in the design or operation of internal controls of which we are aware.
- (d) We have indicated to the Auditors and the Audit committee that there are no significant
- (i) changes in internal control over financial reporting during the year;
  - (ii) changes in accounting policies during the year; and
  - (iii) fraud of which we are aware of and there is no involvement of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Coimbatore  
17<sup>th</sup> May, 2024

**G. MANI**  
Managing Director  
DIN 08252847

**C. V. VENKATESH**  
Chief Financial Officer

**INDEPENDENT AUDITOR'S REPORT**

To the Members of

SUPER SALES INDIA LIMITED

**Report on the Audit of Standalone Financial Statements****Opinion**

We have audited the accompanying standalone financial statements of SUPER SALES INDIA LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended and notes to the financial statements including a summary of the material accounting policies and other accounting policies and other explanatory information. (hereinafter referred to as the 'standalone financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ["the Act"], in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit and total comprehensive income, its cash flows and changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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. We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone financial statements section of our report, including in relation to these matters.

S. No.	Key Audit Matter	Response to Key Audit Matter
1.	<p><b>Evaluation of uncertain tax positions</b></p> <p>The Company did not have material uncertain tax positions other than uncertain position of statutory dues of electricity generation tax and Income Tax under dispute, which involves significant judgment to determine the possible outcome of these disputes. [Refer Note 36 and Note 38 to the standalone financial statements]</p> <p>The Company assesses the need to make a provision or disclose a contingency on a case-to-case basis considering the underlying facts of each matter, in consultation with its legal advisors. This involves a high level of management judgment and assumptions which impact the risk assessment and consequential provisioning and disclosure of contingencies in the financial statements. This area is significant to our audit, since the completeness and accuracy of accounting and disclosures for contingencies is dependent on such management judgment and assumptions.</p>	<p><b>Principal Audit Procedures</b></p> <p>We obtained details of the completed tax assessments and demands and the statutory appeals preferred by the company before appropriate appellate forums. We evaluated and tested the Company's processes and controls for monitoring of litigations, disputes, compliances and assessment thereof for determining the likely outcome of disputes.</p> <p>We reviewed the summary of the litigations obtained from the management and discussed the material cases to determine the Company's assessment of the likelihood and magnitude of any liability that may arise. We analysed the management's underlying assumptions and grounds in estimating the tax provision and the possible outcome of the disputes at appellate forums.</p> <p>We considered legal precedents, other rulings and legal opinions obtained by the management in evaluating the management's judgments and assumptions on these uncertain tax positions. Additionally, we considered the effect of new information, if any, in respect of material uncertain tax positions and other uncertain position of the tax dues under dispute, to evaluate whether any change was required to management's position on these uncertainties.</p> <p>We tested the adequacy of disclosures in the financial statements. We also obtained necessary representations from the management in regard to the provisioning and disclosures in respect of the litigations.</p>
2.	<p><b>Recoverability of Income tax assets and Receivables from Government authorities</b></p> <p>As at March 31, 2024 non-current income tax assets (net of provisions) of Rs. 98.25 lakhs [Refer Note No. 7]; current income tax assets (net of provisions) of Rs. 287.02 lakhs [Refer Note No. 12] and receivables from government authorities to of Rs. 840.46 lakhs [Refer Note No. 13] are outstanding. This area is significant to our audit, since the completeness and accuracy of accounting and disclosures for determining the recoverability of these items.</p>	<p><b>Principal Audit Procedures</b></p> <p>We analysed and reviewed the nature of the amounts recoverable, the sustainability and the likelihood of recoverability upon final resolution.</p> <p>The income tax assets represents tax deducted at source, the taxes paid in advance and taxes paid towards disputed dues. The receivables from government authorities mainly represents indirect taxes recoverable and eligible for set off.</p> <p>We considered legal precedents, other rulings and legal opinions obtained by the management and the management's representations in this regard, in evaluating the management's judgments and assumptions on the recoverability / set off of these balances recoverable.</p>

S. No.	Key Audit Matter	Response to Key Audit Matter
3.	<p><b>Revenue from contracts with Customers</b></p> <p>Ind AS 115 on Revenue from Contracts with customers, establishes a comprehensive framework for determining whether, how much and when revenue is recognized. This involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of identified performance obligation, the appropriateness of the basis used to measure revenue recognized over a period, etc.</p> <p>The company has revenue from contracts with customers in the form of receipts towards commission and erection charges under selling agency arrangement with machinery manufacturer, including erection of machinery.</p> <p>Accordingly, revenue recognition relating to the above was determined as a key audit matter in our audit of the standalone financial statements.</p>	<p><b>Principal Audit Procedures</b></p> <p>We assessed the company's revenue recognition policy as per Ind AS 115 and the design and operating effectiveness of internal controls related to revenue recognition relating to commission and erection charges income.</p> <p>Our audit procedure included making sample tests of individual transactions relating to commission and erection charges revenue and whether such revenue was recognized as per the stated accounting policy adopted pursuant to Ind AS 115. It was concluded that Ind AS 115 has no impact on the existing revenue recognition policies relating to commission and erection charges revenue.</p>
4.	<p><b>Assessment of carrying value of Investments</b></p> <p>[Refer Note No. 5 to the standalone financial statements and Statement of Changes in Equity].</p> <p>The Company has invested in listed equity instruments designated at fair value through OCI and the fair value changes through OCI (net of deferred taxes) is Rs. 30,219.11 Lakhs as on March 31, 2024. The evaluation of their fair values is considered as a key audit matter given the relative significance of the value of investments and the fluctuations in their fair values.</p>	<p><b>Principal Audit Procedures</b></p> <p>In line with general market fluctuations, there are significant fair value changes in these investments. Our audit procedures in relation to assessing the carrying value of these investments included ascertaining from relevant external sources that the equity instruments are carried at their fair value as on 31<sup>st</sup> March, 2024.</p>

We have determined that there are no other key audit matters to communicate in our report.

**Information Other than the standalone Financial Statements and Auditor's Report Thereon**

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

### **Responsibilities of Management and those charged with governance for the standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (IND AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditors' Responsibility**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the 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 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 financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the **Companies (Auditor's Report) Order, 2020** ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash flows and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;

- d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
- e) On the basis of the written representations received from the directors of the Company as on **March 31, 2024** taken on record by the board of directors, none of the directors are disqualified as on **March 31, 2024** from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure "B"** and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Companies Act, 2013. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

- h) With respect to the other matters to be included in the auditors' report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note No. **36 & 38** to the standalone financial statements.
  - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, where applicable, 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, other than as disclosed in the notes to the accounts, where applicable, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the

representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. a) The final dividend proposed for the previous financial year, declared and paid by the company during the current financial year is in accordance with Sec. 123 of the Act, as applicable.
- b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable **[Refer Note No. 41 to the standalone financial statements]**
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except for standalone external software used for human resource management which is non-editable at database level. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

**For M/s Subbchar & Srinivasan**

Chartered Accountants

Firm Registration No.004083S

**(T.S.ANANDATHIRTHAN)**

Partner

Membership No. 230192

UDIN:24230192BKCRPJ7712

Coimbatore

29<sup>th</sup> May, 2024

**ANNEXURE – “A” TO THE INDEPENDENT AUDITORS’ REPORT**

(Referred to in Paragraph 1 under “Report on Other legal and regulatory requirements” section of our report to the members of **SUPER SALES INDIA 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 report that:

- i) In respect of its Property, Plant and Equipment, Right-of-use assets and Intangible Assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Right-of-use assets and Intangible assets.
  - b) The Company has a regular program of physical verification of Property, Plant and Equipment and Right-of-use assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its Property, Plant and Equipment and Right-of-use assets. Pursuant to the program, certain Property, Plant and Equipment and Right-of-use assets were physically verified by the management during the year. According to the information and explanations given to us during the course of the audit no material discrepancies were noticed on such verification.
  - c) Based on our examination of relevant records and on the basis of information and explanations given to us, we report that the title deeds of all 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.
  - 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, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii) In respect of its inventories:
  - a) As explained to us, physical verification of inventories, except goods in transit, has been conducted at reasonable intervals by the management during the year.
  - b) In our opinion and according to the information and explanations given to us during the course of the audit, the coverage and procedure for such physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records for its inventories and no material discrepancies were noticed on physical verification in any class of inventories as compared to the book records.
  - d) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 Crores, in aggregate, during the year from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the unaudited books of accounts of the Company of the respective quarters, except for the following:

<b>STOCK</b>				
<b>QUARTERS</b>	<b>FIGURES FURNISHED TO THE BANK (A)</b>	<b>FIGURES AS PER BOOKS OF ACCOUNTS (B)</b>	<b>DIFFERENCE (A-B)</b>	<b>Nature of difference &amp; Remarks</b>
Q1	5982.64	6209.19	(226.55)	Reconciled for net effect on sales and stocks due to adjustment on account of transfer of risks and rewards of ownership of goods sold and limited review / audit adjustments
Q2	5162.21	5392.88	(230.67)	
Q3	5863.82	6122.18	(258.36)	
Q4	7525.70	7872.05	(346.35)	

<b>TRADE RECEIVABLES</b>				
<b>QUARTERS</b>	<b>FIGURES FURNISHED TO THE BANK (A)</b>	<b>FIGURES AS PER BOOKS OF ACCOUNTS (B)</b>	<b>DIFFERENCE (A-B)</b>	<b>Nature of difference &amp; Remarks</b>
Q1	6592.34	6879.40	(287.06)	Reconciled considering bank reconciliation entries passed after submission to banks and amount of advance from customers and limited review / audit adjustments
Q2	6393.18	6730.50	(337.32)	
Q3	6648.94	6698.98	(50.04)	
Q4	5374.80	5433.81	(59.01)	

- iii) Based on our audit procedures and according to the information and explanations given to us, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties, including promoters and related parties, during the financial year and accordingly sub-clauses (a) to (f) of Paragraph 3(iii) of the Order are not applicable to the Company.
- iv) According to the information and explanations given to us, the Company has not granted loans or made investments or provided guarantees and securities during the year and hence compliance with Section 185 and Section 186 are not applicable.
- v) According to the information and explanations given to us, the Company has not accepted any deposits from the public or amounts which are deemed to be deposits during the year to which directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 of the Act are applicable and as such Paragraph 3(v) of the Order is not applicable.
- vi) We have broadly reviewed the cost records maintained by the Company specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and the rules made thereunder, as applicable to the Company, and are of the opinion that prima facie the specified cost records have been made and maintained. We have not, however, made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii) According to the information and explanations given to us during the course of the audit and on the basis of our examination of the records of the Company in respect of the statutory dues:

- a) The Company is generally regular in depositing undisputed statutory dues including Goods and service Tax, Provident Fund, Employees' State insurance, Income tax, Sales Tax, Service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us during the course of the audit, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March, 2024 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us during the course of the audit, the details of disputed statutory dues that have not been deposited on account of dispute is as under:

Name of the Statute	Nature of the dues	Amount [Rs. in Lakhs]	Amount paid/ adjusted [Rs in Lakhs]	Period to which the amount relates	Forum where dispute is pending
Electricity Act	Self Generation Tax	302.88	Nil	2011-2024	Supreme Court
Income Tax Act, 1961	Income tax and interest	2.71	2.71	A.Y. 2017-18	Income Tax Appellate Tribunal

viii) Based on our out audit procedures and as per the information and explanations given by the management, during the year there were no transactions not recorded in the books of account that have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 and hence paragraph 3(viii) of the Order is not applicable.

- ix) a) In our opinion and according to the information and explanations given to us during the course of the audit, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender including banks, financial institutions and government.
- b) According to the information and explanations given to us during the course of the audit and on the basis of our audit procedures, the Company has not been declared wilfull defaulter by any bank or financial institution or government or any government authority.
- c) In our opinion and according to the explanations given to us during the course of the audit, the Company has not availed any term loans during the year and hence reporting under this clause regarding term loans applied for the purpose for which the loans were obtained is not applicable.
- d) According to the information and explanations given to us during the course of the audit and the audit procedures performed by us, and 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) The Company does not have any subsidiaries, associates or joint ventures and hence reporting on the funds taken by the Company from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures is not applicable.
- f) The Company does not have any subsidiaries, associates or joint ventures and hence reporting on the loans raised by the Company during the year on the pledge of securities held in its subsidiaries, associates or joint ventures is not applicable.

- x) 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 paragraph 3(x)(a) of the Order is not applicable.
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally convertible) and hence reporting under paragraph 3(x)(b) of the Order is not applicable.
- xi) a) To the best of our knowledge and belief and according to the information and explanations given to us during the course of the audit no fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and upto the date of this report.
- c) According to information and explanations given to us and as represented to us by the management and on the basis of our audit procedures there are no whistle blower complaints were received by the Company during the year.
- xii) The Company is not a Nidhi Company and hence reporting under sub clauses (a) to (c) of paragraph 3(xii) of the Order is not applicable.
- xiii) In our opinion according to the information and explanations provided to us and based on our examination of the records of the Company, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties undertaken during the year and the details of such related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv) a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and 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) According to the information and explanations given to us during the course of the audit the Company has not entered into non-cash transactions with directors or persons connected with its directors during the year and hence provisions of section 192 of the Companies Act, 2013 are not applicable and accordingly paragraph 3(xv) of the Order is not applicable.
- xvi) a) According to the information and explanations given to us during the course of the audit and on the basis of our examination of the financial statements of the Company in our opinion the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- b) In our opinion on the basis of our examination of the financial statements and representations made by the Company it has not conducted any Non-Banking Financial or Housing Finance activities during the year.
- c) According to the information and explanations given to us during the course of the audit and on the basis of our examination of the financial statements of the Company and representations made by the Company, in our opinion the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

- d) According to the information and explanations given to us during the course of the audit and as represented to us by the Company in our opinion, there is no core investment company within Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvii) 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 Statutory Auditors of the Company during the year and accordingly reporting under clause 3(xviii) is not applicable.
- xix) According to the information and explanations given to us during the course of the audit and 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, 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 the 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) As per information and explanations given to us during the course of the audit and based on our examination of the records of the company, there are no unspent amounts towards Corporate Social Responsibility (CSR) on ongoing projects or other than ongoing projects. Accordingly transfer of unspent amount to a special account in compliance with provisions of sub-section (6) of Section 135 of the Companies Act, 2013 or transfer to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of Section 135 of the said Act is not applicable and accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable for the year.
- xxi) The Company is not required to prepare consolidated financial statements and hence clause 3(xxi) of the Order regarding qualifications or adverse remarks by the auditors of the companies included in the consolidated financial statements is not applicable.

**For M/s Subbachar & Srinivasan**

Chartered Accountants

Firm Registration No.004083S

**(T.S.ANANDATHIRTHAN)**

Partner

Membership No. 230192

UDIN:24230192BKCRPJ7712

Coimbatore

29<sup>th</sup> May, 2024



**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 to the members of **SUPER SALES INDIA LIMITED** of even date).

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

We have audited the internal financial controls over financial reporting of **SUPER SALES INDIA LIMITED** as of **31<sup>st</sup> March, 2024** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company 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 Companies Act, 2013.

**Auditors’ Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Coimbatore  
29<sup>th</sup> May, 2024

**For M/s Subbachar & Srinivasan**

Chartered Accountants

Firm Registration No.004083S

**(T.S.ANANDATHIRTHAN)**

Partner

Membership No. 230192

UDIN: 24230192BKCRPJ7712

**FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31<sup>ST</sup> MARCH, 2024**

**BALANCE SHEET AS AT 31.03.2024**

(Rs. In Lakhs)

Particulars	Notes	As at 31.03.2024	As at 31.03.2023
<b>I. Assets</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, plant and equipment	2	<b>16,257.86</b>	14,672.50
(b) Capital work-in-progress	2A	<b>336.46</b>	41.99
(c) Right -of- use Assets	3	<b>36.14</b>	9.63
(d) Intangible Assets	4	<b>236.95</b>	273.47
(d) Intangible Assets under development	4A	-	-
(e) Financial Assets			
i. Investments	5	<b>34,820.87</b>	22,890.75
ii. Other financial assets	6	<b>2,083.91</b>	1,740.40
(f) Other non-current assets	7	<b>435.30</b>	415.96
<b>Total non-current assets</b>		<b>54,207.49</b>	40,044.70
<b>(2) Current assets</b>			
(a) Inventories	8	<b>7,890.39</b>	6,387.51
(b) Financial Assets			
i. Trade Receivables	9	<b>6,129.86</b>	6,688.25
ii. Cash and Cash Equivalents	10	<b>240.93</b>	1,315.88
iii. Bank Balances other than (ii) above	11	<b>1,287.94</b>	1,057.13
iv. Other Financial Assets	6	<b>93.64</b>	127.81
(c) Current Tax Assets (Net)	12	<b>287.02</b>	135.57
(d) Other Current Assets	13	<b>1,547.81</b>	1,366.55
<b>Total current assets</b>		<b>17,477.59</b>	17,078.70
<b>Total Assets</b>		<b>71,685.08</b>	57,123.40
<b>II. Liabilities</b>			
<b>(1) Equity</b>			
(a) Equity Share Capital	14	<b>307.15</b>	307.15
(b) Other Equity	15	<b>55,459.75</b>	43,128.94
<b>Total equity</b>		<b>55,766.90</b>	43,436.09
<b>(2) Non-current Liabilities</b>			
(a) Financial Liabilities			
i. Lease Liabilities	20	<b>10.77</b>	4.95
(b) Provisions	16	<b>32.29</b>	25.71
(c) Deferred tax Liabilities (Net)	17	<b>3,471.80</b>	1,888.80
<b>Total non-current liabilities</b>		<b>3,514.86</b>	1,919.46

**BALANCE SHEET AS AT 31.03.2024**

(Rs. In Lakhs)

Particulars	Notes	As at 31.03.2024	As at 31.03.2023
<b>(3) Current liabilities</b>			
(a) Financial liabilities			
i. Borrowings	18	<b>7,946.02</b>	7,707.56
i.a. Lease Liabilities	20	<b>28.38</b>	6.11
ii. Trade payables	19		
a. Total Outstanding Dues of Micro Enterprises and Small Enterprises	-	<b>443.94</b>	132.30
b. Total Outstanding Dues of other than Micro Enterprises and Small Enterprises	-	<b>2,582.09</b>	2,272.56
iii. Other financial liabilities	20	<b>1,022.52</b>	1,265.71
(b) Provisions	16	<b>14.56</b>	24.49
(c) Current tax liabilities (Net)	21	-	-
(d) Other current liabilities	22	<b>365.81</b>	359.12
<b>Total current liabilities</b>		<b>12,403.32</b>	11,767.85
<b>Total liabilities</b>		<b>15,918.18</b>	13,687.31
<b>Total equity and liabilities</b>		<b>71,685.08</b>	57,123.40

See accompanying notes to financial statements

For and on behalf of Board of Directors.

**SANJAY JAYAVARTHANAVELU**  
Chairman  
DIN 00004505

**G.MANI**  
Managing Director  
DIN 08252847

In terms of our report attached  
**For SUBBACHAR & SRINIVASAN**  
Registration No.004083S  
Chartered Accountants

Place : Coimbatore  
Date : 29.05.2024

**C.V.VENKATESH**  
Chief Financial Officer

**S.K.RADHAKRISHNAN**  
Company Secretary

**T.S.ANANDATHIRTHAN**  
Partner, M.No. 230192

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2024**

(Rs. In Lakhs)

Particulars	Notes	Year Ended 31.03.2024	Year Ended 31.03.2023
<b>Income</b>			
Revenue from operations	23	41,918.39	36,779.85
Other income	24	1,082.49	691.93
<b>Total income</b>		<b>43,000.88</b>	<b>37,471.78</b>
<b>Expenses</b>			
Cost of material consumed	25	24,402.71	21,056.87
Purchase of Stock-in-Trade		-	-
Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	26	(274.15)	72.91
Employee benefit expenses	27	4,929.80	3,982.55
Finance costs	28	732.56	432.19
Depreciation and amortisation expenses	29	2,213.95	1,911.05
Other expenses	30	8,645.50	7,030.51
<b>Total expenses</b>		<b>40,650.37</b>	<b>34,486.08</b>
<b>Profit before exceptional items and tax</b>		<b>2,350.51</b>	<b>2,985.70</b>
Exceptional items (See Note. 46)		211.38	420.25
<b>Profit before tax</b>		<b>2,561.89</b>	<b>3,405.95</b>
Income tax expense	31		
Current tax		353.13	656.45
Deferred tax		222.04	(87.30)
<b>Profit for the period</b>		<b>1,986.72</b>	<b>2,836.80</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		(10.46)	(15.21)
Income tax relating thereto		2.36	3.64
Change in fair value of FVOCI equity instruments		11,930.52	785.01
Income tax relating thereto		(1,363.32)	(72.71)
Items that will be reclassified to profit or loss			
		-	-
<b>Other comprehensive income for the period, net of tax</b>		<b>10,559.10</b>	<b>700.73</b>
<b>Total comprehensive income for the period</b>		<b>12,545.82</b>	<b>3,537.52</b>
Earnings per equity share			
Basic earnings per share of Rs.10/- each (in ₹)	35	64.68	92.36
Diluted earnings per share of Rs.10/- each (in ₹)	35	64.68	92.36
Weighted average Equity shares used in computing EPS		30,71,500	30,71,500

See accompanying notes to financial statements

For and on behalf of Board of Directors.

**SANJAY JAYAVARTHANAVELU**  
Chairman  
DIN 00004505

**G.MANI**  
Managing Director  
DIN 08252847

In terms of our report attached  
**For SUBBACHAR & SRINIVASAN**  
Registration No.004083S  
Chartered Accountants

Place : Coimbatore  
Date : 29.05.2024

**C.V.VENKATESH**  
Chief Financial Officer

**S.K.RADHAKRISHNAN**  
Company Secretary

**T.S.ANANDATHIRTHAN**  
Partner, M.No. 230192

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31.03.2024**

(Rs. In Lakhs)

**A. Equity Share Capital**

**(1) For the year ended 31.03.2024**

Balance as at 01.04.2023	Changes in equity share capital due to prior period errors	Restated balance as at 01.04.2023	Changes in equity share capital during the year	Balance as at 31.03.2024
307.15	-	307.15	-	307.15

**(2) For the year ended 31.03.2023**

Balance as at 01.04.2022	Changes in equity share capital due to prior period errors	Restated balance as at 01.04.2022	Changes in equity share capital during the year	Balance as at 31.03.2023
307.15	-	307.15	-	307.15

**B. Other Equity**

**(1) For the year ended 31.03.2024**

	Reserves and surplus					Other Comprehensive Income	Total
	Notes	General Reserve	Securities Premium Reserve	Retained Earnings	Remeasurement of defined benefit obligations	FVOCI - Equity instruments	
<b>Balance as at 01.04.2023</b>		<b>9,936.42</b>	<b>718.60</b>	<b>12,851.42</b>	<b>(29.40)</b>	<b>19,651.91</b>	<b>43,128.94</b>
Changes in accounting policy and prior period errors		-	-	-	-	-	-
<b>Restated balance as at 01.04.2023</b>		<b>9,936.42</b>	<b>718.60</b>	<b>12,851.42</b>	<b>(29.40)</b>	<b>19,651.91</b>	<b>43,128.94</b>
Profit for the year	15	-	-	1,986.72	-	-	1,986.72
Other Comprehensive income							
Remeasurement of post employment defined benefit obligations	15	-	-	-	(8.10)	-	(8.10)
Fair value changes of equity instruments [Net of Taxes]	15	-	-	-	-	10,567.20	10,567.20
<b>Total Comprehensive Income</b>		<b>-</b>	<b>-</b>	<b>1,986.72</b>	<b>(8.10)</b>	<b>10,567.20</b>	<b>12,545.82</b>
Dividends paid	15	-	-	(215.01)	-	-	(215.01)
Appropriations	15	500.00	-	(500.00)	-	-	-
<b>Balance as at 31.03.2024</b>		<b>10,436.42</b>	<b>718.60</b>	<b>14,123.13</b>	<b>(37.50)</b>	<b>30,219.11</b>	<b>55,459.75</b>

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31.03.2024**

(Rs. In Lakhs)

**B. Other Equity**

**(2) For the year ended 31.03.2023**

	Reserves and surplus					Other Comprehensive Income	Total
	Notes	General Reserve	Securities Premium Reserve	Retained Earnings	Remeasurement of defined benefit obligations	FVOCI - Equity instruments	
<b>Balance as at 01.04.2022</b>		<b>8,936.42</b>	<b>718.60</b>	<b>11,321.77</b>	<b>(17.83)</b>	<b>18,939.61</b>	<b>39,898.57</b>
Changes in accounting policy and prior period errors		-	-	-	-	-	-
<b>Restated balance as at 01.04.2022</b>		<b>8,936.42</b>	<b>718.60</b>	<b>11,321.77</b>	<b>(17.83)</b>	<b>18,939.61</b>	<b>39,898.57</b>
Profit for the year	15	-	-	2,836.80	-	-	2,836.80
Other Comprehensive income							
Remeasurement of post employment defined benefit obligations	15	-	-	-	(11.57)	-	(11.57)
Fair value changes of equity instruments [Net of Taxes]	15	-	-	-	-	712.30	712.30
<b>Total Comprehensive Income</b>		<b>-</b>	<b>-</b>	<b>2,836.80</b>	<b>(11.57)</b>	<b>712.30</b>	<b>3,537.52</b>
Dividends paid	15	-	-	(307.15)	-	-	(307.15)
Appropriations	15	1,000.00	-	(1,000.00)	-	-	-
<b>Balance as at 31.03.2023</b>		<b>9,936.42</b>	<b>718.60</b>	<b>12,851.42</b>	<b>(29.40)</b>	<b>19,651.91</b>	<b>43,128.94</b>

- (i). General Reserve: General Reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend payouts, bonus issue etc.
- (ii). Retained Earnings: Company's cumulative earnings since its formation minus the dividends/capitalisation and earnings transferred to general reserve.
- (iii). Securities Premium: Securities premium is used to record the premium on issue of shares. This is utilised in accordance with the provisions of the Companies Act, 2013.
- (iv). FVOCI - Equity instruments: The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity instruments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

See accompanying notes to financial statements  
For and on behalf of Board of Directors.

**SANJAY JAYAVARTHANAVELU**  
Chairman  
DIN 00004505

**G.MANI**  
Managing Director  
DIN 08252847

In terms of our report attached  
**For SUBBACHAR & SRINIVASAN**  
Registration No.004083S  
Chartered Accountants

Place : Coimbatore  
Date : 29.05.2024

**C.V.VENKATESH**  
Chief Financial Officer

**S.K.RADHAKRISHNAN**  
Company Secretary

**T.S.ANANDATHIRTHAN**  
Partner, M.No. 230192



**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31.03.2024**

(Rs. In Lakhs)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before income tax</b>	<b>2,561.89</b>	3405.95
Adjustments for		
Depreciation and amortisation expense	2,213.95	1911.05
(Gain)/loss on disposal of property, plant and equipment	(451.34)	(175.25)
Interest Income	(162.17)	(141.56)
Dividend Income	(226.04)	(91.79)
Finance costs	732.56	432.19
	<b>2,106.96</b>	1934.64
	<b>4,668.85</b>	5340.58
<b>Change in operating assets and liabilities</b>		
(Increase)/Decrease in trade receivables	558.39	218.90
(Increase)/Decrease in inventories	(1,502.88)	2,699.74
(Increase)/Decrease in other financial non-current assets	(130.67)	(437.76)
(Increase)/Decrease in other financial current assets	9.26	155.31
(Increase)/Decrease in other non-current assets	77.45	(15.99)
(Increase)/Decrease in other current assets	(181.26)	(70.29)
Increase/(Decrease) in trade payables	621.17	58.58
Increase/(Decrease) in provisions	(13.81)	13.40
Increase/(Decrease) in other current liabilities	6.69	(452.80)
Increase/(Decrease) in other financial liabilities	(247.83)	101.63
	<b>(803.49)</b>	2,270.72
<b>Cash generated from operations</b>	<b>3,865.36</b>	7,611.30
Income taxes paid	<b>504.58</b>	1140.34
<b>Net cash inflow from operating activities</b> [A]	<b>3,360.78</b>	6,470.96
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for property, plant and equipment (including Capital Advances)	<b>(4,192.93)</b>	(4,906.67)
Proceeds from sale of property, plant and equipment	<b>516.32</b>	220.28
Proceeds from sale of Investments	<b>0.40</b>	-
Dividends received	<b>226.04</b>	91.79
Interest received	<b>187.08</b>	85.24
(Increase)/Decrease in Bank balances not considered as cash & cash Equivalents	<b>(443.65)</b>	(339.82)
<b>Net cash outflow from investing activities</b> [B]	<b>(3,706.74)</b>	(4,849.18)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Finance cost	<b>(722.83)</b>	(421.13)
Interest portion of lease liabilities	<b>(5.37)</b>	(1.44)
Dividends paid to Company's shareholders	<b>(214.73)</b>	(303.24)
Availment/(Repayment) of Working capital borrowings	<b>238.46</b>	199.85
Payment of Lease liabilities	<b>(24.52)</b>	(12.06)
<b>Net cash inflow (outflow) from financing activities</b> [C]	<b>(728.99)</b>	(538.02)
<b>Net increase (decrease) in cash and cash equivalents [A + B + C]</b>	<b>(1,074.95)</b>	1,083.75
Cash and cash equivalents at the beginning of the financial year (Refer Note No. 10)	<b>1315.88</b>	232.13
Cash and cash equivalents at the end of the financial year (Refer Note No. 10)	<b>240.93</b>	1315.88
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(1,074.95)</b>	1,083.75
Cash and cash equivalents which are restricted and not available for use by the Company	-	-

See accompanying notes to financial statements  
For and on behalf of Board of Directors.

**SANJAY JAYAVARTHANAVELU**  
Chairman  
DIN 00004505

**G.MANI**  
Managing Director  
DIN 08252847

In terms of our report attached  
**For SUBBACHAR & SRINIVASAN**  
Registration No.004083S  
Chartered Accountants

Place : Coimbatore  
Date : 29.05.2024

**C.V.VENKATESH**  
Chief Financial Officer

**S.K.RADHAKRISHNAN**  
Company Secretary

**T.S.ANANDATHIRTHAN**  
Partner, M.No. 230192

## **MATERIAL ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024**

### **A. COMPANY OVERVIEW**

Super Sales India Limited (“the company”) is a public limited company incorporated in India. The company’s equity shares are listed on BSE. The address of its registered office and principal place of business are disclosed in the introduction to the Annual Report. The company is engaged in manufacturing of yarn, gears and providing agency services.

### **B. STATEMENT OF COMPLIANCE**

The financial statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 (“the Act”) read with the Companies (Indian Accounting Standards) Rules, 2015. The presentation of the financial statements is based on the requirements of the relevant provisions of the Act.

### **C. (i) RECENT ACCOUNTING DEVELOPMENTS AND CHANGES IN ACCOUNTING STANDARDS**

The following amendments to the Indian Accounting Standards were applicable from the financial year commencing from 1<sup>st</sup> April 2023 read with the clarifications / guidances relating thereto:

(i) Ind AS 1-Presentation of Financial Statements & Ind AS 34-Interim Financial Reporting- Material Accounting Policy Information (including focus on those and entity applied the requirements of Ind AS) shall be disclosed instead of significant accounting policies as part of the financial statements.

(ii) Ind AS 8- Accounting Policies, changes in accounting estimate and errors-Clarification on what constitutes an accounting estimate provided.

(iii) Ind AS 12-Income Taxes-In case of a transaction which gives rise to equal taxable and deductible temporary differences, the initial recognition exemption from deferred tax is no longer applicable and deferred tax liability & deferred tax asset shall be recognised on gross basis for such cases.

(iv) Ind AS 101-First time adoption of Ind AS-Deferred tax assets and deferred tax liabilities to be recognised for all temporary differences associated with right-of-use assets, lease liabilities, decommissioning / restoration / similar liabilities.

(v) Ind AS 107-Financial Instruments: Disclosures- Information about the measurement basis for financial instruments shall be disclosed as part of material accounting policy information.

None of the above amendments had any material effect on the company’s financial statements, except for disclosure of Material Accounting Policies instead of Significant Accounting Policies in the financial statements.

### **(ii) CHANGES IN ACCOUNTING STANDARDS THAT MAY AFFECT THE COMPANY AFTER 31ST MARCH 2024**

New Accounting Standards / Recent Accounting pronouncements not yet effective

The Ministry of Corporate Affairs (“MCA”) notifies new Indian Accounting Standards or amendments to existing Indian Accounting Standards under the Companies (Indian Accounting Standards) Rules from time to time. During the year ended 31<sup>st</sup> March 2024, the MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

### **D. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS**

The financial statements are presented in Indian Rupees which is the functional currency and presentation currency of the Company and all values are rounded to the nearest lakhs, except where otherwise indicated.

The financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

All assets and liabilities have been classified as current or non-current according to the Company's normal operating cycle and other criteria set out in the Act. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

### **Going Concern**

The board of directors have considered the financial position of the Company at 31<sup>st</sup> March, 2024 and projected cash flows and financial performance of the Company for at least twelve months from the date of approval of these financial statements as well as planned cost and cash improvement actions, and believe that the plan for sustained profitability remains on course.

The board of directors have taken actions to ensure that appropriate long-term cash resources are in place at the date of signing the accounts to fund the Company's operations.

## **E. USE OF CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected.

The accounting policies which have the most material effect on the figures disclosed in the financial statements are mentioned below and these should be read in conjunction with the disclosure of the material Ind AS accounting policies provided below:

### **(i) Useful life of Property, Plant and Equipment and Intangible assets and depreciation**

The assessment of the useful life of each asset by considering the historical experience and expectations regarding future operations and expected usage, estimated technical obsolescence, residual value, physical wear and tear, the operating environment in which the asset is located and providing for depreciation thereon needs significant judgement by the management. In case of intangible assets the useful life is determined based on the period over which future economic benefit will flow to the Company.

### **(ii) Income Tax & Deferred Tax**

The calculation of income taxes requires judgment in interpreting tax rules and regulations. Management judgment is used to determine the amounts of deferred tax assets and liabilities and future tax liabilities to be recognised. The Company estimates the possible utilisation of unabsorbed losses while recognising deferred tax asset considering the future business plans and economic environment.

### **(iii) Measurement of defined benefit obligations**

Gratuity actuarial valuation considers various assumptions which are based on the past experience and general economic conditions

**(iv) Expected Credit Loss (ECL) on financial assets**

Providing for impairment on financial assets on the Expected Credit Loss (ECL) model involves using a provision matrix based on historically observed default rates over expected life of trade receivables and has to be adjusted for forward looking estimates, review of such default rates, considering the credit reports and other credit information of the customers

**(v) Net realisable value of Inventory**

Determining the net realisable value of Inventory after providing for obsolescence and other losses where considered necessary involves ascertaining events and effects of events after the close of the year.

**F. MATERIAL ACCOUNTING POLICIES****1. Revenue Recognition**

Revenue is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control over promised goods refers to the ability to direct the use of and obtain substantially all of the remaining benefits from those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the individual delivery and acceptance terms agreed with the customers. The amount of revenue to be recognised (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as goods and services tax or other taxes directly linked to sales.

**Sale of goods**

Revenue from sale of products is recognised when the products are delivered to the dealer / customer or when delivered to the carrier, when risks and rewards of ownership pass to the dealer / customer, as per terms of contract.

**Income from service**

Revenue from rendering of services is recognised over time as and when the customer receives the benefit of the Company's performance and the Company has an enforceable right to payment for services transferred.

**Commission**

The commission receivable is recognized on completion of delivery of the machines to the customer directly by our principals and billing is done on a monthly basis.

**Erection Charges**

Revenue from Erection charges and repair services are recognized on completion of erection / repairs of the machinery at customer's mill as per the specifications given by the principals and billing is done to the customers immediately after completion.

**Other income**

Interest income from financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income that can be measured reliably and is accrued on time basis by reference to the principal outstanding and at the effective interest rates applicable. Dividend income is accounted for when the shareholder's right to receive the payment has been established, provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

## 2. Property, plant and equipment, Capital Work-in-progress, Intangible Assets

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of Property, plant and equipment includes interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Machinery spares which can be used only in connection with an item of Property, plant and equipment and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Property, plant and equipment acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till commissioning of the project.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between, the sale proceeds and the carrying amount of the asset and is recognised in the profit or loss.

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Intangible assets include the cost of software and designs. Intangible assets are initially measured at acquisition cost including any directly attributable costs of preparing the asset for its intended use. Intangible assets with finite lives are amortized over their estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Intangible Assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

### Depreciation and amortisation

Depreciation has been provided on the straight-line method based on estimated useful lives prescribed in Schedule II to the Companies Act, 2013.

Intangible assets are amortised over their estimated useful life as follows:

The computer software is amortised over a period of 3 years.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern. There are no intangible assets having indefinite useful life.

## 3. Inventories

Raw materials, stores and spares, work in progress and finished goods are valued at lower of cost and net realisable value, after providing for obsolescence and other losses wherever considered necessary. Cost is determined on weighted average basis. Cost of work-in-progress and finished goods comprise direct materials, direct labour and an appropriate allocation of variable and fixed overhead expenditure, and also other costs incurred in bringing the inventories to their present location and condition. Raw Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Work

in progress and finished goods are valued at cost or Net Realisable Value whichever is lower. Saleable scrap is valued at the net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

#### **4. Impairment of Tangible and Intangible Assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets, intangible assets and investments to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any) and if the carrying amount exceeds the recoverable amount the impairment is recognised.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. The impairment loss, if any, recognised in prior accounting periods is reversed if there is a change in estimates of recoverable amounts.

As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At regular intervals, the historically observed default rates are updated and changes in forward-looking estimates are analysed. In addition to the historical pattern of credit loss, the Company has considered the likelihood of increased credit risk and consequential default by customers including revisions in the credit period provided to the customers. In making this assessment, the Company has considered current and anticipated future economic conditions relating to industries/business verticals that the company deals with and the countries where it operates. The Company believes that the carrying amount of allowance for expected credit loss with respect to trade receivables, unbilled revenue and other financial assets is adequate.

#### **5. Impairment of financial assets**

The Company assesses impairment based on Expected Credit Losses (ECL) model to the following :

- financial assets measured at amortised cost
- financial assets measured at fair value through other comprehensive income

Expected credit loss are measured through a loss allowance at an amount equal to :

- the twelve month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within twelve months after the reporting date); or
- full life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to life time expected credit losses.

As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At regular intervals, the historically observed default rates are updated and changes in forward-looking estimates are

analysed. In addition to the historical pattern of credit loss, the Company has considered the likelihood of increased credit risk and consequential default by customers including revisions in the credit period provided to the customers. In making this assessment, the Company has considered current and anticipated future economic conditions relating to industries/business verticals that the company deals with and the countries where it operates. In addition the Company has also considered credit reports and other credit information for its customers to estimate the probability of default in future. The Company believes that the carrying amount of allowance for expected credit loss with respect to trade receivables, unbilled revenue and other financial assets is adequate.

## **6. Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

## **7. Segment reporting**

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the company's other components and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. All operating segments' operating results are reviewed regularly by the company's Chief Executive Officer [CEO], who is the Chief Operating Decision Maker [CODM], to make decisions about resources to be allocated to the segments and assess their performance. Information reported to the CODM for the purpose of resource allocation and assessment of segment performance focuses on the type of goods or services delivered or provided. The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Income / costs which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under unallocated income / costs. Interest income and expenses are not allocated to respective segments. Inter segment pricing is determined on arm's length basis. The Company has three reportable segments viz., Agency, Textiles and Engineering segments. Geographic information is based on business sources from that geographic region. Accordingly, the geographical segments are determined as Domestic, i.e, within India and external i.e outside India

## **8. Employee Benefits**

### **Short term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.



**Other long term employee benefit**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of the expected future payments to be made in respect of services provided by employee upto the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in Statement of Profit and Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the period-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

**Post-employment obligation**

The Company operates the following post-employment schemes:

- (a) Defined benefit plans such as gratuity for its eligible employees, and
- (b) Defined contribution plans such as provident fund.

**Defined contribution plan:**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme and pension scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

**Voluntary Retirement Scheme :** A liability for termination benefits like expenditure on Voluntary Retirement Scheme is recognised at the earlier of when the Company can no longer withdraw the offer of termination benefit or when the Company recognises any related restructuring costs.

**Defined benefit plan:**

The Company has a gratuity defined benefit plans for its employees. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year end. Separate actuarial



valuation is carried out for each plan using the projected unit credit method. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and the balance sheet. The Company has funded this with Life Insurance Corporation of India ('LIC'). The contributions made to the LIC are treated as plan assets. The defined benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.

### **Bonus plans**

The Company recognizes a liability and an expense for bonus. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

## **G. OTHER ACCOUNTING POLICIES**

### **1. Foreign Currencies**

#### **Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee, which is the Company's functional and presentation currency.

#### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income or Statement of Profit and Loss are also recognised in Other Comprehensive Income or Statement of Profit and Loss, respectively)

### **2. Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

#### **Current tax**

The income tax expenses or credit is based on taxable profit for the year determined in accordance with the provisions of Income Tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted.

#### **Deferred tax**

Deferred tax is provided in full, using the balance sheet approach, on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are recognised for all taxable temporary

differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

### **Current and deferred tax for the year**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.

## **3. Provisions and contingencies**

**Provisions:** Provisions are recognised when there is a present obligation or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are determined by discounting the expected future cash flows at a pretax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

**Contingent Liabilities:** Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**Contingent asset:** Contingent Assets is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

## **4. Financial assets**

### **Classification of financial assets**

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

A financial asset that meets the following two conditions is measured at amortised cost unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test : the objective of the Company's business model is to hold the financial asset to collect the contractual cash flows.
- Cash flow characteristic test : the contractual term of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test : the financial asset is held within a business model whose objective is achieved by both collecting cash flows and selling financial assets.
- Cash flow characteristic test : the contractual term of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

### **Debt instruments**

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through profit or loss (FVPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

### **Equity instruments**

The group subsequently measures all equity investments at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain or losses in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**Trade receivables**

Trade receivables are recognised initially at fair value unless they do not carry a significant financing component, in which case they are recognized at the transaction price.

The Company generally determines the allowance for expected credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future.

**Cash and cash equivalents**

In the cash flow statement, cash and cash equivalents includes cash in hand, cheques and drafts in hand, balances with bank and deposits held at call with financial institutions, short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet and forms part of financing activities in the cash flow statement. Bank overdraft are shown within other financial liabilities in the balance sheet and forms part of operating activities in the cash flow statement.

**5. Financial liabilities**

The Company determines the classification of the financial liabilities at initial recognition. All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at fair value through profit or loss. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised and through the amortisation process. The Company derecognises financial liabilities when and only when the Company's obligations are discharged, cancelled or have expired. An exchange between lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

**Trade and other payables**

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

**Foreign exchange gains or losses**

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of the reporting period. For financial liabilities that are measured as at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

**6. Borrowing costs**

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

**7. Government grants**

Government grants (including export incentives) are recognised only when there is reasonable assurance that the Company will comply with the conditions attaching to them and the grants will be received

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate

The benefit of a government loan at a below market rate of interest is treated as a government grant, measured at the difference between proceeds received and the fair value of the loan based on prevailing market rates.

**8. Earning Per Share**

Basic earnings per share have been computed by dividing the net income by the weighted average number of shares outstanding during the year. Diluted earnings per share if applicable is computed using the weighted average number of shares and diluted potential shares, except where the result would be anti-dilutive

**9. Dividends**

Final dividends on shares are recorded on the date of approval by the shareholders of the Company.

**10. Insurance claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

**11. Leases****Leases [As Lessee]**

In cases of finance leases, the Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

**Notes to Financial Statements**

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term.

In the comparative period, leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments and receipts under operating leases are recognised as an expense and income respectively, on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

**Leases [As Lessor]**

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental Income arising there from is accounted for on a straight line basis over the lease terms.

**12. Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before exceptional items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. Cash and cash equivalents include cash on hand, cash with banks in current and deposit accounts with necessary disclosure of cash and cash equivalent balances that are not available for use by the company.

**Notes to Financial Statements for the year ended 31.03.2024**

**2. Property, plant and equipment**

The changes in the carrying value of property, plant and equipment for the year ended 31.03.2024 are as follows:

**(Rs. In Lakhs)**

Asset Description	Gross carrying amount				Accumulated Depreciation and Amortisation				Net Block	
	As at April 1, 2023	Additions	Disposals / Adjustments	As at March 31, 2024	As at April 1, 2023	Depreciation for the year	Disposals	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Freehold Land	514.89	6.26	(0.03)	521.12	-	-	-	-	521.12	514.89
Building	1,926.29	178.30	-	2,104.59	512.40	74.54	-	586.94	1,517.65	1,413.90
Plant and Machinery	21,083.94	3,445.43	(945.61)	23,583.76	9,193.62	1,837.52	(891.67)	10,139.47	13,444.29	11,890.31
Electrical Equipments	468.84	10.50	(0.20)	479.14	180.09	38.09	(0.19)	217.99	261.15	288.75
Furniture and fittings	60.32	36.00	-	96.32	19.20	8.31	-	27.51	68.81	41.13
Office Equipments	29.16	22.91	-	52.07	18.34	5.13	-	23.47	28.60	10.84
Vehicles	514.97	18.72	(42.34)	491.35	159.04	60.06	(39.17)	179.93	311.42	355.92
Computers	191.73	14.09	(10.71)	195.11	34.97	58.19	(2.87)	90.29	104.82	156.76
<b>TOTAL</b>	<b>24,790.16</b>	<b>3,732.21</b>	<b>(998.89)</b>	<b>27,523.46</b>	<b>10,117.66</b>	<b>2,081.84</b>	<b>(933.90)</b>	<b>11,265.60</b>	<b>16,257.86</b>	<b>14,672.50</b>

The changes in the carrying value of property, plant and equipment for the year ended 31.03.2023 are as follows:

**(Rs. In Lakhs)**

Asset Description	Gross carrying amount				Accumulated Depreciation and Amortisation				Net Block	
	As at 1.04.2022	Additions	Disposals / Adjustments	As at 31.03. 2023	As at 1.04.2022	Depreciation for the year	Disposals	As at 31.03.2023	As at 31.03. 2023	As at 31.03.2022
Freehold Land	516.65	-	(1.76)	514.89	-	-	-	-	514.89	516.65
Building	1,778.90	169.77	(22.37)	1,926.29	451.09	83.68	(22.37)	512.40	1,413.90	1,327.81
Plant and Machinery	16,211.29	5,227.92	(355.25)	21,083.94	7,863.15	1,643.44	(312.97)	9,193.62	11,890.31	8,348.13
Electrical Equipments	395.36	89.30	(15.82)	468.84	156.67	36.24	(12.82)	180.09	288.75	238.69
Furniture and fittings	64.82	5.68	(10.18)	60.32	22.74	6.64	(10.18)	19.20	41.13	42.09
Office Equipments	24.63	5.29	(0.75)	29.16	15.97	3.12	(0.75)	18.34	10.84	8.67
Vehicles	500.26	25.08	(10.38)	514.97	110.23	59.19	(10.38)	159.04	355.92	390.03
Computers	59.21	167.74	(35.22)	191.73	29.83	40.36	(35.22)	34.97	156.76	29.38
<b>TOTAL</b>	<b>19,551.12</b>	<b>5,690.78</b>	<b>(451.75)</b>	<b>24,790.16</b>	<b>8,649.66</b>	<b>1,872.68</b>	<b>(404.70)</b>	<b>10,117.66</b>	<b>14,672.50</b>	<b>10,901.46</b>

**2A. Capital work in progress**

Asset Description	As at 31.03.2023	Additions	Disposals / Adjustments	As at 31.03.2024
Capital work in progress	41.99	3,862.75	(3,568.28)	336.46

Asset Description	As at 31.03.2022	Additions	Disposals / Adjustments	As at 31.03.2023
Capital work in progress	888.92	3,657.50	(4,504.43)	41.99

**2A.1 Ageing for Capital work in progress (CWIP) as at 31.03.2024**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	334.11	2.35	-	-	<b>336.46</b>

**Notes to Financial Statements for the year ended 31.03.2024**

(Rs. In Lakhs)

**Ageing for Capital work in progress (CWIP) as at 31.03.2023**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	41.99	-	-	-	41.99

**3. Right-of-use assets**

<b>Buildings</b>	<b>As at 31.03.2024</b>	As at 31.03.2023
<b>Gross carrying amount</b>		
<b>Balance at the Beginning of the year</b>	27.53	70.31
Additions	52.61	-
Disposals	-	42.78
<b>Balance at the End of the year</b>	<b>80.14</b>	27.53
<b>Accumulated amortisation</b>		
<b>Balance at the Beginning of the year</b>	17.90	49.44
Additions	26.10	11.24
Disposals	-	42.78
<b>Balance at the End of the year</b>	<b>44.00</b>	17.90
<b>Net book value at the end of the year</b>	36.14	9.63

**4. Intangible Assets**

Asset Description	Gross carrying amount (at cost)				Accumulated Depreciation and Amortisation				Net Block	
	As at 1.04.2023	Additions	Disposals / Adjustments	As at 31.03. 2024	As at 1.04.2023	Depreciation for the year	Dispos- als	As at 31.03.2024	As at 31.03. 2024	As at 31.03.2023
ERP & Software	312.62	69.49	-	382.11	39.15	106.01	-	145.16	236.95	273.47

Asset Description	Gross carrying amount (at cost)				Accumulated Depreciation and Amortisation				Net Block	
	As at 1.04.2022	Additions	Disposals / Adjustments	As at 31.03. 2023	As at 1.04.2022	Depreciation for the year	Dispos- als	As at 31.03.2023	As at 31.03. 2023	As at 31.03.2022
ERP & Software	24.93	287.69	-	312.62	12.03	27.12	-	39.15	273.47	12.90

**4A. Intangible Assets under developments**

Asset Description	As at 31.03.2023	Additions	Disposals / Adjustments	As at 31.03.2024
-	-	-	-	-

Asset Description	As at 31.03.2022	Additions	Disposals / Adjustments	As at 31.03.2023
ERP Software	121.39	-	121.39	-



**Notes to Financial Statements for the year ended 31.03.2024**

(Rs. In Lakhs)

	<b>As at</b>	<b>As at</b>
	<b>31.03.2024</b>	<b>31.03.2023</b>
<b>5. INVESTMENTS - NON-CURRENT</b>		
<b>Investment in equity instruments (quoted) at FVOCI</b>		
(i) 2,29,480 equity shares of Rs.10/- each in Lakshmi Machine Works Limited March 31, 2024: 2,29,480 equity shares March 31, 2023: 2,29,480 equity shares	<b>34,798.92</b>	22,881.91
(ii) 36,100 equity shares of Rs.10/- each in Indian Overseas Bank Limited March 31, 2024: 36,100 equity shares March 31, 2023: 36,100 equity shares	<b>21.65</b>	8.14
<b>Investment in Government or Trust Securities</b>		
National Savings Certificate	<b>0.30</b>	0.70
<b>Total</b>	<b><u>34,820.87</u></b>	<u>22,890.75</u>
Total non-current investments		
Aggregate amount of quoted investments and market value thereof	<b>34,820.57</b>	22,890.05
Aggregate amount of unquoted investments	<b>0.30</b>	0.70
Aggregate amount of impairment in value of investments	-	-
<b>6. OTHER FINANCIAL ASSETS</b>		
<b>Non-current</b>		
<i>Unsecured and considered good</i>		
Security deposits	<b>796.93</b>	666.26
Bank Deposit with more than 12 Months maturity - in margin money deposit - other deposits	<b>1,286.98</b>	200.00 874.14
<b>Total other financial assets (non-current)</b>	<b><u>2,083.91</u></b>	<u>1,740.40</u>
<b>Current</b>		
<i>Unsecured and considered good</i>		
Income receivable	<b>15.38</b>	18.65
Interest accrued on deposits	<b>63.19</b>	88.10
Employee Advances	<b>13.82</b>	21.06
Rental Advances	<b>1.25</b>	-
<b>Total other financial assets (current)</b>	<b><u>93.64</u></b>	<u>127.81</u>
<b>7. OTHER NON-CURRENT ASSETS</b>		
<i>Unsecured and considered good</i>		
Capital advances	<b>337.05</b>	240.26
Income tax assets	<b>98.25</b>	175.70
<b>Total other non-current assets</b>	<b><u>435.30</u></b>	<u>415.96</u>
<b>8. INVENTORIES</b>		
Raw Materials	<b>4,856.94</b>	3,694.84
Work - in - Progress	<b>1,026.29</b>	1,038.53
Finished Goods	<b>1,472.56</b>	1,060.58
Stores and Spares	<b>516.26</b>	449.63
Waste	<b>18.34</b>	143.93
<b>Total inventories</b>	<b><u>7,890.39</u></b>	<u>6,387.51</u>

Inventories are valued at the lower of cost and net realizable value.

The cost of inventories recognised as an expense amounted to Rs. 26,434.96 lakhs [Previous year Rs.22,767.62 lakhs]

**Notes to Financial Statements for the year ended 31.03.2024**

(Rs. In Lakhs)

	As at <b>31.03.2024</b>	As at 31.03.2023
<b>9. TRADE RECEIVABLES</b>		
(a) Trade receivables-Considered good-Secured:	-	-
(b) Trade receivables-Considered good-Unsecured:	<b>6,185.00</b>	6,754.99
(c) Trade receivables which have significant increase in credit risk	-	-
(d) Trade receivables-credit impaired	<b>114.18</b>	114.18
Less: Allowance for expected credit loss	<b>(169.32)</b>	(180.92)
<b>Total trade receivables</b>	<b>6,129.86</b>	<b>6,688.25</b>

**9.1 Trade Receivables Ageing Schedule for the year ended as at 31.03.2024**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	5,591.04	391.52	150.90	44.97	6.57	6,185.00
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	114.18	114.18
Less: Allowance for expected credit loss and doubtful debts	-	-	-	-	-	(169.32)
<b>Total</b>	<b>5,591.04</b>	<b>391.52</b>	<b>150.90</b>	<b>44.97</b>	<b>120.75</b>	<b>6,129.86</b>

**9.2 Trade Receivables Ageing Schedule for the year ended as at 31.03.2023**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	6,423.37	229.46	91.92	10.24	-	6,754.99
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-

**Notes to Financial Statements for the year ended 31.03.2024**

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	114.18	114.18
Less: Allowance for expected credit loss and doubtful debts						(180.92)
<b>Total</b>	<b>6,423.37</b>	<b>229.46</b>	<b>91.92</b>	<b>10.24</b>	<b>114.18</b>	<b>6,688.25</b>

**9.3 Details of Trade Receivables (dues) from firms or private companies in which any director is a partner or a director or a member shall be given below**

Name of the entity	As at 31.03.2024	As at 31.03.2023
Adwaith Lakshmi Ind P Ltd	12.75	14.49
Adwaith Textiles P Ltd	0.68	0.62
Chakradhara Aerospace & Cargo P Ltd	7.29	17.66
Lakshmi Electrical Drives P Ltd	3.99	(94.40)
Lakshmi Life Sciences P Ltd	36.40	128.23
Lakshmi Ring Travellers (Coimbatore) P Ltd	2.43	0.06
LCC Cargo Holdings P Ltd	-	(0.92)
Revantha Services P Ltd	-	(33.40)
Starline Travels P Ltd	-	(2.44)
Titan Paints & Chemicals P Ltd	-	(0.67)

**Notes to Financial Statements for the year ended 31.03.2024**

(Rs. In Lakhs)

	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
<b>10. CASH AND CASH EQUIVALENTS</b>		
Balances with banks		
- in current accounts	<b>236.72</b>	1,315.13
Cash on hand	<b>4.21</b>	0.75
<b>Total cash and cash equivalents</b>	<b><u>240.93</u></b>	<u>1,315.88</u>
<b>11. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS</b>		
Margin money deposit account (maturity more than 3 months but less than 12 months)	-	304.69
Deposits (maturity more than 3 months but less than 12 months)	<b>1,268.27</b>	733.05
Unpaid dividend	<b>19.67</b>	19.39
<b>Total Other Bank balances</b>	<b><u>1,287.94</u></b>	<u>1,057.13</u>
<b>12. CURRENT TAX ASSETS (NET)</b>		
Opening balance	<b>135.57</b>	-
Add: Taxes paid / adjusted during the year	<b>504.58</b>	783.50
Less: Current tax payable for the year	<b>353.13</b>	647.93
<b>Closing balance</b>	<b><u>287.02</u></b>	<u>135.57</u>
<b>13. OTHER CURRENT ASSETS</b>		
<i>(Unsecured, Considered good)</i>		
Prepaid expenses	<b>116.79</b>	79.19
Advance to suppliers	<b>590.56</b>	572.95
Receivable from government authorities	<b>840.46</b>	714.41
<b>Total other current assets</b>	<b><u>1,547.81</u></b>	<u>1366.55</u>

**Notes to Financial Statements for the year ended 31.03.2024**

(Rs. In Lakhs)

**14. EQUITY SHARE CAPITAL**

<b>(i) Authorised equity share capital</b>	<b>Number of shares</b>	Amount
<b>As at 01.04.2023</b>	<b>50,00,000</b>	500.00
Increase / Decrease during the year	-	-
<b>As at 31.03.2024</b>	<b>50,00,000</b>	<b>500.00</b>
<b>(ii) Movements in equity share capital</b>	<b>Number of shares</b>	Equity share capital (par value)
Issued, subscribed and fully paid up		
<b>As at 01.04.2023</b>	<b>30,71,500</b>	307.15
Increase / Decrease during the year	-	-
<b>As at 31.03.2024</b>	<b>30,71,500</b>	<b>307.15</b>

Terms and rights attached to equity shares

The company has one class of equity shares having a par value of Rs.10 each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shareholders holding more than 5% shares in the Company

Name of the Shareholders	As at 31.03.2024		As at 31.03.2023	
	Number of shares	% holding	Number of shares	% holding
M/s. Quattro Engineering India Private Limited	9,39,590	30.59	9,39,590	30.59
M/s. Lakshmi Machine Works Limited	3,00,000	9.77	3,00,000	9.77
Sri. Sanjay Jayavarthanavelu	2,16,288	7.04	2,16,288	7.04
Total	14,55,878	47.40	14,55,878	47.40

**Shares held by promoters at the end of the year**

Promoter Name	As at 31.03.2024		As at 31.03.2023		% Change during the year
	No.of Shares	%of total shares	No.of Shares	%of total shares	
<b>Promoters</b>					
Sanjay Jayavarthanavelu	2,16,288	7.04	2,16,288	7.04	-
<b>Promoters Group</b>					
Shivali Jayavarthanavelu	25,700	0.84	25,700	0.84	-
J.Rajyalakshmi	1,04,400	3.40	1,04,400	3.40	-
Nethra J S Kumar	16,300	0.53	16,300	0.53	-
Uttara R	24,400	0.79	24,400	0.79	-
Ravi Sam	1,000	0.03	1,000	0.03	-
Lalithadevi Sanjay Jayavarthanavelu	242	0.01	242	0.01	-

**Notes to Financial Statements for the year ended 31.03.2024**

Promoter Name	As at 31.03.2024		As at 31.03.2023		% Change during the year
	No.of Shares	%of total shares	No.of Shares	%of total shares	
Jaidev Jayavarthanavelu	150	0.00	150	0.00	-
Eshaan Enterprises P Limited	64,400	2.10	64,400	2.10	-
Revantha Services P Limited	1,30,672	4.25	1,30,672	4.25	-
Lakshmi Electrical Drives P Limited	2,100	0.07	2,100	0.07	-
Titan Paints and Chemicals P Limited	150	0.00	150	0.00	-
Quattro Engineering India P Limited	9,39,590	30.59	9,39,590	30.59	-
Lakshmi Machine Works Limited	3,00,000	9.77	3,00,000	9.77	-
	<b>18,25,392</b>	<b>59.42</b>	<b>18,25,392</b>	<b>59.42</b>	-

**Shares held by promoters at the beginning of the year**

Promoter Name	As at 31.03.2023		As at 31.03.2022		% Change during the year
	No.of Shares	%of total shares	No.of Shares	%of total shares	
<b>Promoters</b>					
Sanjay Jayavarthanavelu	2,16,288	7.04	2,16,288	7.04	-
<b>Promoters Group</b>					
Shivali Jayavarthanavelu	25,700	0.84	25,700	0.84	-
J.Rajyalakshmi	1,04,400	3.40	1,04,400	3.40	-
Nethra J S Kumar	16,300	0.53	16,300	0.53	-
Uttara R	24,400	0.79	24,400	0.79	-
Ravi Sam	1,000	0.03	1,000	0.03	-
Lalithadevi Sanjay Jayavarthanavelu	242	0.01	242	0.01	-
Jaidev Jayavarthanavelu	150	0.00	150	0.00	-
Eshaan Enterprises P Limited	64,400	2.10	64,400	2.10	-
Revantha Services P Limited	1,30,672	4.25	1,30,672	4.25	-
Lakshmi Electrical Drives P Limited	2,100	0.07	2,100	0.07	-
Titan Paints and Chemicals P Limited	150	0.00	150	0.00	-
Quattro Engineering India P Limited	9,39,590	30.59	9,39,590	30.59	-
Lakshmi Machine Works Limited	3,00,000	9.77	3,00,000	9.77	-
	<b>18,25,392</b>	<b>59.42</b>	<b>18,25,392</b>	<b>59.42</b>	-

**Notes to Financial Statements for the year ended 31.03.2024**

(Rs. In Lakhs)

	As at <b>31.03.2024</b>	As at 31.03.2023
<b>15. OTHER EQUITY</b>		
General Reserve	<b>10,436.42</b>	9,936.42
Securities Premium	<b>718.60</b>	718.60
Retained Earnings	<b>14,085.62</b>	12,822.01
FVOCI - Equity instruments	<b>30,219.11</b>	19,651.91
<b>Total reserves and surplus</b>	<b><u>55,459.75</u></b>	<u>43,128.94</u>
<b>(a) General Reserve</b>		
Opening balance	<b>9,936.42</b>	8,936.42
Additions during the year	<b>500.00</b>	1,000.00
Deductions/Adjustments during the year	-	-
<b>Closing balance</b>	<b><u>10,436.42</u></b>	<u>9,936.42</u>
<b>(b) Securities Premium</b>		
Opening balance	<b>718.60</b>	718.60
Additions during the year	-	-
Deductions/Adjustments during the year	-	-
<b>Closing balance</b>	<b><u>718.60</u></b>	<u>718.60</u>
<b>(c) Retained Earnings</b>		
Opening balance	<b>12,822.01</b>	11,303.94
Net profit for the period	<b>1,986.72</b>	2,836.80
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	<b>(8.10)</b>	(11.57)
Appropriations		
- General Reserve	<b>(500.00)</b>	(1,000.00)
Dividends paid	<b>(215.01)</b>	(307.15)
<b>Closing balance</b>	<b><u>14,085.62</u></b>	<u>12,822.01</u>
<b>(d) FVOCI - Equity instruments</b>		
Opening balance	<b>19,651.91</b>	18,939.61
Change in fair value of equity instruments (Net of Taxes)	<b>10,567.20</b>	712.30
<b>Closing balance</b>	<b><u>30,219.11</u></b>	<u>19,651.91</u>

**Notes to Financial Statements for the year ended 31.03.2024**

(Rs. In Lakhs)

	As at 31.03.2024			As at 31.03.2023		
	Current	Non-Current	Total	Current	Non-Current	Total
<b>16. PROVISIONS</b>						
<u>Employee benefit obligation</u>						
Compensated absences	13.93	32.29	46.22	10.71	25.71	36.42
Gratuity	0.63	-	0.63	13.78	-	13.78
<b>Total employee benefit obligations</b>	<b>14.56</b>	<b>32.29</b>	<b>46.85</b>	24.49	25.71	50.20

	As at 31.03.2024	As at 31.03.2023
--	---------------------	---------------------

**(i) Compensated absences**

Current leave obligations expected to be settled within the next 12 months	13.93	10.71
----------------------------------------------------------------------------	-------	-------

**(ii) Gratuity**

	31.03.2024	Present value of obligation	Fair value of plan assets	Net amount
<b>Opening Balance</b>		<b>236.58</b>	<b>(222.79)</b>	<b>13.78</b>
Current service cost		25.78	-	25.78
Interest expense/(income)		15.87	(16.30)	(0.43)
<b>Total amount recognised in profit or loss</b>		<b>41.65</b>	<b>(16.30)</b>	<b>25.35</b>
Remeasurements				
(Gain)/loss from change in financial assumptions				
Experience (gains)/losses		23.10	(12.64)	10.46
<b>Total amount recognised in other comprehensive income</b>		<b>23.10</b>	<b>(12.64)</b>	<b>10.46</b>
Employer contributions			(48.97)	(48.97)
Benefit payments		(52.19)	52.19	-
<b>Closing Balance</b>		<b>249.14</b>	<b>(248.51)</b>	<b>0.63</b>
	31.03.2023	Present value of obligation	Fair value of plan assets	Net amount
<b>Opening Balance</b>		<b>216.87</b>	<b>(204.96)</b>	<b>11.91</b>
Current service cost		25.20	-	25.20
Interest expense/(income)		14.99	(15.52)	(0.53)
<b>Total amount recognised in profit or loss</b>		<b>40.19</b>	<b>(15.52)</b>	<b>24.67</b>
Remeasurements				
(Gain)/loss from change in financial assumptions				
Experience (gains)/losses		11.90	3.31	15.21
<b>Total amount recognised in other comprehensive income</b>		<b>11.90</b>	<b>3.31</b>	<b>15.21</b>
Employer contributions		-	(38.00)	(38.00)
Benefit payments		(32.37)	32.37	-
<b>Closing Balance</b>		<b>236.58</b>	<b>(222.79)</b>	<b>13.78</b>



## Notes to Financial Statements for the year ended 31.03.2024

(Rs. In Lakhs)

## (iii) The net liability disclosed above relates to funded plans are as follows:

	As at 31.03.2024	As at 31.03.2023
Present value of funded obligations	249.14	236.58
Fair value of plan assets	(248.51)	(222.79)
Deficit/(Surplus) of funded plan	0.63	13.78

**Deficit before asset ceiling**

The Company expects to make the contribution of Rs.0.63 lakhs (as at 31<sup>st</sup> March, 2023 Rs.13.78 lakhs) to the defined benefit plan during the next financial year.

**(iv) Post-Employment benefits**

Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

	As at 31.03.2024	As at 31.03.2023
Discount rate	7.25%	7.54%
Salary growth rate	5.00%	5.00%
Attrition rate	5.00%	5.00%
Expected return on fund assets	7.54%	7.47%

Assumptions regarding future mortality for pension and medical benefits are set based on actuarial advice in accordance with published statistics and experience. These assumptions translate into an average life expectancy in years for a pensioner retiring age.

**(v) Brief description of the Plans & risks**

These plans typically expose the Company to actuarial risks such as: Investment risk, interest risk, longevity risk and salary risk.

**Investment risk:**

The present value of the defined benefit plan liability is calculated using a discount which is determined with reference to market yields at the end of the reporting period on government bonds. Plan investment is a mix of investments in government securities, other debt instruments and equity shares of listed companies.

**Interest risk:**

A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt instruments, if any.

**Longevity risk:**

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Notes to Financial Statements for the year ended 31.03.2024**

(Rs. In Lakhs)

**Salary risk:**

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of plan participants will increase the plan's liability.

**(vi) Sensitivity analysis**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Impact on defined benefit obligation				
	Change in assumption	Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
	As at 31.03.2024	As at 31.03.2024 (as a %)	As at 31.03.2024 (as a %)	As at 31.03.2024 (Rs. in Lakhs)	As at 31.03.2024 (Rs. in Lakhs)
Discount rate	1%	(7.12)	8.17	231.40	269.50
Attrition rate	1%	0.83	(0.93)	251.20	246.82
Salary growth rate	1%	8.01	(7.09)	269.11	231.47

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as and when calculating the defined benefit liability recognised in the balance sheet.

**(vii) The Company's best estimate of pay-outs are as under:**

	As at <b>31.03.2024</b>	As at 31.03.2023
Within one year	<b>13.52</b>	12.65
After one year but not beyond five years	<b>73.14</b>	55.73
Beyond five years up to ten years	<b>68.20</b>	71.46

(viii) The weighted average duration of the defined benefit obligation is 7.24 years (March 31, 2023 – 6.93 years).

**17. DEFERRED TAX LIABILITIES (NET)**

The balance comprises temporary differences attributable to:

Depreciation	<b>1,152.55</b>	928.05
Others including Fair valuation of equity shares	<b>2,383.78</b>	1,020.46
Total deferred tax liabilities	<b>3,536.33</b>	1,948.51

Set-off of deferred tax assets pursuant to set-off provisions

Expenses eligible for deduction on payment basis and deduction over multiple years	<b>(64.40)</b>	(59.41)
Impact of Ind AS 116	<b>(0.13)</b>	(0.30)
<b>Net deferred tax liabilities</b>	<b>3,471.80</b>	1,888.80

**Notes to Financial Statements for the year ended 31.03.2024**

(Rs. In Lakhs)

**Movement in deferred tax liabilities/ (assets)**

Particulars	Depreciation	Others including Fair valuation of equity shares	Expenses eligible for deduction on payment basis and deduction over multiple years	Total
<b>At April 1, 2022</b>	<b>984.20</b>	<b>947.75</b>	<b>(24.92)</b>	<b>1,907.03</b>
Charged/(credited):				
- to profit or loss	(56.15)	-	(31.23)	(87.38)
- to other comprehensive income	-	72.71	(3.64)	69.07
- on Impact of Ind AS 116	-	-	0.08	0.08
<b>As at 31.03.2023</b>	<b>928.05</b>	<b>1,020.46</b>	<b>(59.71)</b>	<b>1,888.80</b>
Charged/(credited):				
- to profit or loss	224.50	-	(2.63)	221.87
- to other comprehensive income	-	1,363.32	(2.36)	1,360.96
- on Impact of Ind AS 116	-	-	0.17	0.17
<b>As at 31.03.2024</b>	<b>1,152.55</b>	<b>2,383.78</b>	<b>(64.53)</b>	<b>3,471.80</b>

	<b>As at</b>	<b>As at</b>
	<b>31.03.2024</b>	<b>31.03.2023</b>

**18. BORROWINGS**

<u>Secured - From Banks</u>	Rate of interest	Limit		
(a) Indian Overseas Bank - Cash credit	9.85%	1,750.00	<b>1,085.12</b>	1,478.66
(b) Indian Bank - Cash credit	9.25%	1,500.00	<b>1,253.71</b>	1,380.55
(c) Indian Bank - Working capital Demand loan	9.20%	1,000.00	<b>1,000.00</b>	1,000.00
(d) IDBI Bank - Cash credit	9.20%	1,000.00	<b>421.96</b>	948.35
(e) IDBI Bank- Working capital Demand loan	9.20%	1,000.00	<b>1,000.00</b>	1,000.00

(Secured on hypothecation of entire current assets of the Company and second pari passu charge on the fixed assets)

Unsecured - From Banks

(a) Yes Bank- Working Capital Demand Loan	8.35%	1,000.00	<b>1,000.00</b>	1,000.00
(b) AXIS Bank- Working Capital Demand Loan	8.75%	400.00	<b>400.00</b>	900.00
(c) AXIS Bank- Cash Credit	9.00%	600.00	<b>285.23</b>	-
(d) ICICI Bank- Working Capital Loan	8.25%	1,000.00	<b>1,000.00</b>	-
(e) ICICI Bank- Working Capital Loan	8.30%	500.00	<b>500.00</b>	-
<b>Total borrowings</b>			<b><u>7,946.02</u></b>	<b><u>7,707.56</u></b>

**18.1** The Company has borrowings from banks on the basis of security of current assets in excess of Rs. 5 crores. There are no material disagreements between the quarterly returns or statements of current assets filed by the Company with banks or financial institutions with the books of accounts duly reckoning the reasons for disagreements and reconciliations therefor. [Refer Note No.50].

**Notes to Financial Statements for the year ended 31.03.2024**

(Rs. In Lakhs)

18.2 Details of charges on assets against loans (or) satisfaction of the loans yet to be registered with ROC beyond the statutory period are provided below

Name of the lender	Details of security on which charge has been satisfied / modified	Amount of fund based loan obtained/ sanctioned	Name of the ROC form	Due date of filing	Reason for not filing
Indian Bank	Current Assets & Immovable Properties	2,500.00	CHG-04	NA	Banks insist on Further Charge creation when the Borrowing exceeds the fund based sanctioned limits. In vice-versa situations Banks do not allow for reduction of Charges created, unless the borrowings are repaid in full.
Indian Overseas Bank	Current Assets & Immovable Properties	1,750.00	CHG-04	NA	Banks insist on Further Charge creation when the Borrowing exceeds the fund based sanctioned limits. In vice-versa situations Banks do not allow for reduction of Charges created, unless the borrowings are repaid in full.

**19. TRADE PAYABLES**

	As at <b>31.03.2024</b>	As at 31.03.2023
Current		
Total outstanding dues of micro enterprise and small enterprises **	<b>443.94</b>	132.30
Total outstanding dues of creditors other than micro enterprises and small enterprises	<b>2,582.09</b>	2,272.56
<b>Total trade payables</b>	<b>3,026.03</b>	2,404.86

\*\* Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. The entire closing balance represents the principal amount payable to these enterprises. There are no interests due or outstanding on the same. [Refer Note 45]

**19.1 Trade Payable Ageing Schedule for the year ended as at 31.03.2024**

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME *	443.94	-	-	-	443.94
(ii) Others	2,495.04	54.53	0.70	31.82	2,582.09
(iii) Disputed dues – MSME*	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
<b>Total</b>	<b>2,938.98</b>	<b>54.53</b>	<b>0.70</b>	<b>31.82</b>	<b>3,026.03</b>

\*MSME as per Micro, Small and Medium Enterprises Development Act, 2006

**Notes to Financial Statements for the year ended 31.03.2024**

(Rs. In Lakhs)

**19.2 Trade Payable Ageing Schedule for the year ended as at 31.03.2023**

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME *	132.30	-	-	-	<b>132.30</b>
(ii) Others	2,231.03	7.81	1.36	32.36	<b>2,272.56</b>
(iii) Disputed dues – MSME*	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
<b>Total</b>	<b>2,363.33</b>	<b>7.81</b>	<b>1.36</b>	<b>32.36</b>	<b>2,404.86</b>

\*MSME as per Micro, Small and Medium Enterprises Development Act, 2006

Note : Ageing has been considered from the date of transaction

	As at 31.03.2024	As at 31.03.2023
<b>20. LEASE AND OTHER FINANCIAL LIABILITIES</b>		
<b>20A. Lease liabilities</b>		
Current	<b>28.38</b>	6.11
Non-current	<b>10.77</b>	4.95
<b>20B. Other financial liabilities (Carried at amortised cost)</b>		
<b>Current</b>		
Interest accrued and due on borrowings	<b>27.02</b>	22.66
Unpaid dividends	<b>19.67</b>	19.39
Payable to employees	<b>254.83</b>	225.16
Payable for expenses	<b>721.00</b>	998.50
<b>Total other current financial liabilities</b>	<b>1,022.52</b>	1,265.71
<b>21. CURRENT TAX LIABILITIES (NET)</b>		
Opening balance	-	445.33
Add: Current tax payable for the year	-	-
Less: Taxes paid / adjusted during the year	-	445.33
<b>Closing balance</b>	-	-
<b>22. OTHER CURRENT LIABILITIES</b>		
Advance from customers	<b>313.47</b>	290.81
Statutory Liabilities	<b>52.34</b>	68.31
<b>Total other current liabilities</b>	<b>365.81</b>	359.12

**Notes to Financial Statements for the year ended 31.03.2024**

(Rs. In Lakhs)

	Year Ended 31.03.2024	Year Ended 31.03.2023
<b>23. REVENUE FROM OPERATIONS</b>		
<b>Sale of products</b>		
<b>Export Sales</b>		
Yarn - Direct Export	4,058.13	2,190.07
Yarn - Merchant Export	2,434.71	849.31
Gears - Direct Export	141.64	126.82
<b>Domestic Sales</b>		
Cotton, Yarn & Fabric	20,483.32	20,596.55
Gears	8,191.83	7,382.03
Cotton Waste	2,796.93	2,017.34
<b>Sale of services</b>		
Commission Receipts	2,656.38	2,199.86
Erection Charges Receipts	515.89	663.12
Service Charges	639.56	754.75
<b>Total revenue</b>	<b>41,918.39</b>	<b>36,779.85</b>
<b>24. OTHER INCOME</b>		
Interest Income from financial assets at amortised cost	152.01	141.56
Interest on tax refunds and compensation	10.16	-
Dividend Income from investments measured at fair value through other comprehensive income	226.04	91.79
Net gain on disposal of property, plant and equipment	239.96	175.25
Foreign Exchange Fluctuation	18.01	48.52
Government Grant - RODTEP Incentive	142.91	64.83
- ABRY	0.77	-
Other Non Operating Income	292.63	169.98
<b>Total other income</b>	<b>1,082.49</b>	<b>691.93</b>
<b>25. COST OF MATERIALS CONSUMED</b>		
Raw materials at the beginning of the year	3,694.84	6,258.95
Add: Purchases	25,564.81	18,492.76
Less: Raw materials at the end of the year	4,856.94	3,694.84
<b>Total cost of materials consumed</b>	<b>24,402.71</b>	<b>21,056.87</b>
<b>26. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS</b>		
Opening Balance		
Work-in-progress	1,038.53	971.12
Finished goods	1,060.58	1,333.42
Waste	143.93	11.41
Total Opening Balance	<b>2,243.04</b>	<b>2,315.95</b>

**Notes to Financial Statements for the year ended 31.03.2024**

(Rs. In Lakhs)

	Year Ended 31.03.2024	Year Ended 31.03.2023
<b>Closing Balance</b>		
Work-in-progress	<b>1,026.29</b>	1,038.53
Finished goods	<b>1,472.56</b>	1,060.58
Waste	<b>18.34</b>	143.93
Total Closing Balance	<b>2,517.19</b>	2,243.04
<b>Total changes in inventories of finished goods and work-in-progress</b>	<b>(274.15)</b>	72.91
<b>27. EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, wages and bonus	<b>4,260.01</b>	3,428.25
Contribution to provident and other funds	<b>157.55</b>	169.23
Contribution to Gratuity Fund	<b>25.35</b>	26.90
Staff welfare expenses	<b>486.89</b>	358.17
<b>Total employee benefit expenses</b>	<b>4,929.80</b>	3,982.55
<b>28. FINANCE COSTS</b>		
Interest on Working Capital Loan	<b>710.63</b>	404.17
Interest cost of lease liabilities	<b>5.37</b>	1.44
Other Finance Costs	<b>16.56</b>	26.58
<b>Total Finance costs</b>	<b>732.56</b>	432.19
<b>29. DEPRECIATION AND AMORTISATION EXPENSES</b>		
Depreciation of property, plant and equipment	<b>2,081.84</b>	1,872.68
Depreciation of Right- of- use assets(Refer note 3)	<b>26.10</b>	11.24
Amortisation of intangible assets	<b>106.01</b>	27.12
<b>Total depreciation and amortisation expenses</b>	<b>2,213.95</b>	1,911.05
<b>30. OTHER EXPENSES</b>		
Consumption of stores and spares	<b>1,934.94</b>	1,272.30
Consumption of Packing Material	<b>371.46</b>	438.45
Power & Fuel	<b>2,495.07</b>	1,617.10
[Net of Captive Power Consumption adjusted Rs.2,125.42 for the Y.E.31.03.2024 and Rs.1,588.09 for the Y.E.31.03.2023]		
Fabric Conversion / Outside processing charges	<b>762.48</b>	930.65
Repairs to Buildings	<b>247.38</b>	151.09
Repairs to Machinery	<b>431.41</b>	360.34
Repairs to Others	<b>682.95</b>	611.93
Insurance	<b>80.79</b>	71.67
Rates & Taxes	<b>81.99</b>	47.71
Corporate Social Responsibility (Refer note below)	<b>73.00</b>	58.00
Allowance for expected credit loss	<b>(11.60)</b>	11.92
Bad debts written-off	<b>0.91</b>	144.83

**Notes to Financial Statements for the year ended 31.03.2024**

(Rs. In Lakhs)

	<b>Year Ended 31.03.2024</b>	Year Ended 31.03.2023
Auditors remuneration		
For Statutory Audit	<b>5.00</b>	5.00
For Other services	<b>1.34</b>	0.33
Bank Charges	<b>44.04</b>	10.92
Sitting Fees	<b>15.00</b>	14.75
Donation	<b>9.63</b>	57.33
Contribution to Approved Electoral Trust	<b>100.00</b>	-
Miscellaneous Expenses	<b>1,319.71</b>	1,226.20
<b>Total other expenses</b>	<b>8,645.50</b>	<b>7,030.51</b>

<b>Corporate social responsibility</b>		
(i) amount required to be spent by the company during the year	<b>72.64</b>	57.12
(ii) amount of expenditure incurred	<b>73.00</b>	58.00
(iii) shortfall at the end of the year	<b>(0.36)</b>	(0.88)
(iv) total of previous years shortfall	-	-
(v) reason for shortfall	<b>Not Applicable</b>	Not Applicable
(vi) nature of CSR activities,		
Nature of activities	<b>Capital revenue expense</b>	Year Ended 31.03.2024
Education infrastructure development through implementing agency	<b>Not Applicable</b>	73.00
Nature of activities	<b>Capital/ revenue expense</b>	Year Ended 31.03.2023
Education infrastructure development through implementing agency	<b>Not Applicable</b>	58.00

(vii) details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard.

Name of the Trust	Nature of relation	Amount contributed
Not Applicable		

(viii) There is no provision to be made with respect to any liability incurred by entering into a contractual obligation.

**31. INCOME TAX EXPENSE**

**(a) Income tax expense**

Current tax

Current tax on profits for the year	<b>353.13</b>	647.93
Adjustments for current tax of prior periods	-	8.52

<b>Total current tax expense</b>	<b>353.13</b>	<b>656.45</b>
----------------------------------	---------------	---------------



**Notes to Financial Statements for the year ended 31.03.2024**

(Rs. In Lakhs)

	<b>Year Ended 31.03.2024</b>	Year Ended 31.03.2023
Deferred tax		
Decrease (increase) in deferred tax assets	<b>(2.46)</b>	(31.15)
(Decrease) increase in deferred tax liabilities	<b>224.50</b>	(56.15)
<b>Total deferred tax expense/(benefit)</b>	<b><u>222.04</u></b>	<u>(87.30)</u>
<b>Income tax expense</b>	<b><u>575.17</u></b>	<u>569.15</u>
<b>(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:</b>		
Profit before income tax expense	<b>2,561.89</b>	3,405.95
Tax at the Indian tax rate	<b>25.168%</b>	25.168%
<b>Computed expected tax expense at enacted tax rate</b>	<b>644.78</b>	857.21
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax effect on exempted income	-	(105.77)
Corporate social responsibility expenditure disallowed	<b>18.37</b>	14.60
Tax effect on account of tax deductions	<b>(54.11)</b>	-
Tax effect on account of Donations and Contributions to Electoral Trust	<b>27.59</b>	14.43
Tax effect of Depreciation /other adjustments	<b>(283.50)</b>	(132.54)
<b>Income tax expense</b>	<b><u>353.13</u></b>	<u>647.93</u>

**32. Fair value measurements**

Financial instruments by category

	As at 31.03.2024		As at 31.03.2023	
	FVOCI	Amortised cost	FVOCI	Amortised cost
<b>Financial assets</b>				
Investments	<b>34,820.87</b>	-	22,890.75	-
Trade receivables	-	<b>6,129.86</b>	-	6,688.25
Cash and cash equivalents	-	<b>240.93</b>	-	1,315.88
Other bank balances	-	<b>1,287.94</b>	-	1,057.13
Security deposits & Margin money deposits	-	<b>2,085.16</b>	-	1,740.40
Income receivable	-	<b>15.38</b>	-	18.65
Interest accrued on deposits	-	<b>63.19</b>	-	88.10
Employee Advances	-	<b>13.82</b>	-	21.06
<b>Total financial assets</b>	<b><u>34,820.87</u></b>	<b><u>9,836.28</u></b>	<u>22,890.75</u>	<u>10,929.47</u>
<b>Financial liabilities</b>				
Borrowings	-	<b>7,946.02</b>	-	7,707.56
Lease Liabilities	-	<b>39.15</b>	-	11.06
Trade payables	-	<b>3,026.03</b>	-	2,404.86
Interest accrued and due on borrowings	-	<b>27.02</b>	-	22.66
Unpaid dividends	-	<b>19.67</b>	-	19.39
Payable to employees	-	<b>254.83</b>	-	225.16
Payable for expenses	-	<b>721.00</b>	-	998.50
<b>Total financial liabilities</b>	-	<b><u>12,033.72</u></b>	-	<u>11,389.19</u>

**Notes to Financial Statements for the year ended 31.03.2024**

(Rs. In Lakhs)

**(i) Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

**Financial assets and liabilities measured at fair value - recurring fair value measurements**

<b>As at 31.03.2024</b>	<b>Notes</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>					
Financial Investments at FVTPL:		-	-	-	-
Financial Investments at FVOCI:	5	34,820.87	-	-	34,820.87
<b>Total financial assets</b>		<b>34,820.87</b>	-	-	<b>34,820.87</b>
<b>As at 31.03.2023</b>					
<b>Financial assets</b>					
Financial Investments at FVTPL:		-	-	-	-
Financial Investments at FVOCI:	5	22,890.75	-	-	22,890.75
<b>Total financial assets</b>		<b>22,890.75</b>	-	-	<b>22,890.75</b>

**Financial Instruments & Risk Management**

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

**(ii) Valuation technique used to determine fair value**

The carrying amounts of trade receivables, trade payables, loans, deposits, advances, borrowings, cash and cash equivalents and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

## Notes to Financial Statements for the year ended 31.03.2024

(Rs. In Lakhs)

**33. Financial risk management**

The Company's activities expose it to market risk, liquidity risk and credit risk.

**(A) Credit risk**

Company faces credit risk from cash and cash equivalents, deposits with banks and financial institutions and unsecured trade receivables. The Company doesn't face any credit risk with other financial assets

**(i) Credit risk management**

Credit risk on deposit is mitigated by depositing the funds in scheduled and reputed private sector banks.

For trade receivables, the primary source of credit risk is that these are unsecured. The Company faces the risk of delayed payments from TNEB - to whom it supplies power. Apart from this, the Company sells the products to customers only when the collection of trade receivables is certain and whether there has been a significant increase in the credit risk on an on-going basis is monitored throughout each reporting period. As at the balance sheet date, based on the credit assessment the historical trend of low default is expected to continue. An impairment analysis is performed at each reporting date on an individual basis for major clients. Any recoverability of receivables is provided for based on the impairment assessment.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high ratings assigned by international and domestic credit rating agencies. Ratings are monitored periodically and the Company has considered the latest available credit ratings as at the date of approval of these financial statements.

**(ii) Provision for expected credit losses for trade receivables**

The Company provides for expected credit loss based on the following:

Year ended 31.03.2024:

Expected credit loss for trade receivables under simplified approach

The Company does not have any long outstanding receivable balances, except in the case of the agency and gears divisions, for which allowance for expected credit loss is created.

	Amount (Rs. In Lakhs)
Loss allowance as at 31.03.2023	180.92
Changes in loss allowance	(11.60)
Loss allowance as at 31.03.2024	169.32

**(B) Liquidity risk**

Objective of liquidity risk management is to maintain sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. The Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal requirements.

**Notes to Financial Statements for the year ended 31.03.2024**

(Rs. In Lakhs)

**(i) Financing arrangements**

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

	<b>As at 31.03.2024</b>	As at 31.03.2023
Floating rate		
- Expiring within one year (bank overdraft and other facilities)	<b>1,803.98</b>	792.44

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR and have an average maturity of 1 year.

**(ii) Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- (a) all non-derivative financial liabilities, and
- (b) net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

**Contractual maturities of financial liabilities**

Non-derivatives	As at 31.03.2024			As at 31.03.2023		
	Maturing within 3 months	Maturing after 3 months but within a year	Total	Maturing within 3 months	Maturing after 3 months but within a year	Total
Borrowings	-	7,946.02	7,946.02	-	7,707.56	7,707.56
Lease Liabilities	4.94	34.21	39.15	1.48	9.58	11.06
Trade payables	3,026.03	-	3,026.03	2,404.86	-	2,404.86
Interest accrued and due on borrowings	27.02	-	27.02	22.66	-	22.66
Unpaid dividends	-	19.67	19.67	-	19.39	19.39
Payable to employees	254.83	-	254.83	225.16	-	225.16
Payable for expenses	721.00	-	721.00	998.50	-	998.50
<b>Total non-derivative liabilities</b>	<b>4,033.82</b>	<b>7,999.90</b>	<b>12,033.72</b>	3,652.66	7,736.53	11,389.19

**(C) Market risk**

**Foreign currency risk**

The company activities expose it to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD and balance in Swiss FRANC. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows.

**Notes to Financial Statements for the year ended 31.03.2024**

(in Lakhs)

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

	As at 31.03.2024				
	USD	Euro	CHF	JPY	Total
Financial assets					
Trade receivables	445.59	29.35	-	-	474.94
Advances	1.67	-	-	-	1.67
<b>Exposure to foreign currency risk (assets)</b>	<b>447.26</b>	<b>29.35</b>	-	-	<b>476.61</b>
Financial liabilities					
Trade payables	7.25	-	-	-	7.25
Exposure to foreign currency risk (liabilities)-Foreign LC	7.25	-	-	-	7.25
<b>Net exposure to foreign currency risk</b>	<b>440.01</b>	<b>29.35</b>	-	-	<b>469.36</b>

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

	As at 31.03.2024				
	USD	Euro	CHF	JPY	Total
Financial assets					
Trade receivables	5.42	0.34	-	-	5.76
Advances	0.02	-	-	-	0.02
<b>Exposure to foreign currency risk (assets)</b>	<b>5.44</b>	<b>0.34</b>	-	-	<b>5.78</b>
Financial liabilities					
Trade payables	0.09	-	-	-	0.09
Exposure to foreign currency risk (liabilities)-Foreign LC	0.09	-	-	-	0.09
<b>Net exposure to foreign currency risk</b>	<b>5.35</b>	<b>0.34</b>	-	-	<b>5.69</b>

The Company's exposure to foreign currency risk at the end of the reporting period expressed in foreign currency, are as follows.

	As at 31.03.2023				
	USD	Euro	CHF	JPY	Total
Financial assets					
Trade receivables	261.54	27.39	-	-	288.92
Advances	-	-	-	-	-
<b>Exposure to foreign currency risk (assets)</b>	<b>261.54</b>	<b>27.39</b>	-	-	<b>288.92</b>
Financial liabilities					
Trade payables	373.75	87.59	183.83	15.24	660.41
Exposure to foreign currency risk (liabilities)-Foreign LC	373.75	87.59	183.83	15.24	660.41
<b>Net exposure to foreign currency risk</b>	<b>(112.21)</b>	<b>(60.20)</b>	<b>(183.83)</b>	<b>(15.24)</b>	<b>(371.49)</b>

**Notes to Financial Statements for the year ended 31.03.2024**

(in Lakhs)

The Company's exposure to foreign currency risk at the end of the reporting period expressed in foreign currency, are as follows.

	As at 31.03.2023				
	USD	Euro	CHF	JPY	Total
Financial assets					
Trade receivables	3.18	0.31	-	-	3.49
Advances	-	-	-	-	-
<b>Exposure to foreign currency risk (assets)</b>	<b>3.18</b>	<b>0.31</b>	<b>-</b>	<b>-</b>	<b>3.49</b>
Financial liabilities					
Trade payables	4.54	0.98	2.06	24.63	32.21
Exposure to foreign currency risk (liabilities)-Foreign LC	4.54	0.98	2.06	24.63	32.21
<b>Net exposure to foreign currency risk</b>	<b>(1.36)</b>	<b>(0.67)</b>	<b>(2.06)</b>	<b>(24.63)</b>	<b>(28.72)</b>

**Sensitivity**

The sensitivity of profit or loss to changes in the exchange rates arises mainly from major foreign currency denominated financial instruments

	Impact on profit after tax	
	As at 31.03.2024	As at 31.03.2023
USD sensitivity		
INR/USD Increases by 5%	<b>0.19</b>	(0.96)
INR/USD Decreases by 5%	<b>(0.19)</b>	0.96

\* Holding all other variables constant

**34. Capital management**

**(a) Risk management**

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Company is debt free currently and it intends to maintain an optimal gearing ratio for optimising shareholder value

**(b) Dividends**

In INR

Dividends per equity share (INR 10 each) for the year ended March 31, 2023 (For year ended March 31, 2022 INR 10.00 )	7.00
Dividends per equity share (INR 10 each) for the year ended March 31, 2022 (For year ended March 31, 2021 INR 2.50)	10.00

**Notes to Financial Statements for the year ended 31.03.2024**

(Rs. In Lakhs)

**35. Earnings per share**

<b>Basic</b>	<b>Year ended 31.03.2024</b>	Year ended 31.03.2023
Profit attributable to equity holders of the Company	<b>1,986.72</b>	2,836.80
Number of Shares (par value of INR. 10 each)	<b>30,71,500</b>	30,71,500
Basic earnings per share (in ₹)	<b>64.68</b>	92.36
<b>Diluted</b>		
Profit attributable to equity holders of the Company	<b>1,986.72</b>	2,836.80
Number of Shares (par value of INR. 10 each)	<b>30,71,500</b>	30,71,500
Diluted earnings per share (in ₹)	<b>64.68</b>	92.36

**36. Contingent liabilities**

Other monies for which the Company is contingently liable		
i) Income Tax Dues	<b>2.71</b>	27.43

**37. Commitments**

**Capital commitments**

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	<b>As at 31.03.2024</b>	As at 31.03.2023
Property, plant and equipment (Net of advances)	<b>771.35</b>	514.80

38. Provision of Rs. 29.60 lakhs [Previous year Rs.24.26 lakhs] for self generation tax towards Wind Energy has been made. Cumulative disputed liability recognised as on 31.3.2024 is Rs 302.88 lakhs (as on 31.3.2023 Rs.273.28 Lakhs)

39. The financial statements were approved for issue by the Board of directors on 29<sup>th</sup> May, 2024.

40. The Company has ensured the health and safety of the employees as prescribed under the Factories Act, 1948. The Company has incurred the following expenditure during the year in this regard.

	<b>Year ended 31.03.2024</b>	Year ended 31.03.2023
Health related expenses	<b>11.93</b>	11.05
Safety related expenses	<b>8.55</b>	8.35
	<b><u>20.48</u></b>	<u>19.40</u>

41. The final dividend on shares is recorded as liability on the date of approval by the shareholders

Dividend declared by the company are based on the profits available for distribution.

The Board of Directors have recommended a dividend of Rs.7/- per equity share of the face value of Rs. 10 each, subject to the approval of the shareholders at the ensuing Annual General Meeting. This will result in a total dividend outgo of Rs.215.00 Lakhs.

**Notes to Financial Statements for the Year ended 31.03.2024**

**42. Related party disclosures for the year ended 31.03.2024**

1. Related party Relationships:

(a) Key Management personnel

Sanjay Jayavarthanavelu, Non-executive Chairman  
 Ravi Sam, Non-executive Non Independent Director  
 S.Venkataraman, Non-executive Independent Director  
 Vijayalakshmi Narendra, Non-Executive Independent Director  
 B. Lakshmi Narayana, Non-Executive, Independent Director  
 Smt. Chitra Venkataraman-Non-executive Independent Director  
 Ms. Shivalli Jayavarthanavelu- Non-executive Non Independent Director  
 G.Mani, Managing Director  
 S. Ravindran, Chief Financial Officer [Upto 04/03/2024]  
 C.V.Venkatesh, Chief Financial Officer [w.e.f. 05/03/2024]  
 S.K.Radhakrishnan, Company Secretary

(b) Other Related Parties - Enterprises over which Key Managerial Personnel are able to exercise significant influence

Adwaith Lakshmi Industries P Ltd	Quattro Engineering India P Ltd
Adwaith Textiles P Ltd	Revantha Services P Ltd
Harshini Textiles P Ltd	Starline Travels P Ltd
Lakshmi Caipo Industries Ltd	The Lakshmi Mills Co. Ltd
Lakshmi Cargo Company Ltd	Titan Paints and Chemicals P Ltd
Chakradhara Aerospace & Cargo P Ltd	Dhanuprabha Agro P Ltd
Lakshmi Electrical Control Systems Ltd	Hermes Academy of Training P Ltd
Lakshmi Electrical Drives P Ltd	Revantha Agro Farms P Ltd
Lakshmi Life Sciences P Ltd	Sri Kamakoti Kamakshi Enterprises P Ltd
Lakshmi Machine Works Ltd	Sudhasruthi Agro P Ltd
Lakshmi Precision Technologies P Ltd	Supreme Dairy Products India P Ltd
Lakshmi Ring Travellers (Coimbatore) P Ltd	Venkatavaradha Agencies P Ltd
Lakshmi Technology & Engg Industries Ltd	Chakradhara Agrofarms P Ltd
LCC Cargo Holdings P Ltd	Dhannjaya Agrofarms P Ltd
LMW Aerospace Industries Ltd	Alampara Hotels and Resorts P Limited
Lakshmi Energy and Environment Designs P Ltd	Eshaan Enterprises P Limited
Mahalakshmi Engineering Holdings P Ltd	Primo Aqua Green Pvt Ltd
Sowbarnika Enterprises P Limited	Shri Kara Engineering Private Limited
Van Tex P Limited	Sri Dwipa Properties Private Limited
Rajalakshmi Engineering	LMW Textile Machinery (Suzhou) Co Ltd., China
Petrus Technologies P Ltd	Lakshmi Global PTE Ltd, Dubai
Lakshmi Global FZE	LMW Global FZE, UAE

(c) Post employment employee benefit plans : Super Sales India Ltd Employees Gratuity Fund

(d) Key management personnel compensation **(Rs. In Lakhs)**

	<b>Year ended 31.03.2024</b>	Year ended 31.03.2023
Short term employee benefits	<b>126.12</b>	118.56
Post - employment benefits	<b>0.84</b>	2.74
	<b><u>126.96</u></b>	<u>121.30</u>



Notes to Financial Statements for the Year ended 31.03.2024

(Rs. In Lakhs)

43. Transactions with Related Parties for the Year ended 31.03.2024

Name of the Related Party	Purchase of goods		Purchase of Fixed Assets		Sale of goods		Sale of Fixed Assets		Services received		Services provided		Lease charges paid		Agency Arrangement		Remuneration to KMP		Contribution to Gratuity Fund		Outstanding		
	2023-2024	2022-2023	2023-2024	2022-2023	2023-2024	2022-2023	2023-2024	2022-2023	2023-2024	2023-2024	2022-2023	2023-2024	2023-2024	2022-2023	2023-2024	2023-2024	2022-2023	2023-2024	2023-2024	2022-2023	2023-2024	2022-2023	2023-2024
Akweeth Lakshmi Ind P Ltd	42.25	92.23	-	-	14.65	31.86	-	-	0.04	-	0.06	-	-	-	3.21	7.94	-	-	-	-	6.41	14.49	
Akweeth Textiles P Ltd	78.24	-	-	-	-	-	-	-	-	-	0.33	4.41	-	-	-	-	-	-	-	-	0.68	0.62	
Chakradhara Aerospace & Cargo P Ltd	-	-	14.71	3.93	-	13.39	-	-	65.99	51.13	0.98	-	-	-	-	-	-	-	-	-	(2.15)	17.66	
Hasstini Textiles P Ltd	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lakshmi Capro Industries Ltd	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lakshmi Electrical Drives P Ltd	898.79	847.83	-	-	85.95	36.20	-	-	0.40	-	-	-	-	-	7.27	5.98	-	-	-	-	(79.14)	(94.40)	
Lakshmi Life Sciences P Ltd	7.96	1.38	235.86	-	55.15	90.54	-	-	0.62	(0.29)	2.40	1.78	-	-	50.58	30.12	-	-	-	-	(42.42)	128.23	
Lakshmi Machine Works Ltd.	1,048.27	1,219.43	1,308.56	2,18.97	7,709.37	7,407.26	-	-	14.85	56.02	1,018.16	1,356.01	8.09	8.11	3,049.93	2,562.29	-	-	-	-	2,874.10	2,557.27	
Lakshmi Global PTE Ltd, Dubai	-	-	-	-	28.73	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lakshmi Global FZE	-	-	-	-	4.93	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.47	-	-
Lakshmi Precision Technologies Ltd	1.67	0.07	11.54	-	-	-	-	-	0.03	-	4.00	8.04	-	-	15.04	-	-	-	-	-	7.68	5.33	
Lakshmi Ring Travelers (Combatore) P Ltd	-	-	-	-	-	0.30	-	-	-	-	-	-	-	-	8.49	0.06	-	-	-	-	2.43	0.06	
Lakshmi Technology & Enrgo Industries Ltd	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LCC Cargo Holdings P Ltd	-	-	-	-	-	-	-	-	-	-	-	-	12.00	12.00	-	-	-	-	-	-	(0.92)	(0.92)	
LMW Textile Machinery (Suzhou) Co. Ltd - China	-	-	-	-	0.49	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revantha Services P Ltd	0.45	26.96	92.86	11.95	-	-	-	-	399.32	353.49	0.41	-	-	-	-	-	-	-	-	-	(5.21)	(33.40)	
Starline Travels P Ltd	-	-	1.91	-	-	-	-	-	39.56	75.02	-	-	-	-	-	-	-	-	-	-	(3.70)	(2.44)	
The Lakshmi Mills Co Ltd	-	-	-	-	-	-	-	-	-	-	13.16	6.21	-	-	-	-	-	-	-	-	0.17	2.54	
Titan Paints & Chemicals P Ltd	12.90	12.47	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1.81)	(0.67)	
Super Sales India Ltd	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35.81	42.11	-	13.78
Employees Gratuity Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15.00	14.75	-	-
Sitting Fees to Directors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	74.01	74.01	-	-
Managing Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	33.68	26.82	-	-
Chief Financial Officer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18.43	17.73	-	-
Company Secretary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**Notes to Financial Statements for the year ended 31.03.2024**  
**44. Segment information for the year ended 31.03.2024**

(Rs. In Lakhs)

S. No.	Particulars	Agency		Textiles		Engineering		Unallocated / Corporate		Total	
		Year Ended		Year Ended		Year Ended		Year Ended		Year Ended	
		31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
1	<b>REVENUE:</b>										
	Sales including Processing charges and Commission Receipts	3,172.27	2,864.96	29,773.09	25,566.64	8,973.03	8,350.96	-	-	41,918.39	36,782.56
	Other Operating income	70.50	68.17	649.36	490.56	126.42	41.41	-	-	846.28	600.14
	Sub-Total	3,242.77	2,933.13	30,422.45	26,057.20	9,099.45	8,392.37	-	-	42,764.67	37,382.70
	Less: Inter-segment Revenue		1.98	-	-	-	0.73	-	-	-	2.71
	Total	3,242.77	2,931.15	30,422.45	26,057.20	9,099.45	8,391.64	-	-	42,764.67	37,379.99
2	<b>RESULT:</b>										
	Segment Results	2,048.84	1,842.71	(207.36)	206.11	1,348.89	1,438.49	(107.30)	(69.43)	3,083.07	3,417.89
	Exceptional Items	-	-	211.38	-	-	420.25	-	-	211.38	420.25
	Finance Cost	-	-	-	-	-	-	-	-	732.56	432.19
	<b>Profit Before Tax</b>									<b>2,561.89</b>	<b>3,405.95</b>
	Provision for Income Tax									353.13	656.45
	Deferred Tax (Net)									222.04	(87.30)
	<b>NET PROFIT / LOSS</b>									<b>1,986.72</b>	<b>2,836.80</b>
	<b>OTHER INFORMATION:</b>										
3	Segment Assets	1,402.09	1,679.73	27,313.66	24,210.13	7,833.21	7,846.07	35,136.42	23,387.48	71,685.08	57,123.41
4	Segment Liabilities	136.63	82.76	10,564.56	9,882.96	1,725.51	1,796.53	3,491.48	1,925.07	15,918.18	13,687.32
5	Capital Expenditure (Incl. Capital Work-in-progress)	32.09	11.64	3,392.68	4,229.94	768.17	665.10	-	-	4,192.94	4,906.68
6	Depreciation	58.62	33.31	1,746.38	1,485.25	408.95	392.47	-	-	2,213.95	1,911.03

**Notes:**

- (a) The Company has identified business segments as primary segments. The reportable segments are Agency, Textiles and Engineering divisions.
- (b) Items of expenses and income, Assets and Liabilities (including Deferred tax liability / Assets) which are not directly attributable / identifiable / allocable to business segments are shown under unallocated / Corporate.
- (c) The company derives revenue from transactions with one single external customer which is more than 10% of its total revenue in its Textile, Agency and Engineering segments and the total revenue from that single customer is Rs.11,777.46 Lakhs (Previous Year Rs.11,325.56 Lakhs).

**SECONDARY SEGMENT INFORMATION - GEOGRAPHICAL SEGMENTS:**

	March 31, 2024		March 31, 2023	
	%	Rs. in Lakhs	%	Rs. in Lakhs
Domestic Sales (Net)	82.59	31,472.08	90.45	29,995.92
Export Sales	17.41	6,634.48	9.55	3,166.20

Countries to which exports were made: Australia, Bangladesh, Brazil, France, Italy, USA, UAE.

**Notes to Financial Statements for the year ended 31.03.2024**

(Rs. In Lakhs)

**45. Details of Dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006**

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(a) The Principal amount and the Interest due there on remaining unpaid to any supplier as at the end of each year		
a) Principal	443.94	132.30
b) Interest Due	NIL	NIL
(b) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the payment made to the supplier beyond the appointed day during each accounting year	NIL	NIL
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	NIL	NIL
(d) The amount of interest accrued and remaining unpaid at the end of year	NIL	NIL
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the Interest dues above are actually paid to the Small Enterprises for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL

**46. Disclosure of ratios**

Particulars	Formula	Ratio		% of change
		F.Y. 23-24	F.Y. 22-23	
(a) Current Ratio (in Times)	Current Assets /Current Liabilities	1.41	1.44	(2.15)
(b) Debt-Equity Ratio (in Times)	Total Debt (Including lease liabilities) /Shareholders' Equity	0.14	0.18	(20.45)
(c) Debt Service Coverage Ratio (in Times)	Earnings available for debt service /Debt service	5.87	11.07	(46.93)
(d) Return on Equity Ratio (In %)	Net Profit after taxes - Preference dividend /Average shareholders' equity	4.01	6.78	(40.92)
(e) Inventory turnover ratio (in Times)	Sales of goods /Average Inventory	5.87	4.75	23.62
(f) Trade Receivables turnover ratio (in Times)	Credit Sales /Average Trade Receivables	6.54	5.41	20.90
(g) Trade payables turnover ratio (in Times)	Credit Purchases /Average Trade Payables	16.08	7.78	106.66
(h) Net capital turnover ratio (in Times)	Net Sales / Working Capital	8.26	7.11	16.19
(i) Net profit ratio (In %)	Net Profit after taxes / Net Sales	4.74	7.71	(38.53)
(j) Return on Capital employed (In %)	Earnings before Interest & Tax / Capital Employed	4.92	7.27	(32.35)
(k) Return on investment (In %)	Income generated from investments / Average investments	0.78	0.48	63.20
(l) Capital Gearing Ratio (in times)	Loans / Total Equity	0.14	0.18	(20.84)

Reasons for the change, if the change of ratio is more than 25%

**Notes to Financial Statements for the year ended 31.03.2024**

Particulars	Reasons for variance
(a) Debt Service Coverage Ratio	Increase in short term borrowings during the year
(b) Return on Equity Ratio	Reduction in profits during the year
(c) Trade payables turnover ratio	Increase in Credit purchases during the year
(d) Net profit ratio	Decrease in profits during the year
(e) Return on Capital employed	Decrease in profits during the year
(f) Return on investment.	Return on investment is higher in view of the higher FVTOCI

47. Exceptional Item of Rs. 211.38 Lakhs represents net gain on compensation received on compulsory acquisition of land by the Government of Tamilnadu. For the previous year exceptional item of Rs. 420.25 Lakhs represents net gain on compensation received on compulsory acquisition by National Highway Authority of India.
48. The three labour codes, the Occupational Health, Safety and Working Conditions Code 2020, the Industrial Relations Code 2020 and the Code on Social Security 2020 have been passed by the Parliament and have also received the assent of the President of India on 28<sup>th</sup> September, 2020. However, the date on which these Codes will come into effect has not been notified. The Company will assess the impact of these Codes and will record any related impact in the period these Codes become effective.
49. Additional Regulatory Disclosures as per Schedule III of Companies Act, 2013
- (i) There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act 1988 and rules made there under.
  - (ii) There are no transactions not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
  - (iii) The company has not been delcared as a willful defaulter by any bank or financial institution or government or any government authority
  - (iv) The company has not traded or invested in Crypto currency or virtual currency during the financial year ended March 31, 2024.
  - (v) The Company has not (which are material either individually or in the aggregate) advanced or loaned or invested any funds (either from borrowed funds or share premium or any other sources or kind of funds) 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.
  - (vi) The Company has not (which are material either individually or in the aggregate) received any funds 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
  - (vii) No scheme of arrangement has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013
  - (viii) The Company does not have any transactions with the struck-off companies for the year ended 31<sup>st</sup> March, 2024 and for the year ended 31<sup>st</sup> March, 2023.

**Notes to Financial Statements for the year ended 31.03.2024**  
**50. Borrowings secured against current assets**

Returns/statement filed with for the quarter & Nature of current asset	Name of the bank	Amount as per quarterly returns & statements (Rs. in Lakhs)	Amount as per unaudited books of account (Rs. in Lakhs)	Difference Amt (Rs. in Lakhs)	Nature of discrepancy & remarks
June-2023 - Stock Statement	Indian Overseas Bank, Indian Bank, IDBI Bank, YES Bank and Axis Bank	5,982.64	6,209.19	(226.55)	Reconciled for net effect on sales and stocks due to adjustment on account of transfer of risks and rewards of ownership of goods sold
June-2023 - Book Debts Statement		6,592.34	6,879.40	(287.06)	Reconciled considering bank reconciliation entries passed after submission to banks and amount of advance from customers
September-2023 - Stock Statement	Indian Overseas Bank, Indian Bank, IDBI Bank, YES Bank and Axis Bank	5,162.21	5,392.88	(230.67)	Reconciled for net effect on sales and stocks due to adjustment on account of transfer of risks and rewards of ownership of goods sold
September-2023 - Book Debts Statement		6,393.18	6,730.50	(337.32)	Reconciled considering bank reconciliation entries passed after submission to banks and amount of advance from customers
December-2023 - Stock Statement	Indian Overseas Bank, Indian Bank, IDBI Bank, YES Bank and Axis Bank	5,863.82	6,122.18	(258.36)	Reconciled for net effect on sales and stocks due to adjustment on account of transfer of risks and rewards of ownership of goods sold
December-2023 - Book Debts Statement		6,648.94	6,698.98	(50.04)	Reconciled considering bank reconciliation entries passed after submission to banks and amount of advance from customers
March-2024 - Stock Statement	Indian Overseas Bank, Indian Bank, IDBI Bank, YES Bank, Axis Bank & ICICI Bank	7,525.70	7,872.05	(346.35)	Reconciled for net effect on sales and stocks due to adjustment on account of transfer of risks and rewards of ownership of goods sold
March-2024 - Book Debts Statement		5,374.80	5,433.81	(59.01)	Reconciled considering bank reconciliation entries passed after submission to banks and amount of advance from customers

**Notes to Financial Statements for the year ended 31.03.2024**

**51. DISCLOSURE AS REQUIRED UNDER IND AS 116-Leases**

**Movement of Lease Liability**

(Rs. In Lakhs)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Opening Balance	11.06	23.12
Additions During the year	53.66	-
Repayments during the year	25.57	12.06
<b>Closing Balance</b>	<b>39.15</b>	<b>11.06</b>
Current	28.38	6.11
Non-Current	10.77	4.95
<b>Maturity</b>		
Within one year	28.38	6.11
1 - 5 years	10.77	4.95
More than five years	-	-

The effective Interest rate for the Lease Liabilities is 9%

The following are the amounts recognised in the Statement of Profit and Loss

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Depreciation expense of Right of Use Assets	26.10	11.24
Interest Expense on Lease Liabilities	5.37	1.44
Expense relating to Short Term Lease Liabilities	5.59	21.48
Expense relating to Lease of Low Value Assets	-	-
Income from Right of Use	-	-

**Details regarding the contractual maturities of lease liabilities on an undiscounted basis**

Future minimum lease payments Payable	As at 31.03.2024	As at 31.03.2023
Not later than one year	30.68	6.86
Later than one year and not later than 5 years	11.25	5.14

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Lease liabilities are monitored within the Company's treasury function. All lease obligations are denominated in currency units.

52. The figures of the previous year have been regrouped/rearranged where ever necessary to confirm with current year figures.

All the figures have been rounded off to lakhs unless stated otherwise. Discrepancies, if any, in between the totals and the sum of the items forming part of such totals are due to rounding off in the financial statements. Wherever figures, are indicated as 0.00 lakhs, it represents value less than Rs. 0.01 lakhs due to rounding off to the nearest lakhs.

See accompanying notes to financial statements

For and on behalf of Board of Directors.

**SANJAY JAYAVARTHANAVELU**  
Chairman  
DIN 00004505

**G.MANI**  
Managing Director  
DIN 08252847

In terms of our report attached  
**For SUBBACHAR & SRINIVASAN**  
Registration No.004083S  
Chartered Accountants

Place : Coimbatore  
Date : 29.05.2024

**C.V. VENKATESH**  
Chief Financial Officer

**S.K.RADHAKRISHNAN**  
Company Secretary

**T.S. ANANDATHIRTHAN**  
Partner, M.No. 230192



