INDEPENDENT AUDITOR'S REPORT

To the Members of M/s. The Ramaraju Surgical Cotton Mills Limited

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the Separate financial statements of The Ramaraju Surgical Cotton Mills Limited ("the Company"), which comprise the Separate balance sheet as at 31st March 2022, and the Separate Statement of Profit and Loss, the Separate Statement of changes in Equity and the Separate Statement of cash flows for the year ended on that date, and notes to the separate financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "the Separate Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid separate financial statements give the information required by the Companies Act 2013 ('the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Separate 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 separate financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note No. 49 to the separate financial statements, which describes the uncertainties and the impact of the COVID-19 pandemic on the company's operations and results as assessed by the management. The Management has assessed that there is no material impact on the financial statements due to lockdown and related restrictions imposed towards controlling the COVID 19 pandemic. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate financial statements of the current period. These matters were addressed in the context of our audit of the separate 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.

S. No.	Key Audit Matter	Auditor's Response
1	**Recognition and measurement of deferred taxes** The recognition and measurement of deferred tax items requires determination of differences between the recognition and the measurement of assets, liabilities, income and expenses in accordance with the Income Tax Act and other applicable tax laws including application of ICDS and financial reporting in accordance with Ind AS. Assessment of Deferred Tax Assets is done by the management at the close of each financial year taking into account forecasts of future taxable results. We have considered the assessment of deferred tax liabilities and assets as a key matter due to the importance of management's estimation and judgment and the materiality of amounts. **(Refer to Note No. 4 D (iv), (v), (vi) & (vii) & 5 (iv) to the Separate Financial Statements)**	**Principal Audit Procedures** The key matter was addressed by performing audit procedures which involved assessment of underlying process and evaluation of internal financial controls with respect to measurement of deferred tax and re-performance of calculations and assessment of the items leading to recognition of deferred tax in light of prevailing tax laws and applicable financial reporting standards. Furthermore we assessed the adequacy and appropriateness of the disclosures in the separate financial statements.
2	**Evaluation of uncertain Tax Position/ Other contingent liabilities** The Company has material uncertain tax position in respect of possible or actual taxation disputes, litigations and claims. The provisions are estimated using a significant degree of management judgment in interpreting the various relevant rules, regulations and practices and in considering precedents in various legal forums. **(Refer to Note No. 4 O (iv) & 5 (vii) to the Separate Financial Statements)**	**Principal Audit Procedures** The Audit addressed this Key Audit Matter by assessing the adequacy of tax Provisions by reviewing the management's underlying assumptions in estimating the tax provisions and the possible outcome of the disputes. We reviewed the significant litigations and claims and discussed with the Company's legal counsel, external advisors about their views regarding the likely outcome and magnitude of and exposure to relevant litigation and claims. We also reviewed to relevant judgments and the opinions given by the company's advisers, which were relied on by the management for such claims. Furthermore we assessed the adequacy and appropriateness of the disclosures in the separate financial statements.

S. No.	Key Audit Matter	Auditor's Response
3	**Existence and impairment of Trade Receivables** Trade Receivables are significant to the Company's financial statements. The Collectability of trade receivables is a key element of the company's working capital management, which is managed on an ongoing basis by its management. Due to the nature of the Business and the requirements of customers, various contract terms are in place, there is a risk that the carrying values may not reflective of their recoverable amounts as at the reporting date, which would require an impairment provision. Where there are indicators of impairment, the company undertakes assessment of the recoverability of the amounts. Given the magnitude and inherent uncertainty involved in the judgment, involved in estimating impairment assessment of trade receivables, we have identified this as a key audit matter. **(Refer to Note No. 4 U (vii) & 4 W (vi) (b) and 5 (viii) to the Separate Financial Statements)**	**Principal Audit Procedures**: We performed audit procedures on the assessment of trade receivables, which included substantive testing of revenue transactions, obtaining trade receivable external confirmations and testing the subsequent payments received. Assessing the impact of impairment on trade receivables requires judgment and we evaluated management's assumptions in determining the provision for impairment of trade receivables, by analyzing the ageing of receivables, assessing significant overdue individual trade receivables and specific local risks, combined with the legal documentations, where applicable. We also reviewed the system of obtaining monthly confirmation from the customers, which are kept in electronic mode by the company. We tested the timing of revenue and trade receivables recognition based on the terms agreed with the customers. We also reviewed, on a sample basis, terms of the contract with the customers, invoices raised, etc., as a part of our audit procedures. Furthermore we assessed the adequacy and appropriateness of the disclosures in the separate financial statements.
4	**Changes in useful life of Property, plant and equipment (PPE)** As at March 31, 2022 the Company had a gross block of Rs. 35,590.25 Lakhs in plant and machinery and Electrical Machinery which constitutes 80.52 % of the property, plant and equipment of the company. In the current year, the Company has revised the useful life of the plant and machinery and Electrical Machinery. Assessment of useful lives of plant and machinery and Electrical Machinery involves management judgment, consideration of historical experiences, anticipated technological changes, etc.	Our audit procedures included and were not limited to the following: Evaluating the reasonableness of the assumptions considered by the management in estimation of useful life. Examining the useful economic lives assigned with reference to the Company' historical experience, technical evaluation by Registered Valuer and our understanding of the future utilisation of assets by the Company. Assessing whether the impact on account of the change has been appropriately recognized in the financial statements.

S. No.	Key Audit Matter	Auditor's Response
	Accordingly, it has been determined as a key audit matter. **(Refer to Note No. 4 E & 5 (ii) of the Separate financial statements)**	Review of the disclosures made in the financial statements in this regard.
5	**Business Combination under Acquisition method of Accounting with M/s. Sri Harini Textiles Limited** Pursuant to the National Company Law Tribunal (NCLT) Order dated May 31, 2023, Associate of the Company namely M/s. Sri Harini Textiles Limited ("Transferor Company") were merged with the Company. The Company has accounted for the business combination using the Acquisition method in accordance with Ind AS 103 – Business Combination (the 'Standard'). The Fair/ Book Value of the assets and liabilities of the Transferor Company as at April 1, 2021 (being Appointed date as per the Scheme of Amalgamation) have been incorporated in the books with merger adjustments, as applicable. The Company has allotted 51,340 fully paid-up equity shares to the eligible shareholders of the Transferor Company excluding inter holding by the company in accordance with the Scheme of Amalgamation. The Company has recognised Goodwill of Rs.1,882.38 Lakhs under Non-Current Assets. Considering the magnitude and complex accounting involved, the aforesaid business combination treatment in Separate financial statements has been considered to be a key audit matter. **(Refer to Note No. 40 of the Separate financial statements)**	Our audit procedures included the following: We understood from the management, assessed and tested the design and operating effectiveness of the Company's key controls over the accounting of business combination. We have traced the assets, liabilities and tax losses of the Transferor Company from the audited financial statements received from the other auditors under our audit instructions. We tested management's assessment of accounting for the business combination and determined that it was appropriately accounted for in accordance with Ind AS 103 Business Combination. We tested the management's computation of determining the amount determined to be recorded in Goodwill. We also assessed the adequacy and appropriateness of the disclosures made in the Separate financial statements. Based on the above work performed, the management's accounting for the Scheme of Amalgamation of Transferor Company with the Company is in accordance with the Ind-AS 103 Business Combination.

Information Other than the Separate Financial Statements and Auditors' Report Thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Report on CSR activities, and Shareholders information but does not include the separate financial statements and our auditor's report thereon.

Our opinion on the separate 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 separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Separate Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these separate financial statements that give a true and fair view of the state of affairs, profit or loss including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of Companies Act 2013 read with relevant rules issued there under and 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the separate financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the separate 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 separate 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 separate 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 controls 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 with reference to separate financial statements 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 separate 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 separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the separate financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the separate 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 separate 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 separate 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

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure A,** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Separate Balance Sheet, the Separate Statement of Profit and Loss including Other Comprehensive Income, the Separate Statement of changes in equity and the Separate statement of Cash Flow dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid separate financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31stMarch, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31stMarch, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our Separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial control over financial reporting.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended.

    In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

    i. The Company has disclosed the details of the pending litigations and its impact on the financial position in its separate financial statements have been disclosed in Note No. 42 of the Disclosures forming part of the Separate Financial Statements for the year ended 31st March 2022;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed 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) of Companies (Audit and Auditors) Rules, 2014, as provide under (a) and (b) above, contain any material mis-statement.

v. As stated in Note No. 50 to the Separate financial statements, the dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

For **N.A. JAYARAMAN & CO.,**
Chartered Accountants
Firm Registration Number: 001310S

R. PALANIAPPAN
Partner
Membership Number: 205112
UDIN: 23205112BGTRBB9324

Chennai
12th August 2023

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT

With reference to the Annexure A referred to in the Independent Auditor's Report to the members of company on the Separate financial statements for the year ended 31st March 2022, we report the following:

(i) (a) A. The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) As explained to us, all the Property, Plant and Equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.

(c) According to the information and explanation given to us and on the basis of the verification of the records of the company the title deeds of immovable properties of the Company are held in the name of the Company.

In respect of immovable properties taken on lease and disclosed as right of use assets in the Separate financial statements, the lease agreements are in the name of company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any Benami property under the Prohibition of Benami Property Transactions Act 1988 and rules made there under.

(ii) (a) The management has conducted the physical verification of inventory at reasonable intervals.

(b) The discrepancies noticed on verification between the physical stocks and the books records were properly dealt with in the books of accounts and were not material.

(c) The Company has been sanctioned working capital limits in excess of five crore rupees from bankers on the basis of security of current assets and the quarterly statements filed with such banks are in agreement with the books of account of company.

(iii) (a) The company has made investments in/provided guarantee /granted loans/ advances in the nature of loans during the year details of which are given below:

Particulars	₹ in Crores		
	Investments	Guarantees	Loans
Aggregate amount granted during the year			
(i) Subsidiary & Associates	369.59	NIL	NIL
(ii) Other Companies	NIL	NIL	NIL
(iii) Others	NIL	NIL	NIL
Balance outstanding as at Balance Sheet date			
(i) Subsidiary & Associates	2826.14	NIL	NIL
(ii) Other Companies	12.10	NIL	NIL
(iii) Others	NIL	NIL	NIL

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in nature of loans and guarantees provided, prima facie, not prejudicial to the interest of the company.

(c) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, in respect of loans and advances in the nature of loans, where the schedule of repayment of principal and payment of interest has been stipulated, the repayments or receipts are regular.

(d) According to the information and explanations given to us and based on the audit procedures conducted by us, the Company has not granted loans repayable on demand without specifying any terms or period of repayment.

(iv) According to information and explanations give to us, the company has complied with the provisions of Section 185 and 186 of the Act in relation to loans, guarantees provided and investments made.

(v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits or amounts which are deemed to be deposits during the year. Accordingly, reporting under this clause 3 (v) of the Order does not arise.

(vi) The Central Government, under section 148 (1) of the Companies Act 2013 has specified maintenance of cost records and such accounts and records have been so made and maintained by the Company.

(vii) (a) According to the records of the Company and information and explanations given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, goods and services tax, cess and any other statutory dues with the appropriate authorities. No undisputed amounts payable in respect of the above were in arrear as at 31st March 2022 for a period of more than six months from the date they become payable.

(b) As at 31st March 2022, according to the records of the Company, the following are the particulars of the disputed dues on account of sales tax, income tax, customs duty, wealth tax, service tax and cess, which have not been deposited on account of dispute:

₹ in Lakhs

Sl. No.	Name of the Statute	Forum where dispute is pending	Period to which it relates	**31/03/2022**	31/03/2021
1	Sales tax	Deputy Commissioner (Commercial Tax – Appellate)	AY 2011-12 AY 2013-14	**NIL**	8.45

(viii) According to the Information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under Income tax act 1961 as income during the year.

(ix) (a) Based on our audit procedures and according to the information and explanations given to us by the management, we are of the opinion that the company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is not a declared wilful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us, and on an overall examination of the balance sheet of the Company, we report that funds raised on short term basis have not been used for long term purposes.

(e) According to the information and explanations given to us and on an overall examination of the separate financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associate companies as defined in the Act.

(f) According to the information and explanations given to us and the procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its associate companies as defined under the Act.

(x) (a) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not raised moneys by way of initial public offer or further public offer during the year.

(b) In our opinion and according to the information and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not raised funds by way of preferential allotment or private placement of shares during the year.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materially outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) No whistle blower complaints received by the Company during the year. Accordingly, clause 3 (xi) (c) of the Order is not applicable to the Company.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3 (xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanation given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Separate Financial Statements, as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations given to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non - cash transactions with directors or persons connected to its Directors. Accordingly, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provision of clause 3 (xvi)(b)of the Order is not applicable to the Company

(b) The Company has not conducted non-banking financial activities or housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) According to the information and explanations provided to us during the course of our audit, the Group does not have any CICs.

(xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year.

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

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the separate 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, 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 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 date of the balance sheet, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project under CSR. According clauses 3 (xx) (a) and 3 (xx)(b) of the Order are not applicable.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Separate Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **N.A. JAYARAMAN & CO.,**
Chartered Accountants
Firm Registration Number: 001310S

R. PALANIAPPAN
Partner
Membership Number: 205112
UDIN: 23205112BGTRBB9324

Chennai
12th August 2023

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE SEPARATE FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH THE INDIAN ACCOUNTING STANDARDS OF THE RAMARAJU SURGICAL COTTON MILLS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **M/s. THE RAMARAJU SURGICAL COTTON MILLS LIMITED** ("the Company") as of March 31, 2022 in conjunction with our audit of the separate financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **N.A. JAYARAMAN & CO.,**
Chartered Accountants
Firm Registration Number: 001310S

R. PALANIAPPAN
Partner
Membership Number: 205112
UDIN: 23205112BGTRBB9324

Chennai
12th August 2023

BALANCE SHEET AS AT 31ST MARCH, 2022
(SUBSEQUENT TO THE SCHEME OF AMALGAMATION OF SRI HARINI TEXTILES LIMITED)

(₹ in Lakhs)

	Note No.	As at 31-03-2022		As at 01-04-2021		As at 31-03-2021	
I ASSETS							
(1) Non-Current Assets							
Property, Plant and Equipment	6	**22,103.37**		24,456.89		22,384.93	
Capital Work-in-progress	7	**1,295.99**		116.17		116.17	
Investment Property	8	**5.62**		5.80		5.80	
Goodwill	9	**1,882.38**		1,882.38		-	
Intangible Assets	10	**1.83**		2.12		1.82	
Financial Assets							
Investment in Subsidiaries & Associates	11	**2,826.14**		2,456.55		2,605.55	
Other Investment	12	**12.10**		13.80		13.80	
Other Financial Assets	13	**558.22**		471.00		406.59	
Deferred Tax Assets (Net)	25	**159.96**		-		-	
Other Non-Current Assets	14	**1,742.01**		552.64		552.64	
Sub Total (A)			**30,587.62**		29,957.35		26,087.30
(2) Current Assets							
Inventories	15	**10,333.99**		6,354.50		5,475.80	
Financial Assets							
Trade Receivables	16	**3,611.57**		5,061.16		7,592.35	
Cash and Cash Equivalents	17	**745.45**		236.70		232.79	
Bank Balance other than Cash and Cash Equivalents	18	**91.70**		7.40		7.40	
Other Financial Assets	19	**188.09**		1,434.77		1,416.64	
Current Tax Assets		**239.93**		-		-	
Other Current Assets	20	**2,063.35**		1,465.34		1,046.54	
Sub Total (B)			**17,274.08**		14,559.87		15,771.52
TOTAL ASSETS (A+B)			**47,861.70**		44,517.22		41,858.82
II EQUITY AND LIABILITIES							
(1) Equity							
Share Capital	21	**399.79**		399.79		394.66	
Other Equity	22	**11,806.82**		10,956.40		10,357.11	
Total Equity (A)			**12,206.61**		11,356.19		10,751.77
(A)Non Current Liabilities							
Financial Liabilities							
Borrowings	23	**12,437.88**		13,401.91		12,451.91	
Provisions	24	**80.48**		66.99		62.91	
Deferred Tax Liabilities (Net)	25	**-**		50.55		272.04	
Deferred Government Grants	26	**17.41**		58.90		40.05	
Sub Total (B)			**12,535.77**		13,578.35		12,826.91
(B)Current Liabilities							
Financial Liabilities							
Borrowings	27	**18,403.34**		15,909.74		14,891.49	
Trade Payables							
(i) Total outstanding dues of micro enterprises and small enterprises	28	**92.18**		76.79		58.90	
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	28	**1,549.01**		1,571.15		1,371.40	
Other Financial Liabilities	29	**861.03**		1,110.30		1,105.02	
Other Current Liabilites	30	**1,678.20**		502.81		459.80	
Provisions	31	**535.56**		377.54		359.18	
Current Tax Liabilities		**-**		34.35		34.35	
Sub Total (C)			**23,119.32**		19,582.68		18,280.14
TOTAL EQUITY AND LIABILITIES (A+B+C)			**47,861.70**		44,517.22		41,858.82
Significant Accounting Policies, Judgements and Estimates	1-5						
See accompanying notes to the financial statements	6-53						

As per our report annexed

For N.A. Jayaraman & Co
Chartered Accountants
Firm Registration No. 001310S

R. Palaniappan
Partner
Membership No. 205112

Chennai
12th August, 2023

On behalf of the Board of Directors
For The Ramaraju Surgical Cotton Mills Limited

Shri P.R.Venketrama Raja
Chairman
(DIN: 00331406)
Rajapalayam

Shri N.R.K.Ramkumar Raja
Managing Director
(DIN: 01948373)
Rajapalayam

N.Vijay Gopal
Chief Financial Officer
Rajapalayam

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022
(SUBSEQUENT TO THE SCHEME OF AMALGAMATION OF SRI HARINI TEXTILES LIMITED)

(₹ In Lakhs)

		Note No.	For the Year Ended 31-03-2022	For the Year Ended 31-03-2021
	INCOME			
I	Revenue from operations	32	**43,213.78**	28,424.00
II	Other Income	33	**185.72**	3,226.64
III	**Total Income (I+II)**		**43,399.50**	31,650.64
IV	**EXPENSES**			
	Cost of Materials Consumed	34	**25,513.49**	12,974.01
	Purchases of Stock- in- Trade		**505.04**	190.00
	Changes in Inventories of Finished Goods and Work-in-Progress	35	**(970.87)**	3,041.75
	Employee Benefit Expenses	36	**4,035.95**	3,097.74
	Finance Cost	37	**2,077.26**	2,199.86
	Depreciation and Amortisation Expenses	38	**4,592.39**	1,752.86
	Other Expenses	39	**6,768.16**	4,905.83
	Total Expenses		**42,521.42**	28,162.05
V	**Profit before tax (III-IV)**		**878.08**	3,488.59
	Tax Expenses / (Savings)			
	Current Tax		**134.75**	611.65
	Deferred Tax		**(210.51)**	(403.57)
VI	**Total Tax Expenses / (Savings)**		**(75.76)**	208.08
VII	**Profit for the Year (V-VI)**		**953.84**	3,280.51
VIII	**Other Comprehensive Income**			
	Item that will not be reclassified subsequently to Profit and Loss:			
	Remeasurement Gains / (Losses) on defined benefit obligation (net)		**(81.98)**	(26.49)
	Less: Income tax Savings		**(14.32)**	(4.63)
	Add: Deferred Tax (including MAT Credit)		**14.32**	4.63
			(81.98)	(26.49)
	Fair value Gain on Equity Instruments through OCI (Net)		**(1.71)**	0.79
	Other Comprehensive Income / (Loss) for the year, net of tax		**(83.69)**	(25.70)
IX	**Total Comprehensive Income for the year, net of tax (VII+VIII)**		**870.15**	3,254.81
X	**Earnings per Equity Share of ₹ 10/- each** (Refer Note No. 44)		**21.77**	83.12
	Significant Accounting Policies, Judgements and Estimates	1 - 5		
	See accompanying notes to the financial statements.	6-53		

As per our report annexed

For N.A. Jayaraman & Co
Chartered Accountants
Firm Registration No. 001310S

R. Palaniappan
Partner
Membership No. 205112

Chennai
12th August, 2023

On behalf of the Board of Directors
For The Ramaraju Surgical Cotton Mills Limited

Shri P.R.Venketrama Raja
Chairman
(DIN: 00331406)
Rajapalayam

Shri N.R.K.Ramkumar Raja
Managing Director
(DIN: 01948373)
Rajapalayam

N.Vijay Gopal
Chief Financial Officer
Rajapalayam

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31[ST] MARCH, 2022
(SUBSEQUENT TO THE SCHEME OF AMALGAMATION OF SRI HARINI TEXTILES LIMITED)

A. Equity Share Capital

(₹ in Lakhs)

For the year ended 31-03-2022	Amount
Equity Shares of ₹ 10 each issued, subscribed and fully paid up	
Balance as at 01-04-2021	394.66
Changes in Equity Share Capital during the year 2021-22	
Add : Issue of shares purusant to Business Combination	5.13
Balance as at 31-03-2022	**399.79**

For the year ended 31-03-2021	Amount
Balance as at 01-04-2020	394.66
Changes in Equity Share Capital during the year 2020-21	
Balance as at 31-03-2021	**394.66**

B. Other Equity (Refer Note No. 22)

(1) For the year ended 31-03-2022

Particulars	Reserves & Surplus				Items of OCI		Total Other Equity
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	FVTOCI Equity Instru-ments	Re-measure-ments of Defined Benefit Obligations	
Other Equity as at 01-04-2021	**17.63**	**-**	**9,844.92**	**489.55**	**5.01**	**-**	**10,357.11**
Pursuant to business combination							
Add/(Less): Changes in reserves on Appointed Date - 01-04-2021	-	743.92	-	(144.63)	-	-	**599.29**
Other Equity as at 01-04-2021	**17.63**	**743.92**	**9,844.92**	**344.92**	**5.01**	**-**	**10,956.40**
Financial Year 2021-22							**-**
Add/(Less): Profit for the year				953.84			**953.84**
Add/(Less): Other Comprehensive Income					(1.71)	(81.98)	**(83.69)**
Total Comprehensive Income	**-**	**-**	**-**	**953.84**	**(1.71)**	**(81.98)**	**870.15**
Add/(Less): Transfer from OCI				(81.98)		81.98	**-**
Add/(Less):Dividend distribution to shareholders				(19.73)			**(19.73)**
Other Equity as at 31-03-2022	**17.63**	**743.92**	**9,844.92**	**1,197.05**	**3.30**	**-**	**11,806.82**

(2) For the year ended 31-03-2021

Particulars	Reserves & Surplus				Items of OCI		Total Other Equity
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	FVTOCI Equity Instru-ments	Re-measure-ments of Defined Benefit Obligations	
Other Equity as at 01-04-2020	**17.63**	**-**	**5,844.92**	**1,255.26**	**4.22**	**-**	**7,122.03**
Financial Year 2020-21							
Add/(Less): Profit for the year				3,280.51	-		**3,280.51**
Add/(Less): Other Comprehensive Income					0.79	(26.49)	**(25.70)**
Total Comprehensive Income	**-**	**-**	**-**	**3,280.51**	**0.79**	**(26.49)**	**3,254.81**
Add/(Less): Transfer from OCI				(26.49)		26.49	**-**
Add/(Less):Dividend distribution to shareholders				(19.73)			**(19.73)**
Add/(Less):Transfer to General Reserve			4,000.00	(4,000.00)			
Other Equity as at 31-03-2021	**17.63**	**-**	**9,844.92**	**489.55**	**5.01**	**-**	**10,357.11**

As per our report annexed

For N.A. Jayaraman & Co
Chartered Accountants
Firm Registration No. 001310S

R. Palaniappan
Partner
Membership No. 205112

Chennai
12th August, 2023

On behalf of the Board of Directors
For The Ramaraju Surgical Cotton Mills Limited

Shri P.R.Venketrama Raja
Chairman
(DIN: 00331406)
Rajapalayam

Shri N.R.K.Ramkumar Raja
Managing Director
(DIN: 01948373)
Rajapalayam

N.Vijay Gopal
Chief Financial Officer
Rajapalayam

STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31ST MARCH, 2022
(SUBSEQUENT TO THE SCHEME OF AMALGAMATION OF SRI HARINI TEXTILES LIMITED)

(₹ in Lakhs)

			31-03-2022	31-03-2021
A.	**Cash flows from Operating Activities**			
	Profit before tax		**878.08**	3,488.59
	Adjustments for reconcile Profit /(Loss) Before Tax to Net Cash Flows:			
	Depreciation & Amortisation		**4,592.39**	1,752.86
	Finance Cost		**2,077.26**	2,199.86
	Interest Received		**(172.08)**	(92.46)
	Dividend Received		**(0.79)**	(106.15)
	Profit on sale of Investments		**-**	(2,958.80)
	Loss/(Profit) on Sale of Assets		**172.28**	(3.97)
	Government Grants		**(1.45)**	(29.83)
	Bad Debts		**4.46**	5.89
	Impairment Allowances for Trade Receivables		**11.16**	-
	Operating Profit before Working capital Changes		**7,561.31**	4,255.99
	Movements in Working Capital:			
	Trade Receivables		**1,601.66**	(2,020.99)
	Loans and Advances		**212.11**	(994.87)
	Inventories		**(3,979.49)**	2,839.74
	Trade Payables & Current liabilities		**(112.37)**	409.44
	Cash generated from Operations		**5,283.22**	4,489.31
	Income tax Paid (Net)		**(240.39)**	(572.15)
	Net Cash Flows from Operating Activities	**A**	**5,042.83**	3,917.16
B.	**Cash Flows from Investing Activities :**			
	Purchase of Property, Plant and Equipment, Intangible Asset & Investment property (Including Capital work-in-progress, Capital Advance and payable for Capital Goods)		**(3,858.80)**	(243.10)
	Investment in Shares		**(367.88)**	(1,511.05)
	Sale of Investments		**-**	2,962.26
	Business combination adjustments		**149.00**	-
	Proceeds from Sale of Property, Plant & Equipments		**190.14**	12.24
	Interest Received		**4.39**	92.46
	Dividend Received		**0.79**	106.15
	Net Cash Flows from / (used in) Investing Activities	**B**	**(3,882.36)**	1,418.96

(₹ in Lakhs)

		31-03-2022	31-03-2021
C. Cash Flows from Financing Activities :			
Long Term Borrowings			
Proceeds from Long Term Borrowings		**4,316.59**	5,523.00
Repayment of Long Term Loan		**(3,719.37)**	(3,112.51)
Short Term Borrowings			
Proceeds / (Repayment) of Deposits - Related Parties		**212.97**	(535.00)
Proceeds / (Repayment) of Short Term Borrowings (Net)		**719.38**	(4,927.03)
Payment of Dividend		**(19.73)**	(19.73)
Finance Cost		**(2,077.26)**	(2,199.86)
Net Cash Flows used in Financing Activities	**C**	**(567.42)**	(5,271.13)
Net Increase in Cash and Cash Equivalent	**D=(A+B+C)**	**593.05**	64.99
Opening balance of Cash and Cash Equivalents	**E**	**240.19**	175.20
Cash and Cash Equivalents acquired pursuant to business Combination	**F**	**3.91**	-
Closing balance of Cash and Cash Equivalents	**D+E+F**	**837.15**	240.19

Notes:

(i) The above Statement of Cash Flow has been prepared under 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flow.

(ii) Bank Borrowings including Cash Credits are considered as Financing Activities

(iii) For the purpose of Statement of Cash Flow, Cash and Cash Equivalents comprise the following:

PARTICULARS	31.03.2022	31.03.2021
Cash and Cash Equivalents (Refer to Note No.17)	**745.45**	232.79
Bank Balances other than Cash and Cash Equivalents (Refer to Note No.18)	**91.70**	7.40
	837.15	240.19

STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31ST MARCH, 2022
(SUBSEQUENT TO THE SCHEME OF AMALGAMATION OF SRI HARINI TEXTILES LIMITED)

(₹ in Lakhs)

	2021-22	2020-21
Standalone Cash flow from Financing Activities		
Balance at the beginning of the year		
Long Term Borrowings	16,343.14	13,932.65
Short Term Borrowings	11,000.26	16,462.29
Sub-total Balance at the beginning of the year	**27,343.40**	**30,394.94**
Cash flows during the year		
Proceeds from Long Term Borrowings	4,316.59	5,523.00
Repayment of Long Term Borrowings	(3,719.37)	(3,112.51)
Proceeds from / (Repayment) of Short Term Borrowings, Net	932.35	(5,462.03)
Proceeds from / (Repayment) of Short Term Borrowings, Net pursuant to business combination	1,968.25	-
Sub-total Cash flows during the year	**3,497.82**	**(3,051.54)**
Non-cash changes		
Interest accrual for the year	(2,077.26)	(2,199.86)
Sub-total Non-cash changes during the year	**(2,077.26)**	**(2,199.86)**
Balance at the end of the year		
Long Term Borrowings	16,940.36	16,343.14
Short Term Borrowings	13,900.86	11,000.26
Balance at the end of the year	**30,841.22**	**27,343.40**

See accompanying notes to the financial statements (Refer to Note No.6 to 53)

As per our report annexed

For N.A. Jayaraman & Co
Chartered Accountants
Firm Registration No. 001310S

R. Palaniappan
Partner
Membership No. 205112

Chennai
12th August, 2023

On behalf of the Board of Directors
For The Ramaraju Surgical Cotton Mills Limited

Shri P.R.Venketrama Raja
Chairman
(DIN: 00331406)
Rajapalayam

Shri N.R.K.Ramkumar Raja
Managing Director
(DIN: 01948373)
Rajapalayam

N.Vijay Gopal
Chief Financial Officer
Rajapalayam

1. Corporate Information

The Ramaraju Surgical Cotton Mills Limited ("the Company"/ "RSCM") is a Public Limited Company domiciled and headquartered in India and incorporated under the provisions of the Companies Act. The company is listed on MSEI in India. The Registered office of the Company is located at The Ramaraju Surgical Cotton Mills Premises, P.A.C. Ramasamy Raja Salai, Rajapalayam - 626 117, Tamil Nadu, India.

The Company is primarily engaged in manufacture of Surgical Dressings, Yarn and Greige Fabrics with its manufacturing facilities located in Rajapalayam, Subramaniapuram, Perumalpatti Village in Tamilnadu and in Jaggiahpet, Andhrapradesh. The Company is also engaged in generation of electricity from its windmills and solar panel for its captive consumption.

Sri Harini Textiles Limited ("SHTL") got amalgamated with RSCM on the appointed date of 1st April 2021 pursuant to the National Company Law Tribunal ("NCLT") order dated 31st May 2023 approving the Scheme of Amalgamation of Sri Harini Textiles Limited (SHTL).

The financial statements of the Company for the year ended 31-03-2022 were approved and adopted by Board of Directors of the Company in their meeting dated 25.05.2022 and the restated financials were approved and adopted by Board of Directors of the Company in their meeting dated 12.08.2023

2. Statement of Ind AS Compliance

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, and presentation requirements of Division II of Ind AS compliant Schedule III to the Companies Act, 2013

Basis of Preparation of Separate Financial Statements

i. The significant accounting policies used in preparing the financial statements are set out in Note No.4.

ii. The Company has considered its operating cycle to be 12 months for the purpose of Current and Non-current classification of assets and liabilities.

iii. An asset is classified as current when it is expected to be realised or intended to be sold or consumed in the normal operating cycle, or held primarily for the purpose of trading or expected to be realised within 12 months after the reporting period, or cash or cash equivalents unless restricted from being exchanged or used to settle a liability 12 months after the reporting period. All other assets are classified as non-current.

iv. A liability is classified as current when it is expected to be settled in normal operating cycle, or held primarily for the purpose of trading or due for settlement within 12 months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

v. The financial statements are presented in Indian Rupees, which is the Company's functional currency, rounded to the nearest Lakhs with two decimals. The amount below the round off norm adopted by the Company is denoted as ` 0.00 Lakhs.

vi. Previous year figures have been regrouped / restated, wherever necessary and appropriate.

3. Basis of Measurement

The financial statements have been prepared on accrual basis under historical cost convention except for certain financial instruments (Refer Note 4(S) - Accounting Policy for Financial Instruments) and defined benefit plan assets which are measured at fair value.

4. Significant Accounting Policies

A. Inventories

(i) Raw-materials, Stores & Spares, Fuel, packing materials etc., are valued at cost, computed on a moving weighted average basis including the cost incurred in bringing the inventories to their present location and condition after providing for obsolescence and other losses or net realisable value whichever is lower. However, the inventories are considered to be realizable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost.

(ii) Work in Progress is valued at weighted average cost including the cost of conversion with systematic allocation of production overheads based on normal capacity of production facilities but excluding borrowing cost, or net realisable value whichever is lower. Factory administration overheads to the extent attributable to bring the inventories to their present location and condition are also included in the valuation of Work in Progress.

(iii) Finished goods are valued at cost or net realisable value whichever is lower. Cost includes cost of conversion with systematic allocation of production overheads based on normal capacity of production facilities and other costs but excluding borrowing cost, incurred in bringing the inventory to their present location and condition. Finished goods include stock-in-trade also which comprises cost of purchase and other cost incurred in bringing the inventories to the present location and condition. Cost is determined on a moving weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

B. Statement of Cash Flows

(i) Cash flows are presented using indirect method, whereby profit / (loss) before 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.

(ii) Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances with original maturity of less than 3 months, highly liquid

(iii) investments that are readily convertible into cash, which are subject to insignificant risk of changes in value.

(iv) Bank borrowings are generally considered to be financing activities. However, where bank overdrafts that are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents for the purpose of Statement of Cash flows

C. Dividend distribution to Equity shareholders

Final dividend distribution to Shareholders is recognised in the period in which the dividends are approved by the Shareholders. Dividend together with applicable taxes is recognised directly in Other Equity.

D. Income Taxes

(i) Current tax is payable is based on taxable profit for the year. Taxable profit differs from Profit before tax as reported in the Statement of Profit & Loss because of Items of Income or Expenses 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 or substantively enacted by the end of the reporting period.

(ii) Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future tax liability, is recognised as an asset viz. MAT Credit Entitlement, to the extent there is convincing evidence that the Company will pay normal Income tax and it is highly probable that future economic benefits associated with it will flow to the Company during the specified period. The Company reviews the "MAT Credit Entitlement" at each Balance Sheet date and writes down the carrying amount of the same to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income tax during the specified period. The MAT Credit Entitlement being unused tax credits that are carried forward by the Company for a specified period, is grouped under Deferred Tax.

(iii) Current tax assets and liabilities are offset, when the Company has legally enforceable right to set off the recognised amounts and intends to settle the asset and the liability on a net basis.

(iv) Deferred tax is recognised using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting at the reporting date.

(v) Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year where the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

(vi) Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by same governing tax laws and the Company has legally enforceable right to such set off current tax assets against current tax liabilities.

(vii) Both current tax and deferred tax relating to items recognised outside the Profit or Loss is recognised either in “Other Comprehensive Income” or directly in “Other Equity” as the case may be.

E. Property, Plant and Equipments (PPE)

(i) PPEs are stated at cost of acquisition or construction less accumulated depreciation and impairment losses if any, except freehold land which is carried at cost. The cost comprises of purchase price, import duties, non-refundable purchase taxes (net of tax credits wherever applicable), borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. The directly attributable costs include cost of testing whether the asset is functioning properly, after deducting the net proceeds from selling any items produced while bringing the asset to that location and condition.

(ii) Government grants related to assets have been deducted in arriving at the carrying amount of the respective assets.

(iii) Subsequent expenditures are included in the assets’ carrying amount and recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

(iv) Spares which meet the definition of PPE are capitalised from the date when it is available for use. Other expenses on fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts that does not meet the capitalisation criteria are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

(v) The Company identifies the significant parts of plant and equipment separately which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives. The cost of replacement of significant parts are capitalised and the carrying amount of replaced parts are de-recognised.

(vi) The cost of major inspection / overhauling is recognised in the carrying amount of the item of PPE as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection/overhauling (as distinct from physical parts) is de-recognised.

(vii) The Company follows the useful lives of the significant parts of certain class of PPE on the straight line basis.

(viii) During the year, the company has re-assessed the useful life of the assets taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support etc. based on technical advice

(ix) as detailed below, that are different from the useful lives prescribed under Part C of Schedule II of the Companies Act, 2013:

Type of Plant and Machinery	Useful life of such component ranging from	
	Existing	Revised
Building	3 to 60 years	3 to 60 years
Textile Machines / Equipment	10 to 25 years	7 to 25 years
Wind Mills	5 to30 years	5 to 30 years
HFO / DG Set	12 to 25 years	7 to 15 years
Solar Panel	25 years	25 years
Furniture and Fixtures	3 to 10 years	3 to 10 years
Electrical Machineries	3 to 25 years	3 to 15 years
Motor cars given to employees as per company's scheme	6 to 8 years	6 to 8 years

(x) PPE acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balancing cash transaction. Fair market value is determined either for the assets acquired or asset given up, whichever is more clearly evident.

(xi) PPEs are eliminated from the financial statements on disposal. Gains or losses arising from disposal, measured as the difference between the net disposal proceeds and the carrying amount of such assets, are recognised in the Statement of Profit and Loss. Amount received towards PPE that are impaired and derecognized in the financial statements, are recognized in Statement of Profit and Loss, when the recognition criteria are met.

(xii) Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life on a straight line method. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less 5% being its residual value, except for process control systems whose residual value is considered as Nil.

(xiii) Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion / disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded / sold.

(xiv) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each reporting date and adjusted prospectively, if appropriate.

F. Capital Work in progress / Capital Advances

Advances given towards acquisition / construction of PPE outstanding at the reporting date are disclosed as ‘Capital Advances’ under ‘Other Non-Current Assets’.

The cost of assets not put to use before such date are disclosed under Capital Work in Progress. Capital Work in Progress includes cost of property, plant and equipment under installation, under development including related expenses and attributable interest as at the reporting date.

G. Leases

(i) Ind AS 116 requires lessees to account for all leases under a single on-balance sheet model. The Company, as a lessee, upon transition to Ind AS 116, elected to measure the lease liability for all leases whose non-cancellable leases is more than 12 months, at the present value of remaining lease payments discounted using the incremental borrowing rate at the date of initial application and recognise the right-of-use asset at an amount equal to the lease liability, adjusted for prepaid lease payments recognised in the balance immediately before the date of initial application.

(ii) The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date whether fulfilment of arrangement is dependent on the use of an underlying asset and the arrangement conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee

(i) 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.

(ii) The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

(iii) The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any.

(iv) The Company presents right-of-use assets that do not meet the definition of investment property in 'Property, Plant and Equipment' and Lease liabilities in 'Borrowings' in the Balance sheet.

(v) The Company has opted not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Particulars	Useful Life
Land - Right-of-Use Assets	99 Years

Company as a Lessor

The lease arrangements where the risks and rewards incidental to ownership of an asset substantially vests with the Lessor are recognised as operating lease. Operating lease receipts are recognised in the Statement of Profit and Loss on straight line basis over the lease terms except where the payments are structured to increase in line with the general inflation to compensate for the expected inflationary cost increases. The Company do not have any finance leases arrangements

H. Revenue Recognition

(i) **Revenue from Operations**

(a) **Sale of products**

Revenue from product sales is recognized when the company transfers control of the product to customers at a point in time. The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring goods to the customer. It comprises of invoice value of goods after deducting discounts, volume rebates and applicable taxes on sale including GST. The Company provides discounts to customers on the achievement of the performance criteria based on agreed terms and conditions. The financing component with regard to sale of products are excluded from Revenue from operations and recognized as Interest Receipts over the credit periods as per Ind AS 115. The Company does not have any non-cash consideration.

(b) **Power generated from Windmills**

Power generated from windmills that are covered under wheeling & banking arrangement with TANGEDCO are consumed at Factories. The monetary values of such power generated that are captively consumed are not recognised as revenue, but have been set off against the cost of power & fuel.

(c) **Scrap sales**

Scrap sales is recognized when the Company transfers control of the product to customers.

(d) **Income from Job Work**

Income from job work is recognized on the proportion of work executed as per the contract / agreement.

(ii) **Other Income**

a. Interest income is recognised using the Effective Interest Rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period where appropriate, to the gross carrying amount of the financial asset or to the authorised cost of a financial liability.

b. Dividend income is recognised when the Company's right to receive dividend is established.

c. Rental income from operating lease on Property, Plant and Equipments is recognised on a straight line basis over the terms of the relevant lease.

I. Employee Benefits

(i) Short-term employee benefits viz., Salaries and Wages are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

(ii) Defined Contribution Plan viz., Contributions to Provident Fund and Superannuation Fund are recognized as an expense in the Statement of Profit and Loss for the year in which the employees have rendered services.

(iii) The Company contributes monthly to Employees' Provident Fund & Employees' Pension Fund administered by the Employees' Provident Fund Organisation, Government of India, at 12% of employee's basic salary. The Company has no further obligations.

(iv) The Company also contributes for superannuation a sum equivalent to 15% of the eligible and opting officer's annual basic salary. Out of the said 15% contribution, a sum upto Rs.1.50 Lakhs per annum is remitted to The Ramaraju Surgical Cotton Mills Limited Officers' Superannuation Trust Fund administered by trustees and managed by LIC of India. The balance amount, if any, is paid as salary. There are no further obligations in respect of the above contribution plan.

(v) The Company has its own Defined Benefit Plan viz., an approved Gratuity Fund for its employees. It is in the form of lump sum payments to vested employees on resignation, retirement, death while in employment or on termination of employment, for an amount equivalent to 15 days' basic salary for each completed year of service. Vesting occurs upon completion of five years of continuous service. Based on the Actuarial Valuation by an independent external actuary, the Company makes annual contributions to "The Ramaraju Surgical Cotton Mills Limited Employees Gratuity Fund" administered by trustees and managed by LIC of India, based on the Actuarial Valuation by an independent external actuary as at the reporting date using Projected Unit Credit method

(vi) The Company provides for expenses towards compensated absences provided to its employees. The expense is recognized at the present value of the amount payable determined based on an independent external actuarial valuation as at the Balance Sheet date, using Projected Unit Credit method. The Company presents the entire compensated absences as 'Short-term provisions' since employee has an unconditional right to avail the leave at any time during the year.

(vii) Remeasurement of net defined benefit asset / liability comprising of actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are charged / credited to other comprehensive income in the period in which they arise and immediately transferred to retained earnings. Other costs are accounted in the Statement of Profit and Loss.

J. Government Grants

(i) Government grants are recognised at fair value where there is a reasonable assurance that the grant will be received and all the attached conditions are complied with.

(ii) In case of revenue related grant, the income is recognised on a systematic basis over the period for which it is intended to compensate an expense and is disclosed under "Other operating revenue" or netted off against corresponding expenses wherever appropriate. Receivables of such grants are shown under "Other Financial Assets". Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same. Receivables of such benefits are shown under "Other Financial Assets"

(iii) Government grants recoverable relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred grant income and are credited to the statement of profit and loss on a systematic basis over the expected lives of the related assets.

(iv) As per the amendment in Ind-AS 20 w.e.f. 01.04.2018, Government grants relating to the purchase of property, plant and equipment the company has opted as deduction from the carrying value of such specific assets.

K. Foreign currency transactions

(i) The financial statements are presented in Indian Rupees, which is also the Company's functional currency.

(ii) All transactions in foreign currency are recorded on initial recognition at their functional currency exchange rates prevailing on that date.

(iii) Monetary assets and liabilities in foreign currencies outstanding at the reporting date are translated to the functional currency at the exchange rates prevailing on the reporting date and the resultant gains or losses are recognised during the year in the Statement of Profit and Loss.

L. Borrowing Costs

(i) Borrowing costs that are directly attributable to the acquisition, construction, production of a qualifying asset are capitalised as part of the cost of that asset which takes substantial period of time to get ready for its intended use. The Company determines the amount of borrowing cost eligible for capitalisation by applying capitalisation rate to the expenditure incurred on such cost. The capitalisation rate is determined based on the weighted average rate of borrowing cost applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing cost that the Company capitalises during the period does not exceed the amount of borrowing cost incurred during that period. All other borrowings cost are expensed in the period in which they occur.

(ii) Borrowing cost include interest computed using Effective Interest Rate method, interest on lease liabilities, 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.

M. Earnings per Share

(i) Earnings per share is calculated by dividing the profit / (loss) attributable to equity shareholders by the weighted average number of equity shares.

(ii) Where an item of income or expense which is otherwise required to be recognised in the Statement of Profit and Loss is debited or credited to Equity, the amount in respect thereof is suitably adjusted in Net profit for the purpose of computing Earnings per share.

N. Impairment of Non-Financial Assets

(i) The carrying values of assets including property, plant and equipment, investment properties, cash generating units and intangible assets are reviewed for impairment at each reporting date, if there is any indication of impairment based on internal and external factors.

(ii) Non-financial assets are treated as impaired when the carrying amount of such asset exceeds its recoverable value. After recognition of impairment loss, the depreciation for the said assets is provided for remaining useful life based on the revised carrying amount, less its residual value if any, on straight line basis.

(iii) An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.

(iv) An impairment loss is reversed when there is an indication that the impairment loss may no longer exist or may have decreased.

O. Provisions, Contingent Liabilities and Contingent Assets

(i) Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources embodying economic benefits in respect of which a reliable estimate can be made.

(ii) Provisions are discounted if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

(iii) Insurance claims are accounted on the basis of claims admitted or expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection. Any subsequent change in the recoverability is provided for. Contingent Assets are not recognised.

(iv) Contingent liability is a possible obligation that may arise from past events and its existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the same are not recognised but disclosed in the financial statements.

P. Intangible Assets

(i) The costs of computer software acquired and its subsequent improvements are capitalised. Internally generated software is not capitalized and the expenditure is recognized in the Statement of Profit and Loss in the year in which the expenditure is incurred.

(ii) Intangible Assets are amortised over their estimated useful life on straight line method. The estimated useful lives of intangible assets are assessed by the internal technical team as detailed below, that are different from the useful lives prescribed under Part C of Schedule II of the Companies Act, 2013:

Nature of Intangible Assets	Estimated useful life
Computer software	6 years

(iii) The intangible assets that are under development phase are carried at cost including related expenses and attributable interest, and are recognised as Intangible assets under development.

(iv) The residual values, useful lives and methods of amortisation of intangible assets are reviewed at each reporting date and adjusted prospectively, if appropriate.

Q. Business Combination

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Company. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. The Company recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Statement of Profit and Loss. Transaction costs are expensed in the standalone statement of profit and loss as incurred, other than those incurred in relation to the issue of debt or equity securities which are directly adjusted in other equity. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the Statement of Profit and Loss.

R. Investment Properties

(i) An investment in land or buildings both furnished and unfurnished, which are held for earning rentals or capital appreciation or both rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business, are classified as investment properties.

(ii) Investment properties are stated at cost, net of accumulated depreciation and impairment loss, if any except freehold land which is carried at cost.

(iii) The company identifies the significant parts of investment properties separately which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives determined on best estimate basis upon technical advice. The cost of replacement of significant parts are capitalised and the carrying amount of replaced parts are de-recognised. Other expenses including day-to-day repair and maintenance expenditure and cost of replacing parts that does not meet the capitalisation criteria, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

(iv) Depreciation on investment properties are calculated on straight-line method based on useful life of the significant parts as detailed below:

Asset type	Useful life
Buildings under Investment properties	60 years

(v) Investment properties are eliminated from the financial statements on disposal or when no further benefit is expected from its use. Gains or losses arising from disposal, measured as the difference between the net disposal proceeds and the carrying amount of such investment properties, are recognised in the Statement of Profit and Loss. Amount receivable towards investment properties that are impaired and derecognized in the financial statements, are recognized in Statement of Profit and Loss, when the recognition criteria are met.

(vi) The residual values, useful lives and methods of depreciation of investment properties are reviewed periodically included at each reporting date.

S. Segment Reporting

The Company has Three operating / reportable segments viz. Textiles, Surgicals and wind Power Generation from Wind Mills.

The inter-segment transfers of units of power from windmills are recognized at the applicable tariff rates of the electricity boards for the purpose of segment reporting as per the relevant accounting standard. Operating segment has been identified on the basis of nature of products and reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker.

Costs are allocated to the respective segment based upon the actual incidence of respective cost. Unallocated items include general other income and expenses which are not allocated to any business segment.

T. Financial Instruments

(i) 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.

(ii) Financial assets and liabilities are offset and the net amount is presented in the Balance sheet when and only when the Company has a legal right to offset the recognised amounts and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

(iii) The Company initially determines the classification of financial assets and liabilities. After initial recognition, no re-classification is made for financial assets which are categorised as equity instruments at FVTOCI and financial assets / liabilities that are specifically designated as FVTPL. However, other financial assets are re-classifiable when there is a change in the business model of the Company. When the Company reclassifies the financial assets, such reclassifications are done prospectively from the first day of the immediately next reporting period. The Company does not restate any previously recognised gains, losses including impairment gains or losses or interest.

U. Financial Assets

(i) Financial assets comprise of investments in equity, trade receivables, cash and cash equivalents and other financial assets.

(ii) Depending on the business model (i.e) nature of transactions for managing those financial assets and its contractual cash flow characteristics, the financial assets are initially measured at fair value and subsequently measured and classified at:

a) Amortised cost; or

b) Fair value through other comprehensive income (FVTOCI); or

c) Fair value through profit or loss (FVTPL)

Amortised cost represents carrying amount on initial recognition at fair value plus or minus transaction cost.

(iii) Financial assets are measured at FVTPL except for those financial assets whose contractual terms give rise to cash flows on specified dates that represents solely payments of principal and interest thereon, are measured as detailed below depending on the business model:

Classification	Business Model
Amortised cost	The objective of the Company is to hold and collect the contractual cash flows till maturity. In other words, the Company do not intend to sell the instrument before its contractual maturity to realise its fair value changes.
FVTOCI	The objective of the Company is to collect its contractual cash flows and selling financial assets.

(iv) The Company has accounted for its investments in subsidiary and associates at cost. The Company has exercised an irrevocable option at time of initial recognition to measure the changes in fair value of other equity investments at FVTOCI. Accordingly, the Company classifies its financial assets for measurement as below:

Classification	Name of Financial Assets
Amortised cost	Trade receivables, Loans and advances to employees and related parties, deposits, IPA receivable, interest receivable, unbilled revenue and other advances recoverable in cash or kind.
FVTOCI	Equity investments in companies other than Associates as an option exercised at the time of initial recognition.
FVTPL	Forward exchange contracts.

(v) Financial assets are derecognised (i.e) removed from the financial statements, when its contractual rights to the cash flows expire or upon transfer of the said assets. The Company also derecognises when it has an obligation to adjust the cash flows arising from the financial asset with third party and either upon transfer of:

a. significant risk and rewards of the financial asset, or

b. control of the financial asset

However, the Company continue to recognise the transferred financial asset and its associated liability to the extent of its continuing involvement, which are measured on the basis of retainment of its rights and obligations of financial asset.

(vi) Upon derecognition of its financial asset or part thereof, the difference between the carrying amount measured at the date of recognition and the consideration received including any new asset obtained less any new liability assumed shall be recognised in the Statement of Profit and Loss.

(vii) For impairment purposes, significant financial assets are tested on individual basis at each reporting date. Other financial assets are assessed collectively in groups that share similar credit risk characteristics. Accordingly, the impairment testing is done retrospectively on the following basis:

Name of Financial asset	Impairment testing methodology
Trade receivables	Expected Credit Loss model (ECL) is applied. The ECL over lifetime of the assets are estimated by using a provision matrix which is based on historical loss rates reflecting current conditions and forecasts of future economic conditions which are grouped on the basis of similar credit characteristics such as nature of industry, customer segment, past due status and other factors that are relevant to estimate the expected cash loss from these assets.
Other Financial assets	When the credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. When there is significant change in credit risk since initial recognition, the impairment is measured based on probability of default over the life time. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

V. Financial Liabilities

(i) Financial liabilities comprise of Borrowings from Banks, Trade payables, Derivative financial instruments, Financial guarantee obligation and other financial liabilities.

(ii) The Company measures its financial liabilities as below:

Measurement basis	Name of Financial liabilities
Amortised cost	Borrowings, Trade payables, Interest accrued, Unclaimed / Disputed dividends, Security deposits and other financial liabilities not for trading.
FVTPL	Foreign exchange Forward contracts being derivative contracts do not qualify for hedge accounting under Ind AS 109 and other financial liabilities held for trading.

W. Fair value measurement

(i) Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(ii) The fair value of an asset or a liability is measured using the assumptions that the market participants would use when pricing the asset or liability, assuming that the market participants act in the economic best interest.

(iii) All assets and liabilities for which fair value is measured are disclosed in the financial statements are categorised within fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement is unobservable.

(iv) For assets and liabilities that are recognised in the Balance sheet on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation at the end of each reporting period (i.e) based on the lowest level input that is significant to the fair value measurement as a whole.

(v) For the purpose of fair value disclosures, the company has determined the classes of assets and liabilities based on the nature, characteristics and risks of the assets or liabilities and the level of the fair value hierarchy as explained above.

(vi) The basis for fair value determination for measurement and / or disclosure purposes is detailed below:

a) **Investments in Equity**

The fair value is determined by reference to their quoted prices at the reporting date. In the absence of the quoted price, the fair value of the equity is measured using valuation techniques.

b) **Trade and other receivables**

The fair value is estimated as the present value of the future cash flows, discounted at the market rate of interest at the reporting date. However, the fair value generally approximates the carrying amount due to the short term nature of such assets.

c) **Investment Properties**

The fair value is determined for disclosure purposes based on an annual evalution performed by an internal technical team measured using the technique of quoted prices for similar assets in the active markets and further moderated by market corroborated inputs.

The details of amendments to the existing standards that are relevant to the Company with effect from 01-04-2021 are given below:

(a) Conceptual framework for financial reporting under Ind AS issued by ICAI. The Framework is not a standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is a choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The MCA has notified the Amendments to Ind AS, consequential to Conceptual Framework under Ind AS vide notification date 18-06-2021 applicable for annual periods beginning on or after 01-04-2021.

These amendments had no impact on the financial statements of the Company.

(b) Amendments to Ind AS 105, Ind AS 16 and Ind AS 28 The definition of ‘Recoverable amount’ is amended such that the words ‘the higher of an asset’s fair value less costs to sell and its value in use’ are replaced with ‘higher of an asset’s fair value less costs of disposal and its value in use’.

These amendments had no impact on the financial statements of the Company.

5. Significant Estimates and Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision or future periods, if the revision affects both current and future years.

Accordingly, the management has applied the following estimates / assumptions / judgements in preparation and presentation of financial statements:

(i) **Revenue Recognition**

Significant management judgment is exercised in determining the transaction price and discounts to customer which is based on market factors namely demand and supply. The company offers credit period to customers and management judgment is exercised in assessing whether a contract contains a significant financing component.

(ii) **Property, Plant and Equipment, Intangible Assets and Investment Properties**

The residual values and estimated useful life of PPEs, Intangible Assets and Investment Properties are assessed by the technical team at each reporting date by taking into account the nature of asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement and maintenance support. Upon review, the management accepts the assigned useful life and residual value for computation of depreciation/ amortisation. Also, management judgement is exercised for classifying the asset as investment properties or vice versa.

(iii) **Current Taxes**

Calculations of income taxes for the current period are done based on applicable tax laws and management's judgement by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

(iv) **Deferred Tax Asset (Including MAT Credit Entitlement)**

Significant management judgement is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained / recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(v) **Provisions**

The timing of recognition requires application of judgment to existing facts and circumstance that may be subject to change. The litigations and claims to which the company is exposed are assessed by the management and in certain cases with the support of external experts. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability.

(vi) **Segment Reporting**

Management's judgment is exercised to aggregate two or more business segments as single operating segment, based on economic characteristics, products, production process and types of customer, which are similar in nature.

(vii) **Contingent Liabilities**

Management judgment is exercised for estimating the possible outflow of resources, if any, in respect of contingencies / claims / litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

(viii) **Impairment of Trade receivables**

The impairment for trade receivables are done based on assumptions about risk of default and expected loss rates. The assumptions, selection of inputs for calculation of impairment are based on management judgement considering the past history, market conditions and forward looking estimates at the end of each reporting date.

(ix) **Impairment of Non-financial assets (PPE/Intangible Assets/Investment Properties)**

The impairment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgement considering the timing of future cash flows, discount rates and the risks specific to the asset.

(x) **Defined Benefit Plans and Other long term benefits**

The cost of the defined benefit plan and other long term benefits, and the present value of such obligation are determined by the independent actuarial valuer. An actuarial valuation involves making various assumptions that may differ from actual developments in future. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable. Due to the complexities involved in the valuation and its long term nature, this obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(xi) **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets, management uses valuation techniques including the Discounted Cash Flow (DCF) model, to determine its fair value The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is exercised in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

(xii) **Impairment of Investments in Subsidiary / Associates**

Significant management judgement is exercised in determining whether the investment in subsidiary / associates are impaired or not is on the basis of its nature of long term strategic investments and business projections.

(xiii) **Interests in other entities**

Significant management judgement is exercised in determining the interests in other entities. The management believes that wherever there is a significant influence over certain companies belonging to its group, such companies are treated as Associate companies even though it holds less than 20% of the voting rights. Significant management judgement is exercised whether such associate companies are individually immaterial or not for the purpose of disclosure requirements.

Note No. 6

Property, Plant & Equipment

(₹ in Lakhs)

Particulars	Year	Gross Block					Depreciation				Net Block	
		As at the beginning of the year	Pursuant to business combination	Additions	Deductions/ Adjustments	As at the end of the year	As at the beginning of the year	For the year (Note No.38)	Deductions/ Adjustments	As at the end of the year	As at the end of the year	As at the beginning of the year
Land - Freehold	**2021-22**	**448.47**	**591.20**	**6.88**	**-**	**1,046.55**	**-**	**-**	**-**	**-**	**1,046.55**	**448.47**
	2020-21	448.47	-	-	-	448.47	-	-	-	-	448.47	448.47
Land- Right of use asset	**2021-22**	**-**		**372.93**	**-**	**372.93**	**-**	**3.77**	**-**	**3.77**	**369.16**	**-**
	2020-21	-	-	-		-	-	-	-	-	-	-
Buildings	**2021-22**	**6,063.84**	**403.28**	**8.72**	**-**	**6,475.84**	**1,712.61**	**216.70**	**-**	**1,929.31**	**4,546.53**	**4,351.23**
	2020-21	6,051.53	-	12.31	-	6,063.84	1,513.79	198.82	-	1,712.61	4,351.23	4,537.74
Buildings - Right of use asset	**2021-22**	**-**		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	2020-21	68.44	-	-	68.44	-	11.06	-	11.06	-	-	57.38
Plant and Machinery	**2021-22**	**31,417.07**	**1,046.99**	**2,480.81**	**2,090.69**	**32,854.18**	**14,960.55**	**4,123.95**	**1,331.56**	**17,752.94**	**15,101.24**	**16,456.52**
	2020-21	31,335.77	-	82.36	1.06	31,417.07	13,587.78	1,373.43	0.66	14,960.55	16,456.52	17,747.99
Electrical Machinery	**2021-22**	**2,698.73**	**28.48**	**27.68**	**18.82**	**2,736.07**	**1,820.17**	**187.38**	**12.21**	**1,995.34**	**740.73**	**878.56**
	2020-21	2,690.82	-	7.91	-	2,698.73	1,703.88	116.29	-	1,820.17	878.56	986.94
Furniture & Office Equipments	**2021-22**	**344.69**	**0.87**	**36.23**	**-**	**381.79**	**230.26**	**32.86**	**-**	**263.12**	**118.67**	**114.43**
	2020-21	311.55	-	33.14	-	344.69	198.97	31.29	-	230.26	114.43	112.58
Vehicles	**2021-22**	**267.74**	**1.14**	**73.92**	**11.62**	**331.18**	**132.02**	**27.25**	**8.58**	**150.69**	**180.49**	**135.72**
	2020-21	269.35	-	17.84	19.45	267.74	115.05	28.55	11.58	132.02	135.72	154.30
Total	**2021-22**	**41,240.54**	**2,071.96**	**3,007.17**	**2,121.13**	**44,198.54**	**18,855.61**	**4,591.91**	**1,352.35**	**22,095.17**	**22,103.37**	**22,384.93**
	2020-21	41,175.93	-	153.56	88.95	41,240.54	17,130.53	1,748.38	23.30	18,855.61	22,384.93	24,045.40

Other Disclosures:

(a) Borrowings cost have been capitalised for current year - ₹ Nil/- (PY: ₹ NIL).

(b) All the Fixed Assets has been pledged as security for borrowings.

(c) Change in Estimate:
During the year, the Company has revised its estimate of useful life in respect of certain items of property, plant and equipment. Had the Company used the earlier estimate, the depreciation for the year would have been lower by ₹ 2,981.16 Lakhs with a consequential impact on the carrying value of the property, plant and equipment. In the opinion of the management, the above change in estimate of useful life which was made based on technical evaluation made by registered valuer will result in more reliable and relevant presentation of the above referred items of property, plant and equipment in the financial statements.

(d) All the title deeds of immovable properties are held in the name of the Company.

(e) The Company has not revalued its Property, Plant and Equipment and Intangible Assets since the Company has adopted cost model as its accounting policy to an entire class of Property, Plant and Equipment in accordance with Ind AS 16.

(f) During FY 2021-22, the company has received a sum of ₹ 247.33 Lakhs (PY : ₹ Nil) as capital subsidy. The subsidy has been directly credited against the carrying value of the respective plant and machinery.

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
Note No. 7			
Capital Work in Progress			
As at the beginning of the year	**116.17**	116.17	26.63
Add / (Less) : Additions during the year	**4,186.99**	-	243.10
Add / (Less) : Capitalized during the year	**(3,007.17)**	-	(153.56)
As at the end of the year	**1,295.99**	116.17	116.17

Additional Disclosures:

i) Capital work in progress includes borrowing cost of ₹ 26.93 Lakhs (PY: ₹ Nil), computed at a weighted average interest rate of 7.75% p.a. (PY: Nil.) applicable to entity's borrowings outstanding during the year.

ii) CWIP Ageing Schedule

Particulars	Amount in CWIP for a period of			
	<1 year	1-3 years	>3 years	Total
As at 31-03-2022	**1,295.99**	**-**	**-**	**1,295.99**
As at 31-03-2021	109.29	-	6.88	116.17

Particulars	31-03-2022
Pre-operative expenses incurred during the year	
Employee Benefit Expenses	100.71
Stores, Spares and Consumables	4.86
Repair and Maintenance	16.07
Insurance	0.50
Rent Paid	1.85
Legal Charges	1.94
Miscellaneous Expenses	33.27
Pre-operative expenses included in CWIP as at the end of the year	**159.20**

Note No. 8
Investment Property

Particulars	As at 31-03-2022		As at 01-04-2021		As at 31-03-2021	
Building						
As at the Beginning of the Year	**8.72**		8.72		8.72	
Addition/Sale	**-**		-		-	
As at the end of the Year	**-**	**8.72**	-	8.72	-	8.72
Accumulated depreciation as at the beginning of the year	**2.92**		2.92		2.73	
Depreciation for the year	**0.18**		-		0.19	
Less : Accumulated depreciation as at the end of the year		**3.10**		2.92		2.92
Net Block		**5.62**		5.80		5.80
Total Investment Property		**5.62**		5.80		5.80
Fair Value of Investment Property		**118.32**		118.32		118.32

Additional Disclosures:

i) The company owns a flat in Krishna Towers, Adyar, Chennai. The property is used by the company and not letout. Apart from payment of property taxes, water tax and depreciation, the company has not incurred any additional expenditure towards maintenance of the flat.

ii) The Company measured its Investment Properties at Cost in accordance with Ind AS 40.

iii) The fair valuation of these investment property are determined by an internal technical team, who are specialists in valuing these types of investment properties by using the technic of quoted prices for similar assets in active markets or recent price of similar properties in less active markets and adjusted to reflect those differences. Since the valuation is done by internal technical team as at 31.03.2023 the fair value of investment property as disclosed above is not based on valuation by a register valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

iv) The Company has no restrictions on the disposal of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

v) Fair value hierarchy disclosures for investment properties have been provided in Note No. 46.

(₹ in Lakhs)

Particulars	**As at 31-03-2023**	As at 01-04-2021	As at 31-03-2021
Note No. 9			
Goodwill			
Goodwill recognised pursuant to the scheme of amalgamation of Sri Harini Textiles Limted (Refer Note No. 40)	**1,882.38**	1,882.38	-
Total	**1,882.38**	1,882.38	-

Other Disclosures:

The method of valuation of goodwill has been stated in Note 4Q.

Note No. 10

Intangible Assets

Particulars	Year	Gross Block					Depreciation				Net Block	
		As at the beginning of the year	Pursuant to business combination	Additions	Deductions / Adjustments	As at the end of the year	As at the beginning of the year	For the year (Note No.38)	Deductions / Adjustments	As at the end of the year	As at the end of the year	As at the beginning of the year
Computer Software	**2021-22**	**27.14**	**0.31**	**-**	**-**	**27.45**	**25.32**	**0.30**	**-**	**25.62**	**1.83**	**1.82**
	2020-21	181.60	-	-	154.46	27.14	175.49	4.29	154.46	**25.32**	1.82	6.11

Other Disclosures:

(a) Deductions / adjustments represent intangible assets de-recognised from the financial statements since no future economic benefit is expected.

Note No. 11

Investment in Subsidiaries and Associates (₹ in Lakhs)

Name of the Company	Face Value per share	**As at 31-03-2022 No. of Shares**	As at 01-04-2021 No. of Shares	As at 31-03-2021 No. of Shares	**Amount**	Amount	Amount
Quoted Investment - Fully paid up Equity Shares							
Associates							
The Ramco Cements Limited	1	**33,13,175**	33,13,175	33,13,175	**18.16**	18.16	18.16
Ramco Industries Limited	1	**1,35,880**	1,35,880	1,35,880	**0.53**	0.53	0.53
Rajapalayam Mills Limited	10	**1,57,733**	135,200	135,200	**141.19**	12.98	12.98
Ramco Systems Limited	10	**12,739**	12,739	12,739	**12.14**	12.14	12.14
Total Quoted Investments (A)					**172.02**	43.81	43.81
Unquoted Investment - Fully paid up Equity Shares							
Subsidiaries							
Madras Chipboard Limited	100	**18,143**	15,644	15,644	**1,752.43**	1511.05	1,511.05
Associates							
Sri Vishnu Shankar Mill Limited	10	**11,200**	11,200	11,200	**1.68**	1.68	1.68
Sri Harini Textiles Limited (Refer additional disclosure 4 below)	10	**-**	-	14,90,000	**-**	-	149.00
Shri Harini Media limited	1	**60,00,500**	60,00,500	60,00,500	**60.01**	60.01	60.01
Total Unquoted Investments (B)					**1,814.12**	1,572.74	1,721.74
Investment in Preference Shares, Non-Trade - Unquoted							
Shri Harini Media Limited- 9% Redeemable Preference shares	1	**8,40,00,000**	8,40,00,000	8,40,00,000	**840.00**	840.00	840.00
Total Preference Shares, Non-Trade - Unquoted (C)					**840.00**	840.00	840.00
Aggregate Value of Total Investment (A+B+C)					**2,826.14**	2,456.55	2,605.55
Aggregate Value of :							
Quoted Investments - Cost (A)					**172.02**	43.81	43.81
Market Value					**27,228.78**	34617.61	34,617.61
Unquoted Investment - Cost (B+C)					**2,654.12**	2,412.74	2,561.74
Total Quoted & Unquoted investments (A+B+C)					**2,826.14**	2,456.55	2,605.55

Additional Disclosures:

1) The Company has accounted for investments in Subsidiary and Associates at Cost. Refer Note 45 for information on principal place of business / country of incorporation and the Company's ownership interest / percentage of shareholding in the above subsidiaries and associates.
2) The carrying amount of Investment in Subsidiary and Associates is tested for impairment in accordance with Ind AS 36. These investments are strategic and long term in nature. Hence considering the long term prospects, no impairment is considered necessary as at the reporting date.
3) During the year, the Company has made adddition to its strategic investments in equity shares of Madras Chipboard Limited (2,499 Shares) for ₹ 241.38 Lakhs and also subscribed the rights issue by its associate M/s Rajapalayam Mills Limited (22,533 shares) amounting to ₹ 128.21 Lakhs.
4) Pursuant to the scheme of amalgamation coming into effect the equity share held by The Ramaraju Surgical Cotton Mills Ltd., (transferee company) in Sri Harini Textiles Ltd., (Transferor company) stands cancelled. (Refer Note 40. - Business Combination).

Note No. 12

Other Investment (Designated At FVTOCI) **(₹ in Lakhs)**

Name of the Company	Face Value per share	**As at 31-03-2022 No. of Shares**	As at 01-04-2021 No. of Shares	As at 31-03-2021 No. of Shares	**Amount**	Amount	Amount
Other Non-Current Investment, Non-Trade - Unquoted							
Ramco Industrial and Technology Services Limited	10	**26,350**	26,350	26,350	**5.94**	7.64	7.64
Ramco Windfarms Limited	1	**6,16,000**	6,16,000	6,16,000	**6.16**	6.16	6.16
Total Investments					**12.10**	13.80	13.80
Total Cost					**12.10**	13.80	13.80

Additional Disclosures:

1) Refer to Note No. 46 for information about fair value hierachy under Disclosure of Fair Value Measurement.

Particulars	**As at 31-03-2022**	As at 01-04-2021	As at 31-03-2021
Note No. 13			
Other Financial Assets (Non-Current)			
Unsecured and Considered Good			
Security Deposits with Electricity Board / Others	**558.22**	471.00	406.59
Total	**558.22**	471.00	406.59

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
Note No. 14			
Other Non Current - Assets			
Unsecured and Considered Good			
Capital Advance	**1,742.01**	552.64	552.64
Total	**1,742.01**	552.64	552.64
Note No. 15			
Inventories			
Raw Materials	**5,862.81**	2,903.74	2,200.22
Work-in-Progress	**1,568.42**	1,063.30	941.96
Finished goods	**2,576.15**	2,110.40	2,101.19
Stores and Spares	**326.61**	277.06	232.43
Total	**10,333.99**	6,354.50	5,475.80

Additional Disclosures:

i) The total carrying amount of inventories as at reporting date has been pledged as security for Borrowings.

(ii) The mode of valuation of inventories has been stated in the Note No. 4A.

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
Note No. 16			
Trade Receivables			
Unsecured and Considered Good	**3,611.57**	5,061.16	7,592.35
Unsecured and which have significant increase in Credit Risk	**11.16**	-	-
Less : Allowances for expected Credit Loss	**(11.16)**	-	-
Total	**3,611.57**	5,061.16	7,592.35

Additional Disclosures:

a) Trade receivables are non-interest bearing.

b) Trade receivables are neither due from directors or other officers of the Company either severally or jointly with any other person, nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

c) The total carrying amount of trade receivables has been pledged as security for borrowings.

d) Refer Note No.48 for information about risk profile of Trade Receivables.

e) Additional regulatory information as required under Companies Act, 2013 / Indian Accounting Standards.

Trade Receivables Ageing Schedule **(₹ in Lakhs)**

Particulars	Outstanding for the following periods from the due date of payment as at 31-03-2022						
	Not Due	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
(i) Undisputed Trade receivables – considered good	1452.25	1,996.41	3.72	96.93	51.10		3,600.41
(ii) Undisputed Trade Receivables – which have significant increase in credit risk			11.16				11.16
(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	-	-	-	-	-	-	-
Total	**1,452.25**	**1,996.41**	**14.88**	**96.93**	**51.10**	**-**	**3,611.57**

Particulars	Outstanding for the following periods from the due date of payment as at 31-03-2021						
	Not Due	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
(i) Undisputed Trade receivables – considered good	67.08	5,554.93	324.36	1,645.98	-	-	7,592.35
(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	-	-	-	-	-	-	-
Total	**67.08**	**5,554.93**	**324.36**	**1,645.98**	**-**	**-**	**7,592.35**

Particulars	**As at 31-03-2022**	As at 01-04-2021	As at 31-03-2021
Note No. 17			
Cash and Cash Equivalents			
Cash on hand	**2.66**	1.26	1.02
Balance with Bank - In Current Account	**740.35**	234.94	231.27
In Deposit Account for margin money	**2.44**	0.50	0.50
Total	**745.45**	236.70	232.79

Additional Disclosures:

a) Refer Note No.48 for information about risk profile of cash and cash equivalents under Financial Risk Management.

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
Note No. 18			
Bank Balance Other than Cash And Cash Equivalents			
Earmarked balances with Banks for Unclaimed Dividend	**5.82**	7.40	7.40
Balances with Banks held as security against Borrowings	**85.88**	-	-
Total	**91.70**	7.40	7.40
Note No. 19			
Other Financial Assets (Current)			
Government Grants Receivable	**39.28**	39.28	32.65
Export Incentives Receivable	**137.13**	46.80	46.80
Security Deposit	**11.68**	23.00	11.50
Other Financial Assets - Receivables Others	**-**	1,325.69	1,325.69
Total	**188.09**	1,434.77	1,416.64
Note No. 20			
Other Current Assets			
Unsecured, considered good			
Advance to Suppliers / Others	**1,175.63**	576.42	548.32
Tax Credit and Refund due	**305.74**	285.07	121.24
Accrued Income	**373.32**	426.78	209.65
Prepaid Expenses	**181.44**	176.30	165.56
Other Current Assets	**27.22**	0.77	1.77
Total	**2,063.35**	1,465.34	1,046.54

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
Note No. 21			
Equity Share Capital			
Authorised			
1,00,00,000 Equity Shares of ₹ 10/- each (PY: 50,00,000 Equity Shares of ₹ 10/- each)	**1,000.00**	1,000.00	500.00

Additional Disclosures

Pursuant to approval of the scheme of amalgamation the authorised share capital of the transferor company (Sri Harini Textiles Ltd.,) stands combined with the authorised capital of the transferee company (The Ramaraju Surgical Cotton Mills Ltd.,)

Issued, Subscribed and Fully paid-up

39,97,900 Equity Shares of ₹ 10/- each (PY: 39,46,560 Equity Shares of ₹ 10/- each)	**399.79**	399.79	394.66

Additional Disclosures

Pursuant to the scheme of amalgamation ,the equity shareholders of the transferor company where alloted shares of transferee company in the ratio 34 shares of the Company for every 1000 shares of transferor company. (Refer Note 40 - Business Combination)

a. Reconciliation of the number of shares outstanding

Particulars	**As at 31-03-2022**		As at 01-04-2021		As at 31-03-2021	
	No. of Shares	**Amount**	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	**39,97,900**	**399.79**	39,46,560	394.66	39,46,560	394.66
Issued/Bought Back during the year	**-**	**-**			-	-
Add : Shares issued pursuant to Business Combination (Refer Note 40 - Business Combination)			51,340	5.13		
Number of Shares at the end	**39,97,900**	**399.79**	39,97,900	399.79	39,46,560	394.66

b. Term / Rights / Restrictions attached to Equity Shares

The company has one class of equity shares having a face value of ₹ 10/- each. Each Shareholder is eligible for one vote per share held.The company declares and pays dividend in Indian Rupees. In the event of liquidation of the company, the equity shareholders will be entitled to receive 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.

(₹ in Lakhs)

c. List of Shareholders holding more than 5 percent in the Company

Particulars	As at 31-03-2022		As at 01-04-2021		As at 31-03-2021	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Smt. Nalina Ramalakshmi	**15,50,796**	**38.79**	15,22,936	38.09	14,91,860	37.80
Shri. N.R.K. Ramkumar Raja & Shri. N.R.K. Ramkumar Raja HUF	**2,26,060**	**5.65**	1,87,860	4.70	1,74,260	4.42

d. Shareholders holding of Promoters as at 31-03-2022

S. No.	Name of the Promoters	No. of Shares	% of total shares	% Change during the year
1	Smt. Nalina Ramalakshmi	**15,50,796**	**38.79%**	**0.99%**
2	Shri. N.R.K. Ramkumar Raja & Shri. N.R.K. Ramkumar Raja HUF	**2,26,060**	**5.65%**	**1.23%**
3	Smt Saradha Deepa	**9,536**	**0.24%**	-
4	Smt. R. Sudarsanam	**10,108**	**0.25%**	**0.02%**
5	Shri. P.R.Venketrama Raja	**6,080**	**0.15%**	**0.02%**
6	M/s Rajapalayam Mills Limited	**4,000**	**0.10%**	-
7	Smt. P.V. Srisandhya	**3,400**	**0.09%**	-
8	M/s Sri Vishnu Shankar Mill Limited	**2,200**	**0.06%**	-
9	Smt. P.V. Nirmala	**400**	**0.01%**	-
	Total Promoters Holding	**18,12,580**	**45.34%**	-

Shareholders holding of Promoters as at 31-03-2021

S. No.	Name of the Promoters	No. of Shares	% of total shares	% Change during the year
1	Smt. Nalina Ramalakshmi	14,91,860	37.80%	-
2	Shri. N.R.K. Ramkumar Raja	1,74,260	4.42%	0.71%
3	Smt Saradha Deepa	9,400	0.24%	-
4	Smt. R. Sudarsanam	9,360	0.24%	-
5	Shri. P.R.Venketrama Raja	5,400	0.14%	-
6	M/s Rajapalayam Mills Limited	4,000	0.10%	-
7	Smt. P.V. Srisandhya	3,400	0.09%	-
8	M/s Sri Vishnu Shankar Mill Limited	2,200	0.06%	-
9	Smt. P.V. Nirmala	400	0.01%	-
	Total Promoters Holding	17,00,280	43.10%	

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
Note No. 22			
Other Equity			
Capital Reserve			
Balance as per last financial statement	**17.63**	17.63	17.63

Additional Disclosures:

Represents the difference between the shares alloted to the Share Holders of Transferor Company and Net Worth acquired from Transferor Company as per scheme of Amalgamation.

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
Securities Premium			
Balance as per last financial statement	**743.92**	-	-
Add: Securities premium on Shares pursuant to Business Combination (Refer Note 40 - Business Combination)	**-**	743.92	-
Total	**743.92**	743.92	-

Additional Disclosures:

Represents the difference between the face value of shares and the issued price of shares alloted to the Share Holders pursuant to Business Combination

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
General Reserve			
Balance as per last financial statement	**9,844.92**	9,844.92	5,844.92
Add/(Less): Transfer from Retained Earnings	**-**	-	4,000.00
Total	**9,844.92**	9,844.92	9,844.92

Additional Disclosures:

The general reserve is used from time to time to transfer profits from retained profits. There is no policy of regular transfer.

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
Retained Earnings			
Balance as per last financial statement	**344.92**	489.55	1,255.26
Add : Profit for the year	**953.84**	-	3,280.51
Add/(Less):Deferred Tax recognised on revaluation of assets taken over pursuant to business combination	-	(144.63)	-
Add/(Less):Transfer from OCI	**(81.98)**		(26.49)
Sub-Total	**1,216.78**	344.92	4,509.28
Balance available for Appropriations			
Less: Appropriations	-	-	-
Add/(Less):Dividend distribution to shareholders	**(19.73)**	-	(19.73)
Transfer to General Reserve	**-**	-	(4,000.00)
Total	**1,197.05**	344.92	489.55

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021

Additional Disclosures:

Represents that portion of the net income of the Company that has been retained by the Company.

Note: The Board of Directors have recommended the payment of final dividend ₹ 1/- per share for the year 2021-22 (PY: ₹ 0.50 per share). This proposed dividend is subject to the approval of Shareholders in the ensuing AGM.

FVTOCI Reserve			
Balance as per last financial statement	**5.01**	5.01	4.22
Add/(Less): Profit for the year			
Add: Other Comprehensive Income for the year	**(1.71)**	-	0.79
Less: Transfer to Retained Earnings	**-**	-	-
Total	**3.30**	5.01	5.01

Additional Disclosures:

Fair Value through Other Comprehensive Income Reserve represents the balance in equity for items to be accounted in Other Comprehensive Income (OCI). The Company has opted to recognise the changes in the fair value of certain investments in equity instruments and remeasurement of defined benefit obligations in OCI. The Company transfers amounts from this reserve to Retained Earnings in case of actuarial loss / gain and in case of fair value recognition of equity instrument, the same will be transferred when the respective equity instruments are derecognised

Total Other Equity	**11,806.82**	10,956.40	10,357.11

Note No. 23

Non-Current Borrowings

Secured			
Term Loan from Banks	**3,544.18**	4,762.76	4,762.76
Working Capital Term Loan from Banks	**4,084.28**	2,661.15	2,661.15
Unsecured			
Working Capital Term Loan from Banks	**3,859.42**	5,028.00	5,028.00
Loans and Advances from Related Parties	**950.00**	950.00	0.00
Total	**12,437.88**	13,401.91	12,451.91

Additional Disclosures:

a) Term Loan from Banks

Term loan from Karur Vysya Bank and Indian Bank are secured by pari-passu 1st charge on the fixed assets of the Company and paripassu second charge on current assets of the Company carry interest rate linked to MCLR which stood at 8.90% p.a and 7.80% p.a respectively as at the reporting date. Term loan from Indian Bank are secured by pari-passu 1st charge on the moveable fixed assets of the

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021

Company and paripassu second charge on current assets and term loan from ICICI Bank is secured by paripassu first charge on the moveable fixed assets of the Company carry interest rate linked to MCLR which stood at 7.50% p.a and 8.00% p.a. respectively as at the reporting date.

b) Working Capital Term Loan

Working capital loan from Canara Bank is secured by paripassu 1st charge on Current Assets and Working Capital Term Loan under ECLGS from RBL Bank Ltd. is secured by paripassu 2nd charge on the moveable fixed assets and current assets of the Company carry interest rate linked to MCLR which stood at 7.25% p.a and 7.50% p.a respectively as at the reporting date.

c) Unsecured Working Capital Term Loan

Unsecured Working Capital Term Loan under Emergency Credit Line Guarantee (ECLGS) from Federal Bank is availed as unsecured and covered under 100% Government Guarantee carry interest rate linked to Repo Rate which stood at 7.55% p.a as at the reporting date.

d) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken as at the reporting date.

e) Registration, Modification and Satisfaction of charges relating to the year under review, had been filed with the ROC, within the prescribed time or within the extended time requiring the payment of additional fees.

f) Refer Note No.48 for information about risk profile of borrowings under Financial Risk Management

g) The interest rates are reset on overnight / monthly / yearly basis. The term loans are repayable in equal monthly / quarterly / half yearly instalments at various dates and the year wise repayment is as follows:

Repayment Due	**Amount**	Amount	Amount
2022-23	**-**	4,388.79	4,388.79
2023-24	**4,240.90**	3,941.71	3,941.71
2024-25	**4,284.36**	3,064.68	3,064.68
2025-26	**2,412.62**	1,056.73	1,056.73
2026-27	**1,500.00**	950.00	-
Total	**12,437.88**	13,401.91	12,451.91

Note No. 24
Provisions

Provision for Employee Benefits	**80.48**	66.99	62.91
Total	**80.48**	66.99	62.91

(₹ in Lakhs)

Note No. 25

Deferred Tax (Assets) / Liability (Net)

Particulars	As on 01-04-2021	Credit Utilized/ Reversed	Recognition in P&L Account	As on 31-03-2022
Tax impact on difference between book base and tax base of assets (including deferred tax on assets and liabilities taken over pursuant to scheme of business combination)	**3,786.26**		(643.60)	3,142.66
Tax effect on unabsorbed depreciation and business losses under Income Tax Act, 1961	**(1,010.22)**		631.00	(379.22)
Tax effect on Provision for Bonus and Leave Encashment	**(71.83)**		(33.54)	(105.37)
Unused tax credits (ie. MAT Credit Entitlement)	**(2,653.66)**		(154.20)	(2,807.86)
Others			(10.17)	(10.17)
Total	**50.55**		**(210.51)**	**(159.96)**

Particulars	As on 31-03-2021	Recognition of deferred tax on amalga-mation	Recognition in Retained Earnnings	As on 01-04-2021
Tax impact on difference between book base and tax base of assets	3,641.63			3,641.63
Tax effect on unabsorbed depreciation under Income Tax Act, 1961	(644.10)	(366.12)		(1,010.22)
Tax effect on Provision for Bonus and Leave Encashment	(71.83)			(71.83)
Unused tax credits (ie. MAT Credit Entitlement)	(2,653.66)	-	-	(2,653.66)
Deferred Tax on Property, Plant & Equipment which were revalued and taken over pursuant to the scheme of amalgamation of M/s Sri Harini Textiles Limited	-	-	144.63	144.63
Total	272.04	(366.12)	144.63	50.55

(₹ in Lakhs)

Particulars	As on 01-04-2020	Credit Utilized/ Reversed	Recognition in P&L Account	As on 31-03-2021
Tax impact on difference between book base and tax base of assets	3,767.66	-	(126.03)	3,641.63
Tax effect on unabsorbed depreciation under Income Tax Act, 1961	(953.60)	-	309.50	(644.10)
Tax effect on Provision for Bonus and Leave Encashment	(96.44)	-	24.61	(71.83)
Unused tax credits (ie. MAT Credit Entitlement)	(2,046.64)	-	(607.02)	(2,653.66)
Others	-	-		-
Total	670.98	-	(398.94)	272.04

Particulars	As at 31-03-2022	As at 31-03-2021
Reconciliation of Deferred tax Liabilities (Net)		
Balance at the beginning of the year	**272.04**	670.98
Deferred Tax recognized pursuant to the scheme of amalgamation of Sri Harini Textiles Limited	**(221.49)**	**-**
Deferred Tax Expense during the year recognised in the Statement of Profit and Loss	**(56.31)**	208.08
MAT Credit Utilized/(recognized) during the year	**(154.20)**	(607.02)
Balance at the end of the year	**(159.96)**	272.04
Components of Tax Expenses		
Profit and Loss Section		
Current Tax		
Current Income Tax Charge	**134.75**	611.65
Current Tax adjustments of earlier years	**-**	-
Deferred Tax		
Relating to the temporary difference	**(56.31)**	208.08
MAT Credit Recognition	**(154.20)**	(607.02)
Deferred Tax adjustments of earlier years		
Other Comprehensive Income Section		
Charged in Other Comprehensive Income	**-**	(4.63)
Total Tax Expenses recognized in the Statement of Profit or Loss account	**(75.76)**	208.08

(₹ in Lakhs)

Particulars		As at 31-03-2022	As at 31-03-2021
Reconciliation of the Income tax provision to the amount computed by applying the statutory Income tax rate to the Income before taxes is summarized as below:			
Accounting Profit before tax (including OCI)		**794.39**	3,462.89
Corporate Tax Rate%		**29.12%**	29.12%
Computed Tax Expense		**Nil**	1,008.40
Increase/(Reduction) in taxes on account of :			
Tax adjustments of earlier years		**-**	-
Non-deductible expenses		**-**	-
Income exempt / eligible for deduction under chapter VI-A		**-**	(20.60)
MAT Credit Recognition / Utilization		**-**	-
Additional allowances / deductions for tax purposes		**-**	(987.80)
	(A)	**-**	-
Income Tax under MAT			
Accounting Profit before tax (including OCI)		**794.39**	3,462.89
Corporate Tax Rate		**16.69%**	17.47%
Computed Tax Expense		**132.58**	604.97
Increase/(Reduction) in taxes on account of :			
Tax adjustments of earlier years			
Non-deductible expenses		**2.17**	4.55
Income exempt / eligible for deduction under chapter VI-A			
Additional allowances / deductions for tax purposes		-	(2.50)
	(B)	**134.75**	607.02
Tax Expenses recognised in the Statement of Profit and Loss Higher of A & B Above		**134.75**	607.02

Additional Disclosures:

i) A new Section 115BAA in the Income Tax Act, 1961, vide the Taxation Laws (Amendment) Ordinance 2019, is introduced providing domestic companies a non-reversible option to pay corporate tax at reduced rates effective 01-04-2019 subject to certain conditions. Since new tax regime are not beneficial in view of various deductions, exemptions and MAT Credit Entitlement available under existing tax regime, the Company has not adopted new tax rates for the year and continue to adopt tax rates under existing tax regime. Accordingly, the Company has recognised deferred tax at the existing rates.

(₹ in Lakhs)

Particulars	**As at 31-03-2022**	As at 01-04-2021	As at 31-03-2021
Note No. 26			
Deferred Government Grants			
Deferred Income Government Grants	**17.41**	58.90	40.05
Total	**17.41**	58.90	40.05

Additional Disclosures:

(i) Industrial Promotion Assistance (IPA) provided by Department of Industries, Government of Andhra Pradesh towards creation of infrastructure facilities is recognised as 'Grant Income' over the useful life of the underlying PPE.

Note No. 27

Current Borrowings

Secured						
Loans from Banks	11,816.54		10,196.82		9,178.57	
Current Maturities of Long Term Borrowings	3,333.90		3,891.23		3,891.23	
		15,150.44		14,088.05		13,069.80
Unsecured and Considered Good						
Loan Repayable on Demand from Banks	1,999.99		1,000.00		1,000.00	
Loan from Other Parties	-		0.33		0.33	
Current Maturities of Long Term Borrowings	1,168.58		-		-	
Loans and Advances from Related Parties [Refer to Note No. 45(b)(i)]	84.33		821.36		821.36	
		3,252.90		1,821.69		1,821.69
Total		**18,403.34**		15,909.74		14,891.49

Additional Disclosures:

a) Loan Repayable on Demand from Banks are secured by pari-passu first charge on the current assets of the Company and paripassu second charge on the fixed assets of the Company.

b) Loan from Banks and Loan repayable on demand carry interest rate for cash credit from 8.45% to 9.25%, Short term borrowings from 6.15% to 7.70%.

c) The quarterly returns or statements filed by the Company with the banks or financial institutions are in agreement with the books of accounts.

d) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken as at the reporting date.

e) Refer Note No.48 for information about risk profile of borrowings under Financial Risk Management.

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
Note No. 28			
Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	**92.18**	76.79	58.90
(i) Total outstanding dues of creditors other than micro enterprises and small enterprises	**1,549.01**	1,571.15	1,371.40
Total	**1,641.19**	1,647.94	1,430.30

Additional Disclosures:

a) Disclosures as required under Micro, Small and Medium Enterprises Development Act, 2006.

The categorization of supplier as MSME registered under The Micro, Small and Medium Enterprises Development Act, 2006, has been determined based on the information available with the company as at the reporting date.The disclosures as per the requirement of the Act are furnished as below:

a. (i) The principal amount remaining unpaid to any supplier at the end of the financial year included in Trade payables	**92.18**	76.79	58.90
(ii) The interest due on the above			
b. The amount of interest paid by the buyer in terms of section 16 of the Act			
c. The amount of the payment made to the supplier beyond the appointed day during the financial year			
d. The amount of interest accrued and remaining unpaid at the end of financial year			
e. The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under this Act			

b) Trade Payables ageing schedule

As at 31-03-2022

Particulars		Outstanding for the following periods from the due date of payment as at 31-03-2022					
		Not Due	**< 1 Year**	**1 - 2 years**	**2 - 3 years**	**> 3 years**	**Total**
(i)	MSME	92.18	-	-	-	-	92.18
(ii)	Others	882.74	648.06	1.40	16.81	-	1,549.01
(iii)	Disputed dues - MSME	-	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-	-
(v)	Unbilled dues				-	-	-
Total		**974.92**	**648.06**	**1.40**	**16.81**	**0.00**	**1,641.19**

(₹ in Lakhs)

As at 31-03-2021

	Particulars	Outstanding for the following periods from the due date of payment as at 31-03-2021					
		Not Due	< 1 Year	1 - 2 years	2 - 3 years	> 3 years	Total
(i)	MSME	58.90	-	-	-	-	58.90
(ii)	Others	985.34	287.50	13.52	80.58	4.46	1,371.40
(iii)	Disputed dues - MSME	-	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-	-
(v)	Unbilled dues				-	-	-
Total		1,044.24	287.50	13.52	80.58	4.46	1,430.30

c) Refer to Note No 48 information about risk profile of Trade Paybles under Financial Risk Management and Ageing schedule.

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
Note No. 29			
Other Financial Liabilities			
Unclaimed Dividends	**5.82**	7.40	7.40
Ramaraju Memorial Fund	**463.97**	447.47	447.47
Liabilities for Other Finance	**357.98**	494.62	489.34
Derivatives Designated as Hedges - Foreign Exchange Forward Contract	**33.26**	160.81	160.81
Total	**861.03**	1,110.30	1,105.02

Additional Disclosures:

a) Unclaimed Dividends represent the amount not due for transfer to IEPF.

Note No. 30			
Other Current Liabilities			
Other Current Payables	**566.99**	385.21	345.43
Statutory Liabilites	**-**	117.60	114.37
Current Payable - Capital Goods	**1,111.21**	-	-
Total	**1,678.20**	502.81	459.80
Note No. 31			
Provisions (Short-term)			
Provision for Compensated Absences (Refer Note No.43)	**446.06**	288.04	269.68
Provision for Taxation of earlier years	**89.50**	89.50	89.50
Total	**535.56**	377.54	359.18

Additional Disclosures:

a) The Company provides for expenses towards compensated absences provided to its employees. The expense is recognized at the present value of the amount payable determined based on an independent external actuarial valuation as at the Balance Sheet date, using Projected Unit Credit method.

(₹ in Lakhs)

Particulars		For the year ended 31-03-2022		For the year ended 31-03-2021
Note No. 32				
Revenue From Operation				
Sale of Products				
Textiles	**38,469.04**		24,455.86	
Surgical Dressings	**3,976.80**		3,481.77	
Waste Sales	**532.18**		353.89	
		42,978.02		28,291.52
Other operating Revenues				
Export Incentive	**166.53**		101.04	
Job Work Charges Received	**69.23**	**235.76**	31.44	132.48
Total		**43,213.78**		28,424.00

Additional Disclosures:

a) The Company's Revenue from sale of products is recognised upon transfer of control of such products to the customer at a point in time.

b) Disaggregation of Income

Gross Revenue	**45,417.27**	30,043.83
Add / (Less) : Discounts	**(203.48)**	(180.68)
Add / (Less) : GST	**(2,000.01)**	(1,439.15)
Net Revenue	**43,213.78**	28,424.00

Note No. 33

Other Income

Interest Receipt	**172.08**	92.46
Rent Receipts	**0.12**	55.88
Profit on Sale of Fixed Assets	**-**	3.97
Dividend Income	**0.79**	106.15
Government Grants	**1.45**	3.34
Profit on Sale of Investments	-	2,958.80
Miscellaneous Income	**11.28**	6.04
Total	**185.72**	3,226.64

(₹ in Lakhs)

Particulars		For the year ended 31-03-2022		For the year ended 31-03-2021
Note No. 34				
Cost of Materials Consumed				
Cost of Materials Consumed		**25,513.49**		12,974.01
Total		**25,513.49**		12,974.01
Note No. 35				
Changes in Inventories of Finished Goods and Work-in-Progress				
Opening stock				
Finished Goods	**2,110.40**		4,954.18	
Work-in-Progress	**1,063.30**		1,130.72	
		3,173.70		6,084.90
Closing Stock				
Finished Goods	**2,576.15**		2,101.19	
Work-in-Progress	**1,568.42**		941.96	
		4,144.57		3,043.15
Net (Increase) / Decrease in Stock		**(970.87)**		3,041.75

Additional Disclosures:

a) Pursuant to business combination, the value of opening process stock and finished goods have increased by ₹ 121.34 Lakhs and ₹ 9.21 lakhs respectively on the appointed date 01-04-2021.

Particulars		For the year ended 31-03-2022		For the year ended 31-03-2021
Note No. 36				
Employee Benefits				
For Employees other than Directors				
Salaries, Wages and Bonus	**3,274.13**		2,488.62	
Contribution to Provident and Other Funds	**302.39**		233.05	
Staff and Labour Welfare & Training Expenses	**204.31**	**3,780.83**	121.65	2,843.32
For Directors				
Managing Director Remuneration	**240.00**		240.00	
Contribution to Provident and Other Funds (MD)	**12.42**		12.82	
Sitting Fees (MD)	**2.70**	**255.12**	1.60	254.42
Total		**4,035.95**		3,097.74

(₹ in Lakhs)

Particulars	For the year ended 31-03-2022	For the year ended 31-03-2021

Additional Disclosures:

(a) Amount recognised in Other Comprehensive Income represent remeasurement losses on defined benefit obligations i.e Gratuity fund, recognised in OCI.

(b) Refer Note No. 43 for disclosures pertaining to defined contribution plan and defined benefit obligations under Ind AS 19.

Note No. 37

Finance Cost

Interest on Debts and Borrowings	**1,860.03**	2,165.69
Exchange differences on Foreign Currency Borrowings regarded as on adjustment to Borrowing Cost	**217.23**	10.60
Interest Expenses on shortfall in payment of Advance Tax	**-**	23.57
Total	**2,077.26**	2,199.86

Additional Disclosures:

(a) Interest on Debt & Borrowings represent interest calculated using the effective interest rate method.

(b) Refer Note No.48 for information about Interest rate risk exposure under Financial Risk Management.

(c) The above Finance Costs is net of transfer to Capital Work in Progress portion of ₹ 26.93 Lakhs (PY: Nil) attributable to the qualifying assets.

Note No. 38

Depreciation and Amortization Expenses

Depreciation of Plant ,Property and Equipment (Refer Note No.6)	**4,591.91**	1,748.38
Amortization of Intangible assets (Refer Note No.10)	**0.30**	4.29
Depreciation on Investment Properties (Refer Note No.8)	**0.18**	0.19
Total	**4,592.39**	1,752.86

Additional Disclosures:

(a) Depreciation adjustments comprise of additional ₹ 2,981.16 Lakhs in current year. This is on account of technical evaluation of plant and machinery and electrical machineries installed in the factory premises.

b) The estimation of useful life of Property, Plant and Equipment has been provided under Note No. 4E.

(₹ in Lakhs)

Particulars		For the year ended 31-03-2022		For the year ended 31-03-2021
Note No. 39				
Other Expenses				
Manufacturing Expenses				
Power and Fuel	**2,727.77**		2,029.30	
Production Consumables	**367.40**		293.18	
Packing Materials Consumption	**600.55**		373.41	
Job work Charges Paid	**150.10**		26.41	
Repairs to Buildings	**73.82**		108.53	
Repairs to Plant and Machinery	**706.70**		632.81	
Repairs - General	**576.80**		504.50	
		5,203.14		3,968.14
Establishment Expenses				
Rates and Taxes	**97.49**		62.28	
Postage and Telephone	**11.82**		9.46	
Printing and Stationery	**16.80**		8.46	
Travelling Expenses	**11.94**		7.58	
Vehicle Maintenance	**102.99**		70.71	
Insurance	**160.59**		167.84	
Directors Sitting Fees	**16.20**		7.85	
Rent	**8.96**		18.14	
Audit Fees and Legal Expenses	**39.67**		26.95	
Corporate Social Responsibility Expenses	**36.56**		70.74	
Advertisement	**16.10**		8.29	
Bank Charges	**45.26**		32.31	
Covid-19 Welfare Expenses	**2.52**		8.34	
Loss on Sale of Assets	**172.28**		-	
Miscellaneous Expenses	**46.99**		19.26	
		786.17		518.21

(₹ in Lakhs)

Particulars		For the year ended 31-03-2022		For the year ended 31-03-2021
Selling Expenses				
Bad Debts and Impairment Allowances for Trade Receivables	**15.62**		5.89	
Sales Commission	**294.43**		185.14	
Export Expenses	**289.48**		103.24	
Other Selling Expenses	**179.32**		125.21	
		778.85		419.48
Total		**6,768.16**		4,905.83

Additional Disclosures:

(a) The details of CSR Expenditure are furnished in Note 51.

(b) Audit Fees & Expenses

	For the year ended 31-03-2022	For the year ended 31-03-2021
Statutory Audit	**1.60**	1.60
Other Certification work	**1.11**	0.40
Tax Audit	**0.50**	3.35
Total	**3.21**	5.35

Note No. 40

Business Combination

Further to the filing of the Scheme of Amalgamation of Sri Harini Textiles Limited (SHTL) with the Company, the NCLT vide its order dated 13th July, 2022, directed to hold the meetings of shareholders of the Transferor and Transferee Companies and the meetings of secured creditors and unsecured creditors of the Transferee Company. The requirement to hold the meeting of creditors of the Transferor Company was dispensed.

The meetings were held on 08th September, 2022 as directed. The Outcome of the said meetings with the scrutinizer report was submitted with stock Exchange on 09th September, 2022. The Order was pronounced on 31st May, 2023. The Certified Copy of NCLT Order and the Scheme of Amalgamation was filed with Registrar of Companies on 25th June, 2023.

Upon coming into effect of the Scheme, the undertaking of SHTL stands transferred to and vested in the Company with effect from the Appointed Date of 1st April, 2021.

The merger has been accounted as per the acquisition method based on IndAS 103 Business Combinations.

<u>Ind AS 103 on Business Combinations:</u>

The Assets and Liabilities in the books of account of SHTL as on 1st April, 2021, the appointed date, (after eliminating the intercompany balances) is included in the financial statements of the Company.

All equity shares of SHTL held by the Company were cancelled without any further application, act or deed.

The investment held by the Company in SHTL aggregating to ₹ 149.00 Lakhs has been extinguished and the reserves and surplus of SHTL aggregating to ₹ 599.29 Lakhs as on the appointed date is added on line by line basis with the respective reserves of the Company.

All identified assets acquired, and liabilities assumed on the date of merger were recorded at their fair value. This amalgamation did not involve any cash outflow (except for the transaction costs which was expensed out).

(A) Purchase consideration transferred:

As per the scheme, the Company issued its shares in favour of existing shareholders of SHTL such that 34 of Company's shares were allotted for every share of 1000 shares of SHTL.

(B) Details of assets acquired, and liabilities assumed:

Particulars		**SHTL**
		₹ in Lakhs
ASSETS		
Non-Current Assets		
Property, Plant and Equiptments		1,575.30
Intangible Assets		0.31
Other Financial Assets		64.40
Deferred Tax Assets		366.12
Total Non-Current Assets	**(A)**	**2,006.13**

Particulars		SHTL ₹ in Lakhs
Current Assets		
Inventories		878.71
Financial Assets		
Trade Receivable		349.39
Cash and Cash Equivalents		3.00
Other Financial Assets		44.48
Other Current Assets		396.40
Total Current Assets	**(B)**	**1,671.98**
TOTAL ASSETS	**(A+B)**	**3,678.11**
EQUITY & LIABILITIES		
EQUITY		
Equity Share Capital		300.00
Other Equity		(1,781.00)
Total Equity	**(C)**	**(1,481.00)**
LIABILITIES		
Non-Current Liabilities		
Financial Liabilities		
Borrowings		950.00
Provisions		0.08
Deferred Government Grants/Income		18.86
Total Non-Current Liabilities	**(D)**	**968.94**
Current Liabilities		
Financial Liabilities		
Borrowings		1,017.34
Trade payables		
i) Total Outstanding dues of creditors other than micro enterprises and small enterprises		217.66
Other Financial Liabilities		2,932.81
Provisions		22.36
Total Current Liabilities	**(E)**	**4,190.17**
TOTAL EQUITY AND LIABILITIES	**(C+D+E)**	**3,678.11**

Computation of Goodwill (₹ **In Lakhs)**

Total Assets of SHTL		3,678.11
Add : Fair Valuation of Asset and Liabilities of SHTL		496.67
Total Gross Value of Assets of SHTL	**(A)**	**4,174.78**
Less : Current and Non Current Liabilities of SHTL	(B)	5,159.11
Net Assets of SHTL	**C = A-B**	**(984.33)**
Consideration Paid by way of issue of shares in the ratio of 34:1000	D	749.05
Add : Investment already held by RSCM in SHTL	E	149.00
Excess of Consideration paid over net assets taken over (Goodwill)	F = D+E-C	**1,882.38**

Reconciliation of Equity shares issued pursuant to Business Combination

Total Shares of Sri Harini Textiles Limited (SHTL)	30,00,000
Less : Shares held by the Company (RSCM)	14,90,000
Total shares held by outside shareholders	**15,10,000**
Swap Ratio	34 shares of RSCM for every 1000 shares of SHTL
Net shares issued pursuant to business combination	**51,340**
Value per share as per the approved scheme RSCM SHTL	 ₹ 1459/- ₹ 49/-
Value of 51,340 shares issued pursuant to business combination	
Equity (51,340 shares of ₹ 10/- each)	**₹ 5,13,400/-**
Securities Premium (51,340 shares of ₹ 1449/- each)	**₹ 7,43,91,660/-**

(C) Comparable period:

The results for the year ended 31st March, 2021 does not include the impact of the acquisitions of SHTL since the effective date of amalgamation being 01st April, 2021 and accordingly are not comparable with previous year to that extent.

Particulars	**As at 31-03-2022**	As at 31-03-2021
Note No. 41		
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	**NIL**	NIL

(₹ **In Lakhs)**

Particulars	**As at 31-03-2022**	As at 31-03-2021
Note No. 42		
Contingent Liabilities		
Guarantees given by the bankers on behalf of company	**100.40**	100.14
Demands / Claims not acknowledged as Debts in respect of matters in appeals relating to – TNVAT	**NIL**	8.45

i. In respect of Electricity matters, Appeals / Writ petition are pending with TNERC / APTEL / High Court for various matters for which no provision has been made in the books of accounts to the extent of ₹ 159.49 Lakhs (PY: ₹ 159.49 Lakhs). In view of the various case laws decided in favour of the Company and in the opinion of the management, there may not be any tax liability on this matter.

Note No. 43

As per Ind AS 19, the disclosures pertaining to “Employee Benefits” are given below:

Defined Contribution Plan:

Employer’s Contribution to Provident Fund	**206.68**	171.63
Employer’s Contribution to Superannuation Trust Fund	**18.99**	20.34

Defined Benefit Plan – Gratuity

The Gratuity payable to employees is based on the employee’s service and last drawn salary at the time of leaving the services of the Company and is in accordance with the rules of the Company read with Payment of Gratuity Act 1972. This is a defined benefit plan in nature. The Company makes annual contributions to “The Ramaraju Surgical Cotton Mills Limited Employees Gratuity Fund” administered by the Trustees and managed by LIC of India, based on the Actuarial Valuation by an Independent external actuary as at the Balance Sheet date using Projected Unit Credit method. The Company has the exposure of actuarial risk such as adverse salary growth, change in demography experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks.

Details of the post retirement gratuity plan (Funded) are as follows:

Movements in the present value of define benefit obligation:

Opening defined Benefit Obligation	**543.80**	528.63
Current Service Cost	**45.41**	43.57
Past Service Cost	**NIL**	NIL
Interest Cost	**35.28**	32.50
Actuarial (Gain) / Loss	**80.03**	3.75
Benefits paid	**(-)75.34**	(-)79.94
Closing Defined Benefit obligation	**629.18**	528.51

(₹ **In Lakhs)**

Particulars	**As at 31-03-2022**	As at 31-03-2021
Movement in the present value of plan assets:		
Opening Fair Value of Plan Assets	**609.09**	515.02
Expected Return on Plan Assets	**41.84**	36.29
Actuarial Gain / (Loss)	**(-)1.95**	(-) 22.73
Employer Contribution	**58.03**	141.40
Benefits Paid	**(-)75.34**	(-) 79.94
Closing Fair Value of Plan Assets	**631.67**	590.04
The amount included in the Statement of Financial position arising from the entity's obligation in respect of its defined benefit plans:		
Present value of obligation	**629.18**	528.51
Fair value of plan assets	**631.67**	590.04
Present value of Funded defined obligation	**(-) 2.49**	(-) 61.53
Cost of defined benefit plan:		
Current Service Cost	**45.41**	43.57
Interest Cost	**(-) 6.57**	(-) 3.79
Past Service Cost	**NIL**	NIL
Net Cost Recognized statement in the Income Statement	**38.84**	39.78
Expected return on plan assets (To the extent it does not represent an adjustment to Interest Cost)	**1.95**	22.73
Actuarial (Gain) / Loss	**80.03**	3.75
Net Cost recognized in the Other Comprehensive Income	**81.98**	26.48
Major Categories of Plan Assets:		
GOI Securities	**NIL**	NIL
Funds with LIC	**628.57**	542.51
Others	**3.10**	47.53
Total	**631.67**	590.04
Actuarial Assumptions:		
Discount rate P.A.	**7.36%**	6.97%
Rate of escalation in salary P.A.	**5.00%**	4.00%
Attrition rate	**0.50%**	0.50%

(₹ **In Lakhs)**

Particulars	**As at 31-03-2022**	As at 31-03-2021
Estimate of Expected Benefit payments:		
Year 1	**20.46**	20.96
Year 2	**56.60**	35.36
Year 3	**50.93**	36.20
Year 4	**49.61**	48.27
Year 5	**73.37**	44.69
Next 5 Years	**325.96**	285.89
Quantitative Sensitivity Analysis for Significant Assumptions:		
0.50% Increase in Discount Rate	**47.52**	40.46
0.50% Decrease in Discount Rate	**53.84**	45.74
0.50% Increase in Salary Growth Rate	**53.92**	45.83
0.50% Decrease in Salary Growth Rate	**47.43**	40.36

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the defined benefit obligation as significant actuarial assumptions source material (Projected unit credit method) has been applied as when calculating the defined benefit obligation recognised with in the Balance Sheet.

Details of Leave encashment plan (Unfunded) are as follows:		
Movement in the present value of defined benefit Obligation:		
Opening defined Benefit Obligation	**74.99**	134.86
Current Service Cost	**15.33**	18.20
Interest Cost	**4.60**	7.80
Actuarial (Gain) / Loss	**5.28**	(-) 54.89
Benefits paid	**(-) 11.83**	(-) 35.06
Closing defined Benefit obligation	**88.37**	70.91
Movement in the present value of plan assets:		
Opening fair value of plan assets	**NIL**	NIL
Expected return on plan assets	**NIL**	NIL
Actuarial Gain / (Loss)	**NIL**	NIL
Employer Contribution	**11.83**	35.06
Benefits paid	**(-) 11.83**	(-) 35.06
Closing fair value of plan assets	**NIL**	NIL

(₹ In Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Actual Return of plan assets:		
Expected return of plan assets	**NIL**	NIL
Actuarial Gain / (Loss) on plan assets	**NIL**	NIL
Actual return on plan assets	**NIL**	NIL
The amount included in the Statement of Financial position arising from the entity's obligation in respect of its define benefit plans:		
Fair value of plan assets	**NIL**	NIL
Present value of obligation	**88.37**	70.91
Present value of Funded define obligation	**88.37**	70.91
Cost of defined benefit Plan:		
Current Service Cost	**15.33**	18.20
Interest Cost	**4.61**	7.80
Actuarial (Gain) / Loss	**5.28**	(-) 54.89
Net Cost recognized in the Income Statement	**25.22**	(-) 28.89
Major Categories of Plan Assets:		
GOI Securities	**NIL**	NIL
Funds with LIC	**NIL**	NIL
Bank balance	**NIL**	NIL
Total	**NIL**	NIL
Actuarial Assumptions:		
Discount rate p.a	**7.36%**	6.65%
Rate of escalation in salary p.a	**5.00%**	4.00%
Attrition rate	**0.50%**	0.50%
Estimate of Expected Benefit payments		
Year 1	**3.61**	2.59
Year 2	**10.99**	7.79
Year 3	**7.16**	3.43
Year 4	**3.60**	6.08
Year 5	**8.67**	2.73
Next 5 Years	**40.89**	34.21

(₹ **In Lakhs)**

Particulars	**As at 31-03-2022**	As at 31-03-2021
Quantitative Sensitivity Analysis for Significant Assumptions		
0.50% Increase in Discount Rate	**16.64**	13.82
0.50% Decrease in Discount Rate	**18.52**	15.40
0.50% Increase in Salary Growth Rate	**18.55**	15.42
0.50% Decrease in Salary Growth Rate	**16.61**	13.79

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the defined benefit obligation as significant actuarial assumptions the same method (Projected unit credit method) has been applied as when calculating the defined benefit obligation recognised with in the Balance Sheet.

Note No. 44

Earnings per Share

Net Profit after tax (₹ in Lakhs) (A)	**953.84**	3,280.51
Weighted average number of Equity shares [In Lakhs] (B)	**39.98**	39.47
Nominal value per equity share (in ₹)	**10.00**	10.00
Basic & Diluted Earnings per share (A)/(B) (in ₹)	**21.77**	83.12

Note No. 45

Related Party Transactions

Information on names of Related parties and nature of Relationship as required by Ind AS 24 on Related party disclosures for the year ended 31st March 2022:

i. Subsidiary Company

Name of the Company	Country of Incorporation	**% of Shareholding as at**	
		31-03-2022	31-03-2021
M/s. Madras Chipboard Limited	India	**75.01**	64.68

il. Associate Companies

Name of the Company	Country of Incorporation	**% of Shareholding as at**	
		31-03-2022	31-03-2021
M/s. The Ramco Cements Limited	India	**1.40**	1.40
M/s. Ramco Industries Limited	India	**0.16**	0.16
M/s. Ramco Systems Limited	India	**0.04**	0.04
M/s. Rajapalayam Mills Limited	India	**1.83**	1.83
M/s. Sri Vishnu Shankar Mill Limited	India	**0.75**	0.75
M/s. Sri Harini Textiles Limited	India	**Nil**	49.67
M/s. Shri Harini Media Limited	India	**2.65**	2.65

(₹ in Lakhs)

iii. Key Managerial Personnel (including KMP under Companies Act, 2013)

Name of the Key Managerial Personnel	Designation
Shri P.R. Venketrama Raja	Chairman
Smt Nalina Ramalakshmi	Managing Director
Shri N.R.K. Ramkumar Raja	Managing Director
Shri S. Sarathy Subburaj *	Nominee Director
Shri N.K. Shrikantan Raja	Non-Executive Director
Shri P.J. Alaga Raja #	Independent Director
Justice Shri P.P.S. Janarthana Raja	Independent Director
Shri V. Santhanaraman	Independent Director
Shri P.J. Ramkumar Rajha	Independent Director
Shri P.A.S Alaghar Raja **	Independent Director
Shri N. Vijay Gopal	Chief Financial Officer
Shri Walter Vasanth P J ***	Company Secretary

* Appointed w.e.f. 20.11.2021

** Appointed w.e.f. 25.08.2021

*** Resigned on 10.03.2023

Demised on 11.03.2023

iv. Relatives of Key Managerial Personnel

Name of the Relative of KMP	Relationship
Smt. R. Sudarsanam	Mother of Shri. P.R.Venketrama Raja
Smt. Saradha Deepa	Sister of Shri. P.R. Venketrama Raja
Smt. P.V. Nirmala	Spouse of Shri P.R. Venketrama Raja
Shri. Abhinav Ramasubramaniam Raja	Son of Shri P.R. Venketrama Raja
Smt. B. Sri Sandhya Raju	Daughter of Shri P.R. Venketrama Raja
Shri N.K. Ramasuwamy Raja	Brother of Shri N.R.K. Ramkumar Raja
Shri N.R.K. Venkatesh Raja	Brother of Shri N.R.K. Ramkumar Raja
Smt. P.S. Ramani Devi	Sister of Shri N.R.K. Ramkumar Raja
Smt. N.S. Gitalakshmi	Spouse of Shri N.K. Shrikantan Raja

v. Companies over which KMP/Relatives of KMP exercise significant influence

M/s. Sandhya Spinning Mill Limited
M/s. Rajapalayam Textile Limited
M/s. Ramco Windfarms Limited
M/s. N.R.K. Infra System Private Limited
M/s. Tirupathi Yarntex Spinners Pvt Ltd
M/s. Vinvent Chemilab Private Limited
M/s. Digvijai Polytex Private Limited

(₹ in Lakhs)

vi. Employee Benefit Funds where control exists

The Ramaraju Surgical Cotton Mills Limited Officers' Superannuation Trust Fund

The Ramaraju Surgical Cotton Mills Limited Employees' Gratuity Fund

vii. Other entities over which there is a significant influence

M/s. P.A.C.R. Sethuramammal Charity Trust

M/s. P.A.C. Ramasamy Raja Centenary Trust

M/s. N.R.K. Distribution Services

M/s. Gowrihouse Metal Works LLP

Smt. Lingammal Ramaraju Shastra Prathishta Trust

P.A.C. Ramasamy Raja Education Charity Trust

Disclosure in respect of Related Party Transactions (excluding reimbursements) during the year and outstanding balances including commitments as at the reporting date:

a. Transactions during the year at Arm's length basis or its equivalent

Name of the Related Party		**2021-22**	2020-21
i.	**Goods Supplied / Services rendered Associates**		
	M/s. Rajapalayam Mills Limited	**1,874.18**	564.70
	M/s. Ramco Industries Limited	**1,181.25**	522.90
	M/s. The Ramco Cements Limited	**NIL**	0.10
	M/s. Sri Vishnu Shankar Mill Limited	**905.99**	353.40
	M/s. Sri Harini Textiles Limited	**NIL**	1,407.81
	Companies over which KMP / Relative of KMP exercise significant Influence		
	M/s. Sandhya Spinning Mill Limited	**847.80**	366.34
	M/s. Rajapalayam Textile Limited	**0.05**	45.01
	M/s. Digvijai Polytex Private Limited	**0.19**	0.34
	M/s. Tirupathi Yarntex Spinners Pvt Ltd	**0.13**	NIL
	Other Entities over which there is a significant influence		
	M/s. Gowrihouse Metal Works LLP	**0.22**	0.20
ii.	**Sale of Fixed Assets**		
	Associates		
	M/s. Rajapalayam Mills Limited	**1.48**	NIL
	M/s. Sri Vishnu Shankar Mill Limited	**NIL**	0.15

(₹ In Lakhs)

Name of the Related Party		2021-22	2020-21
iii.	**Cost of Goods & Services purchased/availed Subsidiaries**		
	M/s. Madras Chipboard Limited	**NIL**	1.02
	Associates		
	M/s. The Ramco Cements Limited	**13.07**	4.68
	M/s. Ramco Industries Limited	**487.84**	472.29
	M/s. Ramco Systems Limited	**22.98**	21.28
	M/s. Rajapalayam Mills Limited	**1,883.97**	483.28
	M/s. Sri Vishnu Shankar Mill Limited	**197.47**	759.92
	M/s. Shri Harini Media Limited	**11.78**	4.04
	M/s. Sri Harini Textiles Limited	**NIL**	17.27
	Companies over which KMP / Relative of KMP exercise significant Influence		
	M/s. Ramco Windfarms Limited	**286.42**	281.73
	M/s. Sandhya Spinning Mill Limited	**33.08**	928.52
	M/s. Rajapalayam Textile Limited	**1.91**	324.73
	M/s. N.R.K. Infra Systems Private Limited	**5.48**	5.85
	M/s. Vinvent Chemilab Private Limited	**12.07**	0.40
	M/s. Tirupathi Yarntex Spinners Pvt Ltd*	**1,166.36**	NIL
	* from 16.06.2021		
	Other entities over which there is a significant influence		
	M/s. P.A.C.R. Sethuramammal Charity Trust	**21.85**	15.24
	M/s. P.A.C. Ramasamy Raja Centenary Trust	**12.59**	10.26
	M/s. N.R.K. Distribution Services	**102.07**	62.97
	M/s. Gowrihouse Metal Works LLP	**0.03**	0.05
	Relative of KMP exercise significant Influence		
	Smt. N.S. Gitalakshmi	**0.10**	0.08
iv.	**Purchase of Fixed Assets**		
	Associates		
	M/s. Sri Harini Textiles Limited	**NIL**	0.17
	Purchase of Right Issues		
	M/s. Rajapalayam Mills Limited	**128.21**	NIL

(₹ **In Lakhs)**

	Name of the Related Party	2021-22	2020-21
v.	**Leasing Arrangements – Rent Paid**		
	Key Managerial Personnel		
	Smt. Nalina Ramalakshmi	**0.72**	0.72
	Associates		
	M/s. Sri Harini Textiles Limited	**Nil**	(55.76)
vi.	**Share of Enterprise Agreement License Systems for Microsoft Products - Paid**		
	Associates		
	M/s. The Ramco Cements Limited	**7.21**	7.03
vii.	**Share of Issuance Levy for Verified Carbon Units - Paid**		
	Associates		
	M/s. The Ramco Cements Limited	**2.91**	NIL
viii.	**Dividend Paid**		
	Key Managerial Personnel		
	Shri. P.R. Venketrama Raja	**0.03**	0.03
	Smt. Nalina Ramalakshmi	**7.46**	7.46
	Shri. N.R.K. Ramkumar Raja	**0.89**	0.87
	Associates		
	M/s. Rajapalayam Mills Limited	**0.02**	0.02
	M/s. Sri Vishnu Shankar Mill Limited	**0.01**	0.01
	Relatives of Key Managerial Personnel		
	Smt. R. Sudarsanam	**0.05**	0.05
	Smt. Saradha Deepa	**0.05**	0.05
	Shri. N.K. Ramasuwami Raja	**0.06**	0.06
	Shri. N.K. Shrikantan Raja	**0.06**	0.06
	Shri. N.R.K. Venkatesh Raja	**0.10**	0.10
	Smt. P.S. Ramani Devi	**0.07**	0.07
ix.	**Inter Corporate Deposit Accepted**		
	M/s. Rajapalayam Mills Limited	**950.00**	Nil

(₹ In Lakhs)

	Name of the Related Party	2021-22	2020-21
x.	**Corporate Guarantee availed**		
	M/s. Ramco Industries Limited	**4,629.00**	Nil
xi.	**Dividend Received Associates**		
	M/s. The Ramco Cements Limited	**NIL**	103.44
	M/s. Ramco Industries Limited	**NIL**	1.36
	M/s. Rajapalayam Mills Limited	**0.79**	1.35
xii.	**Carbon Units Received Associates**		
	M/s. The Ramco Cements Limited	**10.72**	NIL
xiii.	**Purchase of Equity Instruments Relatives of Key Managerial Personnel**		
	Shri. N.K. Shrikantan Raja	**NIL**	78.91
	Shri. P.J. Ramkumar Rajha	**NIL**	4.93
	Shri. N.K. Ramasuwami Raja	**NIL**	657.78
	Shri. N.R.K. Venkatesh Raja	**NIL**	141.70
	Smt. P.S. Ramani Devi	**NIL**	59.89
	Shri. N.S. Krishnama Raja	**NIL**	66.65
	Smt. B. Annaphurni	**NIL**	38.64
	M/s Rajapalayam Mills Limited	**128.21**	Nil
xiv.	**Sale of Equity Instruments Associates**		
	M/s. Ramco Industries Limited	**NIL**	2,967.94
xv.	**Interest Paid / (Received)**		
	Key Managerial Personnel		
	Smt. Nalina Ramalakshmi	**31.04**	86.90
	Shri. N.R.K. Ramkumar Raja	**3.85**	8.15
	Associates		
	M/s. Sri Harini Textiles Limited	**NIL**	(1.05)
	M/s Rajapalayam Mills Limited	**87.88**	NIL

(₹ In Lakhs)

Name of the Related Party	2021-22	2020-21
xvi. Director's Sitting Fees Key Managerial Personnel		
Shri. P.R. Venketrama Raja	**1.50**	0.85
Smt. Nalina Ramalakshmi	**1.35**	0.80
Shri. N.R.K. Ramkumar Raja	**1.35**	0.80
Shri. N.K. Shrikantan Raja	**2.70**	1.20
Shri. P.J. Alaga Raja	**2.70**	1.15
Justice Shri. P.P.S. Janarthana Raja	**2.40**	1.05
Shri. V. Santhanaraman	**2.40**	0.95
Shri. P.J. Ramkumar Rajha	**3.00**	1.25
Dr. M. Karunakaran	**NIL**	0.60
Shri. P.A.B. Raju	**NIL**	0.80
Shri S. Sarathy Subburaj	**0.20**	NIL
Shri P.A.S Alaghar Raja	**1.30**	NIL
xvii. Remuneration to Key Managerial Personnel (Other than Sitting Fees)		
Smt. Nalina Ramalakshmi, Managing Director	**126.21**	127.49
Shri. N.R.K. Ramkumar Raja, Managing Director	**126.21**	125.33
Shri. N. Vijay Gopal, Chief Financial Officer	**75.21**	52.88
Shri. A. Emarajan, Ex. Company Secretary	**-**	7.29
Shri. Walter Vasanth, Company Secretary	**11.99**	2.46
xviii. Contribution to Superannuation Trust Fund / Gratuity Fund		
Other entities over which there is a significant influence		
The Ramaraju Surgical Cotton Mills Limited Officers' Superannuation Trust Fund	**18.99**	20.34
The Ramaraju Surgical Cotton Mills Limited Employees Gratuity Fund	**30.00**	100.00
xix. Maximum amount of loans and advance/ (borrowings) outstanding during the year		
Key Managerial Personnel		
Smt. Nalina Ramalakshmi	**(731.86)**	(1,277.86)
Shri. N.R.K. Ramkumar Raja	**(204.50)**	(111.50)
Associates		
M/s. Sri Harini Textiles Limited	**NIL**	10.00
M/s Rajapalayam Mills Limited	**950.00**	NIL

(₹ **In Lakhs)**

Name of the Related Party	2021-22	2020-21
xx. Usage charges paid for Power Consumed by virtue of Joint Ownership of Shares with APGPCL Associates		
M/s. The Ramco Cements Limited	**1.66**	1.95
a. CSR Donation Given:		
Other Entities over which there is a significant influence Smt. Lingammal Ramaraju Sastra Prathista Trust	**16.00**	1.00
b. Outstanding balance including commitments		
i. Borrowings:		
Key Managerial Personnel		
Smt. Nalina Ramalakshmi	**(34.83)**	(731.86)
Shri. N.R.K. Ramkumar Raja	**(49.50)**	(89.50)
Associates		
M/s Rajapalayam Mills Limited	**(950.00)**	NIL
ii. Outstanding balance on supply of goods / services Associates		
M/s. Sri Harini Textiles Limited	**NIL**	2,884.54
iii. Security deposit paid by virtue of Joint Ownership of shares with APGPCL		
Associates		
M/s. The Ramco Cements Limited	**11.50**	11.50

c. Disclosure of Key Managerial Personnel compensation in total and for each of the following categories:

Particulars	31-03-2022	31-03-2021
Short – Term Benefits (1)	**321.70**	298.99
Defined Contribution Plan (2)	**17.92**	18.08
Defined Benefit Plan / Other Long-Term Benefits (3)	**NIL**	NIL
Total	**339.62**	317.07

1. It includes bonus, sitting fees, and value of perquisites.
2. It includes contribution to Provident fund and Superannuation fund.
3. As the liability for gratuity and compensated absences are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above

Note No. 46

Disclosure of Fair value measurements

The fair values of financial assets and liabilities are determined at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial instruments approximate their carrying amounts largely due to their short term maturities of these instruments.

Financial Instruments by category **(₹ in Lakhs)**

Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying Amount	Fair Value
As at 31-03-2022					
Financial Assets					
Investments In Preference Shares	**840.00**	**-**	**-**	**840.00**	**840.00**
Other Investments	**-**	**-**	**12.10**	**12.10**	**12.10**
Trade Receivables	**3,611.57**	**-**	**-**	**3,611.57**	**3,611.57**
Cash and Cash Equivalents	**745.45**	**-**	**-**	**745.45**	**745.45**
Bank Balance other than Cash and Cash Equivalents	**91.70**	**-**	**-**	**91.70**	**91.70**
Other Financial Assets	**188.09**	**-**	**-**	**188.09**	**188.09**
Financial Liabilities					
Borrowings	**30,841.22**	**-**	**-**	**30,841.22**	**30,841.22**
Trade Payables	**1,641.19**	**-**	**-**	**1,641.19**	**1,641.19**
Other Financial Liabilities	**861.03**	**-**	**-**	**861.03**	**861.03**

Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying Amount	Fair Value
As at 31-03-2021					
Financial Assets					
Investments In Preference Shares	840.00	-	-	840.00	840.00
Other Investments	-	-	13.80	13.80	13.80
Trade Receivables	7,592.35	-	-	7,592.35	7,592.35
Cash and Cash Equivalents	232.79	-	-	232.79	232.79
Bank Balance other than Cash and Cash Equivalents	7.40	-	-	7.40	7.40
Other Financial Assets	1,416.64	-	-	1,416.64	1,416.64
Financial Liabilities					
Borrowings	27,343.40	-	-	27,343.40	27,343.40
Trade Payables	1,430.30	-	-	1,430.30	1,430.30
Other Financial Liabilities	1,105.02	-	-	1,105.02	1,105.02

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : Quoted (Unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The details of financial instruments that are measured at fair value on recurring basis are given below:

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	**Total**
Financial Instruments at FVTOCI				
Investment in unlisted securities				
As at 31-03-2022	**-**	**-**	**12.10**	**12.10**
As at 31-03-2021	-	-	13.80	13.80
Financial Instruments at FVTPL				
As at 31-03-2022	**-**	**33.26**	**-**	**33.26**
As at 31-03-2021	-	160.81	-	160.81

Valuation techniques used to determine the fair value

The significant inputs used in the fair value measurement categorized within the fair value hierarchy are given below:

Nature of Financial Instrument	**Valuation Technique**	**Remarks**
Investment in Listed securities / Mutual Funds	Market Value	Closing Price as at reporting date in Stock Exchange
Investment in Unlisted securities	Adjusted Net Assets	Net Assets value as per Balance Sheet of respective Companies as at reporting date.
Foreign exchange forward contracts	Mark to Market	Based on MTM valuation provided by the Banker

Note No. 47

Segment Information for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Textiles		Surgicals		Windmill Power		Total	
	31-Mar-2022	31-Mar-2021	**31-Mar-2022**	31-Mar-2021	**31-Mar-2022**	31-Mar-2021	**31-Mar-2022**	31-Mar-2021
REVENUE								
External Sales / Other Operating Income	**39,201.23**	24,902.94	**4,012.55**	3,521.07	**-**	-	**43,213.78**	28,424.01
Inter Segment Sale	**849.09**	616.11		-	**886.71**	848.35	**1,735.80**	1,464.46
Total Sales	**40,050.32**	25,519.05	**4,012.55**	3,521.07	**886.71**	848.35	**44,949.58**	29,888.47
Other Income	**12.85**	67.51	**-**	1.72	**-**	-	**12.85**	69.23
Total Revenue	**40,063.17**	25,586.56	**4,012.55**	3,522.79	**886.71**	848.35	**44,962.43**	29,957.70
RESULT								
Segment Result	**1,739.96**	1,917.34	**599.22**	779.58	**546.50**	466.70	**2,885.68**	3,163.62
Unallocated Income							**0.79**	3,064.95
Unallocated Expenses							**103.21**	632.58
Operating Profit							**2,783.26**	5,595.99
Interest Expenses							**2,077.26**	2,199.86
Interest Income							**172.08**	92.46
Provision for Taxation								
Current Tax							**134.75**	607.02
Deferred Tax							**(210.51)**	208.08
MAT Credit entitilement							**-**	(607.02)
Profit for the year							**953.84**	3,280.51
Profit from ordinary activities							**(81.98)**	(26.49)
Other Comprehensive Income							**(1.71)**	0.79
Net Profit							**870.15**	3,254.81
OTHER INFORMATION								
Segment Assets	**41,606.18**	34,559.46	**2,174.07**	1,828.08	**1,243.21**	1,526.23	**45,023.46**	37,913.77
Unallocated Assets							**2,838.24**	3,945.05
Total Assets	**41,606.18**	34,559.46	**2,174.07**	1,828.08	**1,243.21**	1,526.23	**47,861.70**	41,858.82
Segment Liabilities	**34,282.01**	30,640.29	**1,373.08**	466.76		-	**35,655.09**	31,107.05
Unallocated Liabilities							**-**	-
Total Liabilities	**34,282.01**	30,640.29	**1,373.08**	466.76	**-**	-	**35,655.09**	31,107.05
Capital Expenditure	**4,826.49**	128.89	**252.95**	24.67			**5,079.44**	153.56
Unallocated Capital Expenditure							**-**	-
Depreciation	**4,362.10**	1,524.14	**88.57**	87.42	**141.72**	141.29	**4,592.39**	1,752.85
Unallocated Depreciation Expenditure								-
Non-Cash expenses other than Depreciation							**-**	-

Note No. 48

Financial Risk Management

The Board of Directors (BOD) has overall responsibility for the establishment and oversight of the Company's risk management framework and thus established a risk management policy to identify and analyse the risk faced by the Company. Risk Management systems are reviewed by the BOD periodically to reflect changes in market conditions and the Company's activities. The Company through its training and management standards and procedures develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the risk management framework. The Audit committee is assisted in the oversight role by Internal Audit. Internal Audit undertakes reviews of the risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company has the following financial risks:

Categories of Risk	Nature of Risk
Credit Risk	Receivables
	Financial Instruments and Cash deposits
Liquidity Risk	Fund Management
Market Risk	Foreign Currency Risk
	Cash flow and fair value interest rate risk

The Board of Directors regularly reviews these risks and approves the risk management policies, which covers the management of these risks:

Credit Risk

Credit Risk is the risk of financial loss to the Company if the customer or counterparty to the financial instruments fails to meet its contractual obligations and arises principally from the Company's receivables, treasury operations and other operations that are in the nature of lease.

Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer. The Company extends credit to its customers in the normal course of business by considering the factors such as financial reliability of customers. The Company evaluates the concentration of the risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets. In case of Corporate / Export Customer, credit risks are mitigated by way of enforceable securities. However, unsecured credits are extended based on creditworthiness of the customers on case to case basis.

Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the company and where there is a probability of default, the company creates a provision based on Expected Credit Loss for trade receivables under simplified approach as below:

(₹ in Lakhs)

As at 31-03-2022	Due less than 45 days	46 to 90 days	More than 90 days	Total
Gross carrying amount	**3,329.29**	**153.19**	**117.93**	**3,600.41**
Expected Loss Rate	**0%**	**0%**	**0.35%**	**0.35%**
Expected Credit Losses	**-**	**-**	**11.16**	**11.16**
Carrying amount of trade receivables net of impairment	**3,329.29**	**153.19**	**117.93**	**3,611.57**

As at 31-03-2021	Due less than 45 days	46 to 90 days	More than 90 days	Total
Gross carrying amount	3,624,21	1,162.06	2,806.08	7,592.35
Expected Loss Rate	0%	0%	0%	0%
Expected Credit Losses	-	-	-	-
Carrying amount of trade receivables net of impairment	3,624,21	1,162.06	2,806.08	7,592.35

Financial Instruments and Cash deposits

Investments of surplus funds are made only with the approved counterparties. The Company is presently exposed to counter party risk relating to short term and medium term deposits placed with Banks. The Company places its cash equivalents based on the creditworthiness of the financial institutions.

Liquidity Risk

Liquidity Risks are those risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. In the management of liquidity risk, the Company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the company's operations and to mitigate the effects of fluctuations in cash flows.

Fund Management

Due to the dynamic nature of the underlying business, the Company aims at maintaining flexibility in funding by keeping both committed and uncommitted credit lines available. The Company has laid well defined policies and procedures facilitated by robust information system for timely and qualitative decision making by the management including its day to day operations.

Financial arrangements

The Company has access to the following undrawn borrowing facilities:

(₹ in Lakhs)

Particulars	**31-03-2022**	31-03-2021
Expiring within one year		
Bank Overdraft and other facilities	**3,564.74**	5,229
Term Loans	**4,794.56**	NIL

Maturities of Financial Liabilities **(₹ in Lakhs)**

Nature of Financial Liability	< 1 Year	1 – 5 Years	>5 years	Total
As at 31-03-2022				
Borrowings	**18,207.85**	**12,633.37**	**-**	**30,841.22**
Trade payables	**1,641.19**	**-**	**-**	**1,641.19**
Other Financial Liabilities (Incl. Interest)	**861.03**	**-**	**-**	**861.03**
As at 31-03-2021				
Borrowings	14,891.49	12,451.91	-	27,343.40
Trade payables	1,430.30	-	-	1,430.30
Other Financial Liabilities (Incl. Interest)	1,105.02	-	-	1,105.02

Foreign Currency Risk

The Company's exposure in USD and other foreign currency denominated transactions in connection with import of cotton, capital goods & spares, besides exports of finished goods and borrowings in foreign currency, gives rise to exchange rate fluctuation risk. The Company has following policies to mitigate this risk:

Decisions regarding borrowing in Foreign Currency and hedging thereof, (both interest and exchange rate risk) and the quantum of coverage is driven by the necessity to keep the cost comparable. Foreign Currency loans, imports and exports transactions are hedged by way of forward contract after taking into consideration the anticipated Foreign exchange inflows/outflows, timing of cash flows, tenure of the forward contract and prevailing Foreign exchange market conditions.

The Company uses derivative financial instruments viz. Foreign Exchange Forward Contracts exclusively for hedging currency risks that arise from imports / exports transactions. The Company measures the risk by forecasting foreign currency cash flows and manages its currency risks by appropriately hedging the transactions. When a forward contract is entered into for the purpose of being a hedge, the Company finalizes the terms of those forward contracts to match the terms of the hedged exposure i.e. receivables / payables / Firm Commitments. All identified exposures are managed as per the policy duly approved by the Board of Directors.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities / Firm Commitments as at the end of reporting periods are given below :

As at 31-03-2022

Type	Particulars	USD	EURO
Hedged Items	**Financial Assets / Firm Commitments related to Financial Assets**		
	a) Trade Receivables	**10.01**	
	b) Export sale Contracts	**36.68**	**7.41**
	Financial liabilities / Firm Commitments related to Financial Liabilities		
	a) Buyers Credit Loan	**36.54**	
	b) Foreign Currency Loan	**30.00**	
Hedging Instruments (forward Contracts)	**Instruments for hedging the currency risk on Financial Assets**		
	a) PCFC Loan	**16.69**	
	b) Bill Discount - Export	**1.36**	
	Instruments for hedging the currency risk on Financial Liabilities		
	a) Forward Contract for Buyers Credit Loan	**36.54**	
	b) Forward contract for Foreign Currency Loan	**30.00**	

As at 31-03-2021 **(₹ in Lakhs)**

Type	Particulars	USD	EURO
Hedged Items	**Financial Assets / Firm Commitments related to Financial Assets**		
	a) Trade Receivables	0.68	
	b) Export sale Contracts	2.57	0.24
	Financial liabilities / Firm Commitments related to Financial Liabilities		
	a) Buyers Credit Loan	1.96	-
	b) Foreign Currency Loan	-	-
Hedging Instruments (forward Contracts)	**Instruments for hedging the currency risk on Financial Assets**		
	a) PCFC Loan	-	1.15
	b) Bill Discount - Export	0.22	-
	Instruments for hedging the currency risk on Financial Liabilities		
	a) Forward Contract for Buyers Credit Loan	1.73	-
	b) Forward contract for Foreign Currency Loan	-	-

Cash flow and fair value interest rate risk

Interest rate risk arises from long term borrowings with variable rates which exposed the company to cash flow interest rate risk. The Company's fixed rate borrowing are carried at amortized cost and therefore are not subject to interest rate risk as defined in Ind AS 107 since neither the carrying amount nor the future cash flows will fluctuate because of the change in market interest rates. The Company is exposed to the evolution of interest rates and credit markets for its future refinancing, which may result in a lower or higher cost of financing, which is mainly addressed through the management of the fixed/floating ratio of financial liabilities. The Company constantly monitors credit markets to strategize a well-balanced maturity profile in order to reduce both the risk of refinancing and large fluctuations of its financing cost. The Company believes that it can source funds for both short term and long term at a competitive rate considering its strong fundamentals on its financial position.

Interest rate risk exposure

Particulars	**31-03-2022**	31-03-2021
Variable Rate Borrowings	**16,940.36**	16,343.14

The Company does not have any interest rate swap contracts.

Sensitivity on Interest rate fluctuation

Incremental Interest Cost works out to	**31-03-2022**	31-03-2021
1% Increase in Interest Rate	**169.40**	163.43

Note No. 49

Impact of Covid - 19:

The resurgence of COVID-19 in India has forced State Government to impose complete lockdown from 24-05-2021 to 31-05-2021 and Mills were temporarily shutdown during that period. However, there is no material impact in the financial statements for the year ended 31-03-2022 due to such related restrictions.

Note No. 50

Events After the Reporting Period – Distribution Made and Proposed **(₹ in Lakhs)**

Particulars	31-03-2022	31-03-2021
Cash Dividends on Equity Shares declared and paid Final Dividend for the year ended 31st March, 2021 ₹ 0.50/- per share (PY: ₹ 0.50 per Share)	**19.73**	19.73
Proposed Dividends on Equity Shares Final Dividend for the year ended 31st March, 2022 ₹ 1.00/- per share (PY: ₹ 0.50 per Share)	**39.47**	19.73

Note No.51

Additional Regulatory Information as required under Companies Act, 2013 / IND AS

a) Details of loans granted to Promoters, Directors, KMP and related parties:

Type of Borrower	Amount of Loan outstanding as on 31-03-2022	% to the Total Loans and advances in the nature of Loans
Nil		

b) Undisclosed Income The Company do not have any transaction which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during any of the years.

c) Benami property

The Company did not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

d) Relationship with Struck off Companies The Company did not have any transactions with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956 considering the information available with the Company.

e) Details of Crypto Currency or Virtual Currency The Company did not trade or invest in Crypto Currency or virtual currency during the financial year. Hence disclosure relating to it are not applicable.

f) The Company has neither advanced or loaned or invested, nor received any fund, to or from, any other persons or entities (intermediaries) with the understanding that the intermediary shall:

i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or onbehalf of the Company or

ii) provide any guarantee, security or the like to or onbehalf of the ultimate beneficiaries.

g) Key Financial Ratio: **(₹ in Lakhs)**

Sl. No.	Particulars	UOM	31-03-2022	31-03-2021	Variation in %
1	Current Ratio	in multiple	**0.93**	1.13	(17.21)
2	Debt - Equity Ratio	in multiple	**2.53**	2.54	(0.65)
3	Debt Service Coverage Ratio	in multiple	**1.31**	1.29	1.55
4	Return on Equity Ratio	in %	**8**	36	(74.39)
5	Inventory Turnover Ratio	in Days	**67**	89	(24.60)
6	Trade Receivable Turnover Ratio	in Days	**47**	85	(44.04)
7	Trade Payable Turnover Ratio	in Days	**13**	18	(29.21)
8	Net Capital Turnover Ratio	in Days	**101**	155	(34.67)
9	Net Profit Ratio	in %	**2**	10	(78.80)
10	Return on Capital Employed	in %	**7**	14	(51.05)
11	Return on Investments (Assets)	in %	**2**	8	(74.57)

Formula adopted for above Ratios:

(a) Current Ratio = Current Assets / (Total Current Liabilities - Security Deposits payable on Demand - Current maturities of Long Term Debt) - Current Payable Capital Goods

(b) Debt-Equity Ratio = Total Debt / Total Equity

(c) Debt Service Coverage Ratio = (EBITDA - Current Tax) / (Principal Repayment + Gross Interest)

(d) Return on Equity Ratio = Total Comprehensive Income / Average Total Equity

(e) Inventory Turnover Ratio (Average Inventory days) = 365 / (Net Revenue / Average Inventories)

(f) Trade receivables Turnover Ratio (Average Receivables days) = 365 / (Net Revenue / Average Trade receivables)

(g) Trade Payables Turnover Ratio (Average Payable days) = 365 / (Net Revenue / Average Trade payables)

(h) Net Capital Turnover Ratio = (Inventory Turnover Ratio + Trade receivables turnover ratio - Trade payables turnover ratio)

(i) Net Profit Ratio = Net Profit / Net Revenue

(j) Return on Capital employed = (Total Comprehensive Income + Interest) / (Average of (Equity + Total Debt))

(k) Return on Investment (Assets) = Total Comprehensive Income / Average Total Assets

Reasons for Variation for more than 25%

(a) Serial No. 4 due to this mainly on account of profit on sales of investments in 21-22.

(b) Serial No. 6 due to elimination of transferee company receivables due to merger.

(c) Serial No. 8 due to Cumulative impact of improvements in Inventory Turnover Ratio, Trade Receivable Turnover Ratio and Trade Payable Turnover Ratio.

g) **Disclosures related to CSR activities** **(₹ in Lakhs)**

Particulars	Amount
Amount required to be spent by the company during the year	17.43
Amount of expenditure incurred	17.92
Shortfall at the end of the year	Nil
Total of previous years shortfall	Nil
Reason for shortfall	Not Applicable
Nature of CSR activities	Refer Table A
Details of related party transactions	Refer Table A

Note : The Company has not made any provision related to CSR activities for the FY 2021-22 and FY 2020-21.

Table A - Nature of CSR Activities:

Sl. No.	CSR Project or Activity identified & Sector in which the project is covered	Locations	Amount
			Actual
1.	Eradication of Hunger	Rajapalayam, (Tamil Nadu),	2.92
2.	Promotion of Education *	Rajapalayam, (Tamil Nadu),	15.00
TOTAL			**17.92**

* Paid to Lingammal Ramaraju Shastra Prathishta Trust (Related Party Transaction).

Note No. 52

Reclassification of previous year figures upon complying with Schedule III Amendments

The Company had voluntarily adopted to comply with the amendments in Schedule III of Companies Act, 2013 notified on 24-03-2021, for the financial year 2021-22, though the applicability is spelt out with effect from 01-04-2021. Accordingly, the Company has complied with such disclosures and reclassified the following items in the previous years, to conform to current year classification.

Nature of Reclassification	Amount of each item reclassified	Reason for reclassification
Hitherto, Current maturities of Long term borrowings was included in Other Current Financial Liabilities. As per the requirement under amendments to Schedule III, the same has been presented under 'Short Term Borrowings' as a separate line and previous year figure has been reclassified.	2021-22: ₹ 4,502.48 Lakhs 2020-21: ₹ 3,891.23 Lakhs	Schedule III Amendments in the Companies Act, 2013

The Company had voluntarily adopted to comply with the amendments in Schedule III of Companies Act, 2013 notified on 24-03-2021, from the financial year 2021-22, though the applicability is spelt out with effect from 01-04-2021. Hitherto, investments in subsidiaries and associates was presented outside 'Financial Assets' as a separate line item on the face of a balance sheet for the reason that, the interests in subsidiaries and associates that are accounted in accordance with Ind AS 27 Separate Financial Statements, Ind AS 110 Consolidated Financial Statements or Ind AS 28 Investment in Associates, are scoped out from the applicability of Ind AS 107 and Ind AS 109. However, investments in subsidiaries and associates should be presented within financial assets, since such investments still meet the definition of financial instruments, as per the Guidance Note issued by ICAI during January 2022 vide para no. 8.1.8.4. Accordingly, the Company has complied with such disclosures and reclassified previous year figures, wherever necessary, to conform to current year classification.

Note No. 53

Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the Shareholders' wealth.

The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus Debt.

Particulars	**31-03-2022**	31-03-2021
Long Term Borrowings	**12,437.88**	12,451.91
Current maturities of Long Term borrowings	**4,502.48**	3,891.23
Short Term Borrowings	**13,900.86**	11,000.26
Less: Cash and Cash Equivalents	**837.15**	240.19
Net Debt (A)	**30,004.07**	27,103.21
Equity Share Capital	**399.79**	394.66
Other Equity	**11,806.82**	10,357.11
Total Equity (B)	**12,206.61**	10,751.77
Total Capital Employed (C) = (A) + (B)	**42,210.68**	37,854.98
Capital Gearing Ratio (A) / (C)	**71%**	72%

In order to achieve the overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans/borrowing. The Company has been consistently focusing on reduction in long term borrowings. There are no significant changes in the objectives, policies or processes for managing capital during the year ended 31-03-2022 and 31-03-2021.

As per our report annexed

For N.A. Jayaraman & Co
Chartered Accountants
Firm Registration No. 001310S

R. Palaniappan
Partner
Membership No. 205112

Chennai
12th August, 2023

On behalf of the Board of Directors
For The Ramaraju Surgical Cotton Mills Limited

Shri P.R.Venketrama Raja
Chairman
(DIN: 00331406)
Rajapalayam

Shri N.R.K.Ramkumar Raja
Managing Director
(DIN: 01948373)
Rajapalayam

N.Vijay Gopal
Chief Financial Officer
Rajapalayam

INDEPENDENT AUDITOR'S REPORT

To the Members of **The Ramaraju Surgical Cotton Mills Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the Consolidated financial statements of **THE RAMARAJU SURGICAL COTTON MILLS LIMITED** ("the Holding Company"), its subsidiary (collectively referred to as "the Company" or "the Group") and its associates, comprising of the consolidated balance sheet as at 31st March 2022, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information ("the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Company as at 31st March 2022, and the consolidated profit/loss, and its consolidated cash flows for the year ended and consolidated changes in the equity 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 Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by Institute of Chartered Accountants of India, 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.

Emphasis of Matter

We draw attention to Note No. 53 to the consolidated financial statements, which describes the uncertainties and the impact of the COVID 19 pandemic on the operations and results on financial results. The Management has assessed that there is no material impact on the financial statements due to lockdown and related restrictions imposed towards controlling the COVID 19 pandemic. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matter	Auditor's Response
1	**Recognition and measurement of deferred taxes** The recognition and measurement of deferred tax items requires determination of differences between the recognition and the measurement of assets, liabilities, income and expenses in accordance with the Income Tax Act and other applicable tax laws including application of ICDS and financial reporting in accordance with Ind AS. Assessment of Deferred Tax Assets is done by the management at the close of each financial year taking into account forecasts of future taxable results. We have considered the assessment of deferred tax liabilities and assets as a key matter due to the importance of management's estimation and judgment and the materiality of amounts. **(Refer to Note No. 6 D (iv),(v),(vi),(vii) & 7(iv) to the Consolidated Financial Statements)**	**Principal Audit Procedures** The key matter was addressed by performing audit procedures which involved assessment of underlying process and evaluation of internal financial controls with respect to measurement of deferred tax and assessment of the items leading to recognition of deferred tax in light of prevailing tax laws and applicable financial reporting standards. Furthermore we assessed the adequacy and appropriateness of the disclosures in the consolidated financial statements.
2	**Evaluation of uncertain Tax Position / Other contingent liabilities** The Company has material uncertain tax position in respect of possible or actual taxation disputes, litigations and claims. The provisions are estimated using a significant degree of management judgment in interpreting the various relevant rules, regulations and practices and in considering precedents in various legal forums. **(Refer to Note No. 6(O) (iv) & 7 (vii) to the Consolidated Financial Statements)**	**Principal Audit Procedures** The Audit addressed this Key Audit Matter by assessing the adequacy of tax Provisions by reviewing the management's underlying assumptions in estimating the tax provisions and the possible outcome of the disputes. We reviewed the significant litigations and claims and discussed with the Company's legal counsel, external advisors about their views regarding the likely outcome and magnitude of and exposure to relevant litigation and claims. Furthermore we assessed the adequacy and appropriateness of the disclosures in the Consolidated financial statements.

S. No.	Key Audit Matter	Auditor's Response
3	**Existence and impairment of Trade Receivables** Trade Receivables are significant to the Company's financial statements. The Collectability of trade receivables is a key element of the company's working capital management, which is managed on an ongoing basis by its management. Due to the nature of the Business, the requirements of customers and various contract terms are in place, there is a risk that the carrying values may not reflect of their recoverable amounts as at the reporting date, which would require an impairment provision. Where there are indicators of impairment, the company undertakes assessment of the recoverability of the amounts. Given the magnitude and inherent uncertainty involved in the judgement, in estimating impairment assessment of trade receivables, we have identified this as a key audit matter. **(Refer to Note No. 6 V (vii), 6 X (vi)(b) and 7(viii) to the Consolidated Financial Statements)**	**Principal Audit Procedures**: We performed audit procedures on the assessment of trade receivables, which included substantive testing of revenue transactions, obtaining trade receivable external confirmations and testing the subsequent payments received. Assessing the impact of impairment on trade receivables requires judgement and we evaluated management's assumptions in determining the provision for impairment of trade receivables, by analyzing the ageing of receivables, assessing significant overdue individual trade receivables and specific local risks, combined with the legal documentations, where applicable. We tested the timing of revenue and trade receivables recognition based on the terms agreed with the customers. We also reviewed, on a sample basis, terms of the contract with the customers, invoices raised, etc., as a part of our audit procedures. Furthermore we assessed the adequacy and appropriateness of the disclosures in the consolidated financial statements.
4	**Changes in useful life of Property, plant and equipment (PPE)** As at March 31, 2022 the Holding Company had a gross block of Rs. 35,591.42 Lakhs in plant and machinery and Electrical Machinery which constitutes 77.03% of the property, plant and equipment of the Holding Company. In the current year, the Holding Company has revised the useful life of the plant and machinery and Electrical Machinery. Assessment of useful lives of plant and machinery and Electrical Machinery involves management judgment, consideration of historical experiences, anticipated technological changes, etc. Accordingly, it has been determined as a key audit matter. **(Refer to Note No. 6 E & 7 (ii) of the consolidated financial statements)**	Our audit procedures included and were not limited to the following: Evaluating the reasonableness of the assumptions considered by the management in estimation of useful life. Examining the useful economic lives assigned with reference to the Holding Company' historical experience, technical evaluation by Registered Valuer and our understanding of the future utilisation of assets by the Holding Company. Assessing whether the impact on account of the change has been appropriately recognized in the financial statements. Review of the disclosures made in the financial statements in this regard.

S. No.	Key Audit Matter	Auditor's Response
5	**Business Combination under Acquisition method of Accounting with M/s. Sri Harini Textiles Limited** Pursuant to the National Company Law Tribunal (NCLT) Order dated May 31, 2023, Associate of the Holding Company namely M/s. Sri Harini Textiles Limited ("Transferor Company") were merged with the Holding Company. The Holding Company has accounted for the business combination using the Acquisition method in accordance with Ind AS 103 – Business Combination (the 'Standard'). The Fair/ Book Value of the assets and liabilities of the Transferor Company as at April 1, 2021 (being Appointed date as per the Scheme of Amalgamation) have been incorporated in the books with merger adjustments, as applicable. The Holding Company has allotted 51,340 fully paid-up equity shares to the eligible shareholders of the Transferor Company excluding inter holding by the Holding company in accordance with the Scheme of Amalgamation. The Holding Company has recognised Goodwill of Rs.1,882.38 Lakhs under Non-Current Assets. Considering the magnitude and complex accounting involved, the aforesaid business combination treatment in Consolidated financial statements has been considered to be a key audit matter. **(Refer to Note No. 43 of the Consolidated financial statements)**	Our audit procedures included the following: We understood from the management, assessed and tested the design and operating effectiveness of the Holding Company's key controls over the accounting of business combination. We have traced the assets, liabilities and tax losses of the Transferor Company from the audited financial statements received from the other auditors under our audit instructions. We tested management's assessment of accounting for the business combination and determined that it was appropriately accounted for in accordance with Ind AS 103 Business Combination. We tested the management's computation of determining the amount determined to be recorded in Goodwill. We also assessed the adequacy and appropriateness of the disclosures made in the Consolidated financial statements. Based on the above work performed, the management's accounting for the Scheme of Amalgamation of Transferor Company with the Holding Company is in accordance with the Ind-AS 103 Business Combination.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's management and board of directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Responsibilities of Management and those charged with Governance for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated state of affairs, consolidated profit/loss including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the Group including its Associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the each entity 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the entities included in the Group and of its associates are responsible for assessing the ability of each entiry and its associates 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 entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group and its Associates are responsible for overseeing the financial reporting process of each entity.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 with reference to consolidated financial statements 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 in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness this assumptions. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (Holding Company and Subsidiary) and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of company and such other entities included in the consolidated financial statements of which we are independent auditors 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 Consolidated 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.

Other Matters

a. The Consolidated financial statements include financial statements of one subsidiary which reflect the total assets of Rs. 2191.17 Lakhs as at 31st March, 2022, the total revenue of Rs.2.55 Lakhs and net cash outflow of Rs. 49.92 Lakhs for the year ended 31st March, 2022 which was audited by another independent auditor whose report has been furnished to us.

b. The consolidated financial statements also include the Group's share of profit after tax of Rs. 1273.13 Lakhs and total comprehensive income of Rs. 1270.05 Lakhs for the year ended 31st March 2022 as considered in the consolidated audited financial statements in respect of all the six associates. The financial results / financial information of one associate has been audited by us along with another joint auditor and five associates have been audited by an Independent Auditor, whose reports have been furnished to us by the management and our report on the consolidated financial statements in so far as it relates to the amounts that have been derived from such audited financial statements is solely based on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is based on the financial statements/financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, 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 ourauditof the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by lawrelating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2022 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its associates incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31st March 2022 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "**Annexure**", which is based on the auditor's reports of the company and its subsidiary and its associate companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reason stated there in.

(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 best of our information and according to the explanations given to us, the remuneration paid to the directors during the current year by the Holding Company and its subsidiary and associates which are incorporated in India is in accordance with the provision of section 197 (16) of the Act. The remuneration paid to any director by the Holding Company and its subsidiary and associates which are incorporated in India, is not in excess of 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 Auditor's 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 tous:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates.

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary and associate companies incorporated in India during the year ended 31st March 2022.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed 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) of Companies (Audit and Auditors) Rules, 2014, as provide under (a) and (b) above, contain any material mis-statement.

v. As stated in Note No. 54 to the consolidated financial statements, the dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

For **N.A. JAYARAMAN & CO.,**
Chartered Accountants
Firm Registration Number: 001310S

R. PALANIAPPAN
Partner
Membership Number: 205112
UDIN: 23205112BGTRBC9431

Chennai
12th August 2023

Annexure to the Independent Auditor's Report

Referred to in Paragraph (f) of Report on Other Legal and Regulatory Requirements of our Report of even date

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of The Ramaraju Surgical Cotton Mills Limited (The Holding Company) as of and for the year ended 31st March 2022, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary and associate companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary and associate companies which are companies incorporated in India, are 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 ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting with reference to financial statements of the Holding Company and its subsidiary and associates which are incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note, issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports and the information and explanation provided by the management is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, based on the test checks conducted by us, the Holding Company and its subsidiary and associate companies which are companies incorporated in India, have, in all material respects, reasonably adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were prima facie operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **N.A. JAYARAMAN & CO.,**
Chartered Accountants
Firm Registration Number: 001310S

R. PALANIAPPAN
Partner
Membership Number: 205112
UDIN: 23205112BGTRBC9431

Chennai
12th August 2023

THE RAMARAJU SURGICAL COTTON MILLS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2022

(SUBSEQUENT TO THE SCHEME OF AMALGAMATION OF SRI HARINI TEXTILES LIMITED)

(₹ in Lakhs)

	Note No.	As at 31-03-2022		As at 01-04-2021		As at 31-03-2021	
I ASSETS							
(1) Non-Current Assets							
Property, Plant and Equipment	8	**24,105.54**		26,542.11		24,469.84	
Capital Work-in-progress	9	**2,497.60**		121.51		121.51	
Investment Property	10	**5.62**		5.80		5.80	
Goodwill	11	**1,951.50**		1,951.50		69.12	
Intangible Assets	12	**1.83**		1.82		1.82	
Financial Assets							
Investment in Associates	13	**18,246.31**		16,848.85		16,848.85	
Other Investment	14	**12.10**		13.80		13.80	
Other Financial Assets	15	**410.68**		480.16		406.59	
Deferred Tax Assets (Net)	28	**79.30**		-		-	
Other Non-Current Assets	16	**1,742.01**		552.64		552.64	
Sub Total (A)			**49,052.49**		46,518.19		42,489.97
(2) Current Assets							
Inventories	17	**10,333.99**		6,389.77		5,511.06	
Financial Assets							
Trade Receivables	18	**3,611.57**		5,073.69		7,604.88	
Cash and Cash Equivalents	19	**848.16**		384.65		380.60	
Bank Balance other than Cash and Cash Equivalents	20	**93.45**		10.77		10.77	
Other Financial Assets	21	**188.09**		1,434.77		1,419.63	
Current Tax Assets		**239.93**				-	
Other Current Assets	22	**2,929.09**		1,465.64		1,054.08	
Sub Total (B)			**18,244.28**		14,759.29		15,981.02
TOTAL ASSETS (A+B)			**67,296.77**		61,277.48		58,470.99
II EQUITY AND LIABILITIES							
(1) Equity							
Equity Share Capital	23	**399.78**		399.78		394.65	
Other Equity	24	**28,865.66**		26,841.97		26,093.68	
Non-Controlling Interest	25	**521.36**		777.62		777.62	
Toal Equity (A)			**29,786.80**		28,019.37		27,265.95
(A)Non Current Liabilities							
Financial Liabilities							
Borrowings	26	**14,140.39**		13,401.91		12,451.91	
Provisions	27	**80.48**		66.99		62.91	
Deferred Tax Liabilities (Net)	28	**-**		128.92		350.40	
Deferred Government Grants	29	**17.41**		58.91		40.05	
Sub Total (B)			**14,238.28**		13,656.73		12,905.27
(B)Current Liabilities							
Financial Liabilities							
Borrowings	30	**18,432.29**		15,909.74		14,891.49	
Trade Payables							
(i) Total outstanding dues of micro enterprises and small enterprises	31	**92.18**		76.79		58.90	
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	31	**1,666.64**		1,586.13		1,378.72	
Other Financial Liabilities	32	**862.78**		1,113.67		1,108.39	
Other Current Liabilites	33	**1,678.45**		502.85		468.74	
Provisions	34	**539.35**		377.85		359.18	
Current Tax Liabilities		**-**		34.35		34.35	
Sub Total (C)			**23,271.69**		19,601.38		18,299.77
TOTAL EQUITY AND LIABILITIES (A+B+C)			**67,296.77**		61,277.48		58,470.99
Significant Accounting Policies, Judgements and Estimates	1-7						
See accompanying notes to the financial statements	6-57						

As per our report annexed

For N.A. Jayaraman & Co
Chartered Accountants
Firm Registration No. 001310S

R. Palaniappan
Partner
Membership No. 205112

Chennai
12th August, 2023

On behalf of the Board of Directors

For The Ramaraju Surgical Cotton Mills Limited

Shri P.R.Venketrama Raja
Chairman
(DIN: 00331406)
Rajapalayam

Shri N.R.K.Ramkumar Raja
Managing Director
(DIN: 01948373)
Rajapalayam

N.Vijay Gopal
Chief Financial Officer
Rajapalayam

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022
(SUBSEQUENT TO THE SCHEME OF AMALGAMATION OF SRI HARINI TEXTILES LIMITED)

(₹ In Lakhs)

		Note No.	For the Year Ended 31-03-2022	For the Year Ended 31-03-2021
	INCOME			
I	Revenue from operations	35	**43,213.77**	28,424.00
II	Other Income	36	**187.49**	3,141.35
III	**Total Income (I+II)**		**43,401.26**	31,565.35
IV	**EXPENSES**			
	Cost of Materials Consumed	37	**25,515.59**	12,974.01
	Purchases of Stock- in- Trade		**505.04**	190.00
	Changes in Inventories of Finished Goods and Work-in-Progress	38	**(970.87)**	3,041.75
	Employee Benefit Expenses	39	**4,043.43**	3,104.53
	Finance Cost	40	**2,077.26**	2,199.86
	Depreciation and Amortisation Expenses	41	**4,597.83**	1,753.37
	Other Expenses	42	**6,864.27**	4,929.21
	Total Expenses		**42,632.55**	28,192.73
V	**Profit before tax (III-IV)**		**768.71**	3,372.62
	Tax Expenses / (Savings)			
	Current Tax		**134.75**	611.65
	Deferred Tax		**(208.22)**	(405.84)
VI	**Total Tax Expenses / (Savings)**		**(73.47)**	205.81
VII	**Profit for the year before share of Profit of Associates (V - VI)**		**842.18**	3,166.81
VIII	**Share of Net profit after tax of Associates accounted using equity method**		**1,273.13**	1060.30
IX	Profit for the Year (VII + VIII)		**2,115.31**	4,227.11
X	**Other Comprehensive Income**			
	Item that will not be reclassified subsequently to Profit and Loss:			
	Remeasurement Gains / (Losses) on defined benefit obligation (net)		**(81.98)**	(26.49)
	Less: Income tax Savings		**(14.32)**	(4.63)
	Add: Deferred Tax (including MAT Credit)		**14.32**	4.63
			(81.98)	(26.49)
	Fair value Gain on Equity Instruments through OCI (Net)		**(1.71)**	0.79
	Share of OCI of Associates accounted for using the equity method		**(3.08)**	(4.67)
	Other Comprehensive Income / (Loss) for the year, net of tax		**(86.77)**	(30.37)
XI	**Total Comprehensive Income for the year, net of tax (IX+X)**		**2,028.54**	4,196.74
	Profit for the attributable to :			
	Shareholders of the company		**2,144.07**	4,229.78
	Non controlling Interest		**(28.76)**	(2.67)
	Total Comprehensive Income for the year attributable to :			
	Shareholders of the company		**2,057.30**	4,199.41
	Non controlling Interest		**(28.76)**	(2.67)
XII	**Earnings per Equity Share of ₹10/- each (Basic & Diluted) (In Rupees)** **(Refer Note No.49)**		**53.63**	107.20
	Significant Accounting Policies, Judgements and Estimates	1 - 7		
	See accompanying notes to the financial statements.	8-57		

As per our report annexed

For N.A. Jayaraman & Co
Chartered Accountants
Firm Registration No. 001310S

R. Palaniappan
Partner
Membership No. 205112

Chennai
12th August, 2023

On behalf of the Board of Directors
For The Ramaraju Surgical Cotton Mills Limited

Shri P.R.Venketrama Raja
Chairman
(DIN: 00331406)
Rajapalayam

Shri N.R.K.Ramkumar Raja
Managing Director
(DIN: 01948373)
Rajapalayam

N.Vijay Gopal
Chief Financial Officer
Rajapalayam

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022
(SUBSEQUENT TO THE SCHEME OF AMALGAMATION OF SRI HARINI TEXTILES LIMITED)

A. Equity Share Capital

(₹ in Lakhs)

For the year ended 31-03-2022	Amount
Equity Shares of ₹ 10 each issued, subscribed and fully paid up	
Balance as at 01-04-2021	394.65
Changes in Equity Share Capital during the year 2021-22	
Add: Issue of shares pursuant to Business Combination (Refer Note No. 43)	5.13
Balance as at 31-03-2022	**399.78**

For the year ended 31-03-2021	Amount
Balance as at 01-04-2020	394.65
Changes in Equity Share Capital during the year 2020-21	
Balance as at 31-03-2021	**394.65**

B. Other Equity (Refer Note No. 24 & 25)

(1) For the year ended 31-03-2022

Particulars	Reserves and Surplus					Non-controlling Interest	Items of OCI			Total Other Equity
	Capital Reserve	Capital Reserve on Consolidation	Securities Premium	General Reserve	Retained Earnings		FVTOCI Equity Instruments	Re-measurements of Defined Benefit Obligations	Share of OCI of Associates	
Other Equity as at 01-04-2021	**17.63**	**10,337.79**	**-**	**15,175.71**	**557.54**	**777.62**	**5.01**	**-**	**-**	**26,871.30**
Pursuant to Business Combination										
Add/(Less): Changes in reserves on Appointed Date - 01-04-2021	-		743.92	-	(144.63)		-	-	-	599.29
Add: De-Classification of Associates Share upon Busniess Combination	-	149.00	-	-	-	-	-	-	-	149.00
Other Equity as at 01-04-2021	**17.63**	**10,486.79**	**743.92**	**15,175.71**	**412.91**	**777.62**	**5.01**	**-**	**-**	**27,619.59**
Financial Year 2021-22										-
Add/(Less): Profit for the year					2,144.07	(28.76)				2,115.31
Add/(Less): Other Comprehensive Income							(1.71)	(81.98)	(3.08)	(86.77)
Total Comprehensive Income	**-**	**-**	**-**	**-**	**2,144.07**	**(28.76)**	**(1.71)**	**(81.98)**	**(3.08)**	**2,028.54**
Add/(Less): Purchase of NCI Shares in Subsidiary					(13.88)	(227.50)				(241.38)
Add/(Less): Transfer from OCI					(81.76)		(3.30)	81.98	3.08	-
Add/(Less):Dividend distribution to shareholders					(19.73)					(19.73)
Other Equity as at 31-03-2022	**17.63**	**10,486.79**	**743.92**	**15,175.71**	**2,441.61**	**521.36**	**-**	**-**	**-**	**29,387.02**

(2) For the year ended 31-03-2021

(₹ in Lakhs)

Particulars	Reserves and Surplus					Non-controlling Interest	Items of OCI			Total Other Equity
	Capital Reserve	Capital Reserve on Consoli-dation	Securities Premium	General Reserve	Retained Earnings		FVTOCI Equity Instru-ments	Re-mea-surements of Defined Benefit Obliga-tions	Share of OCI of Associates	
Other Equity as at 01-04-2020	**17.63**	**11,327.78**	**-**	**6,516.30**	**5,391.55**		**4.22**	**-**		**23,257.48**
Financial Year 2020-21										
Add/(Less): Profit for the year	-	-	-	-	4,229.78	(2.67)	0.79	-		4,227.90
Add/(Less): Other Comprehensive Income	-	-	-	-	-	-	-	(26.49)	(4.67)	(31.16)
Total Comprehensive Income	**-**		**-**	**-**	**4,229.78**	**(2.67)**	**0.79**	**(26.49)**	(4.67)	**4,196.74**
Add/(Less): On Acquisition of Subsidiary	-				-	1,005.00	-	-		1,005.00
Add: Purchase of NCI Shares in Subsidiary	-				(12.90)	(224.71)	-	-		(237.61)
Less : Payment of Dividend	-				(19.73)		-	-		(19.73)
Less : De-Classification of Associates Share	-	(989.99)	-	(340.59)	-	-	-	-		(1,330.58)
Add : Transfer from OCI	-				(31.16)	-	-	26.49	4.67	-
Less : Transfer to General Reserve	-				(9,000.00)	-	-	-		(9,000.00)
Add : Transfer from Retained Earnings	-			9,000.00	-	-	-	-		9,000.00
Other Equity as at 31-03-2021	**17.63**	**10,337.79**	**-**	**15,175.71**	**557.54**	**777.62**	**5.01**	**-**		**26,871.30**

As per our report annexed

For N.A. Jayaraman & Co
Chartered Accountants
Firm Registration No. 001310S

R. Palaniappan
Partner
Membership No. 205112

Chennai
12th August, 2023

On behalf of the Board of Directors
For The Ramaraju Surgical Cotton Mills Limited

Shri P.R.Venketrama Raja
Chairman
(DIN: 00331406)
Rajapalayam

Shri N.R.K.Ramkumar Raja
Managing Director
(DIN: 01948373)
Rajapalayam

N.Vijay Gopal
Chief Financial Officer
Rajapalayam

CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31ST MARCH, 2022
(SUBSEQUENT TO THE SCHEME OF AMALGAMATION OF SRI HARINI TEXTILES LIMITED)

(₹ in Lakhs)

			31-03-2022	31-03-2021
A.	**Cash flows from Operating Activities**			
	Profit before tax		**768.71**	3,372.62
	Adjustments for reconcile Profit /(Loss) Before Tax to Net Cash Flows:			
	Depreciation & Amortisation		**4,597.83**	1,753.37
	Finance Cost		**2,077.26**	2,199.86
	Interest Received		**(172.34)**	(91.23)
	Loss/(Profit) on Sale of Assets		**252.77**	(1.90)
	Government Grants		**(1.45)**	(29.83)
	Profit on sale of Investment		**-**	(2,958.80)
	Bad Debts		**11.03**	-
	Impairment Allowances for Trade Receivable		**11.16**	5.92
	Operating Profit before Working capital Changes		**7,544.97**	4,250.01
	Movements in Working Capital:			
	Trade Receivables		**1,607.62**	(2,021.44)
	Loans and Advances		**(179.00)**	(994.82)
	Inventories		**(3,944.22)**	2,840.96
	Trade Payables & Current liabilities		**(87.78)**	417.55
	Cash generated from Operations		**4,941.59**	4,492.26
	Income tax Paid (Net)		**(234.73)**	(572.15)
	Net Cash Flows from Operating Activities	**A**	**4,706.86**	3,920.11
B.	**Cash Flows from Investing Activities :**			
	Purchase of Property, Plant and Equipment, Intangible Asset & Investment property (Including Capital work-in-progress, Capital Advance and payable for Capital Goods)		**(5,058.18)**	(1,371.98)
	Investment in Shares		**(369.59)**	-
	Declassification of Investment pursuant to the scheme of amalgamation		**149.00**	-
	sale of Investment		**-**	2,962.26
	Proceeds from Sale of Property, Plant & Equipments		**190.14**	17.14
	Interest Received		**4.65**	91.23
	Dividend Received		**0.79**	106.15
	Net Cash Flows from / (used in) Investing Activities	**B**	**(5,083.19)**	1,804.80

(₹ in Lakhs)

		31-03-2022	31-03-2021
C. Cash Flows from Financing Activities :			
Long Term Borrowings			
Proceeds from Long Term Borrowings		**6,343.43**	5,523.00
Repayment of Long Term Loan		**(4,043.70)**	(3,112.51)
Short Term Borrowings			
Proceeds / (Repayment) of Deposits - Related Parties		**241.97**	(535.00)
Proceeds / (Repayment) of Short Term Borrowings (Net)		**720.24**	(4,927.03)
Non-controlling Interest		**(241.38)**	(237.61)
Payment of Dividend		**(19.73)**	(19.73)
Finance Cost		**(2,077.26)**	(2,199.86)
Net Cash Flows used in Financing Activities	**C**	**923.57**	(5,508.74)
Net Increase in Cash and Cash Equivalent	**D=(A+B+C)**	**547.24**	216.17
Opening balance of Cash and Cash Equivalents	**E**	**391.37**	175.20
Cash and Cash Equivalents acquired pursuant to business Combination	**F**	**3.00**	-
Closing balance of Cash and Cash Equivalents	**D+E+F**	**941.61**	391.37

Notes:

(i) The above Statement of Cash Flow has been prepared under 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flow.

(ii) Bank Borrowings including Cash Credits are considered as Financing Activities.

(iii) For the purpose of Statement of Cash Flow, Cash and Cash Equivalents comprise the following:

PARTICULARS	31.03.2022	31.03.2021
Cash and Cash Equivalents (Refer to Note No.19)	**848.16**	380.60
Bank Balances other than Cash and Cash Equivalents (Refer to Note No.20)	**93.45**	10.77
	941.61	391.37

CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31ST MARCH, 2022
(SUBSEQUENT TO THE SCHEME OF AMALGAMATION OF SRI HARINI TEXTILES LIMITED)

(₹ in Lakhs

	2021-22	2020-21
Consolidated Cash flow from Financing Activities		
Balance at the beginning of the year		
Long Term Borrowings	**16,343.14**	13,932.65
Short Term Borrowings	**11,000.26**	16,462.29
Sub-total Balance at the beginning of the year	**27,343.40**	30,394.94
Cash flows during the year		
Proceeds from Long Term Borrowings	**6,343.43**	5,523.00
Repayment of Long Term Borrowings	**(4,043.70)**	(3,112.51)
Proceeds from / (Repayment) of Short Term Borrowings, Net	**962.21**	(5,462.03)
Proceeds from / (Repayment) of Short Term Borrowings, Net pursuant to business combination	**1,967.34**	-
Sub-total Cash flows during the year	**5,229.28**	(3,051.54)
Non-cash changes		
Interest accrual for the year	**2,077.26**	2,199.86
Sub-total Non-cash changes during the year	**2,077.26**	2,199.86
Balance at the end of the year		
Long Term Borrowings	**18,642.87**	16,343.14
Short Term Borrowings	**13,929.81**	11,000.26
Balance at the end of the year	**32,572.68**	27,343.40

See accompanying notes to the financial statements (Refer to Note No.8 to 57)

As per our report annexed

For N.A. Jayaraman & Co
Chartered Accountants
Firm Registration No. 001310S

R. Palaniappan
Partner
Membership No. 205112

Chennai
12th August, 2023

On behalf of the Board of Directors
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Managing Director
(DIN: 01948373)
Rajapalayam

N.Vijay Gopal
Chief Financial Officer
Rajapalayam

1. Corporate Information

The Ramaraju Surgical Cotton Mills Limited ("the Company") is a Public Limited Company domiciled and headquartered in India and incorporated under the provisions of the Companies Act. The company is listed on MSEI in India. The Registered office of the Company is located at The Ramaraju Surgical Cotton Mills Premises, P.A.C. Ramasamy Raja Salai, Rajapalayam - 626 117, Tamil Nadu, India.

The Company is primarily engaged in manufacture of Surgical Dressings, Yarn and Greige Fabrics with its manufacturing facilities located in Rajapalayam, Subramaniapuram, Perumalpatti Village in Tamilnadu and in Jaggiahpet, Andhrapradesh. The Company is also engaged in generation of electricity from its windmills and solar panel for its captive consumption.

Sri Harini Textiles Limited ("SHTL") got amalgamated with RSCM on the appointed date of 1st April 2021 pursuant to the National Company Law Tribunal ("NCLT") order dated 31st May 2023 approving the Scheme of Amalgamation of Sri Harini Textiles Limited (SHTL).

The Consolidated Financial Statements (CFS) for the year ended 31-03-2022 were approved and adopted by Board of Directors of the Company in their meeting dated 25.05.2022 and the restated financials were approved and adopted by Board of Directors of the Company in their meeting dated 12.08.2023.

2. Statement of Ind AS Compliance

(i) The CFS are prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time.

3. Basis of Preparation of Consolidated Financial Statements

(ii) The significant accounting policies used in preparing the financial statements are set out in Note No.6.

(iii) Pursuant to General Circular No.39/2014 dated 14-10-2014 issued by Ministry of Corporate Affairs that the disclosures made already under the separate financial statements are not repeated and thus the disclosures that are relevant arising out of consolidation have only been presented.

(iv) The CFS comprises the financial statements of The Ramaraju Surgical Cotton Mills Limited, its Subsidiaries hereinafter collectively referred as 'Group' and its Associates. The list of companies which are included in consolidation and the Parent's holding and voting rights therein are as under:

Name of the Subsidiary	% of ownership interest	
	31-03-2022	31-03-2021
Madras Chipboard Limited	**75.01%**	64.68%

The following companies are considered as Associates based on existence of significant influence over such companies:

Name of the Company	% of Shareholding & Voting Power	
	31-03-2022	**31-03-2021**
The Ramco Cements Limited	**1.40%**	1.40%
Ramco Industries Limited	**0.16%**	0.16%
Ramco Systems Limited	**0.04%**	0.04%
Rajpalayam Mills Limited	**1.83%**	1.83%
Sri Vishnu Shankar Mill Limited	**0.75%**	0.75%
Sri Harini Textiles Limited	**NIL**	49.67%
Shri Harini Media Limited	**2.65%**	2.65%

The above companies are incorporated in India and financial statements of the respective companies are drawn up to the same reporting date as that of the Parent (i.e.) 31-3-2022.

(vi) The Company has considered its operating cycle to be 12 months for the purpose of Current and Non-current classification of assets and liabilities.

(vii) An asset is classified as current when it is expected to be realised or intended to be sold or consumed in the normal operating cycle or held primarily for the purpose of trading or expected to be realised within 12 months after the reporting period or cash or cash equivalents unless restricted from being exchanged or used to settle a liability 12 months after the reporting period. All other assets are classified as non-current.

(viii) A liability is classified as current when it is expected to be settled in normal operating cycle or held primarily for the purpose of trading or due for settlement within 12 months after the reporting period or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

(ix) The CFS are presented in Indian Rupees rounded to the nearest Lakhs with two decimals. The amount below the round off norm adopted by the Company is denoted as ` 0.00 Lakhs.

(x) The CFS comprises the financial statements of The Ramaraju Surgical Cotton Mills Limited and its Subsidiary & Associate Companies. The following companies are considered as Associates based on existence of significant influence over such companies:

(xi) Previous year figures have been regrouped / restated, wherever necessary and appropriate.

4. Principles of Consolidation

(a) The financial statements of the Parent and its subsidiaries have been consolidated on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after elimination of intra-group balances and intra-group transactions resulting in unrealized Profits/Losses.

(b) The CFS has been prepared using uniform accounting policies for like transactions and other events in similar circumstances and is presented, to the extent possible, in the same manner as the Parent's separate financial statements.

(c) Non-controlling interest in the net assets of subsidiaries is identified and presented in the Consolidated Balance Sheet separately from liabilities and equity of the Parent's shareholders. Non-controlling interest in the net assets of subsidiary consists of :

(a) The amount of subscribed equity share capital attributable to non-controlling interest during the year.

(b) The movement of non-controlling interest in equity since the date the parent subsidiary relationship came into existence.

(d) The CFS includes the share of profit/loss of the associate companies that are accounted for using equity method in accordance with Ind AS 28. Accordingly, the share of profit/ loss of the associates (the loss being restricted to the cost of investment) has been added/ deducted from the cost of investment. The most recent available financial statements of the associates are used in applying the equity method.

(e) Under equity method of accounting, the investments are initially recognized at the fair value of net asset of Associate Companies from the date on which it becomes an associate and any difference between the cost of the investment and the Parent's share of the net fair value of the investee's identifiable assets and liabilities is accounted for as follows:

(i) Any excess of the entity's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is recognised directly in equity as capital reserve in the period in which the investment is acquired.

(ii) Subsequently, the carrying amount of investment is adjusted to recognize the share of post-acquisition profits or losses of its Associates in the Parent's Statement of Profit & Loss.

(iii) The equity method shall be discontinued from the date when the investment ceases to be an Associate and it shall measure the retained interest shall be measured at fair value. The fair value of the retained interest shall be regarded as its fair value on initial recognition as a financial asset. The difference between the fair value of retained interest & any proceeds from disposing of a part interest in the Associate and the carrying amount of investment at the date the equity method was discontinued will be recognized in profit or loss.

(f) Dividend received or receivable from Associates are recognized as a reduction in the carrying amount of the Investment.

(g) Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Company's interest in these entities. Unrealised losses are also eliminated to the extent of the Group's interest in these entities unless the transaction provides evidence of an impairment of the asset transferred.

(h) At each reporting date, the Group determines whether there is any objective evidence that the investment in the associate is impaired. If there is such evidence, the Group provides for impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognizes the loss as 'Share of profit of an associates' in the Statement of Profit & Loss.

5. Basis of Measurement

The consolidated financial statements have been prepared on accrual basis under historical cost convention except for certain financial instruments (Refer to Note No. 6(U) - Accounting Policy for Financial Instruments) and defined benefit plan assets which are measured at fair value

6. Significant Accounting Policies

A. Inventories

(i) Raw-materials, Stores & Spares, Fuel, packing materials etc., are valued at cost, computed on a moving weighted average basis including the cost incurred in bringing the inventories to their present location and condition after providing for obsolescence and other losses or net realisable value whichever is lower. However, the inventories are considered to be realizable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost.

(ii) Work in Progress is valued at weighted average cost including the cost of conversion with systematic allocation of production overheads based on normal capacity of production facilities but excluding borrowing cost, or net realisable value whichever is lower. Factory administration overheads to the extent attributable to bring the inventories to their present location and condition are also included in the valuation of Work in Progress.

(iii) Finished goods are valued at cost or net realisable value whichever is lower. Cost includes cost of conversion with systematic allocation of production overheads based on normal capacity of production facilities and other costs but excluding borrowing cost, incurred in bringing the inventory to their present location and condition. Finished goods include stock-in-trade also which comprises cost of purchase and other cost incurred in bringing the inventories to the present location and condition. Cost is determined on a moving weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

B. Statement of Cash Flows

(i) Cash flows are presented using indirect method, whereby profit / (loss) before 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.

(ii) Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances with original maturity of less than 3 months, highly liquid investments that are readily convertible into cash, which are subject to insignificant risk of changes in value.

(iii) Bank borrowings are generally considered to be financing activities. However, where bank overdrafts that are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents for the purpose of Statement of Cash flows..

C. Dividend distribution to Equity shareholders

Final dividend distribution to Shareholders is recognised in the period in which the dividends are approved by the Shareholders. Dividend together with applicable taxes is recognised directly in Other Equity.

D. Income Taxes

(i) Current tax payable is based on taxable profit for the year. Taxable profit differs from Profit before tax as reported in the Statement of Profit & Loss because of Items of Income or Expenses 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 or substantively enacted by the end of the reporting period.

(ii) Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future tax liability, is recognised as an asset viz. MAT Credit Entitlement, to the extent there is convincing evidence that the Company will pay normal Income tax and it is highly probable that future economic benefits associated with it will flow to the Company during the specified period. The Company reviews the "MAT Credit Entitlement" at each Balance Sheet date and writes down the carrying amount of the same to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income tax during the specified period. The MAT Credit Entitlement being unused tax credits that are carried forward by the Company for a specified period, is grouped under Deferred Tax.

(iii) Current tax assets and liabilities are offset, when the Company has legally enforceable right to set off the recognised amounts and intends to settle the asset and the liability on a net basis.

(iv) Deferred tax is recognised using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting at the reporting date.

(v) Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year where the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

(vi) Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by same governing tax laws and the Company has legally enforceable right to such set off current tax assets against current tax liabilities.

(vii) Both current tax and deferred tax relating to items recognised outside the Profit or Loss is recognised either in “Other Comprehensive Income” or directly in “Equity” as the case may be.

E. Property, Plant and Equipment’s (PPE)

(i) PPEs are stated at cost of acquisition or construction less accumulated depreciation and impairment losses if any, except freehold land which is carried at cost. The cost comprises of purchase price, import duties, non-refundable purchase taxes (net of tax credits wherever applicable), borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. The directly attributable costs include cost of testing whether the asset is functioning properly, after deducting the net proceeds from selling any items produced while bringing the asset to that location and condition.

(ii) Government grants related to assets have been deducted in arriving at the carrying amount of the respective assets.

(iii) Subsequent expenditures are included in the assets’ carrying amount and recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

(iv) Spares which meet the definition of PPE are capitalised from the date when it is available for use. Other expenses on fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts that does not meet the capitalisation criteria are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

(v) The Company identifies the significant parts of plant and equipment separately which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives. The cost of replacement of significant parts are capitalised and the carrying amount of replaced parts are de-recognised.

(vi) The cost of major inspection / overhauling is recognised in the carrying amount of the item of PPE as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection/overhauling (as distinct from physical parts) is de-recognised.

(vii) The Company follows the useful lives of the significant parts of certain class of PPE on the straight line basis.

(viii) During the year, the company has re-assessed the useful life of the assets taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the Asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support etc. based on technical advice as detailed below, that are different from the useful lives prescribed under Part C of Schedule II of the Companies Act, 2013:

Type of Plant and Machinery	Useful life of such component ranging from	
	Existing	Revised
Building	3 to 60 years	3 to 60 years
Textile Machines / Equipment	10 to 25 years	7 to 25 years
Wind Mills	5 to30 years	5 to 30 years
HFO / DG Set	12 to 25 years	7 to 15 years
Solar Panel	25 years	25 years
Furniture and Fixtures	3 to 10 years	3 to 10 years
Electrical Machineries	3 to 25 years	3 to 15 years
Motor cars given to employees as per company's scheme	6 to 8 years	6 to 8 years

(ix) PPE acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balancing cash transaction. Fair market value is determined either for the assets acquired or asset given up, which ever is more clearly evident.

(x) PPEs are eliminated from the financial statements on disposal. Gains or losses arising from disposal, measured as the difference between the net disposal proceeds and the carrying amount of such assets, are recognised in the Statement of Profit and Loss. Amount received towards PPE that are impaired and derecognized in the financial statements, are recognized in Statement of Profit and Loss, when the recognition criteria are met.

(xi) Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life on a straight line method. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less 5% being its residual value, except for process control systems whose residual value is considered as Nil.

(xii) Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion / disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded / sold.

(xiii) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each reporting date and adjusted prospectively, if appropriate.

F. Capital Work in progress / Capital Advances

Advances given towards acquisition / construction of PPE outstanding at the reporting date are disclosed as ‘Capital Advances’ under ‘Other Non-Current Assets’.

The cost of assets not put to use before such date are disclosed under Capital Work in Progress. Capital Work in Progress includes cost of property, plant and equipment under installation, under development including related expenses and attributable interest as at the reporting date.

G. Leases

(i) Ind AS 116 requires lessees to account for all leases under a single on-balance sheet model. The Company, as a lessee, upon transition to Ind AS 116, elected to measure the lease liability for all leases whose non-cancellable leases is more than 12 months, at the present value of remaining lease payments discounted using the incremental borrowing rate at the date of initial application and recognise the right-of-use asset at an amount equal to the lease liability, adjusted for prepaid lease payments recognised in the balance immediately before the date of initial application.

(ii) The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date whether fulfilment of arrangement is dependent on the use of an underlying asset and the arrangement conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee

a. 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.

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

(i) The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any.

(ii) The Company presents right-of-use assets that do not meet the definition of investment property in 'Property, Plant and Equipment' and Lease liabilities in 'Borrowings' in the Balance sheet.

(iii) The Company has opted not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Particulars	Useful Life
Land - Right-of-Use Assets	99 Years

Company as a Lessor

The lease arrangements where the risks and rewards incidental to ownership of an asset substantially vests with the Lessor are recognised as operating lease. Operating lease receipts are recognised in the Statement of Profit and Loss on straight line basis over the lease terms except where the payments are structured to increase in line with the general inflation to compensate for the expected inflationary cost increases. The Company do not have any finance leases arrangements

H. Revenue Recognition

(i) Revenue from Operations

(a) Sale of products

Revenue from product sales is recognized when the company transfers control of the product to customers at a point in time. The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring goods to the customer. It comprises of invoice value of goods after deducting discounts, volume rebates and applicable taxes on sale including GST. The Company provides discounts to customers on the achievement of the performance criteria based on agreed terms and conditions. The financing component with regard to sale of products are excluded from Revenue from operations and recognized as Interest Receipts over the credit periods as per Ind AS 115. The Company does not have any non-cash consideration.

(b) **Power generated from Windmills**

Power generated from windmills that are covered under wheeling & banking arrangement with TANGEDCO are consumed at Factories. The monetary values of such power generated that are captively consumed are not recognised as revenue, but have been set off against the cost of power & fuel.

(c) **Scrap sales**

Scrap sales is recognized when the Company transfers control of the product to customers.

(d) ***Income from Job Work***

Income from job work is recognized on the proportion of work executed as per the contract / agreement.

(ii) **Other Income**

a. Interest income is recognised using the Effective Interest Rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period where appropriate, to the gross carrying amount of the financial asset or to the authorised cost of a financial liability.

b. Dividend income is recognised when the Company's right to receive dividend is established.

c. Rental income from operating lease on Property, Plant and Equipments is recognised on a straight line basis over the terms of the relevant lease.

I. Employee Benefits

(i) Short-term employee benefits viz., Salaries and Wages are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

(ii) Defined Contribution Plan viz., Contributions to Provident Fund and Superannuation Fund are recognized as an expense in the Statement of Profit and Loss for the year in which the employees have rendered services.

(iii) The Company contributes monthly to Employees' Provident Fund & Employees' Pension Fund administered by the Employees' Provident Fund Organisation, Government of India, at 10% / 12% of employee's basic salary. The Company has no further obligations.

(iv) The Company also contributes for superannuation a sum equivalent to 15% of the eligible and opting officer's annual basic salary. Out of the said 15% contribution, a sum upto Rs.1.50 Lakhs per annum is remitted to The Ramaraju Surgical Cotton Mills Limited Officers' Superannuation Trust Fund administered by trustees and managed by LIC of India. The balance amount, if any, is paid as salary. There are no further obligations in respect of the above contribution plan.

(v) The Company has its own Defined Benefit Plan viz., an approved Gratuity Fund for its employees. It is in the form of lump sum payments to vested employees on resignation, retirement, death while in employment or on termination of employment, for an amount equivalent to 15 days' basic salary for each completed year of service. Vesting occurs upon completion of five years of continuous service. Based on the Actuarial Valuation by an independent external actuary, the Company makes annual contributions to "The Ramaraju Surgical Cotton Mills Limited Employees Gratuity Fund" administered by trustees and managed by LIC of India, based on the Actuarial Valuation by an independent external actuary as at the reporting date using Projected Unit Credit method.

(vi) The Company provides for expenses towards compensated absences provided to its employees. The expense is recognized at the present value of the amount payable determined based on an independent external actuarial valuation as at the Balance Sheet date, using Projected Unit Credit method. The Company presents the entire compensated absences as 'Short-term provisions' since employee has an unconditional right to avail the leave at any time during the year.

(vii) Remeasurement of net defined benefit asset / liability comprising of actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are charged / credited to other comprehensive income in the period in which they arise and immediately transferred to retained earnings. Other costs are accounted in the Statement of Profit and Loss.

J. Government Grants

(i) Government grants are recognised at fair value where there is a reasonable assurance that the grant will be received and all the attached conditions are complied with.

(ii) In case of revenue related grant, the income is recognised on a systematic basis over the period for which it is intended to compensate an expense and is disclosed under "Other operating revenue" or netted off against corresponding expenses wherever appropriate. Receivables of such grants are shown under "Other Financial Assets". Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same. Receivables of such benefits are shown under "Other Financial Assets"

(iii) Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred grant income and are credited to the statement of profit and loss on a systematic basis over the expected lives of the related assets.

K. Foreign currency transactions

(i) The financial statements are presented in Indian Rupees, which is also the Company's functional currency.

(ii) All transactions in foreign currency are recorded on initial recognition at their functional currency exchange rates prevailing on that date.

(iii) Monetary assets and liabilities in foreign currencies outstanding at the reporting date are translated to the functional currency at the exchange rates prevailing on the reporting date and the resultant gains or losses are recognised during the year in the Statement of Profit and Loss.

(iv) Non-monetary items which are carried at historical cost denominated in foreign currency are reported using the exchange rates at the date of transaction.

L. Borrowing Costs

(i) Borrowing cost include interest computed using Effective Interest Rate method, interest on lease liabilities, 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.

(ii) Borrowing costs that are directly attributable to the acquisition, construction, production of a qualifying asset are capitalised as part of the cost of that asset which takes substantial period of time to get ready for its intended use. The Company determines the amount of borrowing cost eligible for capitalisation by applying capitalisation rate to the expenditure incurred on such cost. The capitalisation rate is determined based on the weighted average rate of borrowing cost applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing cost that the Company capitalises during the period does not exceed the amount of borrowing cost incurred during that period. All other borrowings cost are expensed in the period in which they occur.

M. Earnings per Share

(i) Earnings per share is calculated by dividing the profit / (loss) attributable to equity shareholders by the weighted average number of equity shares.

(ii) Where an item of income or expense which is otherwise required to be recognised in the Statement of Profit and Loss is debited or credited to Equity, the amount in respect thereof is suitably adjusted in Net profit for the purpose of computing Earnings per share.

(iii) The Company do not have any potential equity shares.

N. Impairment of Non-Financial Assets

(i) The carrying values of assets including property, plant and equipment, investment properties, cash generating units and intangible assets are reviewed for impairment at each reporting date, if there is any indication of impairment based on internal and external factors.

(ii) Non-financial assets are treated as impaired when the carrying amount of such asset exceeds its recoverable value. After recognition of impairment loss, the depreciation for the said assets is provided for remaining useful life based on the revised carrying amount, less its residual value if any, on straight line basis.

(iii) An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.

(iv) An impairment loss is reversed when there is an indication that the impairment loss may no longer exist or may have decreased.

O. Provisions, Contingent Liabilities and Contingent Assets

(i) Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources embodying economic benefits in respect of which a reliable estimate can be made.

(ii) Provisions are discounted if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

(iii) Insurance claims are accounted on the basis of claims admitted or expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection. Any subsequent change in the recoverability is provided for. Contingent Assets are not recognised.

(iv) Contingent liability is a possible obligation that may arise from past events and its existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the same are not recognised but disclosed in the financial statements.

P. Business Combinations

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Company. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests share of subsequent changes in equity of subsidiary

Transaction costs are expensed in the consolidated statement of profit and loss as incurred, other than those incurred in relation to the issue of debt or equity securities which are directly adjusted in other equity. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the Statement of Profit and Loss.

The purchase price is allocated to assets acquired and liabilities assumed based upon the determination of fair values at the date of acquisition

The excess of the purchase consideration paid over the fair value of net assets acquired has been attributed to goodwill.

Q. Goodwill

(i) Goodwill comprises the portion of the purchase price for an acquisition that exceeds the Group's share in the identifiable assets, with deductions for liabilities, calculated on the date of acquisition.

(ii) Goodwill is deemed to have an indefinite useful life and is reported at acquisition value. An impairment test of goodwill is conducted once every year or more often if there is an indication of a decrease in value.

R. Intangible Assets

(i) The costs of computer software acquired and its subsequent improvements are capitalised. Internally generated software is not capitalized and the expenditure is recognized in the Statement of Profit and Loss in the year in which the expenditure is incurred.

(ii) Intangible Assets are amortised over their estimated useful life on straight line method. The estimated useful lives of intangible assets are assessed by the internal technical team as detailed below, that are different from the useful lives prescribed under Part C of Schedule II of the Companies Act, 2013:

Nature of Intangible Assets	Estimated useful life
Computer software	6 years

(iii) The intangible assets that are under development phase are carried at cost including related expenses and attributable interest, and are recognised as Intangible assets under development.

(iv) The residual values, useful lives and methods of amortisation of intangible assets are reviewed at each reporting date and adjusted prospectively, if appropriate.

S. Investment Properties

(i) An investment in land or buildings both furnished and unfurnished, which are held for earning rentals or capital appreciation or both rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business, are classified as investment properties.

(ii) Investment properties are stated at cost, net of accumulated depreciation and impairment loss, if any except freehold land which is carried at cost.

(iii) The company identifies the significant parts of investment properties separately which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives determined on best estimate basis upon technical advice. The cost of replacement of significant parts are capitalised and the carrying amount of replaced parts are de-recognised. Other expenses including day-to-day repair and maintenance expenditure and cost of replacing parts that does not meet the capitalisation criteria, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

(iv) Depreciation on investment properties are calculated on straight-line method based on useful life of the significant parts as detailed below:

Asset type	Useful life
Buildings under Investment properties	60 years

(v) Investment properties are eliminated from the financial statements on disposal or when no further benefit is expected from its use. Gains or losses arising from disposal, measured as the difference between the net disposal proceeds and the carrying amount of such investment properties, are recognised in the Statement of Profit and Loss. Amount receivable towards investment properties that are impaired and derecognized in the financial statements, are recognized in Statement of Profit and Loss, when the recognition criteria are met.

(vi) The residual values, useful lives and methods of depreciation of investment properties are reviewed periodically included at each reporting date.

T. Segment Reporting

The Company has Three operating/reportable segments viz. Textiles, Surgicals and wind Power Generation from Wind Mills.

The inter-segment transfers of units of power from windmills are recognized at the applicable tariff rates of the electricity boards for the purpose of segment reporting as per the relevant accounting standard. Operating segment has been identified on the basis of nature of products and reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker.

Costs are allocated to the respective segment based upon the actual incidence of respective cost. Unallocated items include general other income and expenses which are not allocated to any business segment.

U. Financial Instruments

(i) 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.

(ii) Financial assets and liabilities are offset and the net amount is presented in the Balance sheet when and only when the Company has a legal right to offset the recognised amounts and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

(iii) The Company initially determines the classification of financial assets and liabilities. After initial recognition, no re-classification is made for financial assets which are categorised as equity instruments at FVTOCI and financial assets / liabilities that are specifically designated as FVTPL. However, other financial assets are re-classifiable when there is a change in the business model of the Company. When the Company reclassifies the financial assets, such reclassifications are done prospectively from the first day of the immediately next reporting period. The Company does not restate any previously recognised gains, losses including impairment gains or losses or interest.

V. Financial Assets

(i) Financial assets comprise of investments in equity, trade receivables, cash and cash equivalents and other financial assets.

(ii) Depending on the business model (i.e) nature of transactions for managing those financial assets and its contractual cash flow characteristics, the financial assets are initially measured at fair value and subsequently measured and classified at:

a) Amortised cost; or

b) Fair value through other comprehensive income (FVTOCI); or

c) Fair value through profit or loss (FVTPL)

Amortised cost represents carrying amount on initial recognition at fair value plus or minus transaction cost.

(iii) Financial assets are measured at FVTPL except for those financial assets whose contractual terms give rise to cash flows on specified dates that represents solely payments of principal and interest thereon, are measured as detailed below depending on the business model:

Classification	Business Model
Amortised cost	The objective of the Company is to hold and collect the contractual cash flows till maturity. In other words, the Company do not intend to sell the instrument before its contractual maturity to realise its fair value changes.
FVTOCI	The objective of the Company is to collect its contractual cash flows and selling financial assets.

(iv) The Company has accounted for its investments in associates at cost. The Company has exercised an irrevocable option at time of initial recognition to measure the changes in fair value of other equity investments at FVTOCI. Accordingly, the Company classifies its financial assets for measurement as below:

Classification	Name of Financial Assets
Amortised cost	Trade receivables, Loans and advances to employees and related parties, deposits, IPA receivable, interest receivable, unbilled revenue and other advances recoverable in cash or kind.
FVTOCI	Equity investments in companies other than Associates as an option exercised at the time of initial recognition.
FVTPL	Forward exchange contracts.

(v) Financial assets are derecognised (i.e) removed from the financial statements, when its contractual rights to the cash flows expire or upon transfer of the said assets. The Company also derecognises when it has an obligation to adjust the cash flows arising from the financial asset with third party and either upon transfer of:

a. significant risk and rewards of the financial asset, or

b. control of the financial asset

However, the Company continue to recognise the transferred financial asset and its associated liability to the extent of its continuing involvement, which are measured on the basis of retainment of its rights and obligations of financial asset.

(vi) Upon derecognition of its financial asset or part thereof, the difference between the carrying amount measured at the date of recognition and the consideration received including any new asset obtained less any new liability assumed shall be recognised in the Statement of Profit and Loss.

(vii) For impairment purposes, significant financial assets are tested on individual basis at each reporting date. Other financial assets are assessed collectively in groups that share similar credit risk characteristics. Accordingly, the impairment testing is done retrospectively on the following basis:

Name of Financial asset	Impairment testing methodology
Trade receivables	Expected Credit Loss model (ECL) is applied. The ECL over lifetime of the assets are estimated by using a provision matrix which is based on historical loss rates reflecting current conditions and forecasts of future economic conditions which are grouped on the basis of similar credit characteristics such as nature of industry, customer segment, past due status and other factors that are relevant to estimate the expected cash loss from these assets.
Other Financial assets	When the credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. When there is significant change in credit risk since initial recognition, the impairment is measured based on probability of default over the life time. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

W. Financial Liabilities

(i) Financial liabilities comprise of Borrowings from Banks, Trade payables, Derivative financial instruments, Financial guarantee obligation and other financial liabilities.

(ii) The Company measures its financial liabilities as below:

Measurement basis	Name of Financial liabilities
Amortised cost	Borrowings, Trade payables, Interest accrued, Unclaimed / Disputed dividends, Security deposits and other financial liabilities not for trading.
FVTPL	Foreign exchange Forward contracts being derivative contracts do not qualify for hedge accounting under Ind AS 109 and other financial liabilities held for trading.

X. Fair value measurement

(i) Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(ii) The fair value of an asset or a liability is measured using the assumptions that the market participants would use when pricing the asset or liability, assuming that the market participants act in the economic best interest.

(iii) All assets and liabilities for which fair value is measured are disclosed in the financial statements are categorised within fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement is unobservable.

(iv) For assets and liabilities that are recognised in the Balance sheet on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation at the end of each reporting period (i.e) based on the lowest level input that is significant to the fair value measurement as a whole.

(v) For the purpose of fair value disclosures, the company has determined the classes of assets and liabilities based on the nature, characteristics and risks of the assets or liabilities and the level of the fair value hierarchy as explained above.

(vi) The basis for fair value determination for measurement and / or disclosure purposes is detailed below:

a) **Investments in Equity**

The fair value is determined by reference to their quoted prices at the reporting date. In the absence of the quoted price, the fair value of the equity is measured using valuation techniques.

b) **Trade and other receivables**

The fair value is estimated as the present value of the future cash flows, discounted at the market rate of interest at the reporting date. However, the fair value generally approximates the carrying amount due to the short term nature of such assets.

c) **Investment Properties**

The fair value is determined for disclosure purposes based on an annual evalution performed by an internal technical team measured using the technique of quoted prices for similar assets in the active markets and further moderated by market corroborated inputs.

The details of amendments to the existing standards that are relevant to the Company with effect from 01-04-2021 are given below:

(a) Conceptual framework for financial reporting under Ind AS issued by ICAI. The Framework is not a standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is a choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The MCA has notified the Amendments to Ind AS, consequential to Conceptual Framework under Ind AS vide notification date 18-06-2021 applicable for annual periods beginning on or after 01-04-2021.

These amendments had no impact on the financial statements of the Company.

(b) Amendments to Ind AS 105, Ind AS 16 and Ind AS 28 The definition of 'Recoverable amount' is amended such that the words 'the higher of an asset's fair value less costs to sell and its value in use' are replaced with 'higher of an asset's fair value less costs of disposal and its value in use'.

These amendments had no impact on the financial statements of the Company.

7. Significant Estimates and Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision or future periods, if the revision affects both current and future years.

Accordingly, the management has applied the following estimates / assumptions / judgements in preparation and presentation of financial statements:

(i) **Revenue Recognition**

Significant management judgment is exercised in determining the transaction price and discounts to customer which is based on market factors namely demand and supply. The company offers credit period to customers and management judgment is exercised in assessing whether a contract contains a significant financing component.

(ii) **Property, Plant and Equipment, Intangible Assets and Investment Properties**

The residual values and estimated useful life of PPEs, Intangible Assets and Investment Properties are assessed by the technical team at each reporting date by taking into account the nature of asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement and maintenance support. Upon review, the management accepts the assigned useful life and residual value for computation of depreciation/ amortisation. Also, management judgement is exercised for classifying the asset as investment properties or vice versa.

(iii) **Current Taxes**

Calculations of income taxes for the current period are done based on applicable tax laws and management's judgement by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

(iv) **Deferred Tax Asset (Including MAT Credit Entitlement)**

Significant management judgement is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained / recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(v) **Provisions**

The timing of recognition requires application of judgment to existing facts and circumstance that may be subject to change. The litigations and claims to which the company is exposed are assessed by the management and in certain cases with the support of external experts. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability.

(vi) **Segment Reporting**

Management's judgment is exercised to aggregate two or more business segments as single operating segment, based on economic characteristics, products, production process and types of customer, which are similar in nature.

(vii) **Contingent Liabilities**

Management judgment is exercised for estimating the possible outflow of resources, if any, in respect of contingencies / claims / litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

(viii) **Impairment of Trade receivables**

The impairment for trade receivables are done based on assumptions about risk of default and expected loss rates. The assumptions, selection of inputs for calculation of impairment are based on management judgement considering the past history, market conditions and forward looking estimates at the end of each reporting date.

(ix) **Impairment of Non-financial assets (PPE/Intangible Assets/Investment Properties)**

The impairment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgement considering the timing of future cash flows, discount rates and the risks specific to the asset.

(x) **Defined Benefit Plans and Other long term benefits**

The cost of the defined benefit plan and other long term benefits, and the present value of such obligation are determined by the independent actuarial valuer. An actuarial valuation involves making various assumptions that may differ from actual developments in future. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable. Due to the complexities involved in the valuation and its long term nature, this obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(xi) **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets, management uses valuation techniques including the Discounted Cash Flow (DCF) model, to determine its fair value The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is exercised in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

(xii) **Impairment of Investments in Subsidiary / Associates**

Significant management judgement is exercised in determining whether the investment in subsidiary / associates are impaired or not is on the basis of its nature of long term strategic investments and business projections.

(xiii) **Interests in other entities**

Significant management judgement is exercised in determining the interests in other entities. The management believes that wherever there is a significant influence over certain companies belonging to its group, such companies are treated as Associate companies even though it holds less than 20% of the voting rights. Significant management judgement is exercised whether such associate companies are individually immaterial or not for the purpose of disclosure requirements.

Note No. 8

Property, Plant & Equipment

(₹ in Lakhs)

Particulars	Year	Gross Block						Depreciation				Net Block	
		As at the beginning of the year	Pursuant to amalgamation of SHTL	Additions	Additions due to acquisition of subsidiary	Deductions/ Adjustments	As at the end of the year	As at the beginning of the year	For the year (Note No.41)	Deductions/ Adjustments	As at the end of the year	As at the end of the year	As at the beginning of the year
Land - Freehold	**2021-22**	**2,236.47**	**591.20**	**6.88**	**-**	**-**	**2,834.55**	**-**	**-**	**-**	**-**	**2,834.55**	**2,236.47**
	2020-21	448.47	-	-	1,788.00	-	2,236.47	-	-	-	-	2,236.47	448.47
Land- Right of use asset	**2021-22**	**-**	**-**	**372.93**		**-**	**372.93**	**-**	**3.77**	**-**	**3.77**	**369.16**	**-**
	2020-21	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	**2021-22**	**6,359.38**	**403.28**	**8.72**	**-**	**77.41**	**6,693.97**	**1,713.08**	**221.54**	**0.12**	**1,934.50**	**4,759.47**	**4,646.30**
	2020-21	6,051.53	-	12.31	295.54	-	6,359.38	1,513.79	199.29	-	1,713.08	4,646.30	4,537.74
Buildings - Right of use asset	**2021-22**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	2020-21	68.44	-	-	-	68.44	-	11.06	-	11.06	-	-	57.38
Plant and Machinery	**2021-22**	**31,417.42**	**1,046.99**	**2,480.81**	**-**	**2,090.65**	**32,854.57**	**14,960.55**	**4,124.00**	**1,331.54**	**17,753.01**	**15,101.56**	**16,456.87**
	2020-21	31,335.77		82.36	10.31	11.02	31,417.42	13,587.78	1,373.43	0.66	14,960.55	16,456.87	17,747.99
Electrical Machinery	**2021-22**	**2,699.53**	**28.48**	**27.68**	**-**	**18.84**	**2,736.85**	**1,820.18**	**187.53**	**12.21**	**1,995.50**	**741.35**	**879.35**
	2020-21	2,690.82	-	7.91	0.88	0.08	2,699.53	1,703.88	116.30	-	1,820.18	879.35	986.94
Furniture & Office Equipments	**2021-22**	**344.81**	**0.87**	**36.23**	**-**	**-**	**381.91**	**230.27**	**32.93**	**-**	**263.20**	**118.71**	**114.54**
	2020-21	311.55	-	33.14	0.17	0.05	344.81	198.97	31.30	-	230.27	114.54	112.58
Vehicles	**2021-22**	**268.35**	**1.14**	**73.92**	**-**	**11.63**	**331.78**	**132.04**	**27.58**	**8.58**	**151.04**	**180.74**	**136.31**
	2020-21	269.35		17.84	0.75	19.59	268.35	115.05	28.57	11.58	132.04	136.31	154.30
Total	**2021-22**	**43,325.96**	**2,071.96**	**3,007.17**	**-**	**2,198.53**	**46,206.56**	**18,856.12**	**4,597.35**	**1,352.45**	**22,101.02**	**24,105.54**	**24,469.84**
	2020-21	41,175.93	-	153.56	2,095.65	99.18	43,325.96	17,130.53	1,748.89	23.30	18,856.12	24,469.84	24,045.40

Other Disclosures:

(a) Borrowings cost have been capitalised for current year - ₹ Nil/- (PY: ₹ NIL).

(b) All the Fixed Assets has been pledged as security for borrowings.

(c) Change in Estimate:

During the year, the Company has revised its estimate of useful life in respect of certain items of property, plant and equipment. Had the Company used the earlier estimate, the depreciation for the year would have been lower by ₹ 2,981.16 Lakhs with a consequential impact on the carrying value of the property, plant and equipment. In the opinion of the management, the above change in estimate of useful life which was made based on technical evaluation made by registered valuer will result in more reliable and relevant presentation of the above referred items of property, plant and equipment in the financial statements.

(d) All the title deeds of immovable properties are held in the name of the Company.

(e) The Company has not revalued its Property, Plant and Equipment and Intangible Assets since the Company has adopted cost model as its accounting policy to an entire class of Property, Plant and Equipment in accordance with Ind AS 16.

(f) The company has received a sum of Rs. Rs. 247.33 Lakhs (PY: Nil) as capital subsidy. The subsidy has been directly credited against the carrying value of the respective plant and machinery.

(₹ in Lakhs)

Particulars	31-03-2022	01-04-2021	31-03-2021
Note No. 9			
Capital Work in Progress			
As at the beginning of the year	**121.51**	121.51	26.63
Add / (Less) : Additions during the year	**5,383.26**	-	94.88
Add / (Less) : Capitalized during the year	**(3,007.17)**	-	-
As at the end of the year	**2,497.60**	121.51	121.51

Additional Disclosures:

i) Capital work in progress includes borrowing cost of ₹ 26.93 Lakhs (PY: ₹ Nil), computed at a weighted average interest rate of 7.75% p.a. (PY: Nil.) applicable to entity's borrowings outstanding during the year.

ii) CWIP Ageing Schedule

Particulars	Amount in CWIP for a period of			
	<1 year	1-3 years	>3 years	Total
As at 31-03-2022	**2,497.60**	**-**	**-**	**2,497.60**
As at 31-03-2021	114.63	-	6.88	121.51

Particulars	31-03-2022
Pre-operative expenses incurred during the year	
Employee Benefit Expenses	100.71
Stores, Spares and Consumables	4.86
Repair and Maintenance	16.07
Insurance	0.50
Rent Paid	1.85
Legal Charges	1.94
Miscellaneous Expenses	33.27
Pre-operative expenses included in CWIP as at the end of the year	**159.20**

Note No. 10
Investment Property

Particulars	As at 31-03-2022		As at 01-04-2021		As at 31-03-2021	
Building						
As at the Beginning of the Year	**8.72**		8.72		8.72	
Addition/Sale	**-**		-		-	
As at the end of the Year	**-**	**8.72**	-	8.72	-	8.72
Accumulated depreciation as at the beginning of the year	**2.92**		2.92		2.73	
Depreciation for the year	**0.18**		-		0.19	
Less :						
Accumulated depreciation as at the end of the year		**3.10**		2.92		2.92
Net Block		**5.62**		5.80		5.80
Total Investment Property		**5.62**		5.80		5.80
Fair Value of Investment Property		**118.32**		118.32		118.32

Additional Disclosures:

i) The company owns a flat in Krishna Towers, Adyar, Chennai. The property is used by the company and not letout. Apart from payment of property taxes, water tax and depreciation, the company has not incurred any additional expenditure towards maintenance of the flat.

ii) The Company measured its Investment Properties at Cost in accordance with Ind AS 40.

iii) The fair valuation of these investment property are determined by an internal technical team, who are specialists in valuing these types of investment properties by using the technic of quoted prices for similar assets in active markets or recent price of similar properties in less active markets and adjusted to reflect those differences. Since the valuation is done by internal technical team as at 31.03.2023 the fair value of investment property as disclosed above is not based on valuation by a register valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

iv) The Company has no restrictions on the disposal of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

v) Fair value hierarchy disclosures for investment properties have been provided in Note No. 51.

(₹ in Lakhs)

Particulars	**As at 31-03-2022**	As at 01-04-2021	As at 31-03-2021
Note No. 11			
Goodwill			
Goodwill recognised on consolidation	**69.12**	69.12	69.12
Goodwill recognised pursuant to Business Combination (Refer Note No. 43)	**1,882.38**	1,882.38	-
Total	**1,951.50**	1951.50	69.12

Other Disclosures:

The method of valuation of goodwill has been stated in Note 4Q.

Note No. 12

Intangible Assets

Particulars	Year	Gross Block						Depreciation				Net Block	
		As at the beginning of the year	Pursuant to amalgamation of SHTL	Additions	Additions due to acquisition of subsidiary	Deductions / Adjustments	As at the end of the year	As at the beginning of the year	For the year (Note No.41)	Deductions / Adjustments	As at the end of the year	As at the end of the year	As at the beginning of the year
Computer Software	**2021-22**	**27.14**	**0.31**	**-**	**-**	**-**	**27.45**	**25.32**	**0.30**		**25.62**	**1.83**	**1.82**
	2020-21	181.60	-	-	-	154.46	27.14	175.49	4.29	154.46	25.32	1.82	6.11

Other Disclosures:

(a) Deductions / adjustments represent intangible assets de-recognised from the financial statements since no future economic benefit is expected

(b) The Company has not revalued its Intangible Asset since the Company has adopted cost model as its accounting policy to an entire class of Intangible Asset in accordance with Ind AS 38.

Note No. 13

Investment in Associates **(₹ in Lakhs)**

Name of the Company	Face Value per share	**As at 31-03-2022 No. of Shares**	As at 01-04-2021 No. of Shares	As at 31-03-2021 No. of Shares	**Amount**	Amount	Amount
Quoted Investment - Fully paid up Equity Shares							
Associates							
The Ramco Cements Limited	1	**33,13,175**	33,13,175	33,13,175	**15,655.52**	14,447.32	14,447.32
Ramco Industries Limited	1	**1,35,880**	1,35,880	1,35,880	**220.98**	204.78	204.78
Rajapalayam Mills Limited	10	**1,57,733**	1,35,200	1,35,200	**1,363.86**	1,204.60	1,204.60
Ramco Systems Limited	10	**12,739**	12,739	12,739	**85.36**	88.37	88.37
Total Quoted nvestments (A)					**17,325.72**	15,945.07	15,945.07
Unquoted Investment - Fully paid up Equity Shares							
Associates							
Sri Vishnu Shankar Mill Limited	10	**11,200**	11,200	11,200	**80.59**	63.78	63.78
Sri Harini Textiles Limited	10	**-**	-	14,90,000	**-**	-	-
Shri Harini Media limited	1	**60,00,500**	60,00,500	60,00,500	**-**	-	-
Total Unquoted Investments (B)					**80.59**	63.78	63.78
Investment in Preference Shares, Non-Trade - Unquoted							
Shri Harini Media Limited- 9% Redeemable Preference shares	1	**8,40,00,000**	8,40,00,000	8,40,00,000	**840.00**	840.00	840.00
Total Preference Shares, Non-Trade - Unquoted (C)					**840.00**	840.00	840.00
Aggregate Value of Total Investment (A+B+C)					**18,246.31**	16,848.85	16,848.85

Aggregate Value of :			
Quoted Investments - Cost (A)	**17,325.72**	15,945.07	15,945.07
Market Value	**27,228.78**	34617.61	34,617.61
Unquoted Investment - Cost (B+C)	**920.59**	903.78	903.78
Total Quoted & Unquoted investments (A+B+C)	**18,246.31**	16,848.85	16,848.85

Additional Disclosures:

1) The Company has accounted for investments in Subsidiary and Associates at Cost. Refer Note No. 47 for information on principal place of business / country of incorporation and the Company's ownership interest / percentage of shareholding in the above subsidiaries and associates.
2) The carrying amount of Investment in Subsidiary and Associates is tested for impairment in accordance with Ind AS 36. These investments are strategic and long term in nature. Hence considering the long term prospects, no impairment is considered necessary as at the reporting date.
3) During the year, the Company has made adddition to its strategic investments in equity shares of Madras Chipboard Limited (2,499 Shares) for ₹ 2.41 Crores and also subscribed the rights issue by its associate M/s Rajapalayam Mills Limited (22,533 shares) amounting to ₹ 1.28 Crores
4) Pursuant to the scheme of amalgamation coming into effect the equity share held by The Ramaraju Surgical Cotton Mills Ltd., (transferee company) in Sri Harini Textiles Ltd., (Transferor company) stands cancelled.

Note No. 14

Other Investment (Designated At FVTOCI) **(₹ in Lakhs)**

Name of the Company	Face Value per share	As at 31-03-2022 No. of Shares	As at 01-04-2021 No. of Shares	As at 31-03-2021 No. of Shares	Amount	Amount	Amount
Other Non-Current Investment, Non-Trade - Unquoted							
Ramco Industrial and Technology Services Limited	10	**26,350**	26,350	26,350	**5.94**	7.64	7.64
Ramco Windfarms Limited	1	**6,16,000**	6,16,000	6,16,000	**6.16**	6.16	6.16
Total Investments					**12.10**	13.80	13.80
Total Cost					**12.10**	13.80	13.80

Additional Disclosures:

1) Refer to Note No. 51 for information about fair value hierachy under Disclosure of Fair Value Measurement.

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
Note No. 15			
Other Financial Assets (Non Current)			
Unsecured and Considered Good			
Security Deposits with Electricity Board / Others	**410.68**	480.16	406.59
Total	**410.68**	480.16	406.59

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
Note No. 16			
Other Non Current - Assets			
Unsecured and Considered Good			
Capital Advance	**1,742.01**	552.64	552.64
Total	**1,742.01**	552.64	552.64
Note No. 17			
Inventories			
Raw Materials	**5,862.81**	2,937.85	2,234.33
Work-in-Progress	**1,568.42**	1,063.30	941.96
Finished goods	**2,576.15**	2,110.41	2,101.19
Stores and Spares	**326.61**	278.21	233.58
Total	**10,333.99**	6,389.77	5,511.06

Additional Disclosures:

i) The total carrying amount of inventories as at reporting date has been pledged as security for Borrowings.

(ii) The mode of valuation of inventories has been stated in the Note No. 6A.

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
Note No. 18			
Trade Receivables			
Unsecured and Considered Good	**3,611.57**	5,073.69	7,604.88
Unsecured and which have significant increase in Credit Risk	**11.16**	-	-
Less : Allowances for expected Credit Loss	**(11.16)**	-	-
Total	**3,611.57**	5,073.69	7,604.88

Additional Disclosures:

a) Trade receivables are non-interest bearing.

b) Trade receivables are neither due from directors or other officers of the Company either severally or jointly with any other person, nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

c) The total carrying amount of trade receivables has been pledged as security for borrowings.

d) Refer Note No.52 for information about risk profile of Trade Receivables.

e) Additional regulatory information as required under Companies Act, 2013 / Indian Accounting Standards.

Trade Receivables Ageing Schedule **(₹ in Lakhs)**

Particulars	Outstanding for the following periods from the due date of payment as at 31-03-2022						
	Not Due	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
(i) Undisputed Trade receivables – considered good	1452.25	1,996.41	3.72	96.93	51.10	-	3,600.41
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	11.16	-	-	-	11.16
(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	-	-	-	-	-	-	-
Total	**1,452.25**	**1,996.41**	**14.88**	**96.93**	**51.10**	**-**	**3,611.57**

Particulars	Outstanding for the following periods from the due date of payment as at 31-03-2021						
	Not Due	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
(i) Undisputed Trade receivables – considered good	79.61	5,554.93	324.36	1,645.98	-	-	7,604.88
(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	-	-	-	-	-	-	-
Total	**79.61**	**5,554.93**	**324.36**	**1,645.98**	**-**	**-**	**7,604.88**

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
Note No. 19			
Cash and Cash Equivalents			
Cash on hand	**2.67**	1.44	1.20
Balance with Bank - In Current Account	**828.13**	382.71	378.90
In Deposit Account for margin money	**17.36**	0.50	0.50
Total	**848.16**	384.65	380.60

Additional Disclosures:

a) Refer Note No.52 for information about risk profile of cash and cash equivalents under Financial Risk Management.

(₹ in Lakhs)

Particulars	**As at 31-03-2022**	As at 01-04-2021	As at 31-03-2021
Note No. 20			
Bank Balance Other than Cash And Cash Equivalents			
Earmarked balances with Banks for Unclaimed Dividend	**7.57**	10.77	10.77
Balances with Banks held as security against Borrowings	**85.88**	-	-
Total	**93.45**	10.77	10.77
Note No. 21			
Other Financial Assets (Current)			
Government Grants Receivable	**39.28**	39.28	32.65
Export Incentives Receivable	**137.13**	46.80	46.80
Security Deposit	**11.68**	23.00	14.49
Other Financial Assets - Receivables Others	**-**	1,325.69	1,325.69
Total	**188.09**	1,434.77	1,419.63
Note No. 22			
Other Current Assets			
Unsecured, considered good			
Advance to Suppliers / Others	**2,035.85**	576.42	548.62
Tax Credit and Refund due	**310.39**	284.79	121.61
Accrued Income	**373.32**	426.78	209.65
Prepaid Expenses	**182.30**	176.81	166.07
Other Current Assets	**27.23**	0.84	8.13
Total	**2,929.09**	1,465.64	1,054.08

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
Note No. 23			
Equity Share Capital			
Authorised			
1,00,00,000 Equity Shares of ₹ 10/- each (PY: 50,00,000 Equity Shares of ₹ 10/- each)	**1,000.00**	1,000.00	500.00

Additional Disclosures

Pursuant to amalgamation the authorised share capital of the transferor company (Sri Harini Textiles Ltd.,) stands combined with the authorised capital of the transferee company (The Ramaraju Surgical Cotton Mills Ltd.)

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
Issued, Subscribed and Fully paid-up			
39,97,900 Equity Shares of ₹ 10/- each (PY: 39,46,560 Equity Shares of ₹ 10/- each)	**399.78**	399.78	394.65

Additional Disclosures

Pursuant to the scheme of amalgamation ,the equity shareholders of the transferor company where alloted shares of transferee company in the ratio 34 shares of the Company for every 1000 shares of transferor company. (Refer Note 43 - Business Combination).

a. Reconciliation of the number of shares outstanding

Particulars	As at 31-03-2022		As at 01-04-2021		As at 31-03-2021	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	**39,97,900**	**399.78**	39,46,560	394.65	39,46,560	394.65
Issued/Bought Back during the year	**-**	**-**	-	-	-	-
Shares issued pursuant to Business Combination	**-**	**-**	51,340	5.13	-	-
Number of Shares at the end	**39,97,900**	**399.78**	39,97,900	399.78	39,46,560	394.65

b. Term / Rights / Restrictions attached to Equity Shares

The company has one class of equity shares having a face value of ₹ 10/- each. Each Shareholder is eligible for one vote per share held.The company declares and pays dividend in Indian Rupees. In the event of liquidation of the company, the equity shareholders will be entitled to receive 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.

(₹ in Lakhs)

c. List of Shareholders holding more than 5 percent in the Company

Particulars	As at 31-03-2022		As at 01-04-2021		As at 31-03-2021	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Smt. Nalina Ramalakshmi	**15,50,796**	**38.79**	15,22,936	38.09	14,91,860	37.80
Shri. N.R.K. Ramkumar Raja & Shri. N.R.K. Ramkumar Raja HUF	**2,26,060**	**5.65**	1,87,860	4.70	1,74,260	4.42

d. Shareholders holding of Promoters as at 31-03-2022

S. No.	Name of the Promoters	No. of Shares	% of total shares	% Change during the year
1	Smt. Nalina Ramalakshmi	**15,50,796**	**38.79%**	**0.99%**
2	Shri. N.R.K. Ramkumar Raja & Shri. N.R.K. Ramkumar Raja HUF	**2,26,060**	**5.65%**	**1.23%**
3	Smt Saradha Deepa	**9,536**	**0.24%**	
4	Smt. R. Sudarsanam	**10,108**	**0.25%**	**0.02%**
5	Shri. P.R.Venketrama Raja	**6,080**	**0.15%**	**0.02%**
6	M/s Rajapalayam Mills Limited	**4,000**	**0.10%**	-
7	Smt. P.V. Srisandhya	**3,400**	**0.09%**	-
8	M/s Sri Vishnu Shankar Mill Limited	**2,200**	**0.06%**	-
9	Smt. P.V. Nirmala	**400**	**0.01%**	-
	Total Promoters Holding	**18,12,580**	**45.34%**	

Shareholders holding of Promoters as at 31-03-2021

S. No.	Name of the Promoters	No. of Shares	% of total shares	% Change during the year
1	Smt. Nalina Ramalakshmi	14,91,860	37.80%	-
2	Shri. N.R.K. Ramkumar Raja & Shri. N.R.K. Ramkumar Raja HUF	1,74,260	4.42%	0.71%
3	Smt Saradha Deepa	9,400	0.24%	-
4	Smt. R. Sudarsanam	9,360	0.24%	-
5	Shri. P.R.Venketrama Raja	5,400	0.14%	-
6	M/s Rajapalayam Mills Limited	4,000	0.10%	-
7	Smt. P.V. Srisandhya	3,400	0.09%	-
8	M/s Sri Vishnu Shankar Mill Limited	2,200	0.06%	-
9	Smt. P.V. Nirmala	400	0.01%	-
	Total Promoters Holding	17,00,280	43.10%	

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
Note No. 24			
Other Equity			
Capital Reserve			
Balance as per last financial statement	**17.63**	17.63	17.63

Additional Disclosures:

Represents the difference between the shares alloted to the Share Holders of Transferor Company and Net Worth acquired from Transferor Company as per scheme of Amalgamation.

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
Capital Reserve on Consolidation			
Balance as per last financial statement	**10,486.79**	10,337.79	10,337.79
Add: Declassification of Associates pursuant to the scheme of amalagamation	**-**	149.00	-
Total	**10,486,79**	10,486.79	10,337.79

Additional Disclosures:

Capital Reserve on consolidation represents excess of the Parents' share of the net fair value of the investments in Associates over the cost of the investment which is recognised directly in equity as capital reserve upon transition to Ind AS.

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
Securities Premium			
Balance as per last financial statement	**743.92**	-	-
Add: Securities premium on Shares issued to the Shareholders of M/s Sri Harini Textiles Limited pursuant to the scheme of amalgamation.	**-**	743.92	-
Total	**743.92**	743.92	-

Additional Disclosures:

Represents the difference between the face value of shares and the issued price of shares alloted to the Share Holders pursuant to Business Combination.

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
General Reserve			
Balance as per last financial statement	**15,175.71**	15,175.71	6,516.30
Add/(Less): Transfer from Retained Earnings	**-**	-	9,000.00
Add/(Less): Declassification of Associates pursuant to the scheme of amalagamation	**-**	-	(340.59)
Total	**15,175.71**	15,175.71	15,175.71

Additional Disclosures:

The general reserve is used from time to time to transfer profits from retained profits. There is no policy of regular transfer.

(₹ in Lakhs)

Particulars	**As at 31-03-2022**	As at 01-04-2021	As at 31-03-2021
Retained Earnings			
Balance as per last financial statement	**412.91**	557.54	5,391.55
Add : Profit for the year	**2,144.07**	-	4,229.78
Add/(Less):Deferred Tax recognised on revaluation of assets taken over pursuant to business combination	**-**	(144.63)	-
Add/(Less):Transfer from OCI	**(78.68)**	-	(26.49)
Add/(Less):Share of OCI from Associates	**(3.08)**		(4.67)
Sub-Total	**2,475.22**	412.91	9,590.17
Balance available for Appropriations			
Less: Appropriations	**-**	-	-
Add/(Less):Dividend distribution to shareholders	**(19.73)**	-	(19.73)
Transfer to General Reserve	**-**	-	(9,000.00)
Add : Purchase of Non Controlling Interest	**(13.88)**	-	(12.90)
Total	**2,441.61**	412.91	557.54

Additional Disclosures:

Represents that portion of the net income of the Company that has been retained by the Company.

Note: The Board of Directors have recommended the payment of final dividend ₹ 1/- per share for the year 2021-22 (PY: ₹ 0.50 per share). This proposed dividend is subject to the approval of Shareholders in the ensuing AGM.

Particulars	**As at 31-03-2022**	As at 01-04-2021	As at 31-03-2021
FVTOCI Reserve			
Balance as per last financial statement	**5.01**	5.01	4.22
Add/(Less): Profit for the year	**-**	-	-
Add: Other Comprehensive Income for the year	**(1.71)**	-	0.79
Less: Transfer to Retained Earnings	**(3.30)**	-	-
Total	**-**	5.01	5.01

Additional Disclosures:

Fair Value through Other Comprehensive Income Reserve represents the balance in equity for items to be accounted in Other Comprehensive Income (OCI). The Company has opted to recognise the changes in the fair value of certain investments in equity instruments and remeasurement of defined benefit obligations in OCI. The Company transfers amounts from this reserve to Retained Earnings in case of actuarial loss / gain and in case of fair value recognition of equity instrument, the same will be transferred when the respective equity instruments are derecognised.

Total Other Equity	**28,865.66**	26,841.97	26,093.68

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
Note No. 25			
Non-Controlling Interest			
Balance as per last financial statement	**777.62**	777.62	-
Add/(Less): Share of capital in subsidiary	**(227.50)**	-	780.29
Add/(Less): Share of Profit / (Loss) in subsidiary	**(28.76)**	-	(2.67)
Total	**521.36**	777.62	777.62
Note No. 26			
Non-Current Borrowings			
Secured			
Term Loan from Banks	**5,246.69**	4,762.76	4,762.76
Working Capital Term Loan from Banks	**4,084.28**	2,661.15	2,661.15
Unsecured	**-**		
Working Capital Term Loan from Banks	**3,859.42**	5,028.00	5,028.00
Loans and Advances from Related Parties	**950.00**	950.00	-
Total	**14,140.39**	13,401.91	12,451.91

Additional Disclosures:

a) Term Loan from Banks

Term loan from Karur Vysya Bank and Indian Bank are secured by pari-passu 1st charge on the fixed assets of the Company and paripassu second charge on current assets of the Company carry interest rate linked to MCLR which stood at 8.90% p.a and 7.80% p.a respectively as at the reporting date.

Term loan from Indian Bank are secured by pari-passu 1st charge on the moveable fixed assets of the Company and paripassu second charge on current assets and term loan from ICICI Bank is secured by paripassu first charge on the moveable fixed assets of the Company carry interest rate linked to MCLR which stood at 7.50% p.a and 8.00% p.a. respectively as at the reporting date.

b) Working Capital Term Loan

Working capital loan from Canara Bank is secured by paripassu 1st charge on Current Assets and Working Capital Term Loan under ECLGS from RBL Bank Ltd. is secured by paripassu 2nd charge on the moveable fixed assets and current assets of the Company carry interest rate linked to MCLR which stood at 7.25% p.a and 7.50% p.a respectively as at the reporting date.

c) Unsecured Working Capital Term Loan

Unsecured Working Capital Term Loan under Emergency Credit Line Guarantee (ECLGS) from Federal Bank is availed as unsecured and covered under 100% Government Guarantee carry interest rate linked to Repo Rate which stood at 7.55% p.a as at the reporting date.

d) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken as at the reporting date.

e) Registration, Modification and Satisfaction of charges relating to the year under review, had been filed with the ROC, within the prescribed time or within the extended time requiring the payment of additional fees.

f) Refer Note No.52 for information about risk profile of borrowings under Financial Risk Management.

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021

g) The interest rates are reset on overnight / monthly / yearly basis. The term loans are repayable in equal monthly / quarterly / half yearly instalments at various dates and the year wise repayment is as follows:

Repayment Due	Amount	Amount	Amount
2022-23	-	4,388.79	4,388.79
2023-24	**4,240.90**	3,941.71	3,941.71
2024-25	**4,284.36**	3,064.68	3,064.68
2025-26	**4,115.15**	1,056.73	1,056.73
2026-27	**1,500.00**	950.00	-
Total	**14,140.39**	13,401.91	12,451.91

Note No. 27
Provisions

Provision for Employee Benefits	**80.48**	66.99	62.91
Total	**80.48**	66.99	62.91

Note No. 28

Deferred Tax (Assets) / Liability (Net)

Particulars	As on 01-04-2021	Credit Utilized/ Reversed	Recognition in P&L Account	As on 31-03-2022
Tax impact on difference between book base and tax base of assets (including deferred tax on assets and liabilities taken over pursuant to scheme of business combination)	**3,864.62**	-	(641.31)	3,223.31
Tax effect on unabsorbed depreciation and business losses under Income Tax Act, 1961	**(1,010.21)**	-	631.00	(379.21)
Tax effect on Provision for Bonus and Leave Encashment	**(71.83)**	-	(33.54)	(105.37)
Unused tax credits (ie. MAT Credit Entitlement)	**(2,653.66)**	-	(154.20)	(2,807.86)
Others		-	(10.17)	(10.17)
Total	**128.92**	-	**(208.22)**	**(79.30)**

(₹ in Lakhs)

Particulars	As on 31-03-2021	Recognition of deferred tax on amalgamation	Recognition in Retained Earnings	As on 01-04-2021
Tax impact on difference between book base and tax base of assets	3,719.99	-	-	3,719.99
Tax effect on unabsorbed depreciation and business losses under Income Tax Act, 1961	(644.10)	(366.11)	-	(1,010.21)
Tax effect on Provision for Bonus and Leave Encashment	(71.83)	-	-	(71.83)
Unused tax credits (ie. MAT Credit Entitlement)	(2,653.66)	-	-	(2,653.66)
Deferred Tax on Property, Plant & Equipment which were revalued and taken over pursuant to the scheme of amalgamation of M/s Sri Harini Textiles Limited	-	-	144.63	144.63
Total	350.40	(366.11)	144.63	128.92

Particulars	As on 01-04-2020	Credit Utilized/ Reversed	Recognition in P&L Account	As on 31-03-2021
Tax impact on difference between book base and tax base of assets	3,767.66	-	(47.67)	3,719.99
Tax effect on unabsorbed depreciation under Income Tax Act, 1961	(953.60)	-	309.50	(644.10)
Tax effect on Provision for Bonus and Leave Encashment	(96.44)	-	24.61	(71.83)
Unused tax credits (ie. MAT Credit Entitlement)	(2,046.64)	-	(607.02)	(2,653.66)
Others	-	-	-	-
Total	670.98	-	(320.58)	350.40

Particulars	As at 31-03-2022	As at 31-03-2021
Reconciliation of Deferred tax Liabilities (Net)		
Balance at the beginning of the year	**350.40**	670.98
Deferred Tax recognized pursuant to business combination	**(221.48)**	**-**
Deferred Tax Expense during the year recognised in the Statement of Profit and Loss	**(54.02)**	286.44
MAT Credit Utilized/(recognized) during the year	**(154.20)**	(607.02)
Balance at the end of the year	**(79.30)**	350.40

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Components of Tax Expenses		
Profit and Loss Section		
Current Tax		
Current Income Tax Charge	**134.75**	611.65
Current Tax adjustments of earlier years	**-**	-
Deferred Tax		
Relating to the temporary difference	**(54.02)**	208.08
MAT Credit Recognition	**(154.20)**	(607.02)
Deferred Tax adjustments of earlier years		
Other Comprehensive Income Section		
Charged in Other Comprehensive Income	**-**	(4.63)
Total Tax Expenses recognized in the Statement of Profit or Loss account	**(73.47)**	208.08
Reconciliation of the Income tax provision to the amount computed by applying the statutory Income tax rate to the Income before taxes is summarized as below:		
Accounting Profit before tax (including OCI)	**794.39**	3,254.81
Corporate Tax Rate%	**29.12%**	29.12%
Computed Tax Expense	**Nil**	947.80
Increase/(Reduction) in taxes on account of :		
Tax adjustments of earlier years	**-**	-
Non-deductible expenses	**-**	-
Income exempt / eligible for deduction under chapter VI-A	**-**	(20.60)
MAT Credit Recognition / Utilization	**-**	-
Additional allowances / deductions for tax purposes	**-**	(927.20)
(A)	**-**	-

(₹ in Lakhs)

Particulars		As at 31-03-2022	As at 31-03-2021
Income Tax under MAT			
Accounting Profit before tax (including OCI)		**794.39**	3,488.59
Corporate Tax Rate		**16.69%**	17.47%
Computed Tax Expense		**132.58**	609.53
Increase/(Reduction) in taxes on account of :			
Tax adjustments of earlier years			
Non-deductible expenses		**2.17**	-
Income exempt / eligible for deduction under chapter VI-A			
Additional allowances / deductions for tax purposes		**-**	(2.51)
	(B)	**134.75**	607.02
Tax Expenses recognised in the Statement of Profit and Loss Higher of A & B Above		**134.75**	**607.02**

Additional Disclosures:

i) A new Section 115BAA in the Income Tax Act, 1961, vide the Taxation Laws (Amendment) Ordinance 2019, is introduced providing domestic companies a non-reversible option to pay corporate tax at reduced rates effective 01-04-2019 subject to certain conditions. Since new tax regime are not beneficial in view of various deductions, exemptions and MAT Credit Entitlement available under existing tax regime, the Company has not adopted new tax rates for the year and continue to adopt tax rates under existing tax regime. Accordingly, the Company has recognised deferred tax at the existing rates.

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
Note No. 29			
Deferred Government Grants			
Deferred Income Government Grants	**17.41**	58.91	40.05
Total	**17.41**	58.91	40.05

Additional Disclosures:

(i) Industrial Promotion Assistance (IPA) provided by Department of Industries, Government of Andhra Pradesh towards creation of infrastructure facilities is recognised as ‘Grant Income’ over the useful life of the underlying PPE.

(₹ in Lakhs)

Particulars	As at 31-03-2022		As at 01-04-2021		As at 31-03-2021	
Note No. 30						
Current Borrowings						
Secured						
Loans from Banks	**11,816.54**		10,196.82		9,178.57	
Current Maturities of Long Term Borrowings	**3,333.90**		3,891.23		3,891.23	
		15,150.44		14,088.05		13,069.80
Unsecured and Considered Good						
Loan Repayable on Demand from Banks	**1,999.99**		1,000.00		1,000.00	
Loan from Other Parties	**-**		0.33		0.33	
Current Maturities of Long Term Borrowings	**1,168.58**		-		-	
Loans and Advances from Related Parties [Refer to Note No. 48(b)(i)]	**113.28**		821.36		821.36	
		3,281.85		1,821.69		1,821.69
Total		**18,432.29**		15,909.74		14,891.49

Additional Disclosures:

a) Loan Repayable on Demand from Banks are secured by pari-passu first charge on the current assets of the Company and paripassu second charge on the fixed assets of the Company.

b) Loan from Banks and Loan repayable on demand carry interest rate for cash credit from 8.45% to 9.25%, Short term borrowings from 6.15% to 7.70%.

c) The quarterly returns or statements filed by the Company with the banks or financial institutions are in agreement with the books of accounts.

d) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken as at the reporting date.

e) Refer Note No.52 for information about risk profile of borrowings under Financial Risk Management.

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
Note No. 31			
Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	**92.18**	76.79	58.90
(i) Total outstanding dues of creditors other than micro enterprises and small enterprises	**1,666.64**	1,586.13	1,378.72
Total	**1,758.82**	1,662.92	1,437.62

Additional Disclosures:

a) Disclosures as required under Micro, Small and Medium Enterprises Development Act, 2006.

The categorization of supplier as MSME registered under The Micro, Small and Medium Enterprises Development Act, 2006, has been determined based on the information available with the company as at the reporting date.The disclosures as per the requirement of the Act are furnished as below:

	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
a. (i) The principal amount remaining unpaid to any supplier at the end of the financial year included in Trade payables	**92.18**	76.79	58.90
(ii) The interest due on the above			
b. The amount of interest paid by the buyer in terms of section 16 of the Act			
c. The amount of the payment made to the supplier beyond the appointed day during the financial year			
d. The amount of interest accrued and remaining unpaid at the end of financial year			
e. The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under this Act			

b) Trade Payables ageing schedule

As at 31-03-2022

Particulars		Outstanding for the following periods from the due date of payment as at 31-03-2022					
		Not Due	< 1 Year	1 - 2 years	2 - 3 years	> 3 years	Total
(i)	MSME	92.18	-	-	-	-	92.18
(ii)	Others	882.73	765.70	1.40	16.81	-	1,666.64
(iii)	Disputed dues - MSME	-	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-	-
(v)	Unbilled dues	-	-	-	-	-	-
Total		**974.91**	**765.70**	**1.40**	**16.81**	**-**	**1,758.82**

(₹ in Lakhs)

As at 31-03-2021

Particulars		Outstanding for the following periods from the due date of payment as at 31-03-2021					
		Not Due	< 1 Year	1 - 2 years	2 - 3 years	> 3 years	Total
(i)	MSME	58.90	-	-	-	-	58.90
(ii)	Others	985.34	294.82	13.52	80.58	4.46	1,378.72
(iii)	Disputed dues - MSME	-	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-	-
(v)	Unbilled dues				-	-	-
Total		1,044.24	294.82	13.52	80.58	4.46	1,437.62

c) Refer to Note No. 52 information about risk profile of Trade Paybles under Financial Risk Management and Ageing schedule.

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
Note No. 32			
Other Financial Liabilities			
Unclaimed Dividends	**7.57**	7.40	10.77
Ramaraju Memorial Fund	**463.97**	447.47	447.47
Liabilities for Other Finance	**357.98**	497.99	489.34
Derivatives Designated as Hedges - Foreign Exchange Forward Contract	**33.26**	160.81	160.81
Total	**862.78**	1,113.67	1,108.39

Additional Disclosures:

a) Unclaimed Dividends represent the amount not due for transfer to IEPF.

Particulars	As at 31-03-2022	As at 01-04-2021	As at 31-03-2021
Note No. 33			
Other Current Liabilities			
Other Current Payables	**567.24**	385.22	354.37
Statutory Liabilites	**-**	117.63	114.37
Current Payable - Capital Goods	**1,111.21**	-	-
Total	**1,678.45**	502.85	468.74
Note No. 34			
Provisions (Short-term)			
Provision for Compensated Absences (Refer Note No.46)	**449.85**	288.35	269.68
Provision for Taxation of earlier years	**89.50**	89.50	89.50
Total	**539.35**	377.85	359.18

Additional Disclosures:

a) The Company provides for expenses towards compensated absences provided to its employees. The expense is recognized at the present value of the amount payable determined based on an independent external actuarial valuation as at the Balance Sheet date, using Projected Unit Credit method.

(₹ in Lakhs)

Particulars		For the year ended 31-03-2022		For the year ended 31-03-2021
Note No. 35				
Revenue From Operation				
Sale of Products				
Textiles	**38,469.03**		24,455.86	
Surgical Dressings	**3,976.80**		3,481.77	
Waste Sales	**532.18**		353.89	
		42,978.01		28,291.52
Other operating Revenues				
Export Incentive	**166.53**		101.04	
Job Work Charges Received	**69.23**	**235.76**	31.44	132.48
Total		**43,213.77**		28,424.00

Additional Disclosures:

a) The Company's Revenue from sale of products is recognised upon transfer of control of such products to the customer at a point in time.

b) Disaggregation of Income

	For the year ended 31-03-2022	For the year ended 31-03-2021
Gross Revenue	**45,417.26**	30,043.83
Add / (Less) : Discounts	**(203.48)**	(180.68)
Add / (Less) : GST	**(2,000.01)**	(1,439.15)
Net Revenue	**43,213.77**	28,424.00

	For the year ended 31-03-2022	For the year ended 31-03-2021
Note No. 36		
Other Income		
Interest Receipt	**172.34**	91.23
Rent Receipts	**0.12**	55.88
Profit on Sale of Fixed Assets	**-**	6.03
Government Grants	**1.45**	3.34
Profit on Sale of Investments	**-**	2,958.80
Miscellaneous Income	**13.58**	26.07
Total	**187.49**	3,141.35

(₹ in Lakhs)

Particulars		For the year ended 31-03-2022		For the year ended 31-03-2021
Note No. 37				
Cost of Materials Consumed				
Cost of Materials Consumed		**25,515.59**		12,974.01
Total		**25,515.59**		12,974.01
Note No. 38				
Changes in Inventories of Finished Goods and Work-in-Progress				
Opening stock				
Finished Goods	**2,110.40**		4,954.18	
Work-in-Progress	**1,063.30**		1,130.72	
		3,173.70		6,084.90
Closing Stock				
Finished Goods	**2,576.15**		2,101.19	
Work-in-Progress	**1,568.42**		941.96	
		4,144.57		3,043.15
Net (Increase) / Decrease in Stock		**(970.87)**		3,041.75

Additional Disclosures:

a) Pursuant to business combination, the value of opening process stock and finished goods have increased by ₹ 121.34 Lakhs and ₹ 9.21 lakhs respectively on the appointed date 01/04/2021.

Particulars		For the year ended 31-03-2022		For the year ended 31-03-2021
Note No. 39				
Employee Benefit Expenses				
For Employees other than Directors				
Salaries, Wages and Bonus	**3,280.82**		2,493.64	
Contribution to Provident and Other Funds	**303.04**		234.77	
Staff and Labour Welfare & Training Expenses	**204.45**	**3,788.31**	121.70	2,850.11
For Directors				
Managing Director Remuneration	**240.00**		240.00	
Contribution to Provident and Other Funds (MD)	**12.42**		12.82	
Sitting Fees (MD)	**2.70**	**255.12**	1.60	254.42
Total		**4,043.43**		3,104.53

(₹ in Lakhs)

Particulars	For the year ended 31-03-2022	For the year ended 31-03-2021

Additional Disclosures:

(a) Amount recognised in Other Comprehensive Income represent remeasurement losses on defined benefit obligations i.e Gratuity fund, recognised in OCI.

(b) Refer Note No. 46 for disclosures pertaining to defined contribution plan and defined benefit obligations under Ind AS 19.

Note No. 40

Finance Cost

Interest on Debts and Borrowings	**1,860.03**	2,165.69
Exchange differences on Foreign Currency Borrowings regarded as on adjustment to Borrowing Cost	**217.23**	10.60
Interest Expenses on shortfall in payment of Advance Tax	**-**	23.57
Total	**2,077.26**	2,199.86

Additional Disclosures:

(a) Interest on Debt & Borrowings represent interest calculated using the effective interest rate method.

(b) Refer Note No.52 for information about Interest rate risk exposure under Financial Risk Management.

(c) The above Finance Costs is net of transfer to Capital Work in Progress portion of ₹ 26.93 Lakhs (PY: Nil) attributable to the qualifying assets.

Note No. 41

Depreciation and Amortization Expenses

Depreciation of Plant ,Property and Equipment (Refer Note No.8)	**4,597.35**	1,748.89
Amortization of Intangible assets (Refer Note No.12)	**0.30**	4.29
Depreciation on Investment Properties (Refer Note No.10)	**0.18**	0.19
Total	**4,597.83**	1,753.37

Additional Disclosures:

(a) Depreciation adjustments comprise of additional ₹ 2,981.16 Lakhs in current year. This is on account of technical evaluation of plant and machinery and electrical machineries installed in the factory premises..

(b) The estimation of useful life of Property, Plant and Equipment has been provided under Note No. 4E.

(₹ in Lakhs)

Particulars		For the year ended 31-03-2022		For the year ended 31-03-2021
Note No. 42				
Other Expenses				
Manufacturing Expenses				
Power and Fuel	**2,727.77**		2,028.38	
Production Consumables	**367.40**		293.18	
Packing Materials Consumption	**600.55**		373.41	
Job work Charges Paid	**150.10**		26.41	
Repairs to Buildings	**73.82**		108.58	
Repairs to Plant and Machinery	**706.93**		636.77	
Repairs - General	**576.80**		504.50	
		5,203.37		3,971.23
Establishment Expenses				
Rates and Taxes	**99.37**		62.28	
Postage and Telephone	**12.30**		9.58	
Printing and Stationery	**17.50**		8.76	
Travelling Expenses	**11.97**		7.58	
Vehicle Maintenance	**103.83**		70.81	
Insurance	**161.59**		167.84	
Directors Sitting Fees	**18.25**		7.85	
Rent	**8.96**		18.14	
Audit Fees and Legal Expenses	**40.94**		28.12	
Corporate Social Responsibility Expenses	**36.56**		70.74	
Advertisement	**16.65**		8.29	
Bank Charges	**45.31**		32.31	
Covid-19 Welfare Expenses	**2.52**		8.34	
Loss on Sale of Assets	**252.77**		18.27	
Miscellaneous Expenses	**46.96**		19.54	
		875.48		538.45

(₹ in Lakhs)

Particulars		**For the year ended 31-03-2022**		For the year ended 31-03-2021
Selling Expenses				
Bad Debts and Impairment Allowances for Trade Receivables	**22.19**		5.92	
Sales Commission	**294.43**		185.14	
Export Expenses	**289.48**		103.24	
Other Selling Expenses	**179.32**		125.23	
		785.42		419.53
Total		**6,864.27**		4,929.21

Additional Disclosures:

(a) The details of CSR Expenditure are furnished in Note 55.

(b) Audit Fees & Expenses

	For the year ended 31-03-2022	For the year ended 31-03-2021
Statutory Audit	**1.60**	1.60
Other Certification work	**1.11**	0.40
Tax Audit	**0.50**	3.35
Total	**3.21**	5.35

Note No. 43

Business Combination

Further to the filing of the Scheme of Amalgamation of Sri Harini Textiles Limited (SHTL) with the Company, the NCLT vide its order dated 13th July, 2022, directed to hold the meetings of shareholders of the Transferor and Transferee Companies and the meetings of secured creditors and unsecured creditors of the Transferee Company. The requirement to hold the meeting of creditors of the Transferor Company was dispensed.

The meetings were held on 08th September, 2022 as directed. The Outcome of the said meetings with the scrutinizer report was submitted with stock Exchange on 09th September, 2022. The Order was pronounced on 31st May, 2023. The Certified Copy of NCLT Order and the Scheme of Amalgamation was filed with Registrar of Companies on 25th June, 2023.

Upon coming into effect of the Scheme, the undertaking of SHTL stands transferred to and vested in the Company with effect from the Appointed Date of 1st April, 2021.

The merger has been accounted as per the acquisition method based on IndAS 103 Business Combinations.

<u>Ind AS 103 on Business Combinations:</u>

The Assets and Liabilities in the books of account of SHTL as on 1st April, 2021, the appointed date, (after eliminating the intercompany balances) is included in the financial statements of the Company.

All equity shares of SHTL held by the Company were cancelled without any further application, act or deed.

The investment held by the Company in SHTL aggregating to ₹ 149.00 Lakhs has been extinguished and the reserves and surplus of SHTL aggregating to ₹ 599.29 Lakhs as on the appointed date is added on line by line basis with the respective reserves of the Company.

All identified assets acquired, and liabilities assumed on the date of merger were recorded at their fair value. This amalgamation did not involve any cash outflow (except for the transaction costs which was expensed out).

(A) Purchase consideration transferred:

As per the scheme, the Company issued its shares in favour of existing shareholders of SHTL such that 34 of Company's shares were allotted for every share of 1000 shares of SHTL.

(B) Details of assets acquired, and liabilities assumed:

Particulars		SHTL ₹ in Lakhs
ASSETS		
Non-Current Assets		
Property, Plant and Equiptments		1,575.30
Intangible Assets		0.31
Other Financial Assets		64.41
Deferred Tax Assets		366.11
Total Non-Current Assets	**(A)**	**2,006.13**

Particulars		SHTL ₹ in Lakhs
Current Assets		
Inventories		878.71
Financial Assets		
Trade Receivable		349.39
Cash and Cash Equivalents		3.00
Other Financial Assets		44.48
Other Current Assets		396.40
Total Current Assets	**(B)**	**1,671.98**
TOTAL ASSETS	**(A+B)**	**3,678.11**
EQUITY & LIABILITIES		
EQUITY		
Equity Share Capital		300.00
Other Equity		(1,781.00)
Total Equity	**(C)**	**(1,481.00)**
LIABILITIES		
Non-Current Liabilities		
Financial Liabilities		
Borrowings		950.00
Provisions		0.08
Deferred Government Grants/Income		18.86
Total Non-Current Liabilities	**(D)**	**968.94**
Current Liabilities		
Financial Liabilities		
Borrowings		1,017.34
Trade payables		
i) Total Outstanding dues of creditors other than micro enterprises and small enterprises		217.66
Other Financial Liabilities		2,932.81
Provisions		22.36
Total Current Liabilities	**(E)**	**4,190.17**
TOTAL EQUITY AND LIABILITIES	**(C+D+E)**	**3,678.11**

Computation of Goodwill (₹ **In Lakhs)**

Total Assets of SHTL		3,678.11
Add : Fair Valuation of Asset and Liabilities of SHTL		496.67
Total Gross Value of Assets of SHTL	**(A)**	**4,174.78**
Less : Current and Non Current Liabilities of SHTL	(B)	5,159.11
Net Assets of SHTL	**C = A-B**	**(984.33)**
Consideration Paid by way of issue of shares in the ratio of 34:1000	D	749.05
Add : Investment already held by RSCM in SHTL	E	149.00
Excess of Consideration paid over net assets taken over (Goodwill)	F = D+E-C	**1,882.38**

Reconciliation of Equity shares issued pursuant to Business Combination

Total Shares of Sri Harini Textiles Limited (SHTL)	30,00,000
Less : Shares held by the Company (RSCM)	14,90,000
Total shares held by outside shareholders	**15,10,000**
Swap Ratio	34 shares of RSCM for every 1000 shares of SHTL
Net shares issued pursuant to business combination	**51,340**
Value per share as per the approved scheme RSCM SHTL	 ₹ 1459/- ₹ 49/-
Value of 51,340 shares issued pursuant to business combination	
Equity (51,340 shares of ₹ 10/- each)	**₹ 5,13,400/-**
Securities Premium (51,340 shares of ₹ 1449/- each)	**₹ 7,43,91,660/-**

(C) Comparable period:

The results for the year ended 31st March, 2021 does not include the impact of the acquisitions of SHTL since the effective date of amalgamation being 01st April, 2021 and accordingly are not comparable with previous year to that extent.

	As at 31-03-2022	As at 31-03-2021
Note No. 44		
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	**NIL**	NIL

	As at 31-03-2022	As at 31-03-2021
		(₹ In Lakhs)
Note No. 45		
Contingent Liabilities		
Guarantees given by the bankers on behalf of company	**100.40**	100.14
Demands / Claims not acknowledged as Debts in respect of matters in appeals relating to – TNVAT	**NIL**	8.45

i. In respect of Electricity matters, Appeals / Writ petition are pending with TNERC / APTEL / High Court for various matters for which no provision has been made in the books of accounts to the extent of ₹ 159.49 Lakhs (PY: ₹ 159.49 Lakhs). In view of the various case laws decided in favour of the Company and in the opinion of the management, there may not be any tax liability on this matter.

Note No. 46

As per Ind AS 19, the disclosures pertaining to “Employee Benefits” are given below:

Defined Contribution Plan:

Employer’s Contribution to Provident Fund	**206.68**	171.63
Employer’s Contribution to Superannuation Trust Fund	**18.99**	20.34

Defined Benefit Plan – Gratuity

The Gratuity payable to employees is based on the employee’s service and last drawn salary at the time of leaving the services of the Company and is in accordance with the rules of the Company read with Payment of Gratuity Act 1972. This is a defined benefit plan in nature. The Company makes annual contributions to “The Ramaraju Surgical Cotton Mills Limited Employees Gratuity Fund” administered by the Trustees and managed by LIC of India, based on the Actuarial Valuation by an Independent external actuary as at the Balance Sheet date using Projected Unit Credit method. The Company has the exposure of actuarial risk such as adverse salary growth, change in demography experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks.

Details of the post retirement gratuity plan (Funded) are as follows:

Movements in the present value of define benefit obligation:

Opening defined Benefit Obligation	**543.80**	528.63
Current Service Cost	**45.41**	43.57
Past Service Cost	**NIL**	NIL
Interest Cost	**35.28**	32.50
Actuarial (Gain) / Loss	**80.03**	3.75
Benefits paid	**(-)75.34**	(-)79.94
Closing Defined Benefit obligation	**629.18**	528.51

(₹ **In Lakhs)**

	As at 31-03-2022	As at 31-03-2021
Movement in the present value of plan assets:		
Opening Fair Value of Plan Assets	**609.09**	515.02
Expected Return on Plan Assets	**41.84**	36.29
Actuarial Gain / (Loss)	**(-) 1.95**	(-) 22.73
Employer Contribution	**58.03**	141.40
Benefits Paid	**(-) 75.34**	(-) 79.94
Closing Fair Value of Plan Assets	**631.67**	590.04
The amount included in the Statement of Financial position arising from the entity's obligation in respect of its defined benefit plans:		
Present value of obligation	**629.18**	528.51
Fair value of plan assets	**631.67**	590.04
Present value of Funded defined obligation	**(-) 2.49**	(-) 61.53
Cost of defined benefit plan:		
Current Service Cost	**45.41**	43.57
Interest Cost	**(-) 6.57**	(-) 3.79
Past Service Cost	**NIL**	NIL
Net Cost Recognized statement in the Income Statement	**38.84**	39.78
Expected return on plan assets (To the extent it does not represent an adjustment to Interest Cost)	**1.95**	22.73
Actuarial (Gain) / Loss	**80.03**	3.75
Net Cost recognized in the Other Comprehensive Income	**81.98**	26.48
Major Categories of Plan Assets:		
GOI Securities	**NIL**	NIL
Funds with LIC	**628.57**	542.51
Others	**3.10**	47.53
Total	**631.67**	590.04
Actuarial Assumptions:		
Discount rate P.A.	**7.36%**	6.97%
Rate of escalation in salary P.A.	**5.00%**	4.00%
Attrition rate	**0.50%**	0.50%

(₹ **In Lakhs)**

	As at 31-03-2022	As at 31-03-2021
Estimate of Expected Benefit payments:		
Year 1	**20.46**	20.96
Year 2	**56.60**	35.36
Year 3	**50.93**	36.20
Year 4	**49.61**	48.27
Year 5	**73.37**	44.69
Next 5 Years	**325.96**	285.89
Quantitative Sensitivity Analysis for Significant Assumptions:		
0.50% Increase in Discount Rate	**47.52**	40.46
0.50% Decrease in Discount Rate	**53.84**	45.74
0.50% Increase in Salary Growth Rate	**53.92**	45.83
0.50% Decrease in Salary Growth Rate	**47.43**	40.36

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the defined benefit obligation as significant actuarial assumptions source material (Projected unit credit method) has been applied as when calculating the defined benefit obligation recognised with in the Balance Sheet.

Details of Leave encashment plan (Unfunded) are as follows:

Movement in the present value of defined benefit Obligation:		
Opening defined Benefit Obligation	**74.99**	134.86
Current Service Cost	**15.33**	18.20
Interest Cost	**4.60**	7.80
Actuarial (Gain) / Loss	**5.28**	(-) 54.89
Benefits paid	**(-) 11.83**	(-) 35.06
Closing defined Benefit obligation	**88.38**	70.91
Movement in the present value of plan assets:		
Opening fair value of plan assets	**NIL**	NIL
Expected return on plan assets	**NIL**	NIL
Actuarial Gain / (Loss)	**NIL**	NIL
Employer Contribution	**11.83**	35.06
Benefits paid	**(-) 11.83**	(-) 35.06
Closing fair value of plan assets	**NIL**	NIL

(₹ In Lakhs)

	As at 31-03-2022	As at 31-03-2021
Actual Return of plan assets:		
Expected return of plan assets	**NIL**	NIL
Actuarial Gain / (Loss) on plan assets	**NIL**	NIL
Actual return on plan assets	**NIL**	NIL
The amount included in the Statement of Financial position arising from the entity's obligation in respect of its define benefit plans:		
Fair value of plan assets	**NIL**	NIL
Present value of obligation	**88.37**	70.91
Present value of Funded define obligation	**88.37**	70.91
Cost of defined benefit Plan:		
Current Service Cost	**15.33**	18.20
Interest Cost	**4.61**	7.80
Actuarial (Gain) / Loss	**5.28**	(-) 54.89
Net Cost recognized in the Income Statement	**25.22**	(-) 28.89
Major Categories of Plan Assets:		
GOI Securities	**NIL**	NIL
Funds with LIC	**NIL**	NIL
Bank balance	**NIL**	NIL
Total	**NIL**	NIL
Actuarial Assumptions:		
Discount rate p.a	**7.36%**	6.65%
Rate of escalation in salary p.a	**5.00%**	4.00%
Attrition rate	**0.50%**	0.50%
Estimate of Expected Benefit payments		
Year 1	**3.61**	2.59
Year 2	**10.99**	7.79
Year 3	**7.16**	3.43
Year 4	**3.60**	6.08
Year 5	**8.67**	2.73
Next 5 Years	**40.89**	34.21

(₹ In Lakhs)

	As at 31-03-2022	As at 31-03-2021
Quantitative Sensitivity Analysis for Significant Assumptions		
0.50% Increase in Discount Rate	**16.64**	13.82
0.50% Decrease in Discount Rate	**18.52**	15.40
0.50% Increase in Salary Growth Rate	**18.55**	15.42
0.50% Decrease in Salary Growth Rate	**16.61**	13.79

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the defined benefit obligation as significant actuarial assumptions the same method (Projected unit credit method) has been applied as when calculating the defined benefit obligation recognised with in the Balance Sheet.

Note No. 47

Disclosure Of Interests In Associates Under Equity Method

Name of the Company	**Location**	**Principal activities of Business**
Material Associates		
M/s. The Ramco Cements Limited	India	Manufacture of Building materials
M/s. Rajapalayam Mills Limited	India	Manufacturer of Cotton yarn
Immaterial Associates		
M/s. Ramco Industries Limited	India	Manufacture of Building materials
M/s. Ramco Systems Limited	India	Software development
M/s. Sri Vishnu Shankar Mill Limited	India	Manufacturer of Cotton yarn
M/s. Sri Harini Textiles Limited*	India	Manufacturer of Cotton yarn
M/s. Shri Harini Media Limited	India	Publications

* For the year ending 31.03.2021, the transactions were accounted using equity method. The company has been amalagamated w.e.f from 01.04.2021. (Refer Note 43 Business Combination).

Name of the Company	**% of Shareholding as at**	
	31-03-2022	31-03-2021
M/s. The Ramco Cements Limited	**1.40**	1.40
M/s. Ramco Industries Limited	**0.16**	0.16
M/s. Ramco Systems Limited	**0.04**	0.04
M/s. Rajapalayam Mills Limited	**1.83**	1.83
M/s. Sri Vishnu Shankar Mill Limited	**0.75**	0.75
M/s. Sri Harini Textiles Limited*	**Nil**	49.67
M/s. Shri Harini Media Limited	**2.65**	2.65

* The company has been amalagamated w.e.f from 01.04.2021. (Refer Note 43 Business Combination).

(₹ In Lakhs)

Summarised financial information for Associates:

The summarized consolidated financial statements of the material associates are as below:

Balance Sheet	Non-current Assets	Investment in Associates	Current Assets	Non-current Liabilities	Current Liabilities	Total Equity
As at 31-03-2022						
The Ramco Cements Limited	**11,18,187.00**	**26,962.00**	**1,70,737.00**	**3,75,048.00**	**2,78,269.00**	**6,62,569.00**
Rajapalayam Mills Limited	**77,511.00**	**1,81,709.00**	**40,514.00**	**36,371.00**	**50,809.00**	**2,12,554.00**
As at 31-03-2021						
The Ramco Cements Limited	9,71,692.00	27,909.00	1,45,891.00	3,29,754.00	2,41,937.00	5,73,801.00
Rajapalayam Mills Limited	62,918.00	1,55,213.00	25,182.00	31,060.00	37,007.00	1,75,246.00

Profit and Loss	The Ramco Cements Limited		Rajapalayam Mills Limited	
	31-03-2022	31-03-2021	**31-03-2022**	31-03-2021
Total Revenue	**6,03,169.00**	5,32,137.00	**70,425.09**	41,836.22
Profit before tax	**80,344.00**	1,14,350.00	**5,722.04**	(4,907.78)
Tax expenses	**(8,941.00)**	37,992.00	**3,838.39**	(1,171.06)
Profit after Tax	**89,285.00**	76,358.00	**1,883.65**	(3,736.72)
Share of profit in Associates	**(1,116.00)**	2,006.00	**14,774.07**	133.41
Other Comprehensive Income	**(248.00)**	(358.00)	**16.36**	69.69
Share of OCI of Associate	-	-	**(45.47)**	(26.63)
Total Comprehensive Income	**87,921.00**	78,006.00	**16,628.61**	(3,560.25)

Fair Value of Investments

Name of the material Associates	**31-03-2022**	31-03-2021
The Ramco Cements Limited	**15,655.52**	14,447.32
Rajapalayam Mills Limited	**1,363.86**	1,204.60

Share of contingent Liabilities in respect of associates

Name of the material Associates	**31-03-2022**	31-03-2021
The Ramco Cements Limited	**85,962.00**	76,461.00
Rajapalayam Mills Limited	**-**	750.64

(₹ In Lakhs)

Reconciliation to the carrying amount of investment in associates as on 31-03-2022 and 31-03-2021:

Profit and Loss	The Ramco Cements Limited		Rajapalayam Mills Limited	
	31-03-2022	31-03-2021	**31-03-2022**	31-03-2021
Entity's TCI	**87,921.00**	78,006.00	**16,628.61**	10,217.00
Entity's Adjusted TCI	**87,921.00**	78,006.00	**16,628.61**	10,217.00
Effective shareholding %	**1.40**	1.40	**1.83**	1.83
Associates share of profit / OCI	**1,208.20**	1,063.29	**31.84**	(45.62)
Amount recognized in P & L	**1,208.20**	1,063.29	**31.84**	(45.62)
Reconciliation				
Opening Carrying amount	**14,447.32**	14,819.76	**1,204.60**	1,251.57
Add: Associate's share of Profit / OCI	**1,208.20**	1,063.29	**31.84**	(45.62)
Less: Dividend received	**-**	103.44	**0.79**	1.35
De-recognition of Associates	**-**	1,332.29	**-**	-
Add: Subscription to Rights Issue	**-**	-	**128.21**	-
Net Carrying amount	**15,655.52**	14,447.32	**1,363.86**	1,204.60

Notes:

1) Adjusted TCI represents total comprehensive income of the entity after eliminating effects of reciprocal interests and unrealized profits.
2) Effective shareholdings represent the aggregate of direct holding and indirect holding through fellow associates.

The Group's aggregate share of profit and other comprehensive income in its individually immaterial associates are furnished below:

Aggregate amounts of Group's share of:	**31-03-2022**	31-03-2021
Profit after Tax	**30.32**	35.83
Other Comprehensive Income	**(0.30)**	2.13
Total Comprehensive Income	**30.02**	37.96

Note No. 48

Related Party Transactions

Information on names of Related parties and nature of Relationship as required by Ind AS 24 on Related party disclosures for the year ended 31st March 2022:

i. Subsidiary Company

Name of the Company	Country of Incorporation	**% of Shareholding as at**	
		31-03-2022	31-03-2021
M/s. Madras Chipboard Limited	India	**75.01**	64.68

ii. Associate Companies

Name of the Company	Country of Incorporation	% of Shareholding as at	
		31-03-2022	31-03-2021
M/s. The Ramco Cements Limited	India	**1.40**	1.40
M/s. Ramco Industries Limited	India	**0.16**	0.16
M/s. Ramco Systems Limited	India	**0.04**	0.04
M/s. Rajapalayam Mills Limited	India	**1.83**	1.83
M/s. Sri Vishnu Shankar Mill Limited	India	**0.75**	0.75
M/s. Sri Harini Textiles Limited*	India	**Nil**	49.67
M/s. Shri Harini Media Limited	India	**2.65**	2.65

* The company has been amalagamated w.e.f from 01.04.2021. (Refer Note No. 43 Business Combination).

iii. Key Managerial Personnel (including KMP under Companies Act, 2013)

Name of the Key Managerial Personnel	Designation
Shri P.R. Venketrama Raja	Chairman
Smt Nalina Ramalakshmi	Managing Director
Shri N.R.K. Ramkumar Raja	Managing Director
Shri S. Sarathy Subburaj *	Nominee Director
Shri N.K. Shrikantan Raja	Non-Executive Director
Shri P.J. Alaga Raja #	Independent Director
Justice Shri P.P.S. Janarthana Raja	Independent Director
Shri V. Santhanaraman	Independent Director
Shri P.J. Ramkumar Rajha	Independent Director
Shri P.A.S Alaghar Raja **	Independent Director
Shri N. Vijay Gopal	Chief Financial Officer
Shri Walter Vasanth P J ***	Company Secretary

* Appointed w.e.f. 20.11.2021

** Appointed w.e.f. 25.08.2021

*** Resigned on 10.03.2023

Demised on 11.03.2023

iv. Relatives of Key Managerial Personnel

Name of the Relative of KMP	Relationship
Smt. R. Sudarsanam	Mother of Shri. P.R.Venketrama Raja
Smt. Saradha Deepa	Sister of Shri. P.R. Venketrama Raja
Smt. P.V. Nirmala	Spouse of Shri P.R. Venketrama Raja
Shri. Abhinav Ramasubramaniam Raja	Son of Shri P.R. Venketrama Raja
Smt. B. Sri Sandhya Raju	Daughter of Shri P.R. Venketrama Raja
Shri N.K. Ramasuwamy Raja	Brother of Shri N.R.K. Ramkumar Raja
Shri N.R.K. Venkatesh Raja	Brother of Shri N.R.K. Ramkumar Raja
Smt. P.S. Ramani Devi	Sister of Shri N.R.K. Ramkumar Raja
Smt. N.S. Gitalakshmi	Spouse of Shri N.K. Shrikantan Raja

v. Companies over which KMP/Relatives of KMP exercise significant influence

M/s. Sandhya Spinning Mill Limited
M/s. Rajapalayam Textile Limited
M/s. Ramco Windfarms Limited
M/s. N.R.K. Infra System Private Limited
M/s. Tirupathi Yarntex Spinners Pvt Ltd
M/s. Vinvent Chemilab Private Limited
M/s. Digvijai Polytex Private Limited

vi. Employee Benefit Funds where control exists

The Ramaraju Surgical Cotton Mills Limited Officers' Superannuation Trust Fund
The Ramaraju Surgical Cotton Mills Limited Employees' Gratuity Fund

vii. Other entities over which there is a significant influence

M/s. P.A.C.R. Sethuramammal Charity Trust
M/s. P.A.C. Ramasamy Raja Centenary Trust
M/s. N.R.K. Distribution Services
M/s. Gowrihouse Metal Works LLP
Smt. Lingammal Ramaraju Shastra Prathishta Trust
P.A.C. Ramasamy Raja Education Charity Trust

(₹ In Lakhs)

Disclosure in respect of Related Party Transactions (excluding reimbursements) during the year and outstanding balances including commitments as at the reporting date:

a. Transactions during the year at Arm's length basis or its equivalent

	Name of the Related Party	2021-22	2020-21
i.	**Goods Supplied / Services rendered Associates**		
	M/s. Rajapalayam Mills Limited	**1,874.18**	564.70
	M/s. Ramco Industries Limited	**1,181.25**	522.90
	M/s. The Ramco Cements Limited	**NIL**	0.10
	M/s. Sri Vishnu Shankar Mill Limited	**905.99**	353.40
	M/s. Sri Harini Textiles Limited	**NIL**	1,407.81
	Companies over which KMP / Relative of KMP exercise significant Influence		
	M/s. Sandhya Spinning Mill Limited	**847.80**	366.34
	M/s. Rajapalayam Textile Limited	**0.05**	45.01
	M/s. Digvijai Polytex Private Limited	**0.19**	0.34
	M/s. Tirupathi Yarntex Spinners Pvt Ltd	**0.13**	NIL
	Other Entities over which there is a significant influence		
	M/s. Gowrihouse Metal Works LLP	**0.22**	0.20
ii.	**Sale of Fixed Assets**		
	Associates		
	M/s. Rajapalayam Mills Limited	**1.48**	NIL
	M/s. Sri Vishnu Shankar Mill Limited	**NIL**	0.15
iii.	**Cost of Goods & Services purchased/availed Subsidiaries**		
	M/s. Madras Chipboard Limited	**NIL**	1.02
	Associates		
	M/s. The Ramco Cements Limited	**13.07**	4.68
	M/s. Ramco Industries Limited	**487.84**	472.29
	M/s. Ramco Systems Limited	**22.98**	21.28
	M/s. Rajapalayam Mills Limited	**1,883.97**	483.28
	M/s. Sri Vishnu Shankar Mill Limited	**197.47**	759.92
	M/s. Shri Harini Media Limited	**11.78**	4.04
	M/s. Sri Harini Textiles Limited	**NIL**	17.27

(₹ In Lakhs)

	Name of the Related Party	2021-22	2020-21
	Companies over which KMP / Relative of KMP exercise significant Influence		
	M/s. Ramco Windfarms Limited	**286.42**	281.73
	M/s. Sandhya Spinning Mill Limited	**33.08**	928.52
	M/s. Rajapalayam Textile Limited	**1.91**	324.73
	M/s. N.R.K. Infra Systems Private Limited	**5.48**	5.85
	M/s. Vinvent Chemilab Private Limited	**12.07**	0.40
	M/s. Tirupathi Yarntex Spinners Pvt Ltd*	**1,166.36**	NIL
	* from 16.06.2021		
	Other entities over which there is a significant influence		
	M/s. P.A.C.R. Sethuramammal Charity Trust	**21.85**	15.24
	M/s. P.A.C. Ramasamy Raja Centenary Trust	**12.59**	10.26
	M/s. N.R.K. Distribution Services	**102.07**	62.97
	M/s. Gowrihouse Metal Works LLP	**0.03**	0.05
	Relative of KMP exercise significant Influence		
	Smt. N.S. Gitalakshmi	**0.10**	0.08
iv.	**Purchase of Fixed Assets**		
	Associates		
	M/s. Sri Harini Textiles Limited	**NIL**	0.17
	Purchase of Right Issues		
	M/s. Rajapalayam Mills Limited	**128.21**	NIL
v.	**Leasing Arrangements – Rent Paid**		
	Key Managerial Personnel		
	Smt. Nalina Ramalakshmi	**0.72**	0.72
	Associates		
	M/s. Sri Harini Textiles Limited	**Nil**	(55.76)
vi.	**Share of Enterprise Agreement License Systems for Microsoft Products - Paid**		
	Associates		
	M/s. The Ramco Cements Limited	**7.21**	7.03

(₹ In Lakhs)

Name of the Related Party		2021-22	2020-21
vii.	**Share of Issuance Levy for Verified Carbon Units - Paid**		
	Associates		
	M/s. The Ramco Cements Limited	**2.91**	NIL
viii.	**Dividend Paid**		
	Key Managerial Personnel		
	Shri. P.R. Venketrama Raja	**0.03**	0.03
	Smt. Nalina Ramalakshmi	**7.46**	7.46
	Shri. N.R.K. Ramkumar Raja	**0.89**	0.87
	Associates		
	M/s. Rajapalayam Mills Limited	**0.02**	0.02
	M/s. Sri Vishnu Shankar Mill Limited	**0.01**	0.01
	Relatives of Key Managerial Personnel		
	Smt. R. Sudarsanam	**0.05**	0.05
	Smt. Saradha Deepa	**0.05**	0.05
	Shri. N.K. Ramasuwami Raja	**0.06**	0.06
	Shri. N.K. Shrikantan Raja	**0.06**	0.06
	Shri. N.R.K. Venkatesh Raja	**0.10**	0.10
	Smt. P.S. Ramani Devi	**0.07**	0.07
ix.	**Inter Corporate Deposit Accepted**		
	M/s. Rajapalayam Mills Limited	**950.00**	Nil
x.	**Corporate Guarantee availed**		
	M/s. Ramco Industries Limited	**4,629.00**	Nil
xi.	**Dividend Received Associates**		
	M/s. The Ramco Cements Limited	**NIL**	103.44
	M/s. Ramco Industries Limited	**NIL**	1.36
	M/s. Rajapalayam Mills Limited	**0.79**	1.35

(₹ In Lakhs)

Name of the Related Party		2021-22	2020-21
xii.	**Carbon Units Received Associates**		
	M/s. The Ramco Cements Limited	**10.72**	NIL
xiii.	**Purchase of Equity Instruments Relatives of Key Managerial Personnel**		
	Shri. N.K. Shrikantan Raja	**NIL**	78.91
	Shri. P.J. Ramkumar Rajha	**NIL**	4.93
	Shri. N.K. Ramasuwami Raja	**NIL**	657.78
	Shri. N.R.K. Venkatesh Raja	**NIL**	141.70
	Smt. P.S. Ramani Devi	**NIL**	59.89
	Shri. N.S. Krishnama Raja	**NIL**	66.65
	Smt. B. Annaphurni	**NIL**	38.64
	M/s Rajapalayam Mills Limited	**128.22**	Nil
xiv.	**Sale of Equity Instruments Associates**		
	M/s. Ramco Industries Limited	**NIL**	2,967.94
xv.	**Interest Paid / (Received)**		
	Key Managerial Personnel		
	Smt. Nalina Ramalakshmi	**31.04**	86.90
	Shri. N.R.K. Ramkumar Raja	**3.85**	8.15
	Associates		
	M/s. Sri Harini Textiles Limited	**NIL**	(1.05)
	M/s Rajapalayam Mills Limited	**87.88**	NIL

(₹ In Lakhs)

Name of the Related Party	2021-22	2020-21
xvi. Director's Sitting Fees Key Managerial Personnel		
Shri. P.R. Venketrama Raja	**1.50**	0.85
Smt. Nalina Ramalakshmi	**1.35**	0.80
Shri. N.R.K. Ramkumar Raja	**1.35**	0.80
Shri. N.K. Shrikantan Raja	**2.70**	1.20
Shri. P.J. Alaga Raja	**2.70**	1.15
Justice Shri. P.P.S. Janarthana Raja	**2.40**	1.05
Shri. V. Santhanaraman	**2.40**	0.95
Shri. P.J. Ramkumar Rajha	**3.00**	1.25
Dr. M. Karunakaran	**NIL**	0.60
Shri. P.A.B. Raju	**NIL**	0.80
Shri S. Sarathy Subburaj	**0.20**	NIL
Shri P.A.S Alaghar Raja	**1.30**	NIL
xvii. Remuneration to Key Managerial Personnel (Other than Sitting Fees)		
Smt. Nalina Ramalakshmi, Managing Director	**126.21**	127.49
Shri. N.R.K. Ramkumar Raja, Managing Director	**126.21**	125.33
Shri. N. Vijay Gopal, Chief Financial Officer	**75.21**	52.88
Shri. A. Emarajan, Ex. Company Secretary	**-**	7.29
Shri. Walter Vasanth, Company Secretary	**11.99**	2.46
xviii. Contribution to Superannuation Trust Fund / Gratuity Fund		
Other entities over which there is a significant influence		
The Ramaraju Surgical Cotton Mills Limited Officers' Superannuation Trust Fund	**18.99**	20.34
The Ramaraju Surgical Cotton Mills Limited Employees Gratuity Fund	**30.00**	100.00
xix. Maximum amount of loans and advance/ (borrowings) outstanding during the year		
Key Managerial Personnel		
Smt. Nalina Ramalakshmi	**(731.86)**	(1,277.86)
Shri. N.R.K. Ramkumar Raja	**(204.50)**	(111.50)
Associates		
M/s. Sri Harini Textiles Limited	**NIL**	10.00
M/s Rajapalayam Mills Limited	**950.00**	NIL

(₹ In Lakhs)

Name of the Related Party	2021-22	2020-21
xx. Usage charges paid for Power Consumed by virtue of Joint Ownership of Shares with APGPCL Associates		
M/s. The Ramco Cements Limited	**1.66**	1.95
a. CSR Donation Given:		
Other Entities over which there is a significant influence Smt. Lingammal Ramaraju Sastra Prathista Trust	**16.00**	1.00
b. Outstanding balance including commitments		
i. Borrowings:		
Key Managerial Personnel		
Smt. Nalina Ramalakshmi	**(34.83)**	(731.86)
Shri. N.R.K. Ramkumar Raja	**(49.50)**	(89.50)
Associates		
M/s Rajapalayam Mills Limited	**(950.00)**	NIL
ii. Outstanding balance on supply of goods / services Associates		
M/s. Sri Harini Textiles Limited	**NIL**	2,884.54
iii. Security deposit paid by virtue of Joint Ownership of shares with APGPCL		
Associates		
M/s. The Ramco Cements Limited	**11.50**	11.50

c. Disclosure of Key Managerial Personnel compensation in total and for each of the following categories:

Particulars	31-03-2022	31-03-2021
Short – Term Benefits (1)	**321.70**	298.99
Defined Contribution Plan (2)	**17.92**	18.08
Defined Benefit Plan / Other Long-Term Benefits (3)	**NIL**	NIL
Total	**339.62**	317.07

1. It includes bonus, sitting fees, and value of perquisites.
2. It includes contribution to Provident fund and Superannuation fund.
3. As the liability for gratuity and compensated absences are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above

Note No. 49

Earnings per Share

		(₹ **In Lakhs)**
Net Profit after tax (₹ in Lakhs) (A)	**2,144.07**	4,229.78
Weighted average number of Equity shares [In Lakhs] (B)	**39.98**	39.47
Nominal value per equity share (in ₹)	**10.00**	10.00
Basic & Diluted Earnings per share (A)/(B) (in ₹)	**53.63**	107.20

Note No. 50

Segment Information for the year ended 31st March, 2022

(₹ In Lakhs)

Particulars	Textiles		Surgicals		Windmill Power		Total	
	31-Mar-2022	31-Mar-2021	**31-Mar-2022**	31-Mar-2021	**31-Mar-2022**	31-Mar-2021	**31-Mar-2022**	31-Mar-2021
REVENUE								
External Sales / Other Operating Income	**39,201.23**	24,902.94	**4,012.55**	3,521.07	**-**	-	**43,213.77**	28,424.01
Inter Segment Sale	**849.09**	616.11		-	**886.71**	848.35	**1,735.80**	1,464.46
Total Sales	**40,050.32**	25,519.05	**4,012.55**	3,521.07	**886.71**	848.35	**44,949.57**	29,888.47
Other Income	**12.85**	67.51	**-**	1.72	**-**	**-**	**12.85**	69.23
Total Revenue	**40,063.17**	25,586.56	**4,012.55**	3,522.79	**886.71**	848.35	**44,962.42**	29,957.70
RESULT								
Segment Result	**1,937.03**	1,917.34	**599.22**	779.58	**546.50**	466.70	**3,082.75**	3,163.62
Unallocated Income							**15.15**	2,948.98
Unallocated Expenses							**424.31**	632.58
Operating Profit							**2,673.61**	5,480.02
Interest Expenses							**2,077.26**	2,199.86
Interest Income							**172.34**	92.46
Provision for Taxation								
Current Tax							**134.75**	607.02
Deferred Tax							**(208.22)**	205.81
MAT Credit entitilement								(607.02)
Profit from ordinary activities							**842.18**	3,166.81
Other Comprehensive Income							**(81.98)**	(26.49)
Fair value gain on Equity Instruments							**(1.71)**	0.79
Share of TCI from Associates							**1,270.05**	1,055.63
Total Comprehensive Income							**2,028.54**	4,196.74
OTHER INFORMATION								
Segment Assets	**45,621.08**	34,559.46	**2,174.07**	1,828.08	**1,243.21**	1,526.23	**49,038.36**	37,913.77
Unallocated Assets							18,258.41	20,557.22
Total Assets	**45,621.08**	34,559.46	**2,174.07**	1,828.08	**1,243.21**	1,526.23	**67,296.77**	58,470.99
Segment Liabilities	**36,136.89**	30,640.29	**1,373.08**	466.76	-	-	**37,509.97**	31,107.05
Unallocated Liabilities								97.99
Total Liabilities	**36,136.89**	30,640.29	**1,373.08**	466.76	**-**	-	**37,509.97**	31,205.04
Capital Expenditure	**4,826.49**	128.89	252.95	24.67			**5,079.44**	153.56
Unallocated Capital Expenditure							**-**	2,095.64
Depreciation	**4,367.54**	1,524.15	**88.57**	87.42	**141.72**	141.29	**4,597.83**	1,752.85
Unallocated Depreciation Expenditure							-	0.50
Non-Cash expenses other than Depreciation							**-**	-

Note No. 51

Disclosure of Fair value measurements

The fair values of financial assets and liabilities are determined at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial instruments approximate their carrying amounts largely due to their short term maturities of these instruments.

Financial Instruments by category **(₹ in Lakhs)**

Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying Amount	Fair Value
As at 31-03-2022					
Financial Assets					
Investments In Preference Shares	**840.00**	**-**	**-**	**840.00**	**840.00**
Other Investments	**-**	**-**	**12.10**	**12.10**	**12.10**
Trade Receivables	**3,611.57**	**-**	**-**	**3,611.57**	**3,611.57**
Cash and Cash Equivalents	**848.16**	**-**	**-**	**848.16**	**848.16**
Bank Balance other than Cash and Cash Equivalents	**93.45**	**-**	**-**	**93.45**	**93.45**
Other Financial Assets	**188.09**	**-**	**-**	**188.09**	**188.09**
Financial Liabilities					
Borrowings	**32,572.68**	**-**	**-**	**32,572.68**	**32,572.68**
Trade Payables	**1,758.82**	**-**	**-**	**1,758.82**	**1,758.82**
Other Financial Liabilities	**862.78**	**-**	**-**	**862.78**	**862.78**

Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying Amount	Fair Value
As at 31-03-2021					
Financial Assets					
Investments In Preference Shares	840.00	-	-	840.00	840.00
Other Investments	-	-	13.80	13.80	13.80
Trade Receivables	7,604.88	-	-	7,604.88	7,604.88
Cash and Cash Equivalents	380.60	-	-	380.60	380.60
Bank Balance other than Cash and Cash Equivalents	10.77	-	-	10.77	10.77
Other Financial Assets	1,419.63	-	-	1,419.63	1,419.63
Financial Liabilities					
Borrowings	27,343.40	-	-	27,343.40	27,343.40
Trade Payables	1,437.62	-	-	1,437.62	1,437.62
Other Financial Liabilities	1,108.39	-	-	1,108.39	1,108.39

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : Quoted (Unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The details of financial instruments that are measured at fair value on recurring basis are given below:

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	**Total**
Financial Instruments at FVTOCI				
Investment in unlisted securities				
As at 31-03-2022	**-**	**-**	**12.10**	**12.10**
As at 31-03-2021	-	-	13.80	13.80
Financial Instruments at FVTPL				
As at 31-03-2022	**-**	**33.26**	**-**	**33.26**
As at 31-03-2021	-	160.81	-	160.81

Valuation techniques used to determine the fair value

The significant inputs used in the fair value measurement categorized within the fair value hierarchy are given below:

Nature of Financial Instrument	**Valuation Technique**	**Remarks**
Investment in Listed securities / Mutual Funds	Market Value	Closing Price as at reporting date in Stock Exchange
Investment in Unlisted securities	Adjusted Net Assets	Net Assets value as per Balance Sheet of respective Companies as at reporting date.
Foreign exchange forward contracts	Mark to Market	Based on MTM valuation provided by the Banker

Note No. 52

Financial Risk Management

The Board of Directors (BOD) has overall responsibility for the establishment and oversight of the Company's risk management framework and thus established a risk management policy to identify and analyse the risk faced by the Company. Risk Management systems are reviewed by the BOD periodically to reflect changes in market conditions and the Company's activities. The Company through its training and management standards and procedures develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the risk management framework. The Audit committee is assisted in the oversight role by Internal Audit. Internal Audit undertakes reviews of the risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company has the following financial risks:

Categories of Risk	Nature of Risk
Credit Risk	Receivables
	Financial Instruments and Cash deposits
Liquidity Risk	Fund Management
Market Risk	Foreign Currency Risk
	Cash flow and fair value interest rate risk

The Board of Directors regularly reviews these risks and approves the risk management policies, which covers the management of these risks:

Credit Risk

Credit Risk is the risk of financial loss to the Company if the customer or counterparty to the financial instruments fails to meet its contractual obligations and arises principally from the Company's receivables, treasury operations and other operations that are in the nature of lease.

Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer. The Company extends credit to its customers in the normal course of business by considering the factors such as financial reliability of customers. The Company evaluates the concentration of the risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets. In case of Corporate / Export Customer, credit risks are mitigated by way of enforceable securities. However, unsecured credits are extended based on creditworthiness of the customers on case to case basis.

Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the company and where there is a probability of default, the company creates a provision based on Expected Credit Loss for trade receivables under simplified approach as below:

(₹ in Lakhs)

As at 31-03-2022	Due less than 45 days	46 to 90 days	More than 90 days	Total
Gross carrying amount	**3,299.19**	**153.19**	**170.35**	**3,622.73**
Expected Loss Rate	**0%**	**0%**	**0.35%**	**0.35%**
Expected Credit Losses	**-**	**-**	**11.16**	**11.16**
Carrying amount of trade receivables net of impairment	**3,299.19**	**153.19**	**159.19**	**3,611.57**

As at 31-03-2021	Due less than 45 days	46 to 90 days	More than 90 days	Total
Gross carrying amount	3,624,21	1,162.06	2,806.08	7,592.35
Expected Loss Rate	0%	0%	0%	0%
Expected Credit Losses	-	-	-	-
Carrying amount of trade receivables net of impairment	3,624,21	1,162.06	2,806.08	7,592.35

Financial Instruments and Cash deposits

Investments of surplus funds are made only with the approved counterparties. The Company is presently exposed to counter party risk relating to short term and medium term deposits placed with Banks. The Company places its cash equivalents based on the creditworthiness of the financial institutions.

Liquidity Risk

Liquidity Risks are those risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. In the management of liquidity risk, the Company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the company's operations and to mitigate the effects of fluctuations in cash flows.

Fund Management

Due to the dynamic nature of the underlying business, the Company aims at maintaining flexibility in funding by keeping both committed and uncommitted credit lines available. The Company has laid well defined policies and procedures facilitated by robust information system for timely and qualitative decision making by the management including its day to day operations.

Financial arrangements

The Company has access to the following undrawn borrowing facilities:

Particulars	**31-03-2022**	31-03-2021
Expiring within one year		
Bank Overdraft and other facilities	**3,564.74**	5,229.00
Term Loans	**4,794.56**	NIL

Maturities of Financial Liabilities **(₹ in Lakhs)**

Nature of Financial Liability	< 1 Year	1 – 5 Years	>5 years	Total
As at 31-03-2022				
Borrowings	**18,236.80**	**14,335.88**	**-**	**32,572.68**
Trade payables	**1,758.82**	**-**	**-**	**1,758.82**
Other Financial Liabilities (Incl. Interest)	**862.78**	**-**	**-**	**862.78**
As at 31-03-2021				
Borrowings	14,891.49	12,451.91	-	27,343.40
Trade payables	1,437.62	-	-	1,437.62
Other Financial Liabilities (Incl. Interest)	1,108.39	-	-	1,108.39

Foreign Currency Risk

The Company's exposure in USD and other foreign currency denominated transactions in connection with import of cotton, capital goods & spares, besides exports of finished goods and borrowings in foreign currency, gives rise to exchange rate fluctuation risk. The Company has following policies to mitigate this risk:

Decisions regarding borrowing in Foreign Currency and hedging thereof, (both interest and exchange rate risk) and the quantum of coverage is driven by the necessity to keep the cost comparable. Foreign Currency loans, imports and exports transactions are hedged by way of forward contract after taking into consideration the anticipated Foreign exchange inflows/outflows, timing of cash flows, tenure of the forward contract and prevailing Foreign exchange market conditions.

The Company uses derivative financial instruments viz. Foreign Exchange Forward Contracts exclusively for hedging currency risks that arise from imports / exports transactions. The Company measures the risk by forecasting foreign currency cash flows and manages its currency risks by appropriately hedging the transactions. When a forward contract is entered into for the purpose of being a hedge, the Company finalizes the terms of those forward contracts to match the terms of the hedged exposure i.e. receivables / payables / Firm Commitments. All identified exposures are managed as per the policy duly approved by the Board of Directors.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities / Firm Commitments as at the end of reporting periods are given below :

As at 31-03-2022

Type	Particulars	USD	EURO
Hedged Items	**Financial Assets / Firm Commitments related to Financial Assets**		
	a) Trade Receivables	**10.01**	
	b) Export sale Contracts	**36.68**	**7.41**
	Financial liabilities / Firm Commitments related to Financial Liabilities		
	a) Buyers Credit Loan	**36.54**	
	b) Foreign Currency Loan	**30.00**	
Hedging Instruments (forward Contracts)	**Instruments for hedging the currency risk on Financial Assets**		
	a) PCFC Loan	**16.69**	
	b) Bill Discount - Export	**1.36**	
	Instruments for hedging the currency risk on Financial Liabilities		
	a) Forward Contract for Buyers Credit Loan	**36.54**	
	b) Forward contract for Foreign Currency Loan	**30.00**	

As at 31-03-2021 **(₹ in Lakhs)**

Type	Particulars	USD	EURO
Hedged Items	**Financial Assets / Firm Commitments related to Financial Assets**		
	a) Trade Receivables	0.68	-
	b) Export sale Contracts	2.57	0.24
	Financial liabilities / Firm Commitments related to Financial Liabilities		
	a) Buyers Credit Loan	1.96	-
	b) Foreign Currency Loan	-	-
Hedging Instruments (forward Contracts)	**Instruments for hedging the currency risk on Financial Assets**		
	a) PCFC Loan	-	1.15
	b) Bill Discount - Export	0.22	-
	Instruments for hedging the currency risk on Financial Liabilities		
	a) Forward Contract for Buyers Credit Loan	1.73	-
	b) Forward contract for Foreign Currency Loan	-	-

Cash flow and fair value interest rate risk

Interest rate risk arises from long term borrowings with variable rates which exposed the company to cash flow interest rate risk. The Company's fixed rate borrowing are carried at amortized cost and therefore are not subject to interest rate risk as defined in Ind AS 107 since neither the carrying amount nor the future cash flows will fluctuate because of the change in market interest rates. The Company is exposed to the evolution of interest rates and credit markets for its future refinancing, which may result in a lower or higher cost of financing, which is mainly addressed through the management of the fixed/floating ratio of financial liabilities. The Company constantly monitors credit markets to strategize a well-balanced maturity profile in order to reduce both the risk of refinancing and large fluctuations of its financing cost. The Company believes that it can source funds for both short term and long term at a competitive rate considering its strong fundamentals on its financial position.

Interest rate risk exposure

Particulars	**31-03-2022**	31-03-2021
Variable Rate Borrowings	**16,940.36**	16,344.70

The Company does not have any interest rate swap contracts.

Sensitivity on Interest rate fluctuation

Incremental Interest Cost works out to	**31-03-2022**	31-03-2021
1% Increase in Interest Rate	**169.40**	163.45

Note No. 53

Impact of Covid - 19:

The resurgence of COVID-19 in India has forced State Government to impose complete lockdown from 24-05-2021 to 31-05-2021 and Mills were temporarily shutdown during that period. However, there is no material impact in the financial statements for the year ended 31-03-2022 due to such related restrictions.

Note No. 54

Events After the Reporting Period – Distribution Made and Proposed **(₹ in Lakhs)**

Particulars	**31-03-2022**	31-03-2021
Cash Dividends on Equity Shares declared and paid Final Dividend for the year ended 31st March, 2021 ₹ 0.50/- per share (PY: ₹ 0.50 per Share)	**19.73**	19.73
Proposed Dividends on Equity Shares Final Dividend for the year ended 31st March, 2022 ₹ 1.00/- per share (PY: ₹ 0.50 per Share)	**39.46**	19.73

Note No.55

Additional Regulatory Information as required under Companies Act, 2013 / IND AS

a) Details of loans granted to Promoters, Directors, KMP and related parties:

Type of Borrower	Amount of Loan outstanding as on 31-03-2022	% to the Total Loans and advances in the nature of Loans
Nil		

b) Undisclosed Income The Company do not have any transaction which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during any of the years.

c) Benami property

The Company did not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

d) Relationship with Struck off Companies The Company did not have any transactions with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956 considering the information available with the Company.

e) Details of Crypto Currency or Virtual Currency The Company did not trade or invest in Crypto Currency or virtual currency during the financial year. Hence disclosure relating to it are not applicable.

f) The Company has neither advanced or loaned or invested, nor received any fund, to or from, any other persons or entities (intermediaries) with the understanding that the intermediary shall:

i) idirectly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or onbehalf of the Company or

ii) provide any guarantee, security or the like to or onbehalf of the ultimate beneficiaries.

g) **Disclosures related to CSR activities:** **(₹ in Lakhs)**

Particulars	Amount
Amount required to be spent by the company during the year	17.43
Amount of expenditure incurred	17.92
Shortfall at the end of the year	Nil
Total of previous years shortfall	Nil
Reason for shortfall	Not Applicable
Nature of CSR activities	Refer Table A
Details of related party transactions	Refer Table A

Note : The Company has not made any provision related to CSR activities for the FY 2021-22 and FY 2020-21.

Table A - Nature of CSR Activities:

Sl. No.	CSR Project or Activity identified & Sector in which the project is covered	Locations	Amount
			Actual
1.	Eradication of Hunger	Rajapalayam, (Tamil Nadu),	2.92
2.	Promotion of Education *	Rajapalayam, (Tamil Nadu),	15.00
TOTAL			**17.92**

* Paid to Lingammal Ramaraju Shastra Prathishta Trust (Related Party Transaction).

Note No. 56

Reclassification of previous year figures upon complying with Schedule III Amendments

The Company had voluntarily adopted to comply with the amendments in Schedule III of Companies Act, 2013 notified on 24-03-2021, for the financial year 2021-22, though the applicability is spelt out with effect from 01-04-2021. Accordingly, the Company has complied with such disclosures and reclassified the following items in the previous years, to conform to current year classification.

Nature of Reclassification	Amount of each item reclassified	Reason for reclassification
Hitherto, Current maturities of Long term borrowings was included in Other Current Financial Liabilities. As per the requirement under amendments to Schedule III, the same has been presented under 'Short Term Borrowings' as a separate line and previous year figure has been reclassified.	2021-22: ₹ 4,502.48 Lakhs 2020-21: ₹ 3,891.23 Lakhs	Schedule III Amendments in the Companies Act, 2013

The Company had voluntarily adopted to comply with the amendments in Schedule III of Companies Act, 2013 notified on 24-03-2021, from the financial year 2021-22, though the applicability is spelt out with effect from 01-04-2021. Hitherto, investments in subsidiaries and associates was presented outside 'Financial Assets' as a separate line item on the face of a balance sheet for the reason that, the interests in subsidiaries and associates that are accounted in accordance with Ind AS 27 Separate Financial Statements, Ind AS 110 Consolidated Financial Statements or Ind AS 28 Investment in Associates, are scoped out from the applicability of Ind AS 107 and Ind AS 109. However, investments in subsidiaries and associates should be presented within financial assets, since such investments still meet the definition of financial instruments, as per the Guidance Note issued by ICAI during January 2022 vide para no. 8.1.8.4. Accordingly the Company has complied with such disclosures and reclassified previous year figures, wherever necessary, to conform to current year classification.

Note No. 57

Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the Shareholders' wealth.

The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus Debt.

Particulars	**31-03-2022**	31-03-2021
Long Term Borrowings	**14,140.39**	12,451.91
Current maturities of Long Term borrowings	**4,502.48**	3,891.23
Short Term Borrowings	**13,929.81**	11,000.26
Less: Cash and Cash Equivalents	**941.61**	391.37
Net Debt (A)	**31,631.07**	26,952.03
Equity Share Capital	**399.78**	394.65
Other Equity	**29,387.02**	26,871.30
Total Equity (B)	**29,786.80**	27,265.95
Total Capital Employed (C) = (A) + (B)	**61,417.87**	54,217.98
Capital Gearing Ratio (A) / (C)	**52%**	49%

In order to achieve the overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans/borrowing. The Company has been consistently focusing on reduction in long term borrowings. There are no significant changes in the objectives, policies or processes for managing capital during the year ended 31-03-2022 and 31-03-2021.

As per our report annexed

For N.A. Jayaraman & Co
Chartered Accountants
Firm Registration No. 001310S

R. Palaniappan
Partner
Membership No. 205112

Chennai
12th August, 2023

On behalf of the Board of Directors
For The Ramaraju Surgical Cotton Mills Limited

Shri P.R.Venketrama Raja
Chairman
(DIN: 00331406)
Rajapalayam

Shri N.R.K.Ramkumar Raja
Managing Director
(DIN: 01948373)
Rajapalayam

N.Vijay Gopal
Chief Financial Officer
Rajapalayam