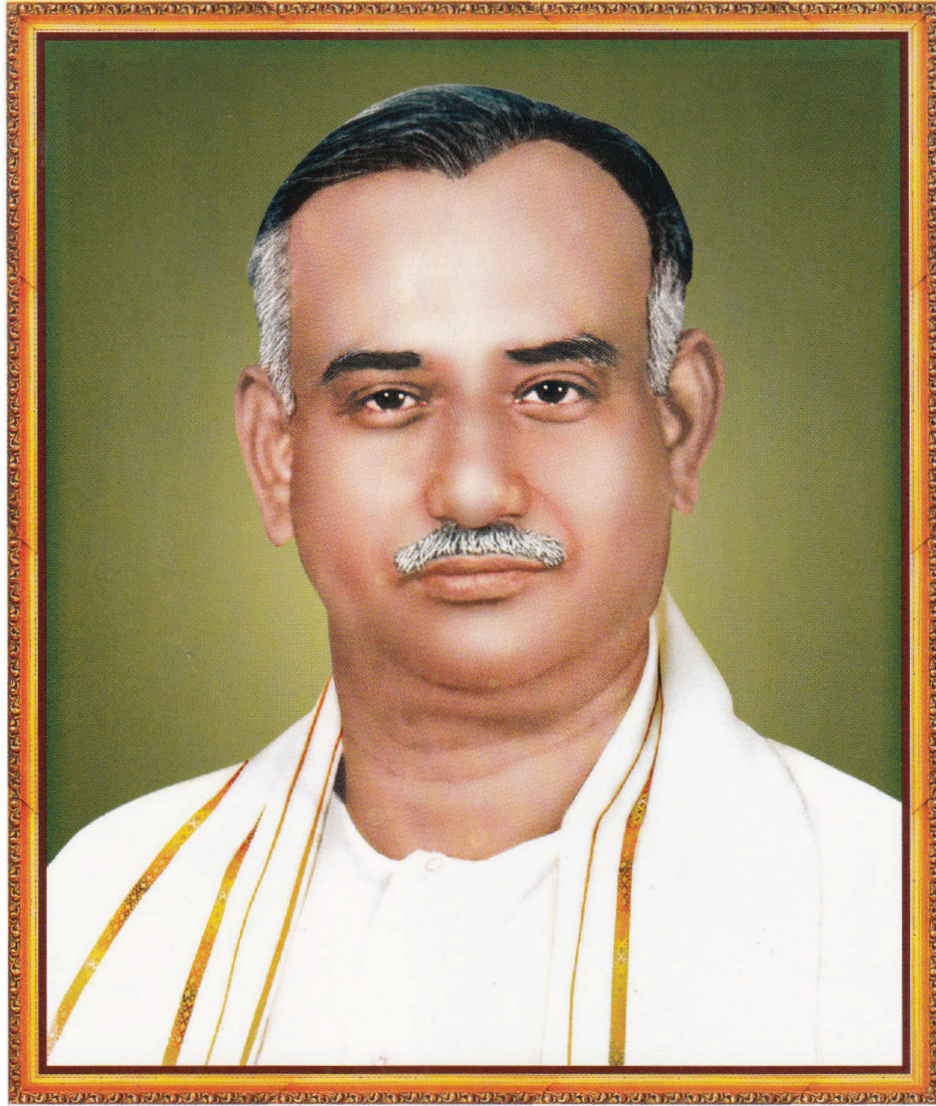


MADRAS CHIPBOARD LIMITED

RAJAPALAYAM



63RD ANNUAL REPORT
2023 - 2024



SRI. N.R. KRISHNAMA RAJA
FOUNDER

MADRAS CHIPBOARD LIMITED

CORPORATE INFORMATION

Board of Directors

Shri N.K. Ramasuwami Raja

Shri N.R.K. Ramkumar Raja

Smt Nalina Ramalakshmi

Smt D. Swarnalukshme

Shri S. Neethiraj

Shri P.J. Ramkumar Rajha

Shri S.J. Srikanth

Shri. A.R.S. Chaithanya

Registered Office :

No. 53, Annamaraja Nagar, Sankarankovil Road,
Rajapalayam - 626117 Tamilnadu.

Phone No. : 04563-230756, 230913

Fax No : 04563-223844

E-mail : corporate@madraschipboard.com

Website : www.madraschipboard.com

Corporate Identification Number

U17100TN1961PLC004457

Goods and Service Tax Number

33AABCM2590F1ZR

Auditors :

M/s. M.S. Jagannathan & N. Krishnaswami

Chartered Accountants,

Unit-5, Ground Floor, Abirami Apartments, 14,
V.O.C. Road, Cantonment, Tiruchirapalli- 620 001

Bankers:

Karur Vysya Bank

State Bank of India

MADRAS CHIPBOARD LIMITED

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MADRAS CHIPBOARD LIMITED

Notice to the Members

Notice is hereby given that the 63rd Annual General Meeting of the Company will be held on Wednesday, the 31st day of July, 2024 at 10.00 A.M, at Registered Office of the Company, No.53, Annamaraja Nagar, Sankarankoil Road, Rajapalayam-626 117, Tamilnadu to transact the following business:

Ordinary Business:

1. To consider and pass the following Resolution, as an **Ordinary Resolution**:

“RESOLVED THAT the Directors’ Report and the Company’s Statement of Profit & Loss for the year ended 31st March, 2024, Balance sheet as at that date and Cash Flow Statement for the year ended on that date and the Auditors’ Report thereon be and are hereby considered and adopted.”

2. To consider and pass the following Resolution, as an **Ordinary Resolution**:

“RESOLVED THAT Shri S. Neethiraj (DIN: 00532497) who retires by rotation, be and is hereby re-appoint as Director of the Company.”

3. To consider and pass the following Resolution, as an **Ordinary Resolution**:

“RESOLVED THAT Smt. D. Swarnalukshme (DIN: 01267411) who retires by rotation, be and is hereby re-appoint as Director of the Company.”

4. To consider and pass the following Resolution, as an **Ordinary Resolution**:

“RESOLVED THAT Shri P.J. Ramkumar Rajha (DIN: 00487193) who retires by rotation, be and is hereby re-appoint as Director of the Company.” Notes:

By Order of the Board of Directors,
For **Madras Chipboard Ltd**,

N.K. Ramasuwami Raja
Director
(DIN: 00432698)

Rajapalayam
14th May, 2024

MADRAS CHIPBOARD LIMITED

Notes:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and that the proxy need not be a Member. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. Proxy form is enclosed. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of the companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 22nd July, 2024 to 31st July, 2024 (both days inclusive).
3. Pursuant to Rule 8 of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unclaimed / unpaid dividends lying with the Company on the website of the Company (**www.madraschipboard.com**) The dividends remaining unpaid for a period of over 7 years will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Hence, the members who have not claimed their dividend relating to the earlier years may write to the Company for claiming the amount before it is so transferred to the Fund.

The details of due dates for transfer of such unclaimed dividend to the said fund are:

Financial Year Ended	Date of Declaration of Dividend	Last Date for Claiming Unpaid Dividend	Due Date for Transfer to IEP Fund
31-03-2017	03-08-2017	02-08-2024	01-09-2024
31-03-2018	04-08-2018	03-08-2025	02-09-2025
31-03-2019	03-08-2019	02-08-2026	01-09-2026

4. In accordance with Section 125(5) of the Companies Act, 2013, the Company has transferred the unclaimed / unpaid dividends lying with the Company for a period of over 7 years, to the IEPF established by the Central Government.
5. In accordance with Section 124(6) of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Auditing, Transfer and Refund) Rules, 2016, the shares in respect of which, dividend has not been paid or claimed for 7 consecutive years or more have been transferred by the Company to IEPF. The shareholders / their legal heirs are entitled to claim the said shares and the dividend so transferred from the IEPF by making an online application in Form No: IEPF-5 to the IEPF Authority. The procedure and the form are available at **www.madraschipboard.com** and **www.iepf.gov.in**.
6. Members / Proxies are requested to fill in and sign attendance slip for attending the meeting.
7. Proxy form shall be annexed in the Annual Report and Poll sheets can be given at the AGM, if required.

By Order of the Board of Directors,
For **Madras Chipboard Ltd,**

N.K. Ramasuwami Raja
Director
(DIN: 00432698)

Rajapalayam
14th May, 2024

MADRAS CHIPBOARD LIMITED

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AT THE ANNUAL GENERAL MEETING

Details of Directors seeking re-appointment at the 63rd Annual General Meeting pursuant to Secretarial Standards on General Meetings:

Name of the Director	Shri. S. Neethiraj
Director Identification Number (DIN)	00532497
D.O.B & Age	24-05-1941 & 82 Years
Qualification & Experience	He holds a Bachelor's Degree. He has 5 decades of experience in the field of textiles and management
Terms and Conditions of re-appointment	Director liable to retire by rotation, under Section 152(6) of the Companies Act, 2013
Date of First Appointment to the Board	19-08-1966
Shareholding of the Company as on 31-03-2024	Nil
Remuneration	He is eligible for sitting fees for attending Board meetings as applicable to the Directors from time to time
Relationship with other Director, Manager and other Key Managerial Personnel of the Company	Nil
No of Board Meetings attended during the year	4 (Four)
Other Directorship as on 31-03-2023	He does not hold any directorship in any other companies
Memberships and Chairmanships of Committees of other Board	NIL

Name of the Director	Smt. D. Swarnalukshme
Director Identification Number (DIN)	01267411
D.O.B & Age	14-05-1981 & 42 Years
Qualification & Experience	She holds a Bachelor's Degree in Commerce and Masters in Business Administration. She has experience in the field of textiles and management
Terms and Conditions of re-appointment	Director liable to retire by rotation, under Section 152(6) of the Companies Act, 2013
Date of First Appointment to the Board	19-01-2007
Shareholding of the Company as on 31-03-2024	5
Remuneration	She is eligible for sitting fees for attending Board meetings as applicable to the Directors from time to time
Relationship with other Director, Manager and other Key Managerial Personnel of the Company	She is related to Shri. N.R.K. Ramkumar Raja, Director of the Company
No of Board Meetings attended during the year	4 (Four)
Other Directorship as on 31-03-2023	She does not hold any directorship in any other companies
Memberships and Chairmanships of Committees of other Board	NIL

MADRAS CHIPBOARD LIMITED

Name of the Director	Shri P.J. Ramkumar Rajha
Director Identification Number (DIN)	00487193
D.O.B & Age	19-11-1961 & 62 Years
Qualification & Experience	He holds a Bachelor's Degree in Commerce. He has knowledge and rich experience in the field of textile industry
Terms and Conditions of re-appointment	Director liable to retire by rotation, under Section 152(6) of the Companies Act, 2013
Date of First Appointment to the Board	18-06-2008
Shareholding of the Company as on 31-03-2023	-
Remuneration	He is eligible for sitting fees for attending Board meetings as applicable to the Directors from time to time
Relationship with other Director, Manager and other Key Managerial Personnel of the Company	Nil
No of Board Meetings attended during the year	3 (Three)
Other Directorship as on 31-03-2023	1.The Ramaraju Surgical Cotton Mills Limited 2.Thanjavur Spinning Mill Limited 3.Rajapalayam Precision Farmers Producer Company Limited 4.Senthur Textiles Private Limited 5.Rajapalayam Textile Limited
Memberships and Chairmanships of Committees of other Board	He is chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship committee of M/s. Thanjavur Spinning Mills Limited

By Order of the Board of Directors,
For **Madras Chipboard Ltd,**

N.K. Ramasuwami Raja
Director
(DIN: 00432698)

Rajapalayam
14th May, 2024

MADRAS CHIPBOARD LIMITED

Directors' Report

To the Members

Your Directors have pleasure in presenting their 63rd Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2024.

1. Financial Results

The summary of the financial performance of the company for the year ended 31st March, 2024 is furnished below:

(Rs. in Lakhs)

Particulars	31.03.2024	31.03.2023
Revenue from operations	360.00	360.00
Other income	4.24	4.82
Total Revenue	364.24	364.82
Total Expenses	373.60	316.38
Profit or loss before Exceptional and Extraordinary items and Tax	(9.36)	48.44
Profit or Loss before Tax	(9.36)	48.44
Less: Current Tax		
Deferred Tax	(3.23)	12.55
Profit or Loss after Tax	(6.13)	35.89

2. Business Highlights

The Revenues for the year ended 31st March 2024 primarily consists of lease Rentals from the building given on lease to its holding company M/s. Ramaraju Surgical Cotton Mills Limited. The Company has carried the activity of infrastructure development and leasing in accordance with its main objects and approved by the company's shareholders in the Extraordinary General Meeting resolution dated 01.04.2021.

3. Share Capital

The Paid-up Share Capital of the Company is Rs. 24,18,600/- Previous Year: Rs. 24,18,600) consisting of 24,186 Equity Shares of Rs. 100/- each (Calls in arrears due from persons other than Directors (Time Barred) Rs.6,739/-).

MADRAS CHIPBOARD LIMITED

4. Dividend

Considering financial position of the Company, your Directors are not recommending any dividend for the year 2023-2024.

5. Taxation

The Company has not provided any amount towards Current Tax and Deferred Tax Liability.

6. Holding Company

M/s. The Ramaraju Surgical Cotton Mills Limited is the Holding Company and its having 75.01% paid up equity shares in the Company as on 31st March, 2024. The Holding Company is a Listed public limited company and its CIN is L17111TN1939PLC002302 having its registered office is at 119, P.A.C. Ramasamy Raja Salai, Rajapalayam - 626117.

7. Industrial Relations and Personnel

Industrial relations with employees remained cordial during the year. Human Resources Development activities received considerable focus.

8. Employees Remuneration

The Company does not have employees drawing remuneration exceeding limit fixed under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

9. Internal Financial Controls

In accordance with Section 134 (5) (e) of the Companies Act, 2013, the Company has Internal Financial Controls Policy commensurate with the size and nature of its operations and pertaining to financial reporting. All operations of the Company and its financial statements are reviewed by the Statutory Auditors and their recommendations are implemented accordingly. In accordance with Rule 8 (5) (viii) of the Companies (Accounts) Rules, 2014, the Internal Financial Controls are adequate with reference to the Financial statements.

10. Directors

The following Directors retire by rotation at the ensuing Annual General Meeting and they are eligible for re-appointment:

- i. Shri S. Neethiraj (DIN: 00532497)
- ii. Smt. D. Swarnalukshme (DIN: 01267411)
- iii. Shri P.J. Ramkumar Rajha (DIN: 00487193)

MADRAS CHIPBOARD LIMITED

Pursuant to Rule 8(5)(iii) of Companies (Accounts) Rules, 2014, it is reported that, other than the above, there have been no changes in the Directors during the year under review.

11. Meetings of The Board

During the year Four Board meetings were conducted on 22nd May, 2023, 2nd August, 2023, 18th October, 2023 and 31st January, 2024.

12. Audit Committee

Not Applicable

13. Details of establishment of vigil mechanism for directors and employees Not Applicable

14. Nomination and Remuneration Committee

Not Applicable

15. Public Deposit

The Company has not accepted any fixed deposit from the public during the year under review.

16. Orders Passed by Regulators

Pursuant to Rule 8 (5) (vii) of Companies (Accounts) Rules, 2014, it is reported that, no significant and material orders have been passed by the Regulators or Courts or Tribunals, impacting the going concern status and Company's operations in future.

17. Particulars of Loans, Guarantee and Investments

The Company has not given any loans, guarantees during the year 2023-24 and do not have any investments under Section 186 of the Companies Act, 2013.

18. Auditors

M/s. M.S. Jagannathan & N. Krishnaswami, (FRN: 001208S), are the Statutory Auditors of the Company. The Shareholders of the Company at the meeting held on 18th August, 2022 have approved the appointment of M/s. M.S. Jagannathan & N. Krishnaswami, (FRN: 001208S), as the Statutory Auditors of the Company for a further period of 5 consecutive years from the financial year 2022-2023 and to hold office from the conclusion of 61st Annual General Meeting till the conclusion of 67th Annual General Meeting to be held in the year 2027.

MADRAS CHIPBOARD LIMITED

The report of the Statutory Auditor for the year ended 31st March, 2024 does not contain any qualification, reservation or adverse remark and no instance of fraud has been reported by Auditors under Section 143(12) of Companies Act, 2013.

19. Conservation of Energy, Technology absorption and foreign earnings and outgo:

The Company is taking utmost care of the Conservation of Energy. The Company has no activity in relation to Technology absorption. The company has no foreign exchange outgo or inflow.

20. Extract of Annual Return

The extract of Annual Return pursuant to the provision of Section 92 read with rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure-I and is attached to this report. The Company does not have a functional website during the reporting date.

21. Related Party Transaction

All related party transactions that were entered into during the financial year were on at arm's length basis and were in the ordinary course of business.

22. Risk Management Policy

Pursuant to Section 134 (3) (n) of the Companies Act, 2013, the Company has developed and implemented a Risk Management Policy. The Policy envisages identification of risk and procedures for assessment and minimization of risk thereof.

23. Directors' Responsibility Statement

In terms of Section 134 of Companies Act, 2013, the Directors make the following statement that:

- a. In the preparation of the Annual Accounts for the year ended 31st March, 2024 the applicable accounting standards had been followed
- b. The selected accounting policies were applied consistently and judgments and estimates that are reasonable and prudent were made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and the Profit of the Company for that period.
- c. Proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, had been taken for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The annual accounts were prepared on going concern basis.
- e. Proper Internal Financial Controls to be followed by the Company had been laid down and these financial controls were adequate and were operating effectively.

MADRAS CHIPBOARD LIMITED

- f. Proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and were operating effectively.

24. Material Changes in the Company

Material change and commitments if any affecting in the financial position of the company which are occurred between the end of the financial year of the company to which the financial statements relate and date of the report. There are no such material change and commitments.

25. Corporate Social Responsibility

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

26. Disclosure Under The Sexual Harassment Of Woman At Workplace (Prevention, Prohibition and Redressal) Act, 2013

“The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Woman at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy”.

There was no complaint received from any employee during the financial year 2023-24 and hence no complaint is outstanding as on 31.03.2024 for redressal.

27. Acknowledgement

The Directors express their appreciation to the Bankers for the co-operation and assistance extended to the Company. The Directors thank the Company's valued customers and members for their continued support and confidence.

The Director wish to place on record their appreciation of employees at all levels for their commitments and their contribution.

By Order of the Board of Directors,
For **Madras Chipboard Ltd,**

Rajapalayam
14th May, 2024

P.J. Ramkumar Rajha
Director
(DIN: 00487193)

N.K. Ramasuwami Raja
Director
(DIN: 00432698)

MADRAS CHIPBOARD LIMITED

Annexure-I to Directors' Report

Form No.MGT-9

Extract of Annual Return

As on the financial year ended on 31st March, 2024

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and Other Details:

CIN	U17100TN1961PLC004457
Registration Date	29-03-1961
Name of the Company	Madras Chipboard Limited
Category / Sub-Category of the Company	Public Limited Company
Address of the Registered office and Contact details	No: 53, Annamaraja Nagar, Sankarankovil Road, Rajapalayam, Virudhunagar - 626117
Whether listed company	No
Name, address and contact details of Registrar and Transfer Agent, if any	M/s. Cameo Corporate Services Limited Subramanian Building, No.1 Club House Road, Chennai 600002 Phone: 044-28460390; Fax: 044-28460129 E.mail: investor@cameoindia.com Web : www.cameoindia.com

II. Principal Business Activities of the Company

All the business activities contributing 10% or more of the total turnover of the company shall be stated: -

Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
Real estate activities with own or leased property	68100	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
The Ramaraju Surgical Cotton Mills Limited	L17111TN1939PLC002302	Holding	75.01 %	Section2(46) of Companies Act, 2013

MADRAS CHIPBOARD LIMITED

IV. Shareholding Pattern (Equity Share Capital Breakup as Percentage of Total Equity)

(i) Category-Wise Share Holding

CATEGORY OF SHAREHOLDER		No. of Shares held at the beginning of the year as on 01-04-2023				No. of Shares held at the end of the year as on 31-03-2024				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters									
(1)	Indian									
a)	Individuals/ Hindu Undivided Family	225	43	268	1.11	225	43	268	1.11	-
b)	Central Government	-	-	-	-	-	-	-	-	-
c)	State Government(s)	-	-	-	-	-	-	-	-	-
d)	Bodies Corporate	-	-	-	-	-	-	-	-	-
e)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
f)	IEPF Authority	-	-	-	-	-	-	-	-	-
g)	Any Others...	-	-	-	-	-	-	-	-	-
Sub Total (A)(1)		225	43	268	1.11	225	43	268	1.11	-
B.	Foreign									
a)	NRIs-Individuals	-	-	-	-	-	-	-	-	-
b)	Other Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
d)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
e)	Any Others...	-	-	-	-	-	-	-	-	-
Sub Total (A)(2)		-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		225	43	268	1.11	225	43	268	1.11	-
B.	Public shareholding									
1.	Institutions									
a)	Mutual Funds	-	-	-	-	-	-	-	-	-
b)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
c)	Central Government	-	-	-	-	-	-	-	-	-
d)	State Government(s)	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	-	-	-	-	-	-	-	-	-
g)	Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)	Other (Specify)	-	-	-	-	-	-	-	-	-
Sub Total (B)(1)		-	-	-	-	-	-	-	-	-

MADRAS CHIPBOARD LIMITED

CATEGORY OF SHAREHOLDER		No. of Shares held at the beginning of the year as on 01-04-2023				No. of Shares held at the end of the year as on 31-03-2024				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2)	Non- Institutions									
a)	Bodies Corporate	18,143	-	18,143	75.01	18,143	-	18,143	75.01	-
i)	Indian	-	-	-	-	-	-	-	-	-
ii)	Overseas	-	-	-	-	-	-	-	-	-
b)	Individuals									
i)	Individual shareholders holding nominal share capital up to Rs. 1 lakh	542	1,688	2,230	9.22	542	1,688	2,230	9.22	-
ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
(c)	Others (specify) IEPF Account	3,545	-	3,545	14.66	3,545	-	3,545	14.66	-
Sub Total (B)(2)		22,230	1,688	23,918	98.89	22,230	1,688	23,918	98.89	-
B	Total Public Shareholding (B) = (B)(1)+(B)(2)	22,230	1,688	23,918	98.89	22,230	1,688	23,918	98.89	-
(c)	Shares held by Custodians for GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A)+(B)+(C)		22,455	1,731	24,186	100	22,455	1,731	24,186	100	-

(ii) Shareholding of Promoters

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in Share holding during the year
	No. of Shares	% of Total Shares of the company	% of Shares Pledged / encumbered to total Shares	No. of Shares	% of Total Shares of the company	% of Shares Pledged / encumbered to total Shares	
Shri. P.R. Venkatrama Raja	35	0.15	-	35	0.15	-	-
Smt. Nalina Ramalakshmi	35	0.15	-	35	0.15	-	-
Smt. Sharadha Deepa	35	0.15	-	35	0.15	-	-
Shri. N.K. Ramasuwami Raja	40	0.17	-	40	0.17	-	-
Smt. D. Swarnalukshme	5	0.02	-	5	0.02	-	-
Shri. S.J. Srikanth	5	0.02	-	5	0.02	-	-
Shri. N.K. Shrikantan Raja	10	0.04	-	10	0.04	-	-

MADRAS CHIPBOARD LIMITED

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in Share holding during the year
	No. of Shares	% of Total Shares of the company	% of Shares Pledged / encumbered to total Shares	No. of Shares	% of Total Shares of the company	% of Shares Pledged / encumbered to total Shares	
Shri. N.R.K. Venkatesh Raja	10	0.04	-	10	0.04	-	-
Shri. N.R.K. Ramkumar Raja	50	0.21	-	50	0.21	-	-
Smt. B. Reshma Pankaj	12	0.05	-	12	0.05	-	-
Smt. D. Sumedha	16	0.06	-	16	0.06	-	-
Shri. D. Venkatrama Rajha	15	0.06	-	15	0.06	-	-
Total	268	1.11	-	268	1.11	-	-

(iii) Change in Promoters Shareholding - Nil

(iv) Shareholding Pattern of top ten Shareholders (other than Directors and Promoters):

NAME	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
The Ramaraju Surgical Cotton Mills Limited	18,143	75.01	18,143	75.01
Investor Education And Protection Fund	3,545	14.66	3,545	14.66
K T Srinivasan	150	0.62	150	0.62
Krishnamurthy Raja N R	81	0.33	81	0.33
Subbu Reddiar T A	66	0.27	66	0.27
Mallika S	66	0.27	66	0.27
Jeyakrishnan Krishnan Shivaraj	51	0.23	51	0.21
Manivannan R	51	0.21	51	0.21
Alaga Raja P J	51	0.21	51	0.21
Pratap P J	51	0.21	51	0.21
Total	22,255	92.17	22,255	92.17

MADRAS CHIPBOARD LIMITED

(v) Shareholding of Directors and Key Managerial Personnel:

NAME	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total Shares of the Company
Shri. N.K. Ramasuwami Raja	40	0.17	40	0.17
Shri. N.R.K. Ramkumar Raja	50	0.21	50	0.21
Smt. Nalina Ramalakshmi	35	0.15	35	0.15
Shri. S. Neethiraj	-	-	-	-
Smt. D. Swarnalukshme	5	0.02	5	0.02
Shri. P.J. Ramkumar Rajha	-	-	-	-
Shri. S.J. Srikanth	5	0.02	5	0.02
Shri. A.R.S. Chaithanya	6	0.02	6	0.02

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the Beginning of the financial year				
i) Principal Amount	2,123.62	199.00	-	2,322.62
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2,123.62	199.00	-	2,322.62
Change in Indebtedness during the financial year				
Addition	473.00	-	-	473.00
Reduction	124.88	199.00	-	323.88
Net Change	348.12	199.00	-	149.12
Indebtedness at the end of the financial year				
i) Principal Amount	2,471.74	-	-	2,471.74
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2,471.74	-	-	2,471.74

MADRAS CHIPBOARD LIMITED

VI. Remuneration of Directors and Key Managerial Personnel:

A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

Particulars of Remuneration	Name of the Directors				Total Amount
	Shri. N. K. Ramasuwami Raja	Shri. N.R.K. Ramkumar Raja	Smt. Nalina Ramalakshmi	Shri. S. Neethiraj	
Fee for attending Board/ Committee Meetings	0.20	0.20	0.20	0.20	0.80
Commission	-	-	-	-	-
Others	-	-	-	-	-
Total (2)	0.20	0.20	0.20	0.20	0.80

Particulars of Remuneration	Name of the Directors				Total Amount
	Shri. P.J. Ramkumar Rajha	Smt. D. Swarna lukshme	Shri. S.J. Srikanth	Shri. A.R.S. Chaithanya	
Fee for attending Board/ Committee Meetings	0.15	0.20	0.20	0.20	0.75
Commission	-	-	-	-	-
Others	-	-	-	-	-
Total (2)	0.15	0.20	0.20	0.20	0.75

B. Remuneration to Key Managerial Personnel Other Than MD/Manager/ WTD

Sl. No	Particulars of Remuneration	Key Managerial Personnel	Total Amount Rs. in Lakhs
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961		
2.	Stock Option		
3.	Sweat Equity		
4.	Commission		
	- as % of Profit		
	- Others, specify	-	-
5.	Others, please specify		
	Total	-	-

MADRAS CHIPBOARD LIMITED

VII. Penalties/ Punishment/ Compounding of Offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made, if any (give Details)
A. Company			Nil		
Penalty					
Punishment					
Compounding					
B. Directors			Nil		
Penalty					
Punishment					
Compounding					
C. Other officers in default			Nil		
Penalty					
Punishment					
Compounding					

Rajapalayam
14th May, 2024

P.J. Ramkumar Rajha
Director
(DIN: 00487193)

By Order of the Board of Directors,
For **Madras Chipboard Ltd,**
N.K. Ramasuwami Raja
Director
(DIN: 00432698)

MADRAS CHIPBOARD LIMITED

Independent Auditors' Report

To the Members of M/s. Madras Chipboard Limited

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying Financial Statements of Madras Chipboard Limited ("the Company") drawn in accordance with the Indian Accounting Standards, which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash flow statement and Statement of Changes in Equity for the year ended on 31 March 2024 and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 ("Financial Position") of the Company as at 31 March 2024, its loss ("Financial Performance including Other Comprehensive Income") its Cash Flows and changes in Equity for the year ended on 31 March 2024.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Information Other than the Financial Statements and Auditor's 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 Management Discussion and Analysis, Boards' Report including Annexures to Boards' Report, but does not include the financial statements and our audit report thereon. Our opinion on the 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 financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the 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 in this other information, we are required to report that fact. We have nothing to report in this regard.

MADRAS CHIPBOARD LIMITED

Management's Responsibility for the 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 and presentation of these Financial Statements that give a true and fair view of the financial position, financial performance (including Other Comprehensive Income), Cash Flows and Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management 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.

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

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 Financial Statements.

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

- i) Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii) 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 Act, we

MADRAS CHIPBOARD LIMITED

are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv) 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 audit report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- v) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

- (i) Planning the scope of our audit work and in evaluating the results of our work; and
- (ii) To evaluate the effect of any identified misstatements in the Financial Statements.

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

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

Report on Other Legal and Regulatory Requirements

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

MADRAS CHIPBOARD LIMITED

- b) In our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid 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 31 March 2024 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) We have enclosed our separate report in “Annexure - B” with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- g) 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 did not have any pending litigation for the year ended 31 March 2024.
 - 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 a delay in transferring the Unclaimed Dividend of Rs. 39,435 for the FY 2015-16, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31,2024.
 - 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

MADRAS CHIPBOARD LIMITED

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 provided under (a) and (b) above, contain any material misstatement.

- h) There is no dividend declared or paid during the year by the Company and hence the requirement of compliance with Section 123 of the Act does not arise.
- i) With respect to the matter to be included in the Audit Report under Section 197(16) of the Act:

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

The company is using an ERP software that does not have facility to edit or delete any financial transactions and consequently the necessity of maintaining audit trail in the case of edit of any transaction is not applicable. We further state the company is fully compliant with respect to the proviso of Rule 3(1) of the Companies (Accounts) Rules, 2014.

For **M. S. Jagannathan & N. Krishnaswami**
Chartered Accountants
Firm Registration No. 0012085

Chennai
14th May, 2024

K. Srinivasan
Partner
Membership No. 021510
UDIN: 24021510BKAHCB9746

MADRAS CHIPBOARD LIMITED

Annexure A to the Independent Auditors' Report

Referred to in paragraph 1 under the heading "Report on Other Legal & Regulatory Requirements" of our report of even date to the Standalone Financial Statements of the Company for the year ended 31 March 2024:

We state the following after considering the information and explanations given to us by the Company and on the basis of examination of the records of the Company

Property Plant and Equipment:

1. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant and equipment.
 - 1.1 The Property, Plant and Equipment were physically verified during the year by the Management. No material discrepancies were noticed during such verification.
 - 1.2 The Title deeds of immovable properties are held in the name of the company.
 - 1.3 The Company has not revalued its Property, Plant and Equipment.
 - 1.4 The Company does not hold any benami property and accordingly, we have nothing to comment as per the provisions of clause 3(i)(e) of the order. Inventory and Working Capital Loan
 - 1.5 The company did not hold any inventory during the year and accordingly, we have nothing to comment as per the provisions of clause 3(ii)(a) of the order.
2. Inventory and Working Capital Loan
 - 2.1 The company did not hold any inventory during the year and accordingly, we have nothing to comment as per the provisions of clause 3(ii)(a) of the order.
 - 2.2 The company has not been sanctioned any working capital from Banks or financial institutions, and accordingly, we have nothing to comment as per the provisions of clause 3(ii)(b) of the order.
3. Investments made, Guarantees provided, Loans given, and Advances in the nature of loans, secured or unsecured
 - 3.1 To Subsidiaries, Joint Venture, Associates and others:
 - 3.2 The company does not have Subsidiaries, Joint Ventures, or Associates and accordingly, we have nothing to comment as per the provisions of Clause 3(iii)(a) of the order.
 - 3.3 The Company has not made any investments, provided guarantees, or given security during the year and accordingly, we have nothing to comment as per the provisions of clause 3(iii)(b) of the order.

MADRAS CHIPBOARD LIMITED

- 3.4 The company has not advanced any loans and advances and accordingly, we have nothing to comment as per the provisions of clause 3(iii)(c) of the Order.
- 3.5 The company has not advanced any loans and advances and accordingly, we have nothing to comment as per the provisions of clause 3(iii)(d) of the Order.
- 3.6 The Company has not advanced any loans or advance in the nature of loan which has fallen due during the year, that has been renewed, extended, or granted to settle the overdue of existing loans to the same parties and accordingly, we have nothing to comment as per the provisions of clause 3(iii)(e) of the Order.
- 3.7 The Company has not advanced any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, and accordingly, we have nothing to comment as per the provisions of clause 3(iii)(f) of the Order.
4. The Company has not advanced any loans or made investments under section 185 and 186 of the Act during the year and accordingly, we have nothing to comment as per the provisions of clause 3(iv) of the order.
5. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules made thereunder with regard to the deposits accepted from the public are not applicable and accordingly, we have nothing to comment with respect to provisions of clause 3(v) of the order.
6. The company is not required to maintain costing accounts and records which have been specified by the Central Government under Section 148(1) of the Act.
7. Undisputed and disputed taxes and duties
 - 7.1 The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods and Service Tax, and any other statutory dues with the appropriate authorities. No undisputed amounts payable in respect of the above were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

There were no disputed statutory dues that have not been deposited with appropriate authorities.
8. There have been no transactions which previously has not been recorded in the books but has been disclosed as income during the tax assessments under the Income Tax Act, 1961, and accordingly, we have nothing to comment as per the provisions of clause 3(viii) of the Order.
9. Default in respect of repayment of Loans or interest during the year

MADRAS CHIPBOARD LIMITED

- 9.1 The Company has not defaulted in repayment of dues to financial institutions, banks, government, debenture holders or any other lender and accordingly, we have nothing to comment as per the provision under clause 3(ix)(a) of the Order.
- 9.2 The Company has not been declared as a wilful defaulter by any bank or financial institution or any other lender.
- 9.3 The Company has obtained term loans from Banks during the year and the same were applied for the purposes for which they were obtained.
- 9.4 The company has not raised funds on short term basis and accordingly, we have nothing to comment as per the provisions of clause 3(ix)(d) of the Order.
- 9.5 The Company has not taken any funds from any entity to meet the obligations of subsidiaries, associates or joint ventures and accordingly, we have nothing to comment as per the provisions of clause 3(ix)(e) of the order.
- 9.6 The Company does have any subsidiaries, joint ventures or associates and accordingly, we have nothing to comment as per the provisions of the clause 3(ix)(f) regarding pledge of securities held in subsidiaries, joint ventures and associates.

10. Funds Raised

- 10.1 The Company has not raised money by way of initial public offer or further public offer (including debt instruments) The Company has not issued any debentures during the year and accordingly, we have nothing to comment as per the provisions of clause 3(x)(a) of the Order.
- 10.2 The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and accordingly, we have nothing to comment as per reporting under the provisions of clause 3(x)(b) of the Order.

11. Fraud and Whistle Blower System

- 11.1 We report that no fraud by the Company or on the Company by its Officers or employees has been noticed or reported during the year.
- 11.2 No report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in respect of the Company, in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and up to the date of this report.
- 11.3 The management has not received any whistle blower complaints during the year.

12. The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

13. All transactions with the related parties are in compliance with Section 177 and 188 of the Act and the details have been disclosed in the Financial Statements as required by the applicable Accounting Standards.

MADRAS CHIPBOARD LIMITED

14. The company is not required to have an internal audit system under Companies Act and accordingly the provisions of clause 3(xiv) of the Order is not applicable to the Company.
15. The Company has not entered into any non-cash transactions with its Directors or persons connected with them and accordingly, we have nothing to comment as per the provisions of clause 3 (xv) of the Order.
16. Registration
 - 16.1 The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi)(a) of the Order is not applicable to the Company.
 - 16.2 The Company has not conducted any Non-Banking Financial or Housing Finance activities and accordingly, we have nothing to comment as per the provisions of clause 3(xvi)(b) of the Order.
 - 16.3 The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and accordingly, the provisions of clause 3(xvi)(c) of the Order is not applicable to the Company.
 - 16.4 The Company along with its Parent Company does not have any CIC as part of it and accordingly, the provisions of clause 3(xvi)(d) of the Order is not applicable to the Company.
17. The Company has not incurred cash losses in the current year and the proceeding financial year.
18. There was no resignation of statutory auditors of the Company during the year.
19. 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 financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. Variations in ratios over 25% on comparison with previous year has also been disclosed in the notes accompanying financial statements.
20. The Company is not required to constitute a Corporate Social Responsibility Committee and accordingly the provisions of clause 3(xx) of the Order is not applicable to the Company.
21. The Company is not required to prepare consolidated Financial Statements as per the provisions of section 129(3) of the Act, 2013 and accordingly the provisions of clause 3(xxi) of the Order is not applicable to the Company.

For **M. S. Jagannathan & N. Krishnaswami**
Chartered Accountants
Firm Registration No. 0012085

K. Srinivasan
Partner

Chennai
14th May, 2024

Membership No. 021510
UDIN: 24021510BKAHCB9746

MADRAS CHIPBOARD LIMITED

“Annexure B” to the Independent Auditors’ Report

(Referred in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’
section 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”)

Opinion

We have audited the Internal Financial Controls over financial reporting of Madras Chipboard Limited (“the Company”) as of 31 March 2024 in conjunction with our audit of the Financial Statements of the Company for the year ended on 31 March 2024.

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 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (“Guidance Note”) issued by Institute of Chartered Accountants of India (“ICAI”).

Management’s Responsibilities for Internal Financial Controls

The Company’s Management and Board of Directors 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 issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Company’s Internal Financial Controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing (“SAs”), 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 and, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those SAs 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

MADRAS CHIPBOARD LIMITED

Financial Controls over financial reporting included obtaining an understanding of Internal Financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for 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:

- a. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- b. 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
- c. 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..

For **M. S. Jagannathan & N. Krishnaswami**
Chartered Accountants
Firm Registration No. 001208S

K. Srinivasan
Partner

Chennai
14th May, 2024

Membership No. 021510
UDIN: 24021510BKAHCB9746

MADRAS CHIPBOARD LIMITED

BALANCE SHEET AS ON 31st MARCH 2024

(₹ in Lakhs)

Particulars	Note	As on 31.03.2024	As on 31.03.2023
ASSETS			
Non-current assets			
Property, Plant and equipment	6	3,020.71	2,892.98
Capital Work In Progress	7	0.62	-
Other Non-Current Assets	8	-	40.46
Sub Total (A)		3,021.33	2,933.44
Current assets			
Cash and cash equivalents	9	45.16	16.37
Bank Balances other than Cash and Cash Equivalents	10	1.01	1.04
Loans and Advances	11	36.28	36.15
Other Current Assets	12	55.15	46.30
Sub Total (B)		137.60	99.86
TOTAL ASSETS (A+B)		3,158.93	3,033.30
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	24.12	24.12
Other Equity	14	189.69	195.82
Total Equity (C)		213.81	219.94
LIABILITIES			
Non-Current Liabilities			
Long Term Borrowings	15	2,471.74	2,322.62
Deferred Tax Liabilities	16	9.85	13.07
Other Non-Current Liabilities	17	360.00	360.00
Sub Total (D)		2,841.59	2,695.69
Current liabilities			
Trade payables	18	-	11.33
Other current liabilities	19	98.88	106.15
Provisions	20	4.65	0.19
Sub Total (E)		103.53	117.67
TOTAL EQUITY AND LIABILITIES (C+D+E)		3,158.93	3,033.30
Significant Account Policies	1-5		
Notes on Financial Statements	6-32		

The notes form an integral part of these financial statements

As per our report annexed
For **M.S.Jagannathan & N.Krishnaswami**
Chartered Accountants
Firm Registration Number: 001208S

On behalf of the Board of Directors
For Madras Chipboard Ltd

K. Srinivasan
Partner
M.No : 021510
Trichy
14th May 2024

N.K. Ramasuwami Raja
Director
DIN : 00432698

P.J. Ramkumar Rajha
Director
DIN : 00487193
Rajapalayam
14th May 2024

MADRAS CHIPBOARD LIMITED

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31st MARCH 2024

		(₹ in Lakhs)	
Particulars	Note	For the Year ended 31-03-2024	For the Year ended 31-03-2023
Revenue			
Revenue from operations	21	360.00	360.00
Other Income	22	4.24	4.82
Total Revenue		364.24	364.82
Expenses			
Employee benefit expenses	23	29.56	33.38
Finance Cost	24	233.00	205.93
Depreciation	6	90.89	43.22
Other Expenses	25	20.15	33.85
Total Expenses		373.60	316.38
Profit/ (loss) before exceptional and extraordinary items and tax		(9.36)	48.44
Profit/ (loss) before Tax		(9.36)	48.44
Tax Expenses / (Savings)			
Current Tax		-	-
Current Tax Adjustments for Earlier Years		-	-
Deferred Tax		(3.23)	12.55
Profit/ (loss) for the period		(6.13)	35.89
Other Comprehensive Income		-	-
Item that will not be reclassified into profit / loss :		-	-
Re-measurement of the defined benefit plans		-	-
Total Comprehensive Income for the year		(6.13)	35.89
Earnings per Equity Share of Rs.100/- each			
Basic & Diluted (In Rupees)		(25.35)	148.42
Significant Account Policies	1-5		
Notes on Financial Statements	6-32		
The notes form an integral part of these financial statements			

As per our report annexed
For **M.S.Jagannathan & N.Krishnaswami**
Chartered Accountants
Firm Registration Number: 001208S

On behalf of the Board of Directors
For Madras Chipboard Ltd

K. Srinivasan
Partner
M.No : 021510
Trichy
14th May 2024

N.K. Ramasuwami Raja
Director
DIN : 00432698

P.J. Ramkumar Rajha
Director
DIN : 00487193
Rajapalayam
14th May 2024

MADRAS CHIPBOARD LIMITED

STATEMENT OF CHANGES IN EQUITY FOR MADRAS CHIPBOARD LIMITED FOR THE YEAR ENDED 31-03-2024

A. Equity Share Capital

(₹ in Lakhs)

Particulars	No. of Shares	Value
Balance as at 01-04-2022	24,186	24.12
Changes in Equity Share Capital during the year 2022-23	-	-
Balance as at 31-03-2023	24,186	24.12
Changes in Equity Share Capital during the year 2023-24	-	-
Balance as at 31-03-2024	24,186	24.12

B. Other Equity

(₹ in Lakhs)

Particulars	Other Equity		Items of OCI	Total Other Equity
	General Reserve	Retained Earnings	Re-measurements of Defined Benefit Obligations	
Other Equity as at 1 st April 2022	159.93	-	-	159.93
Add: Profit for the year	-	35.89	-	35.89
Add: Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	-	35.89	-	35.89
Less: Transfer to Retained Earnings	-	-	-	-
Add: Transfer from OCI	-	-	-	-
Less: Transfer to General Reserve	-	(35.89)	-	(35.89)
Add: Transfer from Retained Earnings	35.89	-	-	35.89
Other Equity as at 31st March 2023	195.82	-	-	195.82
Add: Profit for the year	-	(6.13)	-	(6.13)
Add: Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	-	(6.13)	-	(6.13)
Less: Transfer to Retained Earnings	-	-	-	-
Add: Transfer from OCI	-	-	-	-
Less: Transfer to General Reserve	-	6.13	-	6.13
Add: Transfer from Retained Earnings	(6.13)	-	-	(6.13)
Other Equity as at 31st March 2024	189.69	-	-	189.69

As per our report annexed
For **M.S.Jagannathan & N.Krishnaswami**
Chartered Accountants
Firm Registration Number: 001208S

On behalf of the Board of Directors
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14th May 2024

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Director
DIN : 00487193
Rajapalayam
14th May 2024

MADRAS CHIPBOARD LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2024

		(₹ in Lakhs)
Particulars	As on 31.03.24	As on 31.03.23
A. Cash flow from operating activities		
Net Profit/(loss) before Tax	(9.36)	48.44
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation	90.89	43.22
Profit on Sale of Fixed Assets	-	(1.08)
Cost towards Scrapping of Assets	-	2.02
Operating Profit before working capital changes	81.53	92.60
Movement in Working Capital		
Advances	(0.13)	(29.86)
Trade payable	(11.33)	(105.69)
Other current liabilities	(2.81)	98.26
Other current Assets	(8.85)	(39.71)
Cash generated from operations	58.41	15.60
Income Taxes paid/Refund	-	-
Net Cash generated from operating activities	A 58.41	15.60
Cash flow from Investing activities		
Advance to Suppliers for Building Construction	40.46	819.75
Purchase of Fixed Assets (Including Capital work-in-progress)	(219.23)	(1,721.85)
Sale of Property, Plant and Equipment	-	1.53
Net Cash from/ (used in) Investing activities	B (178.77)	(900.57)
Cash flow from financing activities		
Long-term Borrowings	149.12	591.12
Rent Deposit Received	-	210.00
Net Cash from/ (used in) financing activities	C 149.12	801.12
Net increase / (decrease) in cash and cash equivalents (A+B+C)	28.76	(83.85)
Cash and cash equivalents at the beginning of the year	17.41	101.26
Cash and cash equivalents at the end of the year	46.17	17.41
Net change in cash and cash equivalents	28.76	(83.85)

As per our report annexed
For **M.S.Jagannathan & N.Krishnaswami**
Chartered Accountants
Firm Registration Number: 001208S

On behalf of the Board of Directors
For Madras Chipboard Ltd

K. Srinivasan
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Rajapalayam
14th May 2024

MADRAS CHIPBOARD LIMITED

Notes to Financial Statements

1. Corporate Information

Madras Chipboard Limited is a Public Limited Company domiciled and headquartered in India and incorporated under the provisions of Companies Act 2013. The Registered office of the Company is located at Factory Premises, No 53, Annamaraja Nagar, Sankarankoil Road, Rajapalayam - 626 117, Tamil Nadu.

The Company is principally engaged in leasing of commercial spaces.

The financial statements of the Company for the year ended 31st March, 2024 were approved and adopted by Board of Directors of the Company in their meeting dated 14th May, 2024.

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.

3. Basis of Preparation of Separate Financial Statements

- i. The significant accounting policies used in preparing the financial statements are set out in Note No.5.
- ii. 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.
- iii. 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.
- iv. The Company has considered its operating cycle as 12 months for the purpose of Current or Non-current classification of assets and liabilities.
- v. The financial statements 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 Rs.0.00 Lakhs.

4. Basis of Measurement

The financial statements have been prepared on accrual basis under historical cost convention except for certain financial instruments (Refer Note 5N - Accounting Policy for Financial Instruments) which are measured at fair value.

MADRAS CHIPBOARD LIMITED

5. Significant Accounting Policies.

A. Cash Flow Statement

- 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 3 months or less, highly liquid investments that are readily convertible into cash.

B. Income Taxes

- i. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates, the provisions of the Income Tax Act, 1961 and other applicable tax laws.
- ii. 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.
- iii. 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.
- iv. 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.
- v. 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.
- 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 for such set off.

C. Property, Plant and Equipments (PPE)

- i. PPEs are stated at cost of acquisition or construction (net of CENVAT / VAT/ GST wherever applicable) less accumulated depreciation and impairment losses if any, except freehold land which is carried at cost. The cost comprises of purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.
- ii. 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. When each major inspection/overhauling is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied.

MADRAS CHIPBOARD LIMITED

- iii. Any remaining carrying amount of the cost of the previous inspection/overhauling (as distinct from physical parts) is de-recognised.
- iv. 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 in accordance with Ind AS 16 are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.
- v. Capital Expenditure on tangible assets for research and development is classified as PPE and is depreciated based on the estimated useful life. Other expenditure incurred for research and development are expensed under the heads of accounts in the year in which it is incurred.
- vi. PPEs are eliminated from the financial statements on disposal or when no further benefit is expected from its use and 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.
- vii. 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.
- viii. 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.
- ix. 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.

D. Revenue Recognition

- i. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

The specific recognition criteria described below must also be met before revenue is recognised.

ii. Revenue from Operations

a) Sale of products/ Services

Revenue is recognised at the fair value of consideration received or receivable upon transfer of significant risks and rewards of ownership of goods which generally coincides with the delivery of goods. It comprises of invoice value of goods, after deducting discounts, volume rebates and applicable taxes on sale.

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iii. 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.
- b) Scrap sales is recognised at the fair value of consideration received or receivable upon transfer of significant risk and rewards. It comprises of invoice value of goods including excise duty and after deducting applicable taxes on sale.

E. 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 is 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 employees' basic salary. The Company has no further obligations.
- iv. The Company has its own Defined Benefit Plan viz., and approval is awaited. 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. The Company makes annual contributions to "Madras Chipboard 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 Balance Sheet date using Projected Unit Credit method.
- v. 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.
- vi. Re-measurement 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.

F. 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

MADRAS CHIPBOARD LIMITED

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.

G. Earnings per Share

- i. Earnings per share is calculated by dividing the Net profit / (Loss) after tax by the weighted average number of equity shares outstanding during the year.
- 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 / (Loss) for the purpose of computing Earnings per share.

H. Impairment of Non-Financial Assets

- i. The carrying values of non-financial assets are reviewed for impairment at each Balance Sheet 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/amortisation 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.

I. 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 neither recognised nor disclosed.

MADRAS CHIPBOARD LIMITED

- 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.

J. 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:

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 depreciation of intangible asset are reviewed at each reporting date and adjusted prospectively, if appropriate.

K. Operating Segments

The Company has no separate reportable segments.

L. 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.

MADRAS CHIPBOARD LIMITED

M. 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. The Company has evaluated the facts and circumstances on date of transition to Ind AS for the purpose of classification and measurement of financial assets. Accordingly, 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 cashflows and selling financial assets.

- iv. 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. The Company has applied the de-recognition requirements prospectively.

- v. 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

MADRAS CHIPBOARD LIMITED

Loss.

- vi. 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.

N. Financial Liabilities

- i. Financial liabilities comprise of Borrowings from Banks, Debentures, Soft loan / Interest free loan from Government, Trade payables, Derivative financial instruments, Financial guarantee obligation and other financial liabilities.
- ii. Financial liabilities are derecognised when and only when it is extinguished (i.e) when the obligation specified in the contract is discharged or cancelled or expired.
- iii. Upon de-recognition of its financial liabilities or part thereof, the difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid including any non-cash assets transferred or liabilities assumed is recognised in the Statement of Profit and Loss.

O. 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 / disclosed 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.

MADRAS CHIPBOARD LIMITED

- 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 are directly or indirectly observable.

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

P. 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. 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 technical team duly reviewed by the management at each reporting date. Wherever the management believes that the assigned useful life and residual value are appropriate, such recommendations are accepted and adopted for computation of depreciation/ amortisation. Also, management judgement is exercised for classifying the asset as investment properties or vice versa.

ii. 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.

iii. 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.

iv. Impairment of Trade receivables

The impairment for financial assets 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.

v. 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.

vi. 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. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rate 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..

MADRAS CHIPBOARD LIMITED

Note No. 6 :

Plant Property and Equipments

(₹ in Lakhs)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01-Apr-23	Additions	With drawn	As at 31-Mar-24	Up to 31-Mar-23	For the Year	With drawn	Up to 31-Mar-24	As at 31-Mar-24	As at 31-Mar-23
Land	0.11	-	-	0.11	-	-	-	-	0.11	0.11
Buildings	2,947.35	218.62	-	3,165.97	60.85	89.74	-	150.59	3,015.38	2,886.50
Plant & Machinery	1.03	-	-	1.03	0.82	0.07	-	0.89	0.14	0.21
Electrical Machinery	2.93	-	-	2.93	0.20	0.28	-	0.48	2.45	2.73
Furniture & Office Equipment	4.99	-	-	4.99	1.60	0.80	-	2.40	2.59	3.39
Vehicles	0.87	-	-	0.87	0.83	-	-	0.83	0.04	0.04
	2,957.28	218.62	-	3,175.90	64.30	90.89	-	155.19	3,020.71	2,892.98

Plant Property and Equipments

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01-Apr-22	Additions	With drawn	As at 31-Mar-23	Up to 31-Mar-22	For the Year	With drawn	Up to 31-Mar-23	As at 31-Mar-23	As at 31-Mar-22
Land	0.11	-	-	0.11	-	-	-	-	0.11	0.11
Buildings	34.94	2,916.59	4.18	2,947.35	21.49	42.22	2.87	60.85	2,886.50	13.45
Plant & Machinery	1.03	-	-	1.03	0.75	0.07	-	0.82	0.21	0.28
Electrical Machinery	5.32	2.93	5.32	2.93	4.59	0.24	4.63	0.20	2.73	0.73
Furniture & Office Equipment	1.23	3.94	0.18	4.99	1.14	0.63	0.17	1.60	3.39	0.09
Vehicles	9.91	-	9.04	0.87	9.36	0.06	8.59	0.83	0.04	0.55
	52.54	2,923.46	18.72	2,957.28	37.33	43.22	16.26	64.30	2,892.98	15.21

MADRAS CHIPBOARD LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

31-03-2024 **31-03-2023**

Note: 7

Capital Work In Progress

Building Construction	0.62	-
	0.62	-

Note: 8

Other Non-Current Assets

Capital Advance for Building Construction	-	40.46
	-	40.46

Note: 9

Cash and Bank Balance

Cash on hand	0.03	0.03
<u>Balance with Bank</u>		
In Current Account	45.13	16.34
	45.16	16.37

Note: 10

Bank Balances other than Cash and Cash Equivalents

Unclaimed Dividend Warrant Account	1.01	1.04
	1.01	1.04

Note: 11

Loans and Advances

Unsecured, Considered Good

Advance to suppliers	-	0.04
Advance Income Tax and TDS and Refund Due	36.28	36.11
	36.28	36.15

Note: 12

Other Current Assets

Security Deposits	10.80	5.19
Prepaid Expenses	2.13	2.11
Other Current Assets	42.22	39.00
	55.15	46.30

MADRAS CHIPBOARD LIMITED

(₹ in Lakhs)

31-03-2024

31-03-2023

Note: 13

Share Capital

Authorised:

25,000 Equity Shares of Rs. 100/- each

(PY 25,000 Equity Shares of Rs. 100/- each)

25.00

25.00

Issued, Subscribed and Paid-up

24,186 Equity Shares of Rs. 100/- each

(PY 24,186 Equity Shares of Rs. 100/- each)

24.19

24.19

Less: Call in arrears due from persons – Other than Directors

0.07

0.07

24.12

24.12

Reconciliation of the number of shares outstanding

Particulars	As at 31-03-2024		As at 31-03-2023	
	No. of Shares	Rs. in lakhs	No. of Shares	Rs. in lakhs
No. of equity shares at the beginning of the year	24,186	24.19	24,186	24.19
Issued during the year	-	-	-	-
No. of equity shares at the end of the year	24,186	24.19	24,186	24.19

Details of shareholdings for more than 5% of the Company

Particulars	As at 31-03-2024		As at 31-03-2023	
	No. of Shares	% of Holding	No. of Shares	% of Holding
The Ramaraju Surgical Cotton Mills Limited	18,143	75.01	18,143	75.01
Investor Educational and Protection Fund	3,545	14.66	3,545	14.66

Note: 14

Reserves and Surplus

General Reserve

Opening Balance

195.82

159.93

195.82

159.93

Add: Transfer from Surplus account

(6.13)

35.89

189.69

195.82

Surplus in the statement of Profit and Loss

Opening Balance

Add: Profit for the year

(6.13)

35.89

Transfer to General Reserve

(6.13)

35.89

Closing Balance

189.69

195.82

MADRAS CHIPBOARD LIMITED

(₹ in Lakhs)

31-03-2024

31-03-2023

Note: 15

Long-term borrowings

Bank Borrowings	2,471.74	2,123.62
Loan from Related Party	-	199.00
	<u>2,471.74</u>	<u>2,322.62</u>

Note: 16

Deferred Tax Liabilities

Deferred Tax Liability - Net	9.85	13.08
	<u>9.85</u>	<u>13.08</u>

Reconciliation of Deferred tax Liabilities (Net)

Balance at the beginning of the year	13.08	0.53
Deferred Tax recognised in statement of Profit and Loss - Expenses / (Savings)	(3.23)	12.55
Balance at the end of the year	<u>9.85</u>	<u>13.08</u>

Particulars	As on 01.04.2022	Recognised in Profit and Loss	As on 01.04.2023	Recognised in Profit and Loss	As on 01.04.2024
Tax Impact on difference in written down value of Property, Plant & Equipment as per books and as per Income Tax Act, 1961	1.27	47.10	48.37	42.21	90.58
Tax impact on provision for compensated absences & Bonus	-	(0.35)	(0.35)	0.09	(0.26)
Tax Impact on unabsorbed Depreciation / unadjusted losses	(0.74)	(34.20)	(34.94)	(45.53)	(80.47)
Total	0.53	12.55	13.08	(3.23)	9.85

Note: 17

Other Non-Current Liabilities

Rent Deposits	360.00	360.00
	<u>360.00</u>	<u>360.00</u>

Note: 18

Trade Payables

Dues of micro enterprises and small enterprises	-	-
Dues of creditors other than micro enterprises & small enterprises	-	11.33
	<u>-</u>	<u>11.33</u>

MADRAS CHIPBOARD LIMITED

(₹ in Lakhs)

31-03-2024

31-03-2023

Terms and conditions:

There are no dues to micro and small enterprises as at 31-03-2024 (PY: Rs. Nil). This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extend such parties have been identified on the base of information available with the Company.

Note: 19

Other Current Liabilities

Unclaimed Dividends	1.04	1.04
Other Payables	97.84	105.11
	98.88	106.15

Note: 20

Provisions

Provision for Employee Benefits, Short term provision	4.65	0.19
	4.65	0.19

Note: 21

Revenue from Operations

Income from lease rent	360.00	360.00
	360.00	360.00

Note: 22

Other Income

Interest received	4.24	1.03
Profit on Sale of Assets	-	1.08
Miscellaneous Income	-	2.71
	4.24	4.82

Note: 23

Employee Benefit Expenses

Salaries, Wages and Bonus	27.42	28.89
Contribution to Provident and Other Funds	1.99	4.45
Staff and Labour Welfare Expenses	0.15	0.04
	29.56	33.38

MADRAS CHIPBOARD LIMITED

(₹ in Lakhs)

31-03-2024

31-03-2023

Note: 24

Finance Cost

Interest on debts and borrowings	233.00	205.93
	233.00	205.93

Note: 25

Other Expenses

Manufacturing Expenses

Electricity Charges	3.20	12.07
Repairs to buildings	0.36	0.95
Repairs to Plant and Machinery	0.05	0.37
Repairs General	5.26	7.80
	8.87	21.19

Establishment Expenses

Cost towards Scrapping of Assets	-	2.02
Rates and Taxes	1.89	1.67
Postage and Telephone	0.57	0.33
Printing and Stationery	0.50	0.74
Travelling Expenses	-	0.07
Vehicle Maintenance	-	0.34
Insurance	3.66	2.36
Directors Sitting Fees	1.55	1.40
Audit Fees and Legal Expenses	0.50	1.68
Miscellaneous Expenses	2.61	1.75
Bad Debts Written Off	-	0.30
	11.28	12.66
	20.15	33.85

Tax Audit Fee and Expenses Fee

Audit Fee	0.50	0.50
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MADRAS CHIPBOARD LIMITED

(₹ in Lakhs)

31-03-2024

31-03-2023

Note: 26

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

Defined Contribution Plan:

Employer’s Contribution to Provident Fund	-	-
---	---	---

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

Movements in the Present Value of define benefit obligation:

Opening defined Benefit Obligation	15.24	17.21
Current Service Cost	1.09	1.14
Interest Cost	0.53	0.77
Actuarial (gain) / loss	(0.15)	(3.11)
Benefits paid	(0.59)	(0.77)
Closing Defined Benefit obligation	16.12	15.24

Movement in the Present Value of Plan Assets:

Opening fair value of plan assets	17.65	17.30
Expected return on plan assets	1.27	1.22
Actuarial gain / (loss)	0.25	1.98
Employer Contribution	(0.16)	(3.11)
Benefits paid	0.02	0.26
Closing fair value of plan assets	19.03	17.65

The amount included in the Statement of Financial position arising from the entity’s obligation in respect of its define benefit plans:

Present value of obligation	16.12	15.24
Fair value of plan assets	19.03	17.65
Present value of Funded defined obligation	(2.91)	(2.41)

Cost of define benefit plan:

Current Service Cost	0.53	0.78
Interest Cost	(0.18)	(0.08)
Net Cost Recognized in the Income Statement	0.35	0.70

MADRAS CHIPBOARD LIMITED

	(₹ in Lakhs)		
	31-03-2024	31-03-2023	
Actual Return on plan Assets:			
Expected return on plan assets (To the extent it does not represent an adjustment to Interest Cost)	1.27	1.22	
Actuarial (gain) / loss	0.02	0.26	
Net Cost recognized in the Other Comprehensive Income	1.29	1.48	
Major Categories of Plan Assets:			
GOI Securities	-	-	
Funds with LIC	19.03	17.65	
Total	19.03	17.65	
Actuarial assumptions:			
Discount rate p.a	7.47%	7.69%	
Rate of escalation in salary p.a	5.50%	5.50%	
Estimate of expected Benefit payments			
Year 1	0.81	0.73	
Year 2	11.86	11.66	
Year 3	0.24	0.21	
Year 4	0.24	0.22	
Year 5	0.25	0.23	
Next 5 years	1.36	1.23	
Quantitative Sensitivity Analysis for Significant Assumptions			
0.50% Increase in Discount Rate	15.75	14.90	
0.50% Decrease in Discount Rate	16.51	15.61	
0.50% Increase in Salary Growth Rate	16.53	15.62	
0.50% Decrease in Salary Growth Rate	15.73	14.88	
Note: 27			
Earnings per Share			
Net profit /(Loss) after tax	(A)	(6.13)	35.89
Weighted average number of Equity shares	(B)	24,186	24,186
Nominal value per equity share (Amount in Rs.)		100	100
Basic & Diluted Earnings per share (A)/(B) (Amount in Rs.)		(25.35)	148.42

MADRAS CHIPBOARD LIMITED

(₹ in Lakhs)

Note: 28

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 2024:

a. Key Managerial Personnel:

Name of the Key Managerial Personnel	Designation
Shri N.R.K. Ramkumar Raja	Director
Shri N K Ramasuwami Raja	Director
Smt Nalina Ramalakshmi	Director
Shri S Neethiraj	Director
Smt D Swarnalukshme	Director
Shri P J Ramkumar Rajha	Director
Shri S J Srikanth	Director
Shri A.R.S. Chaithanya	Director

b. Companies over which KMP/ Relatives of KMP exercise significant influence:

M/s.The Ramaraju Surgical Cotton Mills Limited

c. Employee Benefit Funds where control exists:

Madras Chipboard Ltd Employees' Gratuity Fund

d. Enterprises over which the above persons exercise significant influences and with which Company had transactions during the year:

M/s. Rajapalayam Mills Ltd

P.A.C.R. Sethurammammal Charities

Smt. Lingammal Ramaraju Sasthiraprathista Trust

P.A.C. Ramasamy Raja Education Charity Trust

The Company's transactions with the above related parties are given below.

i. Amount paid to Key Managerial Personnel:

Name of the Related party	Nature of Payment	2023 – 2024	2022 – 2023
Shri N K Ramasuwami Raja	Sitting Fees	0.20	0.20
Shri N.R.K. Ramkumar Raja	Sitting Fees	0.20	0.15
Smt Nalina Ramalakshmi	Sitting Fees	0.20	0.10
Shri S Neethiraj	Sitting Fees	0.20	0.20
Smt D Swarnalukshme	Sitting Fees	0.20	0.15
Shri P J Ramkumar Rajha	Sitting Fees	0.15	0.20
Shri S J Srikanth	Sitting Fees	0.20	0.20
Shri A.R.S. Chaithanya	Sitting Fees	0.20	0.20

MADRAS CHIPBOARD LIMITED

(₹ in Lakhs)

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

i. Cost of Goods & Services purchased / availed:

Name of the Related Party	Value		Outstanding as on	
	2023-24	2022-23	31-03-2024	31-03-2023
The Ramaraju Surgical Cotton Mills Limited	360.00	360.00	-	-

ii. Loans and advance / (borrowings):

Name of the Related Party	Value		Outstanding as on	
	2023-24	2022-23	31-03-2024	31-03-2023
Shri N.R.K. Ramkumar Raja	-	99.00	-	99.00
Smt Nalina Ramalakshmi	-	100.00	-	100.00

Note: 29

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

Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying Amount	Fair Value
As at 31-03-2024					
Financial Assets					
Trade Receivables	-	-	-	-	-
Cash and Bank Balances	45.16	-	-	45.16	45.16
Other Financial Assets	-	-	-	-	-
Financial Liabilities					
Borrowings	-	-	-	-	-
Trade Payables	-	-	-	-	-
Other Financial Liabilities	-	-	-	-	-
As at 31-03-2023					
Financial Assets					
Trade Receivables	-	-	-	-	-
Cash and Bank Balances	16.37	-	-	16.37	16.37
Other Financial Assets	-	-	-	-	-
Financial Liabilities					
Borrowings	-	-	-	-	-
Trade Payables	11.33	-	-	11.33	11.33
Other Financial Liabilities	-	-	-	-	-

MADRAS CHIPBOARD LIMITED

Note: 30

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 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 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.

MADRAS CHIPBOARD LIMITED

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.

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. 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.

Market Risk

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.

Note No.31

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

- a. Details of loans granted to Promoters, Directors, KMP and related parties: Nil
- b. Undisclosed Income Tax 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.

MADRAS CHIPBOARD LIMITED

(₹ in Lakhs)

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 on behalf of the Company or
- ii. Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

g. Key Financial Ratio:

Sl. No.	Particulars	UOM	31-03-2024	31-03-2023	Variation in %
1	Current Ratio	in multiple	1.33	0.85	56.61
2	Debt - Equity Ratio	in multiple	11.56	10.56	9.47
3	Debt Service Coverage Ratio	in multiple	0.88	1.02	(13.72)
4	Return on Equity Ratio	in %	(0.03)	0.18	(115.91)
5	Net Profit Ratio	in %	(0.02)	0.10	(117.11)
6	Return on Capital Employed	in %	0.08	0.10	(11.18)
7	Return on Investments (Assets)	in %	(0.00)	0.01	(116.40)

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) Net Profit Ratio = Net Profit / Net Revenue
- (f) Return on Capital employed = (Total Comprehensive Income + Interest) / (Average of (Equity + Total Debt))
- (g) Return on Investment (Assets) = Total Comprehensive Income / Average Total Assets

MADRAS CHIPBOARD LIMITED

(₹ in Lakhs)

Reason for Variation for more than 25%

Serial No. 1

Current liabilities met through increase in Long-term borrowings.

Serial No. 4,5 & 7

This was due to increase in finance cost and Depreciation.

Note No.32

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	31.03.2024	31.03.2023
Long Term Borrowings	2,471.74	2,322.62
Current maturities of Long Term borrowings	-	-
Short Term Borrowings	-	-
Less: Cash and Cash Equivalents	45.16	16.37
Net Debt (A)	2,426.58	2,306.25
Equity Share Capital	24.12	24.12
Other Equity	189.69	195.82
Total Equity (B)	213.81	219.94
Total Capital Employed (C) = (A) + (B)	2,640.39	2,526.19
Capital Gearing Ratio (A) / (C)	91.90 %	91.29 %

In order to achieve this 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 years ended 31-03-2024 and 31-03-2023.

As per our report annexed
For **M.S.Jagannathan & N.Krishnaswami**
Chartered Accountants
Firm Registration Number: 001208S

On behalf of the Board of Directors
For Madras Chipboard Ltd

K. Srinivasan
Partner
M.No : 021510
Trichy
14th May 2024

N.K. Ramasuwami Raja
Director
DIN : 00432698

P.J. Ramkumar Rajha
Director
DIN : 00487193
Rajapalayam
14th May 2024

PROXY FORM

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

MADRAS CHIPBOARD LIMITED

[CIN: U17100TN1961PLC004457]

Registered Office: No.53, Annamaraja Nagar, Sankarankovil Road, Rajapalayam, Virudhunagar- 626117. Tamil Nadu.

Name of the member(s) :

Registered address :

E-mail ID :

Folio No. / Client ID. :

DP ID :

I/We, being the member(s) of shares of the above named Company, hereby appoint:

Name : Address :

E-mail ID : Signature : or failing him,

Name : Address :

E-mail ID : Signature : or failing him,

Name : Address :

E-mail ID : Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 63rd Annual General Meeting of the Company, to be held on Wednesday, the 31st July 2024 at 11.00 A.M. at Registered Office, Factory Premises, No.53, Annamaraja Nagar, Sankarankoil Road, Rajapalayam, Virudhunagar-626 117, Tamil Nadu and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
	Ordinary Business:
1	Adoption of Financial Statements for the year ended 31 st March, 2024
2	Appointment of Shri S. Neethiraj (DIN: 00532497), who retires by rotation and is hereby eligible for re-appointment as Director
3	Appointment of Smt. D. Swarnalukshme (DIN: 01267411), who retires by rotation and is hereby eligible for re-appointment as Director
4	Appointment of Shri P.J. Ramkumar Rajha (DIN: 00487193), who retires by rotation and is hereby eligible for re-appointment as Director

Signed thisday of 2024

Signature of Shareholder:

Signature of Proxy holder(s):

Affix Rs. 1
Revenue
Stamp

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

