



**VEEJAY LAKSHMI ENGINEERING WORKS LIMITED**

FORTY-NINTH ANNUAL REPORT 2023-2024

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**BOARD OF DIRECTORS**

**Sri. V.J. JAYARAMAN** (DIN 00137340)  
Chairman

**Sri. N.M. ANANTHAPADMANABHAN**  
(DIN 00014436)

**Sri. N. ATHIMOOLAM NAIDU**  
(DIN 01410988)

**Sri. J. ANAND** (DIN 00137425)  
Managing Director

**Sri. B. SRIRAM** (DIN 00151097)

**Sri. D. RANGANATHAN** (DIN 00137566)  
Whole Time Director

**Smt. ARTHI ANAND** (DIN 07151584)

**Sri. K. NARENDRA** (DIN 00412219)

**COMPANY SECRETARY**

**Sri V.K. SWAMINATHAN**

**REGISTERED OFFICE**

Sengalipalayam  
N.G.G.O. Colony Post  
Coimbatore 641 022  
CIN: L29191TZ1974PLC000705

**AUDITOR**

**M/s. N R D Associates**  
Chartered Accountants  
No. 48, Manchillu  
Race Course, Coimbatore - 641 018

**SECRETARIAL AUDITOR**

**Ms. ARUMUGAM SAKTHI**  
Practicing Company Secretary  
Coimbatore - 641 037

**WORKS**

**Engg. Unit**

Sengalipalayam  
Coimbatore 641 022

**Textiles Unit**

Thekkampatti  
Mettupalayam Taluk  
Coimbatore 641 113

**WIND MILLS**

I. Kethanur, Palladam  
Tirupur 638 671

II. Sinjuwadi, Pollachi  
Coimbatore 642 007

III. Irukkanthurai, Radhapuram  
Tirunelveli District 627 011

**REGISTRAR & SHARE TRANSFER AGENT**

**M/s. LINK INTIME INDIA P. LTD.**  
"Surya," 35, Mayflower Avenue  
Sowripalayam Road  
Coimbatore - 641 028



## VEEJAY LAKSHMI ENGINEERING WORKS LIMITED

Regd. Office: Sengalipalayam, NGGO Colony PO, Coimbatore – 641022

CIN: L29191TZ1974PLC000705 Phone: 07373045125

Email: accounts@veejaylakshmi.com Website: www.veejaylakshmi.com

### NOTICE TO SHAREHOLDERS

Notice is hereby given that the Forty Ninth Annual General Meeting of the shareholders of Veejay Lakshmi Engineering Works Limited will be held on Friday the 13th day of September 2024 at 10.00 AM at Chamber Towers, Indian Chamber of Commerce and Industry, 8/733, Avinashi Road, Coimbatore - 641 018 to transact the following business:

#### Ordinary Business:

1. To consider and adopt the Annual Financial Statements including Statement of Profit and Loss, Cash Flow Statement for the year ended 31st March 2024, the Balance Sheet as on that date, the Report of Board of Directors and the Auditors' Report thereon.
2. To appoint a Director in the place of Smt Arthi Anand (DIN 07151584), who retires by rotation and being eligible, offers herself for re-appointment.

#### Special Business:

3. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution.  
"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications thereof) and Reg. 17(1), 17(1A) & 25 of SEBI (LODR) Regulations, 2015 **Sri R.Gurubatham**, Chartered Accountant, who qualifies for being appointed as an Independent Director as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the company in respect of whom the Company has received a notice in writing under Sec.160 of the Companies Act, 2013 proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years with effect from September 25, 2024, the date of his appointment as Director."
4. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution.  
"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications thereof) and Reg. 17(1), 17(1A) & 25 of SEBI (LODR) Regulations, 2015 **Smt Sasirekha Vengatesh**, Chartered Accountant, who qualifies for being appointed as an Independent Director as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company and in respect of whom the Company has received a notice in writing under Sec.160 of the Companies Act, 2013 proposing her candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years with effect from September 25, 2024, the date of her appointment as Director."
5. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution.  
"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and



Qualification of Directors) Rules, 2014 (including any statutory modifications thereof) and Reg. 17(1), 17(1A) & 25 of SEBI (LODR) Regulations, 2015, **Sri T.S.V. Rajagopal**, Chartered Accountant, who qualifies for being appointed as an Independent Director as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company in respect of whom the Company has received a notice in writing under Sec.160 of the Companies Act, 2013 proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years with effect from September 25, 2024, the date of his appointment as Director.”

Place : Coimbatore

Date : 29/05/2024

By order of the Board

**V.J. Jayaraman**

Chairman

NOTE :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY, DULY COMPLETED, MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM FOR THE AGM IS ENCLOSED.
2. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
3. Members / proxies should present the duly filled attendance slip enclosed herewith to attend the meeting.
4. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
5. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
6. The Register of Members and share transfer books of the Company will remain closed from Saturday, the 7th September 2024 to Friday, the 13th September 2024 (both days inclusive) as per Sec.91 of the Companies Act, 2013 and Reg.42(1) of the Listing Regulations.
7. Members whose shareholding is in the electronic mode are requested to direct change of address notifications, nominations and update of bank account details to their respective Depository participant(s).
8. Members are requested to address all correspondences, including change of address and dividend matters, to the Registrar and Share Transfer Agents of the Company, M/s Link In time India Private Limited, Surya 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore - 641 028.
9. Members who wish to claim dividend, which remain unclaimed, are requested to correspond with the Registrar and Share Transfer Agents of the Company. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, pursuant to Section 124 of the Companies Act, 2013 be transferred to the Investor Education and Protection Fund (IEPF).



10. The dividend which remains unclaimed / unpaid for seven years consecutively and those shares in respect of which dividend was not claimed for seven consecutive years will be liable to be transferred to IEPF Authority as per provisions of the Act and rules in this respect. As per provisions of Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 the Company has transferred / will be transferring unclaimed shares on which the beneficial owner has not encashed any dividend warrant during the last seven years, to the demat account of IEPF Authority. The members shall be entitled to claim the shares from IEPF authority in accordance with the procedure and after submission of documents as prescribed by IEPF authority from time to time.
11. The details of unpaid/unclaimed dividend and the details of shares transferred to the IEPF authority as required under rules in this respect are available on the website of the company [www.veejaylakshmi.com](http://www.veejaylakshmi.com).
12. Brief resume, details of shareholding and Directors' inter-se relationship of Director seeking election/re-election as required under Reg.36(3) of the Listing Regulations, are provided as Annexure to this notice.
13. As per the green initiative taken by the Ministry of Corporate Affairs, the shareholders are advised to register their e-mail address with the Company or the Registrars and Share Transfer Agent in respect of shares held in physical form and with the concerned Depository Participant in respect of shares held in electronic form to enable the Company to serve documents in electronic form.
14. As per the provisions of Section 72 of the Act, facility for making nominations is now available to Individual(s) holding shares in the Company. Members holding shares in physical form may obtain the Nomination Form from the Registrars and Share Transfer Agents of the Company. Members holding shares in electronic form have to approach their depository participants for completing the nomination formalities.
15. A member who needs any clarification on accounts or operations of the Company shall write to the Compliance Officer, so as to reach him at least 7 days before the meeting, so that the information required can be provided.
16. Electronic copy of the Annual Report and AGM Notice are being sent to all the members whose E-mail id is registered with the Company / Registrars and Share Transfer Agent unless any member has requested for a hard copy of the same.
17. The notice of the Annual General Meeting and this communication are also available on the website of the Company [www.veejaylakshmi.com](http://www.veejaylakshmi.com).

### **Voting Through Electronic Means**

In compliance with the provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Reg.44 of the Listing Regulations, the Company is pleased to provide members facility to exercise their votes for all the resolutions detailed in the Notice of the 49th Annual General Meeting scheduled to be held on Friday, the 13th September 2024 at 10.00 A.M by electronic means and the business may be transacted through remote e-voting. The Company has engaged the services of Link Intime India Private Limited as the authorized agency to provide the remote e-voting facilities as per instructions below.

The Members, who have not voted through remote e-voting and present at the AGM in person or proxy, can vote through the ballot at the AGM. Kindly note that members can opt for only one mode of voting i.e., either through remote e-voting or by ballot at the AGM .

In case of Members casting their vote by remote e-voting, then voting done through remote e-voting shall prevail. A member present at the AGM and voted by remote e-voting will not be permitted to vote at the AGM by Ballot.

Votes cast by members who hold shares on the cut off date 06-09-2024 alone will be counted.



The Board has appointed Sri. B. Krishnamoorthi, "Kanapathy Towers", III Floor, No. 1391/A-1, Sathy Road, Ganapathy, Coimbatore - 641006 as Scrutinizer for conducting the e-voting process and ballot at AGM.

**The instructions for shareholders voting electronically are as under:**

The remote e-voting period begins at 09.00 AM on 10-09-2024 and ends on 12-09-2024 at 05.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 06.09.2024, may cast their votes electronically. The e-voting module shall be disabled by Link Intime for voting thereafter.

**Remote e-Voting Instructions for shareholders:**

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

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

- I. Individual Shareholders holding securities in demat mode with NSDL
  1. Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsdl.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-voting period.
  2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com> Select "Register Online for IDeAS Portal" or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
  3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during remote e-voting period.
- II. Individual Shareholders holding securities in demat mode with CDSL
  1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website [www.cdslindia.com](http://www.cdslindia.com) and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.
  2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by the company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. LINKINTIME for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers' website directly.



3. If the user is not registered for Easi/Easiest, the option to register is available at CDSL website [www.cdslindia.com](http://www.cdslindia.com) and click on login & New System Myeasi Tab and then click on registration option.
  4. Alternatively, the user can directly access the e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, the user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.
- III. Individual Shareholders (holding securities in demat mode) login through their depository participants:  
You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on the company name or e-Voting service provider name i.e. LinkIntime and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

**Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:**

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -
  - A. **User ID:**  
Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demataccount shall provide 16Digit Beneficiary ID.
  - B. **PAN:**  
Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
  - C. **DOB/DOI:**  
Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
  - D. **Bank Account Number:**  
Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
    - Shareholders holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above
    - Shareholders holding shares in NSDL form, shall provide 'D' above
    - Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).
    - Click "confirm" (Your password is now generated).
3. Click on 'Login' under '**SHARE HOLDER**' tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '**Submit**'.



### Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
4. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on '**No**' and accordingly modify your vote.

### Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

### Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 – 4918 6000.

### Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

### Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholder holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholder is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.



User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

### **Announcement of Result of Voting :**

The result of remote e-voting and voting by ballot at the Annual General Meeting will be announced at the Registered Office of the Company, by the Managing Director of the Company or by a Director authorized by him within 48 hours of the conclusion of the Meeting. A copy of the same will be posted on the Company's website: [www.veejaylakshmi.com](http://www.veejaylakshmi.com) and a copy thereof will be forwarded to stock exchange where the shares of the Company are listed.

Place : Coimbatore

Date : 29/05/2024

By order of the Board

**V.J. Jayaraman**

Chairman

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

#### **Item No. 3**

In accordance with the provisions of Section 149 and Schedule IV of the Companies Act, 2013 read with Reg.17,17(1A) and 25 of SEBI (LODR) Regulations,2015 and Companies (appointment and qualification of directors) Rules, 2014 Sri R.Gurubatham is being appointed as independent Director for a period of consecutive five years from September 25, 2024.

The candidate is a practicing Chartered Accountant (MNo.21556 ). The Director fulfils the standards laid down in the code for Independent directors under Schedule IV to the Companies Act,2013.

In the opinion of the Nomination and Remuneration Committee and the Board, the Independent Director proposed to be appointed fulfils the eligibility conditions specified in the Companies Act, 2013, in the rules made thereunder and under the SEBI Listing Regulations.

A brief profile of Sri R. Gurubatham is annexed to this notice.

Accordingly the resolution is submitted for your approval.

#### **Interest of Directors**

Sri R. Gurubatham is independent of the management and he is not related to any other director or promoter.

**Item No. 4**

In accordance with the provisions of Section 149 and Schedule IV of the Companies Act, 2013 read with Reg.17,17(1A) and 25 of SEBI (LODR) Regulations,2015 and Companies (appointment and qualification of directors) Rules, 2014 Smt Sasirekha Vengatesh is being appointed as independent Director for a period of consecutive five years from September 25, 2024.

The candidate is a practicing Chartered Accountant (M No.: 200464).The Director fulfils the standards laid down in the code for Independent directors under Schedule IV to the Companies Act,2013.

In the opinion of the Nomination and Remuneration Committee and the Board, the Independent Director proposed to be appointed fulfils the eligibility conditions specified in the Companies Act, 2013, in the rules made thereunder and under the SEBI Listing Regulations.

A brief profile of Smt Sasirekha Vengatesh is annexed to this notice.

Accordingly the resolution is submitted for your approval.

**Interest of Directors**

Smt Sasirekha Vengatesh is independent of the management and she is not related to any other director or promoter.

**Item No. 5**

In accordance with the provisions of Section 149 and Schedule IV of the Companies Act, 2013 read with Reg.17,17(1A) and 25 of SEBI (LODR) Regulations,2015 and Companies (appointment and qualification of directors) Rules, 2014 Sri T.S.V. Rajagopal is being appointed as independent Director for a period of five years from September 25, 2024.

The candidate is a practicing Chartered Accountant (M.No.200380). The Director fulfils the standards laid down in the code for Independent directors under Schedule IV to the Companies Act,2013.

In the opinion of the Nomination and Remuneration Committee and the Board, the Independent Director proposed to be appointed fulfils the eligibility conditions specified in the Companies Act, 2013, in the rules made thereunder and under the SEBI Listing Regulations.

A brief profile of Sri T.S.V. Rajagopal is annexed to this notice.

Accordingly the resolution is submitted for your approval.

**Interest of Directors**

Sri T.S.V. Rajagopal is independent of the management and he is not related to any other director or promoter.



**ANNEXURE TO NOTICE OF AGM**  
**PROFILE OF DIRECTOR SEEKING REAPPOINTMENT**  
(Pursuant to Reg. 36 of the SEBI (LODR) Regulations, 2015)

**Smt Arthi Anand**

Name	Smt Arthi Anand
Director Identification Number	07151584
Date of Birth and Nationality	11/05/1977 Indian
Inter-se relationship with other directors	Related to Sri V.J. Jayaraman, Chairman and Sri J. Anand, Managing Director.
Qualification	B.Com., M.A (UK)
Expertise in area	Smt Arthi Anand had been Commercial Director in the Company for more than 12 years and has been a Director on the Board since 2015. Well experienced in Corporate Administration.
Number of shares held in the Company	Nil
Board position held	Director - Non-executive, Non-independent
Terms and conditions of appointment / Reappointment	Reappointment on retirement by rotation.
Number of board meetings attended during the year	Information furnished in Corporate Governance Report.
Directorships held in other companies	Nil
Chairman / Membership in other committees of the Board	Nil

**Sri R. Gurubatham**

Name	R. Gurubatham
Director Identification Number	Applied for
Date of Birth and Nationality	03/07/1955 Indian
Inter-se relationship with other directors	Not related
Qualification	B.Com., F.C.A. M.No: 21556 Practicing Chartered Accountant
Expertise in area	Corporate Audit, Taxation, Project Financing, etc. and familiar with the industrial processes of the company being a practicing Chartered Accountant.
Terms and conditions of appointment / Reappointment	Appointment as independent director.
Number of board meetings attended during the year	NA
Directorships held in other companies	Nil
Chairman / Membership in other committees of the Board	Nil
Shareholding in the Company, including shareholding as a beneficial owner	600 Equity Shares
Skills and capabilities required for the role and the manner in which the person meets the requirements.	Sri R. Gurubatham fulfils the eligibility conditions for being appointed as Independent Director. Has been practicing audit, taxation and related matters for over 40 years. Has vast experience in the profession including project study, project finance etc. Has no pecuniary relationship with the Company and is a person of integrity and knowledge.

**Smt Sasirekha Vengatesh**

Name	Sasirekha Vengatesh
Director Identification Number	07745957
Date of Birth and Nationality	03/01/1967 Indian
Inter-se relationship with other directors	Not related
Qualification	B.Com., F.C.A. M.No.: 200464 Practicing Chartered Accountant
Expertise in area	Has more than 30 years of experience in Corporate Audit, Taxation. Familiar with industrial processes and corporate administration.
Board position held in companies	Nil
Terms and conditions of appointment / Reappointment	Appointment as independent director under related code of conduct applicable.
Number of board meetings attended during the year	N A - fresh appointment.
Directorships held in other companies	Nil
Chairman / Membership in other committees of the Board	Nil
Shareholding in the Company, including shareholding as a beneficial owner	Nil
Skills and capabilities required for the role and the manner in which the person meets the requirements.	Smt Sasirekha Vengatesh fulfils the eligibility conditions, having been a practicing chartered Accountant since the last more than 30 years engaged in Corporate Audit, taxation and related matters. She specialises in system audit, ERP consultation. She is a rank holder in CA Inter and Final. She is capable of independent judgement and financial oversight, has no pecuniary relationship with the Company and is a person of integrity and knowledge.



### Sri T.S.V. Rajagopal

Name	T.S.V. Rajagopal
Director Identification Number	07148250
Date of Birth and Nationality	09/07/1966 Indian
Inter-se relationship with other directors	Not related
Qualification	B.Com., F C A
Expertise in area	Practicing Chartered Accountant with expertise in Statutory Audits, Internal Audits, Corporate & Individual Taxation etc. and has been Independent Director on Corporate Boards.
Board position held in other companies	CRAFTSMAN AUTOMATION LIMITED - Independent Director and Audit Committee Chairman. DR AXION INDIA PRIVATE LIMITED - Independent Director and Audit Committee Chairman.
Terms and conditions of appointment / Reappointment	Appointment as independent director under related terms.
Number of board meetings attended during the year	Nil
Chairman / Membership in other committees of the Board	Has been Independent Director, member and Chairman of Audit Committee, member of CSR Committee and Nomination & Remuneration Committee in both Companies - CRAFTSMAN AUTOMATION LIMITED and DR AXION INDIA P. LIMITED
Shareholding in the Company, including shareholding as a beneficial owner	Nil
Skills and capabilities required for the role and the manner in which the person meets the requirements.	He is a graduate and fellow member of the Institute of Chartered Accountants of India and is practicing Chartered Accountant with expertise in Statutory Audits, Corporate & Individual taxation etc. He was all India rank holder in CA inter-Nov. 1981 and CA final May 1980. Possess rich experience of more than 34 years and is Sr. Partner of M/s. Subachar& Srinivasan, Chartered Accountants firm, Coimbatore. He is a person of integrity and knowledge.



## DIRECTORS' REPORT TO SHARE HOLDERS

Dear Shareholders,

Your Directors present the Forty Ninth Annual Report and the Company's audited financial statements for year ended 31st March 2024.

### 1. STATE OF COMPANY'S AFFAIRS, DIVIDEND AND RESERVE

#### i. Financial performance/appropriations/transfer to reserves

The Company's financial performance for the year ended March 31, 2024 is summarized below.

(₹ in Lakhs)

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Sales Turnover	8709.10	6397.19
Profit/ (Loss) before Depreciation and taxes	(235.11)	(1151.74)
Depreciation	243.72	252.56
Profit / (Loss) before taxes	<b>(478.83)</b>	<b>(1404.30)</b>
APPROPRIATIONS/ADJUSTMENTS		
Provision for Taxes - Current Tax of prior period	0.00	0
- Deferred Tax	(23.29)	(0.26)
Profit after tax - Transferred to retained earnings	<b>(455.54)</b>	<b>(1404.04)</b>

The sales turnover for the year is Rs.8709.10 lakhs as against Rs. 6397.19 lakhs in the previous year. The increase in turnover is mainly contributed by increase in capacity utilization in the textile division. The increase in the turnover has resulted in reduction in loss. The loss during the year is Rs. 455.54 lakhs as against the loss of Rs.1404.04 lakhs in the previous year. The entire loss has been transferred to Retained earnings. No Dividend has been considered due to loss.

#### ii. Operations:

The performance of the engineering division has been affected by reduced inflow of orders and low capacity utilization. Higher prices realized has resulted in decrease in loss in this division compared to last year. Textile Division increased its capacity utilization/sales turnover by more than 75%. As the margins were not adequate to cover the manufacturing costs, the textile operations also resulted in loss but the loss was lower than the last year due to increase in capacity utilization. More details are provided in the Management Discussion and Analysis report.

The total capital expenditure incurred during the year is Rs. 92.65 Lakhs.

#### INDUSTRIAL RELATIONS:

The relationship with the work men has been cordial in all the units of the Company.

#### R&D

The existing products of the company are under continuous development to improve productivity and reduce cost of production.

#### BORROWINGS:

The Company has term loans availed from the Banks for capital expenditure and the loans provided during the covid crisis for working capital. The total term loans outstanding from bank as at 31/03/2024 is Rs.418.27 Lakhs.



For working capital, the Company has a fund based limit of Rs.1500 lakhs and non fund based limit of Rs.600 lakhs, totaling Rs.2100 lakhs. The fund based limit also can be used for non fund based requirements upto Rs.400 lakhs and the non fund based limit of Rs.600 lakhs can also be used as cash credit facility. The total outstanding of working capital limits as at 31/03/2024 is Rs.740.90 lakhs .

The Company has serviced the interest/repayment obligations of all the above loans, in time, without any delay.

The Company also has unsecured loans from Promoter Directors. The total loan amount as at 31/03/2024 is Rs.1700.00 lakhs. The interest rate is 7.5% p.a. Considering the losses for the year, the promoters have waived the interest on this loan for the year 2023-24. As per the terms stipulated by State Bank of India, the loan cannot be repaid without their approval and the rate of interest should not exceed the rate charged by the Bank for the credit facilities given to the Company.

The losses during the current year and in previous year have affected the liquidity position of the Company and reduction in net working capital. State Bank of India has also stipulated a condition that promoters have to infuse additional funds to improve the liquidity/current ratio/networking capital.

## **2. ANNUAL RETURN**

The copy of the Annual return is disclosed in the Company's website [www.veejaylakshmi.com](http://www.veejaylakshmi.com)

## **3. NUMBER OF MEETINGS OF THE BOARD**

Four meetings of the Board of Directors were held during the year. Further details in this respect and details of meetings of the committees are provided under the report on Corporate Governance.

## **4. DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors hereby state that

- in preparation of annual accounts for the financial year ended March 31, 2024, the applicable Accounting standards have been followed along with proper explanation relating to material departures.
- the Directors have selected such accounting policies and applied them consistently and made Judgments and estimates that are reasonable and prudent so as to give a true and fair view of the State of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year ended 31st March, 2024.
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- the Directors have prepared the annual accounts for the financial year ending March 31, 2024 on a going concern basis.
- the Directors had laid down internal financial controls to be followed by the Company and that such Internal controls are adequate and are operating effectively.
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable Laws and that such systems are adequate and operating effectively.

## **5. NOMINATION AND REMUNERATION COMMITTEE AND POLICY**

The appointment of Directors and fixation of their remuneration is as per the guidelines laid down in the Nomination and Remuneration Policy of the Company formulated in compliance with section 178 of the Companies Act, 2013 and rules in this respect under the Act. The policy lays down the role of the Nomination and Remuneration Committee, the criteria for appointment of managerial personnel and independent directors and other matters as provided under sub-section(3) of Section178 of the Act. The Nomination and Remuneration Policy is available on the Company website [www.veejaylakshmi.com](http://www.veejaylakshmi.com).





## 6. DECLARATION BY INDEPENDENT DIRECTORS

The independent directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as independent directors under the provisions of the above act and the relevant rules

## 7. AUDITORS AND AUDITORS' REPORT

### Statutory auditors

M/s. N R D Associates, Chartered Accountants, statutory auditors of the Company, hold Office till the conclusion of the Annual General Meeting to be held in 2027. The Auditors' Report does not contain any qualification, reservation or adverse remark.

### Secretarial Auditor

The Board has appointed Ms. Sakthi Arumugam, Practicing Company Secretary to conduct Secretarial Audit for the Financial Year 2023-24. The Secretarial Audit Report contains information on submission of reports to Stock Exchange beyond stipulated time lines.

## 8. PARTICULARS OF LOANS/GUARANTEES/ INVESTMENTS/DEPOSITS

The Company has not provided any Inter-Corporate Loans/ Guarantees. Details of other loans/advances and Investments of the Company in the shares of other Companies are provided under note 5 and 8(e) of notes to Balance Sheet appearing elsewhere in this Annual Report. The amount of investment made by the Company does not exceed the limits as specified in Section 186 of the Companies Act, 2013.

The Company has not accepted any deposits from public during the year and there are no deposits from the public as at 31.3.2024. The Company has unsecured loans from Promoter Directors.

## 9. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and were on arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material. Your Directors draw attention of the members to note No.31 to the financial statement which sets out related party disclosures.

## 10. MATERIAL CHANGES AND COMMITMENTS AFTER 31/03/2024

No significant changes in the working of the Company from 31/03/2024 till the date of the report.

## 11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in Annexure-3 to this report.

## 12. RISK MANAGEMENT

The Company follows a comprehensive and integrated risk appraisal, mitigation and management process. The identified elements of Risk and Risk Mitigation measures are periodically reviewed and revised by the Board of Directors. The Company's Risk Management Policy, approved by the Board is posted on the website of the Company. The Listing regulations in this respect (Reg.21(5)) is not applicable to the Company.

## 13. EVALUATION OF BOARD PERFORMANCE

The Nomination and Remuneration Committee of the Company has formulated the criteria for evaluation of the performance of each director, Board of Directors, Committees of the Board and Independent Directors. Based on this and the guidelines in this regard issued by SEBI the performance evaluation has been undertaken. A separate meeting of independent directors has been convened for this purpose during the year.



#### 14. ADDITIONAL INFORMATION AS PER RULE 8(5) OF COMPANIES (ACCOUNTS) RULES, 2014

Sl. No.	Particulars	Related disclosure
i.	The financial summary or highlights	The financial highlights including State of Affairs of the Company, Dividend and Reserve have been provided elsewhere in this report
ii.	The change in the nature of business	The business of the Company is manufacture of cotton yarn, knitted fabric, Two for One Twisting Machines and Assembly Winders. There was no change in the business of the Company.
iii.	The details of Directors or Key Managerial Personnel who were appointed or have resigned during the year	No Change during the year
iv.	The names of the Companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year	NIL
v.	The details relating to deposits, covered under Chapter V of the Act	The Company has not accepted any amount which falls under the purview of Chapter V of the Act.
vi.	(vi) The details of deposits which are not in compliance with the requirements of Chapter V of the Act.	Nil
vii.	The details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.	No significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status of the Company.
viii.	The details in respect of adequacy of internal controls with reference to the Financial Statements	<p>The Company has adequate internal financial controls in place with reference to financial statements. During the year such controls were reviewed and ensured that it had no material weakness.</p> <p>The financial statements are prepared in accordance with the Indian Accounting Standards issued by the Ministry of Corporate Affairs</p>
ix.	Maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013	The Company has duly made and maintained the Cost Records.



## 15. DIRECTORS

Smt. Arthi Anand Director will retire by rotation at the ensuing Annual General meeting and being eligible she offers herself for re appointment.

## 16. AUDIT COMMITTEE AND VIGIL MECHANISM

The Audit Committee comprises Independent Directors Sri N.M. Ananthapadmanabhan (Chairman), Sri B. Sriram and Sri K. Narendra and Whole time Director Sri D.Ranganathan. All the recommendations made by the Audit Committee were accepted by the Board.

The Vigil Mechanism of the Company also incorporates whistle blower policy stipulated under the Listing Regulations. Execution of the responsibility in terms of the policy has been entrusted to the Audit Committee. Protected disclosures can be made by a whistle blower through an e-mail, or over telephone or by a letter to the Chairman of the Audit Committee.

The Policy on Vigil Mechanism and Whistle Blower may be accessed on the Company's website [www.veejaylakshmi.com](http://www.veejaylakshmi.com)

## 17. PREVENTION OF SEXUAL HARASSMENT AT WORK PLACE

As per the provisions of Sexual Harassment of Women at Workplace (prevention, prohibition and redressal) Act, 2013, the Company has constituted a Complaints Committee within HR department. No complaints were received by the committee during the year 2023-24.

## 18. LISTING OF EQUITY SHARES

The Company's equity shares continue to be listed at BSE limited and we confirm that listing fee for the financial year 2023-24 has been paid.

## 19. PARTICULARS RELATING TO REMUNERATION OF DIRECTORS/EMPLOYEES

Disclosure under sub rule (2) of rule (5) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014:

- a. Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year ended March 31, 2024 and the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the Financial Year ended March 31, 2024:

Median remuneration of employees in the financial year 2023-24. : Rs. 135480/- pa.

- b. There has been no increase in the median remuneration of the employees over that during the financial year 2023-24.
- c. Number of employees on the rolls of Company as on 31st March, 2024 : 450
- d. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentile increase in remuneration other than managerial personnel is 27.88% and average percentile increase / (decrease) in remuneration for managerial personnel is (1.97)%

- e. Affirmation that the remuneration is as per the remuneration policy of the Company:

Your Directors affirm that the remuneration is as per the Nomination and Remuneration Policy of the Company.



f. Details of top ten employees in terms of gross remuneration:

Details given in **Annexure 4**.

g. There are no employees who are paid remuneration in excess of Rs. 102 lakhs per annum or Rs.8.5 lakhs per month

## **20. CORPORATE GOVERNANCE**

The report on Corporate Governance as stipulated under the Listing Regulations forms an integral part of this report. The requisite certificate from the practicing Company Secretary confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

## **21. PARTICULARS OF CONTRACTS AND ARRANGEMENTS**

The prescribed Form AOC-2 in this respect is attached as Annexure 2.

## **22. CORPORATE SOCIAL RESPONSIBILITY**

Not applicable to the Company under the relevant provisions of the Companies Act, 2013.

## **23. ASSOCIATE COMPANY**

The Company holds 26.2% shares in M/s Veejay Sales and Services Limited which falls under the category of Associate Company as per the provisions of the Companies Act. The main income of the company is from generation of power through wind mills and the details are furnished separately in this report under Annexure-I.

## **24. ACKNOWLEDGEMENT**

The Board of Directors wishes to place on record their sincere appreciation to the customers, suppliers, business partners and group companies and shareholders for their support. The Directors would like to thank the Bankers as well. The Directors would take this opportunity to express their appreciation for the dedicated efforts of the employees and their contribution which is deeply acknowledged.

Coimbatore  
May 29, 2024

For and on behalf of the Board of Directors  
**(Sd/-) V.J. JAYARAMAN**  
Chairman



## ANNEXURE TO DIRECTORS' REPORT

### ANNEXURE 1

### FORM AOC 1

**Statement containing salient features of the financial statement of  
Subsidiaries / Associate Companies / Joint Ventures**

<b>PART A : SUBSIDIARIES</b>
The Company has no Subsidiary

**Statement pursuant to section 129(3) of the companies act, 2013  
related to associate companies and Joint Ventures**

Name of associates / Joint Ventures	M/s. Veejay Sales and Services Limited
1. Latest audited balance sheet date	31-03-2024
2. Date on which the Associate or Joint Venture was associated or acquired	05-12-2011
3. Shares of associates/Joint Ventures held by the Company on the year end	
No. Of shares	13,100
Amount of investment in associates/ joint ventures	1,31,000
Extent of holding (in percentage)	26.2%
4. Description of how there is significant influence	Associate Company
5. Reason why the associate / joint venture is not consolidated	Consolidated
6. Net worth attributable to shareholding as per latest Audited Balance Sheet (Rs. In lakhs)	158.33
7. Profit / Loss for the year (Rs. In Lakhs)	(7.85)
i. Considered in consolidation	(2.06)
ii Not considered in consolidation	(5.79)



## ANNEXURE 2

### FORM AOC 2

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

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

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

All contracts and arrangements with outside parties are in the normal course of business and at arms length basis

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

a.	Name(s) of the related party and nature of relationship	<b>Veejay Sales and Services Limited</b>	<b>Augustan Knitwear P. Limited</b>
b.	Nature of contracts/arrangements/ transactions	Purchase of wind power in the ordinary course of business.	Sale of yarn and fabric in the ordinary course of the company's business.
c.	Duration of the contracts / arrangements / transactions	Wind power purchase valid up to 31-03-2024	Valid up to 31-03-2024
d.	Salient terms of the contracts or arrangements or transactions including the value, if any.	Purchase of wind power at prevailing market prices or less.	Sale of yarn and knitted fabric at market rates.
e.	Date(s) of approval by the Board, if any.	Approved on 25-05-2023 and specific transactions every quarter.	Approved on 25-05-2023 and specific transactions every quarter.
f.	Amount paid as advances, if any:	Nil	Nil

## ANNEXURE 3

**DISCLOSURE OF PARTICULARS AS REQUIRED UNDER  
COMPANIES (ACCOUNTS) RULES 2014-RULE 8(3)**

Sl. No.	Particulars	Related Disclosures
<b>Conservation of Energy</b>		
1.	Steps taken or impact on conservation of energy	All the lamps in the work halls and outside are progressively replaced with energy efficient LED lamps. Additionally whatever possible energy conservation measures are implemented.
2.	Steps taken by the company for utilizing alternate sources of energy	The Company has its own wind mills installed for a total capacity of 4050 KW. Roof top solar power equipment have been installed for a capacity of 1MW
3	Capital investment on energy conservation equipments	Nil during the year
<b>Technology Absorption, Adaptation and Innovation</b>		
1.	Efforts made towards technology absorption	In house Research and Development process is a continuing one.
2.	Benefits derived like product improvement, cost reduction, product development or import substitution	Product development and cost reduction.
3.	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) a) Details of technology imported b) The year of import c) Whether technology has been fully absorbed d) If not fully absorbed, areas where absorption has not taken place and reasons thereof	No imported technology used
4.	The expenditure incurred on Research and Development	Rs.21.09 lakhs

**Foreign Exchange earnings and outgo**

₹ in Lakhs

		2023 - 24	2022 - 23
1.	Foreign Exchange earned	3194.34	1659.49
2.	Foreign Exchange Outgo	93.11	522.58



#### ANNEXURE 4

Particulars of Employees as per Rules 5(2) and 5(3) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

Name (Age- in years)	Designation	Remuneration Received 2023-24 (Rs. lakhs)	Qualification	Experience (Years)	Date of commencement of employment	Previous employment
Sri J. Anand (51 years)	Managing Director	35.07	B.E.,M.S (USA)	29	12-06-1995	Management Trainee
Sri D. Ranganathan (72 years)	Wholetime Director	13.58	B. Com MBA	49	01-03-1975	Phipson and Co. Ltd.
Sri R. Sargunam (70 years)	Vice President (HR)	7.47	B.A., PGDPM PG Dip. Law	49	03-09-1992	Lakshmi Machine Works Ltd.
Sri M. Govindaraju (77 years)	Vice President (Mfg)	5.66	DME	58	01-05-1976	Lakshmi Machine Works Ltd.
Sri K. Kannadasan (71 years)	Vice President (Sales)	8.43	B.Tech.	48	01-02-2007	New Star Tex Engg. Co.
Sri P. Boopathi (55 years)	Vice President (Spinning)	9.99	M.Tech.	35	11-08-2006	GTN Group of Companies
Sri V.K.Swaminathan (75 years)	Company Secretary	6.36	B.Sc., AICWA, FCS	55	01-05-2015	Veejay Lakshmi Textiles Ltd.
Sri V. Vijayakumar (50 years)	Manager - Design	7.43	DME	30	03-09-2012	Savio India Ltd.
Sri R.Vivekanandan (39 years)	Manager- Sales	7.03	MBA	19	03-05-2004	Veejay Lakshmi Textiles Ltd.
Sri T. Maheswaran (55 years)	Manager - Service	4.71	DTT	35	01-03-1989	Sieger Spintech Equip. Co. Ltd.

**Note:**

1. All the above are permanent employees and the remuneration includes Company's contribution to Employees Provident Fund, bonus and leave encashment.
2. No employee except Sri J. Anand is holding by self or by their family, shares of 2% or more in the Company or is drawing remuneration in excess of the Managing Director or Wholetime Director.
3. Sri J. Anand is related to Sri V.J. Jayaraman and Smt. Arthi Anand, Directors of the Company.





Form No. MR-3

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31st March 2024**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

**The Members,  
Veejay Lakshmi Engineering Works Limited,  
Sengalipalayam, NGGO Colony Post,  
Coimbatore – 641022.**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Veejay Lakshmi Engineering Works Limited (CIN NO: L29191TZ1974PLC000705) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under and further amendments thereof.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as amended from time to time:-
  - a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - b) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client,
  - c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and
  - d) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

We were informed that, for the financial year ended on 31st March 2024:

- (i) The Company was not required to maintain books, papers, minute books, forms and returns or other records according to the provisions of the following Regulations and Guidelines prescribed under SEBI Act:
  - a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, which is not applicable as there was no delisting during the year; and
  - b) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, which is not applicable to the company as there was no buyback during the year;
  - c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / The Securities and Exchange Board of India (Share based Employee Benefits) Regulations 2021;
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - e) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021;



- f) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (ii) There are no other laws specifically applicable to the Company, the books, papers, minute books, forms and returns of which were required to be examined by us for the purpose of this report.
1. I have also examined compliance with the applicable clauses of the following:
- Secretarial Standards issued by The Institute of Company Secretaries of India.
  - The Listing Agreement entered into by the Company with BSE Limited and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 and further amendments thereof.
2. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the following:
- Regulation 30(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule III Part A Para A Clause 12 - The company has not submitted the newspaper advertisement copy of financial results to the stock exchange though advertisement was made and statement of full detailed results was submitted.**
  - Regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Disclosure of related party transactions for the half year ended 30th September 2023 was not submitted on date of publication of financial results ie. On 09th November, 2023. Instead, the disclosure was made on 15th November, 2023. For this non-compliance, BSE has imposed a fine of Rs. 35,400 and company has paid the same.**
  - Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015 read with Schedule B - Minimum Standards for Code of Conduct [for Listed Companies] to Regulate, Monitor and Report Trading by [Designated Persons] and BSE Notice No. 20231208-34 dated December 08, 2023 regarding the time limit for closure of trading window - The Company has not made intimation to the Stock Exchange in respect of closure of Trading Window during the period from the end of every quarter till 48 hours after the declaration of financial results. However, there were no share trade by designated persons during the period.**
  - Regulation 74(5) of SEBI (Depositories & Participants) Regulations, 2018 - The company has not submitted the confirmation certificate under regulation 74(5) of SEBI ((Depositories & Participants) Regulations, 2018, received from the RTA M/s. Link Intime India Private Limited for the quarters ended 31.3.2023, 30.06.2023, 30.09.2023 and 31.12.2023 to the stock exchange.**
3. We further report that:
- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is no change in the composition of the Board of Directors during the period under review.
  - Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent adequately in advance, and a system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings before majority decision is carried through. We are informed that there were no dissenting members' views on any of the matters during the year that were required to be captured and recorded as part of the minutes.
  - There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with other applicable laws, rules, regulations and guidelines.

Place : Coimbatore  
Date : 22.05.2024

For JMACS ASSOCIATES  
Arumugam Sakthi  
Company Secretary in Practice  
M No: A41954; CP: 20320  
UDIN: A041954F000423181  
Peer review Cert No: 1166/2021



To

**The Members,  
Veejay Lakshmi Engineering Works Limited,  
Sengalipalayam, NGGO Colony Post,  
Coimbatore – 641022.**

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to make a report based on the secretarial records produced for my audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our report.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on a test basis.
5. While forming an opinion on compliance and issuing the secretarial audit report, we have also taken into consideration the compliance related action taken by the Company after 31st March 2024 but before issue of the report.
6. We have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
7. We have considered actions carried out by the Company based on independent legal / professional opinion as being in compliance with law, wherever there was scope for multiple interpretations.
8. Our Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Coimbatore  
Date : 22.05.2024

For JMACS ASSOCIATES  
Arumugam Sakthi  
Company Secretary in Practice  
M No: A41954; CP: 20320  
UDIN: A041954F000423181  
Peer review Cert No: 1166/2021



**SECRETARIAL COMPLIANCE REPORT  
OF  
VEEJAY LAKSHMI ENGINEERING WORKS LIMITED  
FOR THE YEAR ENDED 31ST MARCH, 2024.**

We have examined:

- (a) all the documents and records made available to us and explanation provided by Veejay Lakshmi Engineering Works Limited (“the listed entity”),
- (b) the filings/ submissions made by the listed entity to BSE Limited (“the stock exchange”),
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31.03.2024(“Review Period”) in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – Not applicable as the company has not issued any kind of securities during the period under review.
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not applicable as the Company has not bought back any of its securities during the year under review;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - Not applicable as the company has not issued any kind of securities during the period under review;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – Not applicable as the company has not issued any debt securities during the year under review.
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - Not applicable as the company has not issued any Non-Convertible Securities during the year under review;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) The Securities and Exchange Board of India (Depositories and Participants) Regulations 2018;

- (j) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and circulars/ guidelines issued thereunder; and based on the above examination, we here by report that, during the review period the compliance status of the listed entity is appended as below:

Sr. No	Particulars	Compliance status Yes/No/NA	Observations/ Remarks by the Practicing Company Secretary
1.	<b>Secretarial Standards:</b> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI) as notified by the Central Government under Section 118(10) of the Companies Act, 2013 and mandatorily applicable.	Yes	
2.	<b>Adoption and timely updation of the Policies:</b> i. All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the Company. ii. All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/circulars/guidelines issued by SEBI.	Yes	
3.	Maintenance and disclosures on Website: i. The Company is maintaining a functional website. ii. Timely dissemination of the documents/information under a separate section on the website. iii. Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which redirects to the relevant document(s)/ section of the website.	Yes	Based on the representation received from the management, it is noted that the documents/ information has been disseminated in a timely manner
4.	<b>Disqualification of Director</b> None of the Director(s) of the Company are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	Yes	
5.	<b>Details related to Subsidiaries of listed entities have been examined wrt:</b> (a) Identification of material subsidiary companies (b) Requirements with respect to disclosure of material as well as other subsidiaries	Not applicable	The Company does not have any material subsidiaries
6.	<b>Preservation of Documents:</b> The Company is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015	Yes	
7.	<b>Performance Evaluation:</b> The Company has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.	Yes	



Sr. No	Particulars	Compliance status Yes/No/NA	Observations/ Remarks by the Practicing Company Secretary
8.	<p><b>Related Party Transactions:</b></p> <p>(a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions.</p> <p>(b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit committee, in case no prior approval has been obtained.</p>	<p>a) Yes b) Not applicable</p>	
9.	<p><b>Disclosure of events or information:</b></p> <p>The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.</p>	<p>Yes</p>	<p>The company has not intimated the Advertisement matter of Financial Results for quarters ended March 2023, June 2023, September 2023 and December 2023 separately, but the detailed Financial results were filed in PDF form on same day of approval by the Board of Directors.</p>
10.	<p><b>Prohibition of Insider Trading:</b></p> <p>The listed entity is in compliance with Regulation 3(5) &amp; 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015</p>	<p>Yes</p>	
11.	<p><b>Actions taken by SEBI or Stock Exchange(s), if any:</b></p> <p>No Actions has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.</p>		<p>A fine of Rs.35400/- (incl. of GST) was imposed on the Company by BSE filing under Reg.23(9) towards delayed submission beyond the stipulated time line.</p>
12.	<p><b>Additional Non-compliances, if any:</b></p> <p>No additional non-compliance observed for all SEBI regulation/circular/guidance note etc</p>		<p>Refer Annexure</p>



Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

Sr. No	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS
1.	Compliances with the following conditions while appointing/ re-appointing an auditor		
	i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or iii. If the auditor has signed the limited review audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review audit report for the last quarter of such financial year as well as the audit report for such financial year.	NA	Auditor has not resigned and hence not applicable.
2.	Other conditions relating to resignation of statutory auditor		
	i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee: a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings. b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information / explanation sought and not provided by the management, as applicable. c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor. ii. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.		



Sr. No	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019.	NA	Not required to obtain such information.

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified in Annexure A.
- (b) The listed entity has taken the following actions to comply with the observations made in previous reports:

S. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
NA										

**Assumptions & Limitation of scope and Review:**

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

Place : Coimbatore  
Date : 22.05.2024

For JMCS ASSOCIATES  
Arumugam Sakthi  
Company Secretary in Practice  
M No: A41954; CP: 20320  
UDIN: A041954F000423181  
Peer review Cert No: 1166/2021





## MANAGEMENT DISCUSSION AND ANALYSIS

As required under Reg.34(2)(e) read with Schedule V-B(1) of SEBI (LODR) Regulations,2015, a detailed report on the Management Discussion and Analysis is given below.

### Industry Structure and Developments

The Company started its operations in the year 1975 to produce yarn Twisting Machines and diversified into textile spinning in the year 1993. Both the twisting machines produced and the yarn and fabrics produced in the textile units are used in the textile industry.

Indian textile industry is one of the largest industries in the world with a large manufacturing base with a strong presence across the entire value chain. The Textile and Apparel Sector is the second largest employer after agriculture providing direct and indirect employment to crores of people. The Governments both at the State and Central levels have been supporting the growth of the industry through various fiscal incentives. In addition to catering to domestic consumption the industry also exports the textile products worldwide

The spinning sector had a lacklustre performance in the year under review. The demand for the yarn in the domestic market from garment manufacturers was lower. Increase in export of yarn, to some extent, had counter balanced weak domestic demand. But the margins were lower not covering the production cost and overheads in full. Although cotton prices declined from the level prevailed in previous year, yarn prices also declined yielding lower margins. The cost of cotton in the year under review was lower by 30% compared to previous year. Reduction in price of yarn realized was 27%, compared to previous year.

The Textile unit of the Company has facilities for production of high quality coarse count cotton yarn and has also facilities for twisting and knitting for value addition. The Company also has wind mills and rooftop Solar power equipment used for captive consumption, which enables savings in power consumed. The Textile division in the last few years had low capacity utilization due to certain constraints. Although the utilization in the year under review increased by more than 75% compared to previous year, the company incurred losses due to low margins/price realization.

The products of Engineering Division are capital goods used in textile industry and the performance of this division depends upon the general performance of the textile industry. Two for one Twister has been the main product of the engineering division contributing to the sales and profits. Assembly winders are sold in small volumes. Two for One Twister is used in post spinning process for value addition and the demand for this product is derived from the demand for twisted yarn. The reduced demand for domestic consumption or export of twisted yarn affects the demand for this machine. The market is segmented and a considerable portion of the demand of twisting machines from independent job workers of twisted yarn is catered by manufacturers from western India who offer very low prices

The recessionary conditions in the market had an impact on the order inflow for the engineering division during the year under review. The company is facing stiff competition from other manufacturers who offer low prices. The Company has taken steps to develop a machine of new design with the main focus on bringing down the cost of production.

### Opportunities and Threats

Textile Industry caters to the basic needs and is a growing industry with a wide spectrum of activities from fibre to Apparels. Govts both at the Central and State Level are giving all support for the growth of the industry. There is good scope for increasing the export of textile products.



The major threat for the cotton spinning industry is the fluctuation in prices and availability of good quality cotton. Cotton has to be purchased from other states and hence there is a locational disadvantage compared to other spinning mills in cotton growing states. Unsustainable cotton and yarn prices also is a threat and there are situations where the market price for yarn is below the cost of production due to the time lag between purchase of cotton and sale of yarn.

Engineering unit is facing stiff competition from competitors from India and China. The Competitors offer low prices.

### Segmentwise Sales/Profit

(₹ in Lakhs)

	31.03.2024		31.03.2023	
	Engineering	Textile	Engineering	Textile
Revenue	2143.72	6565.38	2658.81	3738.38
Segment Profit	(103.19)	(416.07)	(343.16)	(873.79)

Increase in capacity utilization in the textile division and higher price realization in the sale of twisting machines have reduced the losses in the year under review, compared to the previous year.

### Outlook

The Company in the last few years has been having low capacity utilization due to recessionary conditions and un remunerative prices of cotton and yarn. Although capacity utilization/sales revenue of textile division increased, the working results were affected by low margins/price realization. The operating margins can improve only if the domestic demand for yarn increases with higher price realization. The Industry's prospects are cyclical and the demand for the textile products are expected to increase both in the domestic and export market.

The Company's market share for twisting machines have been declining due to increased competition from manufacturers from India and China. The market share can be improved/sustained only when the Company is able to offer machines at competitive prices. As it is not feasible to offer the machines of current design at lower prices, the Company is taking steps to develop new models to offer the machines at competitive prices.

### Risks and Concerns

Although the Company is keeping the machinery in engineering and textile divisions in good condition, most of the machines are more than 20 years old and modernization / replacements will involve substantial capital expenditure.

Vagaries in the prices of cotton and yarn which affects profitability.

Tariff regulations and preferential treatments by importing countries affecting the demand for the products in export market.

Competition from other manufacturers of twisting machines.

Reliance on Migrant workers.

Strain on liquidity due to losses and increase in borrowing cost due to infusion of additional funds by way of loans.

**Internal Control System and Adequacy**

The Company has a proper and adequate system of internal controls commensurate with its size and nature of business.

All the assets are safeguarded, properly utilized and protected against loss from unauthorized use or disposition and the transactions are regulated, recorded and reported correctly. A Chartered Accountant carries out the audit at regular intervals to monitor the effectiveness of the internal checks and controls in different areas and reports/suggests measures for improvement.

**Financial Performance with Respect to Operational Performance**

The workings during the year has resulted in loss, which has eroded the working capital and has affected the liquidity position of the Company. However, the Promoters have provided loans to improve the liquidity. The Company has been able to meet all its liabilities including loan servicing and interest obligations, in time, without any delay. Promoters have also waived the interest for the year 2023-24 for the unsecured loans provided by them.

**Key Financial Ratios for Operations during the year:**

(Given in Note 33 of Financial Statements)

**Material Developments in Human Resources and Industrial Relations**

The Company has a dedicated team of professionally qualified/experienced personnel in all functional areas. Opportunities are provided for self-development and career growth wherever necessary. Employees undergo training programs conducted in house and also outside by other professional bodies. The industrial relationship has been cordial throughout the year. The Company has a total of 450 employees at the end of the year.

**Cautionary Statement**

*Statements in this report on management discussion and analysis describing the Company's future objectives, projections, estimate and expectations may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events, as they are perceived by the management at this juncture. The actual results, however, may differ materially from those which have been made explicit or which are implied. The major factors that could make a difference to the Company's operations include the supply demand condition of the Company's products, both domestic and global, the price realizations, which are market related, and all other factors such as litigation and industrial relations.*



## CORPORATE GOVERNANCE

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company's philosophy on Corporate Governance stresses the importance of transparency, accountability and protection of shareholder interests without compromising ethical standards and corporate social responsibilities. Best corporate governance practices are identified, adopted and consistently followed.

### BOARD OF DIRECTORS:

The Board of Directors of the Company has an optimum combination of executive and non-executive directors and is in conformity with Reg. 17(1) of Listing Regulations. The names and categories of the Directors on the Board, their attendance at the Board Meetings held during the financial year 2023-24 and at the last Annual General Meeting (AGM), as also the number of directorships and committee positions held by them in other public limited companies as on March 31, 2024 are as under:

Name of the Director	Category	No. of Board Meetings		Attendance at the last AGM held on 13.09.2023	No. of Directorships in other companies*	Committee position	
		Held	Attended			Member	Chairman
Sri.V.J. Jayaraman	Non-Executive (Promoter-Chairman)	4	4	YES	1	-	-
Sri.J. Anand	Executive (Promoter)	4	4	YES	5	-	-
Smt. Arthi Anand	Non Executive Non-independent	4	4	YES	Nil	-	-
Sri.N. Athimoolam Naidu	Non-Executive Independent	4	2	YES	2	1	-
Sri.B. Sriram	Non-Executive Independent	4	4	YES	2	3	-
Sri.N.M. Ananthapadmanabhan	Non-Executive Independent	4	4	YES	Nil	-	3
Sri.D.Ranganathan	Executive Non - Independent	4	4	YES	1	3	-
Sri K. Narendra	Non-Executive Independent	4	4	YES	Nil	1	-

\* Includes private limited companies



None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees (as per Reg.26(1) of the Listing Regulations) across all the companies in which he is a Director. All the Directors have made the requisite disclosures regarding Committee positions held by them in other public limited companies. None of the directors is a director in any other listed company.

The Board met four times during the financial year 2023-24 viz., on 25.05.2023, 10.08.2023, 09.11.2023 and 08.02.2024. The gap between any two consecutive Board Meetings did not exceed 120 days.

In terms of Sch.V(C)(2)(e)of the Listing Regulations, it is hereby disclosed that Sri V.J. Jayaraman, Chairman, Sri JAnand, Managing Director and SmtArthiAnand, Director are related inter-se.

**Number of shares and convertible debentures held by non-executive Directors as at 31-03-2024:**

Sri V.J. Jayaraman (All status) : Number of Equity shares : 1235753  
 Sri N. Athimoolam Naidu : Number of Equity shares : 67840

**FAMILIARISATION PROGRAMME IMPARTED TO DIRECTORS**

The key managerial personnel of the Company periodically interact with the independent Directors to make them familiar with their roles, rights and responsibilities, about the nature of the industry in which the Company operates and business model of the Company. All the non-executive directors have rich administrative experience and are technically familiar with textiles and textile machinery industry. The details of the program is in the website of the Company [www.veejaylakshmi.com](http://www.veejaylakshmi.com)

**CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT**

The Company has a Code of Conduct for the Directors and senior management personnel, which is in compliance with the requirements of Reg.17(5) of the Listing Regulations. The Code of conduct has also been displayed on the Company's website. The independent directors have given declarations at the first meeting of the Board every year that they meet the criteria of independence as provided in the Act.

Further, all the Board members and senior management personnel have affirmed compliance with the Code of conduct. A declaration to this effect signed by the CEO forms part of this Report.

**SKILLS / EXPERTISE / COMPETENCE OF THE BOARD OF DIRECTORS**

It has been assessed that the following core skills, expertise and competencies are required in the context of businesses of the Company for it to function effectively.

Identified	Actually Available
Leadership: Leadership/Directorship experience resulting in effective participation in or spearheading various initiatives taken by the Company	Yes
Educational qualification: Bachelor degree or other Qualification relevant to the business of the Company.	Yes
Knowledge and expertise: Knowledge and experience in administration / finance / technology or in any area of importance relevant to the business of the Company	Yes
Integrity and confidentiality	Yes
Active participation in Board and Committee meetings	Yes
Independence of behavior, judgment and commitment	Yes



Board Qualifications					
Name of Director	Leadership	Educational Qualification	Knowledge & Expertise	Integrity & confidentiality	Active participation in meetings
Sri V.J. Jayaraman	Yes	Yes	Yes	Yes	Yes
Sri J. Anand	Yes	Yes	Yes	Yes	Yes
Sri N.M. Anantha Padmanabhan	Yes	Yes	Yes	Yes	Yes
Sri N. Athimoolam Naidu	Yes	Yes	Yes	Yes	Yes
Sri B. Sriram	Yes	Yes	Yes	Yes	Yes
Sri D.Ranganathan	Yes	Yes	Yes	Yes	Yes
Smt Arthi Anand	Yes	Yes	Yes	Yes	Yes
Sri K. Narendra	Yes	Yes	Yes	Yes	Yes

### SEPARATE MEETING OF INDEPENDENT DIRECTORS

The Company's Independent Directors met on March 29, 2024 without the presence of other Directors.

### CONFIRMATION ON THE FULFILLMENT OF THE CONDITIONS OF INDEPENDENCE:

Based on the declarations received from the Independent Directors, the Board of Directors are of the opinion that the Independent Directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and are independent of the management.

### RESIGNATION OF INDEPENDENT DIRECTOR(S) BEFORE EXPIRY OF TENURE : Nil

### COMMITTEES OF THE BOARD:

#### Audit committee:

The Audit committee has been formed pursuant to Reg.18 of the Listing Regulations and Section 177 of the Companies Act, 2013.

#### Composition:

The Audit Committee of the Board that was formed in January 2001 has been reconstituted in 2015. The Members of the Committee comprise of the following Directors:

- Sri. N.M. Ananthapadmanabhan, Chairman (Independent)
- Sri. B. Sriram, Member (Independent)
- Sri. K. Narendra, Member (Independent)
- Sri D. Ranganathan, Member (Executive)

#### Terms of Reference:

- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Review and monitor the auditor's independence, audit process, and effectiveness of audit process.
- Examination of quarterly, half yearly and annual financial statements, company's financial reporting process and disclosures of financial information and Auditors' Report thereon.
- Scrutiny and approval of transactions and any subsequent modification of transactions of the company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the company, wherever it is necessary.



- Evaluation of internal financial controls and risk management systems.
- Monitoring the end use of funds raised through public offers and related matters.
- Review of the internal control systems, scope of internal audit and the vigil mechanism in place.
- Monitoring forex transactions and hedging thereof.

### MEETINGS OF THE AUDIT COMMITTEE

The Audit Committee met four times during the financial year 2023-24 on 25.05.2023, 10.08.2023, 09.11.2023 and 08.02.2024

Name of the Member	Position Held	No. of Meetings Held	No. of Meetings Attended
Mr. N.M. Ananthapadmanabhan	Chairman	4	4
Mr. B. Sriram	Member	4	3
Mr. D. Ranganathan	Member	4	4
Mr. K. Narendra	Member	4	4

The Statutory Auditors are invited to attend the Meeting of the Committee. The Company Secretary of the Company acts as the Secretary of the Committee.

The Chairman of the Audit Committee participated at the last Annual General Meeting (AGM) held on 13.09.2023.

The Committee has reviewed the financial statements of the Company including consolidated financial statements and recommended the same to the Board for their adoption. All the recommendations by the Audit Committee were accepted by the Board.

The committee also reviews the internal audit report, internal control systems, foreign exchange transactions and related party transactions periodically.

### NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Board was formed in October 2003 and comprises of the following directors:

- Sri. N.M. Ananthapadmanabhan, (Independent Director) Chairman
- Sri. B. Sriram, Member (Independent Director)
- Sri. N. Athimoolam Naidu, Member (Independent Director)

The terms of reference of the Nomination and Remuneration Committee include formulating the policies for appointment of Directors, fixing of remuneration for the Executive Directors, determining criteria for selection of executive and independent directors, evaluation of the Board and individual directors and such other functions as may be delegated to it by the Board of Directors.

The Committee met on 29-03-2024 during the year 2023-24.

### EVALUATION OF THE BOARD'S PERFORMANCE, THAT OF THE COMMITTEES AND INDIVIDUAL INDEPENDENT DIRECTORS

The evaluation of the performance of the Independent Directors is based on their qualification, experience, knowledge and competency, ability to fulfill allotted functions / roles, ability to function as a team, pro-activeness, attendance and participation, commitment, contribution, integrity, independence from the company and ability to articulate independent views and judgment. Accordingly, the performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated.



The performance of the Board as a whole was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board based on inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Nomination and Remuneration Committee ("NRC") has evaluated the performance of the individual directors on the basis of the criteria approved by the Board.

## REMUNERATION OF DIRECTORS FOR THE YEAR 2023-24

### Criteria for making payment to Non Executive Directors:

The Company pays a sum of Rs.5000/- per meeting as fee to non-executive and independent Directors for attending the meetings of the Board of Directors, Independent Directors and that of the Committees of the Board. No other remuneration is paid to them. The sitting fees paid during 2023-24 is given below:

Name of the Non-executive Director	Sitting fees (Rs)	Commission	No of Shares held
Sri. V.J. Jayaraman	20,000	NIL	1235753
Sri. N.M. Ananthapadmanabhan	45,000	NIL	NIL
Sri. B.Sriram	45,000	NIL	NIL
Sri. Athimoolam Naidu	15,000	NIL	67,840
Smt. Arthi Anand	20,000	NIL	Nil
Sri. K. Narendra	45,000	Nil	Nil

### ● Executive Directors

Name	Designation	Salary & Perquisites per annum in Rs.	Ratio to median remuneration
Sri. J.Anand	Managing Director	3229634	1 : 23.77
Sri. D. Ranganathan	Whole-time Director	1184779	1 : 9.45

The Directors' remuneration does not have variable component such as commission. It includes salary and Company's contribution to Provident Fund.

The average increase in remuneration and that of key managerial Personnel are not comparable as there has been no increase in the remuneration of key managerial personnel.

No other employees receive remuneration higher than that received by a Director. Total number of permanent employees :450. The median annual remuneration paid in the financial year is Rs.135480/- pa.





The remuneration to each of Key Managerial Personnel is reasonable vis-a-vis the respective responsibilities and performance of the Company. No non director employee receives remuneration in excess of any whole-time director.

**Ratio of remuneration of Directors / Key Managerial personnel to the median remuneration of the employees:**

K M P	Managing Director	Chief Financial Officer	Company Secretary
Increase in Remuneration	Nil	Nil	Nil
Ratio to median remuneration	1 : 23.77	1: 9.45	1 : 4.69

The remuneration of directors and key managerial personnel is as per the remuneration policy of the Company.

**Stakeholder Relationship Committee**

The shareholder and investor grievances committee consists of the following three members:

- Sri. N.M. Ananthapadmanabhan, Chairman
- Sri. B. Sriram, Member
- Sri. D. Ranganathan, Member

The Company Secretary acts as the Secretary to the Committee.

The Committee meets as and when required, to inter alia deal with matter relating to its term of reference. A meeting of the committee was held on 29-03-2024 during the year.

**Terms of Reference:**

- Redressal of shareholders and investors complaints including, but not limiting to, transfer of shares and issue of duplicate share certificates, non-receipt of annual report, non-receipt of declared dividends, etc.;
- Monitoring transfers, transmissions, dematerialisation, rematerialisation, splitting and consolidation of shares issued by the Company; and such other acts, deeds, matters and things as may be stipulated in terms of the SEBI Listing Regulations and any other regulatory provisions and other matters as the Board of Directors may consider fit for effective redressal of shareholders and / or investors' grievances. Based on the report received from M/s. Link In time India Private. Limited, the Registrar & Share Transfer Agent, As on March 31, 2024 there were no fresh complaints received from any shareholder during the year nor pending at the end of the year.
- All recommendations of Committees of the Board which are mandatorily required have been accepted.



### General Body Meetings:

The date, time and venue of the last three Annual General Meetings are given below:

Financial Year	Date and mode	Time	Location	Special Resolutions passed
2022-23	13-09-2023 Regular Meeting	10.30 AM	Chamber Towers Indian Chamber of Commerce & Industry Coimbatore -641018	Nil
2021-22	28-09-2022 Regular Meeting	10.00 AM	No.9, Ardra Hall Huzur Road Coimbatore -641018	1) Special resolution was passed for reappointment of Sri D. Ranganathan (DIN:00137566) as Wholetime Director for a period of three years from 24/06/2022 to 23/06/2025.
2020-21	23-09-2021 Video Conference	10.00 AM	Regd. Office Sengalipalayam NGGO Colony Post Coimbatore - 641022	Nil

### Means of communication

The Quarterly results as well as audited annual results as required under Reg.33 of the listing regulations are published in one daily English Newspaper “The Financial Express” and one regional Tamil newspaper “Malai Murasu”. The Annual Reports, Quarterly reports and Annual Returns are made available in the “investors” section of the company’s website [www.veejaylaxmi.com](http://www.veejaylaxmi.com) which is user friendly and are easily downloadable. There were no news releases or media presentation during the year.

### GENERAL SHAREHOLDER INFORMATION:

#### Annual General Meeting

AGM Date	September 13, 2024 Friday
Time	10.00 AM
Venue	Indian Chambers of Commerce & Industry, Chamber Towers, Avinashi Road, Coimbatore

Book closure : From September 07, 2024 to September 13, 2024 (both days inclusive)

#### Financial calendar for 2023-24

Financial Year : 1st April, 2023 to 31st March, 2024

Board meeting dates for approval of quarterly financial results:

1st Qtr. ended on June 30, 2023 : within 45 days from the close of quarter : 10.08.2023

2nd Qtr. ended on September 30, 2023 : within 45 days from the close of quarter : 09.11.2023

3rd Qtr. ended on December 31, 2023 : within 45 days from the close of quarter : 08.02.2024

4th Qtr. ended on March 31, 2024 : within 60 days from the close of quarter : 29.05.2024

Dividend Payment Date : NA

Listing On Stock Exchanges : BSE Limited



The Equity shares of the company are listed in BSE Ltd. (Bombay Stock Exchange). The Company has paid the listing fees to the stock exchange for the Financial Year 2023- 24.

- **Stock Code:**

B S E Limited : 522267 ISIN with NSDL and CDSL: Equity Shares: INE466D01019

- **Stock Market Price Data**

Market price data (High/Low) during each month in the financial year 2023-2024 on BSE Limited are as under:

Month	High (Rs)	Low (Rs)
April – 2023	39.00	32.50
May – 2023	38.00	34.00
June – 2023	36.95	34.00
July – 2023	37.00	32.99
August – 2023	36.00	33.10
September – 2023	37.00	32.00
October – 2023	57.50	34.30
November – 2023	51.90	39.15
December – 2023	49.65	42.99
January – 2024	52.24	44.61
February – 2024	67.96	45.30
March – 2024	54.80	42.61

- **Performance of company share price in comparison with BSE sensex:**

The company's share price is not comparable with the BSE Sensex in view of the volume of shares traded being less.

- **Variations in the Market capitalisation of the company, Price earnings ratio as at the closing date of the current financial year and previous financial year:**

Particulars	March 31, 2024	March 31, 2023
Market Capitalisation of the Company (Rs. Lakhs)	2369	1674
Issued capital (in Nos)	5071900	5071900
Closing price at B S E Ltd. (Rs.)	46.70	33.00
Earning per share (Rs.)	(8.98)	(27.68)
Price Earning Ratio as at closing date	-	-

Note : Percentage increase over decrease in the market quotations of the shares in comparison to the rate at which the company came out with the last public offer :

Not comparable in view of the last public offer having been made long back in 1995.



- **Registrar and Share Transfer Agents:**

Link Intime India Pvt. Limited  
 "Surya", 35, Mayflower Avenue  
 Behind Senthil Nagar  
 Sowripalayam Road, Coimbatore – 641 028  
 Telephone: + 91 0422-4958995, 2539835 /836  
 Email: coimbatore@linkintime.co.in Web: www.linkintime.co.in

- **Share Transfer system:**

The share transfers are registered and returned within a period of thirty days from the date of receipt if, documents are in order. The Share transfers are approved by share transfer committee, which meets as and when required.

- **Distribution of Shareholding as on 31st March 2024**

Shareholding of Nominal value of Rs.10 each	No. of Share holders	% of shareholders	Total no. of shares	% of Shareholding
UPTO to 500	3990	92.2970	440857	8.69
5,01 to 1,000	162	3.7474	130504	2.57
1001 to 2000	73	1.6886	104716	2.06
2001 to 3000	30	0.6940	75900	1.50
3001 to 4000	18	0.4164	65869	1.30
4001 to 5000	12	0.2776	56987	1.12
5001 to 10000	14	0.3238	98868	1.95
1,0001 and above	24	0.5552	4098199	80.81
Grand Total	4323	100.000	5071900	100.00

- **Categories of shareholders as on 31st March 2024**

Category	No. of Shares Held	% of Shareholding
<b>Promoter Holding</b>		
• Promoter Holding	33,08,735	65.2366
<b>Public share Holding</b>		
• Mutual Funds and UTI	Nil	Nil
• Banks, Fin. Institutions, Insurance Companies	500	0.0098
• Govt./Govt. companies	200	0.0039
<b>Others</b>		
• Directors & Relatives	72,510	1.4296
• Private Corporate Bodies	34,398	0.6782
• Indian Public	15,54,204	30.6436
• NRI/OBC's	5,043	0.0994
• I E P F Authority	96,310	1.8989



- **Dematerialization of shares:**

Mode	No. of Shares	%
Demat	49,32,699	97.255
Physical	1,39,201	2.745
TOTAL	50,71,900	100.00

- Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued GDRs/ADRs/Warrants or any other instrument convertible into equity.

- **Plant Locations**

The Company's plants are located as under:

- Engineering Division : Sengalipalayam, NGGO Colony Post, Coimbatore - 641 022
- Textiles Division : Thekkampatti, Mettupalayam Taluk, Coimbatore - 641 113

Wind Mills:

- Kethanur, Palladam, Tirupur - 638 671
- Sinjuwadi, Pollachi, Coimbatore - 642 007
- Irukkanthurai, Radhapuram, Tirunelveli - 627 001

## OTHER DISCLOSURES

### a) **Related Party Transactions**

The company did not have any materially significant related party transactions having potential conflict with the interest of the company at large. The details of the related party transactions as per Accounting Standard-18 forms a part of Notes on accounts of the Financial Statements. All the related party transactions were in the normal course of business of the company. The policy on Related Party transactions and the quarterly reports thereof as submitted to the stock exchange are disclosed in the website of the Company, [www.veejaylakshmi.com](http://www.veejaylakshmi.com)

### b) **Compliance by the Company**

The Company has complied with the requirements of the Listing Regulations as well as any other SEBI regulations and guidelines applicable.

No penalty or strictures were passed by SEBI or any other statutory authority on any matter related to capital markets, during the year.

The Company has complied with all other mandatory requirements laid down under the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

### c) **Vigil Mechanism and Whistle-Blower Policy**

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

The Whistle Blower Policy has been posted on the website of the Company [www.veejaylakshmi.com](http://www.veejaylakshmi.com)  
Your Company hereby affirms that no complaints were received during the year under review.



- d) **Policy for determining 'material' subsidiaries**  
The Company has no subsidiaries as at 31.3.2024.
- e) **Commodity price risks and Commodity hedging activities during the financial year ended 31st March, 2024**  
The Company did not engage in commodity hedging activities.
- f) **Disclosure of Accounting Treatment In the preparation of the financial statements:**  
The Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.
- g) **Utilisation of funds raised:**  
The Company has not raised any funds through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- h) **A certificate from a Company Secretary** in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority has been annexed to this report.
- i) **Acceptance of recommendation by committees:**  
During the year under review, the recommendations made by the different Committees have been accepted and there were no instances where the Board of Directors has deviated from any recommendation of the Committees.
- j) **Payment to Statutory Auditors:**  
The Company has paid a sum of Rs.3.05 Lakhs as fees on consolidated basis to the Statutory auditor for the services rendered by them.
- k) **Sexual harassment of women:**  
As per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal ) Act, 2013, the Company has constituted an Internal Complaints Committee. During the year 2023-24, no complaint was received by the committee. As such, there are no complaints pending as at the end of the financial year.
- l) **Risk Management:**  
Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board. The risk management policy of the Company is disclosed in the website of the company, [www.veejaylakshmi.com](http://www.veejaylakshmi.com)
- m) **Non-compliance of Corporate Governance:**  
There has been no instance of non-compliance of any requirement of Corporate Governance. The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the Listing Regulations.
- n) **Certificate from CEO/CFO:**  
The CEO/CFO certification of the financial statements for the year has been submitted to the Board of Directors, in its meeting held on 29-05-2024 as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations.



- **Address for correspondence**

For any assistance, request or instruction regarding transfer or transmission of shares, dematerialisation of shares, change of address, non-receipt of annual report, dividend warrant and any other query relating to the Company, the investors may please write to the following address:

Registrar and Share Transfer Agent: Link Intime India Private Limited Surya", 35, Mayflower Avenue Sowripalayam Road Coimbatore – 641 028 Phone : + 91 0422-4958995, 2539835, Email : coimbatore@linkintime.co.in Web : www.linkintime.co.in	The Company Secretary Veejay Lakshmi Engineering Works Limited Sengalipalayam, NGGO Colony Post Coimbatore- 641 022 Phone : +91-422-7373045125 Email : accounts@veejaylakshmi.com compsec@veejaylakshmi.com
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## DECLARATION PURSUANT TO REG. 34(3) AND CLAUSE D OF SCHEDULE V OF SEBI (LODR) REGULATIONS, 2015

Pursuant to Reg.34(3) and Part D of Schedule V of SEBI (LODR) Regulations, 2015, I hereby declare that for the financial year ended March 31, 2024 the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the code of conduct stipulated by the Company. It is also confirmed that the Code of Conduct has been posted on the website of the Company.

Coimbatore  
29-05-2024

(Sd.) J. Anand  
Managing Director

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## CERTIFICATION BY CEO / CFO PURSUANT TO REG.17(8) AND PART B OF SCHEDULE II OF SEBI (LODR) REGULATIONS, 2015

To

The Board of Directors  
Veejay Lakshmi Engineering Works Limited  
Coimbatore - 641022

## ANNUAL CERTIFICATION BY CEO / CFO PURSUANT TO REG.17(8) AND PART B OF SCHEDULE II OF SEBI (LODR) REGULATIONS, 2015

As required under Reg. 17(8) and Part B of Schedule II of SEBI (LODR) Regulations, 2015

We hereby certify that :

We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2024 and that to the best of our knowledge and belief

- (a) (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- (ii) These statements together present a true and fair view of Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) There are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept the responsibility of establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design and operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee :
  - (i) Significant changes in internal control over financial reporting during the year.
  - (ii) Significant changes in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which we have become aware and the Involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial report.

Coimbatore  
29.05.2024

(Sd/-) D. Ranganathan  
Wholetime Director (CFO)

(Sd/-) J. Anand  
Managing Director(CEO)





**INDEPENDENT AUDITOR'S REPORT**  
**To the Members of Veejay Lakshmi Engineering Works Limited**  
**REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS**

**Opinion**

We have audited the accompanying standalone financial statements of VEEJAY LAKSHMI ENGINEERING WORKS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements")

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

**Basis for Opinion**

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing (SAs) specified u/s 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the standalone Financial Statements section of our report. We are Independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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 standalone financial statements.

**Key Audit Matters**

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

Key Audit Matter	Auditor's Response
<p><b>1. Litigations - Contingencies</b></p> <p>The company has ongoing litigations with various authorities and third parties which would have significant impact on the results, if the potential exposures were to materialize.</p> <p>The amounts involved are significant, and the application of accounting standards to determine the amount, if any, to be provided as liability or disclosed as a contingent liability is inherently subjective.</p> <p>Claims against the company not acknowledged as debts are disclosed in the Financial statements by the company after a careful evaluation of the facts and legal aspects of the matter involved. The outcome of such litigation is uncertain and the position taken by management involves as significant judgement and estimation to determine the likelihood and/or timing of cash outflows and the interpretation of preliminary and pending court rulings. Refer note 27 to the Standalone Financial Statements.</p>	<p><b>Principal Audit Procedures Performed :</b></p> <p>Our audit approach was a combination of test of controls and substantive procedures including:</p> <ol style="list-style-type: none"> <li>a) Assessing the appropriateness of the design and implementation of the company's controls over the assessment of litigations and completeness of disclosures.</li> <li>b) We tested the design and operating effectiveness of the company's key controls over the identification, estimation, monitoring and accounting/ disclosure of Provisions for disputed matters and contingent liabilities.</li> <li>c) For Significant cases, where the company has recognized provision, we assessed the determination of amounts recognized.</li> <li>d) For cases where provision was not recognized by the Company, we assessed the disclosure made in the financial statements.</li> </ol>



### **Information other than the Standalone Financial Statements and the Auditor's report thereon**

The Company's Board of directors is responsible for preparation of other information. The other information comprises the information included in the management discussion and analysis, Board's Report including annexures to Board's Report, Business responsibility report, Corporate Governance Report and Shareholder's information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

### **Responsibilities of Management and Those charged with Governance for the Standalone Financial Statements:**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibility for the Audit of the Standalone Financial Statements**

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

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

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



- Obtain an understanding of internal 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 are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and event in a manner that achieves fair presentation.

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

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

#### **Report on Other Legal and Regulatory Requirements:**

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we enclose in Annexure A, a statement on the matters specified in Paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 143 (3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Standalone balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone statement of Changes in Equity and the standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Standalone financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) rules, 2015 as amended.
  - e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of Section 197 of the Act read with Schedule V to the act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Financial Statements –Refer Note No.27 on Contingent Liability to the standalone financial statements;
  - ii. The company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
  - iii. There were no amounts which were required to be transferred to the Investor education and Protection Fund by the company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. The Reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is applicable from April 1, 2023.

Based on our examination which included test checks, the company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

**For N.R.D. ASSOCIATES**  
Chartered Accountants

(Firm Regn. No. : 005662S)

**(Sd/-) Suguna Ravichandran**  
Partner

Membership No. : 207893

UDIN : 24207893BKATQS5716

Place : Coimbatore  
Date : 29.05.2024



## ANNEXURE A - TO INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' in the Independent Auditor's report of even date to the members of Veejay Lakshmi Engineering Works Limited on the standalone financial statements for the year ended March 31, 2024.]

In terms of the information and explanation sought by us and given by the Company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report the following:

- i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) During the year, the Property, Plant and Equipment of the Company have been physically verified by the management at regular intervals; as informed no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company.
- (d) The Company has not revalued its Property, Plant and Equipment (including right of use assets) and Intangible Assets during the year.
- (e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Hence reporting under this clause (i)(e) of Paragraph 3 of the Order is not required.
- ii) (a) The inventory has been physically verified during the year by the management. In our opinion the frequency of verification is reasonable and the procedure and coverage followed is appropriate. The Company has maintained proper records of inventories. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in aggregate for each class of inventory.
- (b) The company has been sanctioned working capital in excess of five crore rupees, in aggregate, from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the company with banks and financial institutions are in agreement with the books of accounts of the company.
- iii) The Company has not granted any loans secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties covered in register maintained under Section 189 of the Companies Act, 2013. Hence reporting under clause (iii) of Paragraph 3 of the Order is not required.
- iv) The Company has not provided any loans, guarantees or security as specified in Section 185 or 186 of the Act. In respect of investments made by the company, we are of the opinion that the provisions of sections 185 & 186 of the Act have been complied with.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year within the provisions of section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014. We have been informed that no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal in this regard.
- vi) We have broadly reviewed the books of account maintained by the Company in respect of products where the maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act and the rules framed there under and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate and complete.



- vii) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including Provident fund, Employees' state insurance, Income tax, Goods and Service Tax, Customs duty, Cess and any other statutory dues with the appropriate authorities and there are no undisputed statutory dues outstanding for a period of more than six months from the date they became payable as at the balance sheet date.
- According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' state insurance, Income tax, Goods and Service tax, Customs duty, Cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.
- viii) According to the information and explanation provided to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix) In our opinion and according to the information and explanation provided to us,
- (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The company is not declared as a willful defaulter by bank or financial institution or government or any government authority.
- (c) The term loans taken were applied for the purpose for which it was obtained.
- (d) The funds raised on short term basis have, prima facie, not been used during the year for long term purposes by the Company.
- (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies
- x) (a) We are of the opinion that the company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loan during the year. Accordingly, reporting under clause (x) (a) of Paragraph 3 of the Order is not applicable.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures during the year and hence reporting under clause (x) (b) of Paragraph 3 of the Order does not arise.
- xi) In our opinion and according to the information and explanation provided to us
- (a) No frauds by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and up to the date of this report.
- (c) The Company has not received any whistle blower complaints during the year (and up to the date of this report).
- xii) The company is not a Nidhi Company and hence reporting under clause (xii) (a), (b) and (c) of Paragraph 3 of the Order does not arise.
- xiii) According to the information and explanation given to us, and based on our examination of the records of the Company, the transactions with the related parties are in compliance with section 177 and 188 of the Act and the details thereof have been disclosed in the standalone financial Statements as required by the applicable accounting standards and the Act.



- xiv) (a) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.  
(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence reporting under clause (xv) of Paragraph 3 of the Order does not arise.
- xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. and hence reporting under clause (xvi) (a)(b)(c)(d) of Paragraph 3 of the Order is not applicable.
- xvii) Based on our audit procedures and the information and explanations given by the management, we are of the opinion that the company has incurred cash losses of Rs. 235.11 lakhs in the financial year and Rs. 1151.74 lakhs in the immediately preceding financial year.
- xviii) There has been no resignation of statutory auditors during the year and hence reporting under clause (xviii) of Paragraph 3 of the Order is not applicable.
- xix) 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, and our knowledge of the Board of Directors and management plans, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We however state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) Section 135 of the Act does not apply to the company, therefore reporting under clause (xx)(a) and (b) of Paragraph 3 of the Order is not applicable to the company.
- xxi) The company does not have any Indian Subsidiary and hence reporting under clause (xxi) of Paragraph 3 of the Order is not applicable to the Company.

**For N.R.D. ASSOCIATES**  
Chartered Accountants

(Firm Regn. No. : 005662S)

**(Sd/-) Suguna Ravichandran**  
Partner

Membership No. : 207893

UDIN : 24207893BKATQS5716

Place : Coimbatore

Date : 29.05.2024



## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirement 'in the Independent Auditor's Report of even date to the members of Veejay Lakshmi Engineering works Limited on the Standalone Financial Statements for the year ended 31-03-2024]

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

We have audited the internal financial controls over financial reporting of Veejay Lakshmi Engineering works Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### **Auditor's Responsibility:**

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

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

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

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

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

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

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;





- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

**Opinion**

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

**For N.R.D. ASSOCIATES**

Chartered Accountants  
(Firm Regn. No. : 005662S)

**(Sd/-) Suguna Ravichandran**  
Partner

Membership No. : 207893  
UDIN : 24207893BKATQS5716

Place : Coimbatore  
Date : 29.05.2024

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2024**

Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
Amount ₹ in lakhs			
<b>ASSETS</b>			
<b>I. Non-current Assets</b>			
a) Property Plant and Equipment	2	3,636.46	3,798.38
b) Capital Work in Process		—	—
c) Investment Property	3	77.82	67.14
d) Intangible Assets	4	—	—
e) Financial Assets			
(i) Investments	5(a)	253.99	168.39
(ii) Loans	5(b)	119.97	102.51
f) Deferred Tax Asset Net	6	—	—
g) Other Non Current Assets	7	29.17	29.17
<b>Total</b>		<b>4,117.41</b>	<b>4,165.59</b>
<b>II. Current Assets</b>			
a) Inventories	8(a)	1,213.80	1,767.56
b) Financial Assets			
(i) Trade Receivables	8(b)	450.93	47.09
(ii) Cash and Cash equivalents	8(c)	2.85	3.11
(iii) Bank balances other than (ii) above	8(d)	41.41	40.51
(iv) Loans	8(e)	2.86	0.10
c) Other current assets	9	208.02	491.01
d) Current Tax Assets (Net)		19.48	5.22
<b>Total</b>		<b>1,939.35</b>	<b>2,354.60</b>
<b>TOTAL ASSETS</b>		<b>6,056.76</b>	<b>6,520.19</b>
<b>EQUITY AND LIABILITIES</b>			
<b>I. Equity</b>			
a) Equity Share Capital	10	507.19	507.19
b) Other Equity	11	1,343.39	1,738.50
<b>Total Equity</b>		<b>1,850.58</b>	<b>2,245.69</b>
<b>II. Non Current Liabilities</b>			
a) Financial Liabilities			
Borrowings	12	1,995.37	1,930.30
Security Deposit from Tenants		117.52	117.52
b) Gratuity/Leave Salary Provisions	13	78.18	68.76
<b>Sub total</b>		<b>2,191.07</b>	<b>2,116.58</b>
<b>III. Current Liabilities</b>			
a) Financial Liabilities			
(i) Short term Borrowings	14(a)	863.80	1,397.80
(ii) Trade Payables			
a) Dues to Micro and Small Enterprises	14(b)	585.17	96.73
b) Dues to Creditors other than (ii) (a) above		2.89	6.40
(iii) Other Financial Liabilities	14(c)	187.75	230.66
b) Other Current Liabilities	15	328.61	376.49
c) Provisions	16	46.89	49.84
<b>Sub total</b>		<b>2,015.11</b>	<b>2,157.92</b>
<b>TOTAL LIABILITIES</b>		<b>6,056.76</b>	<b>6,520.19</b>

**Significant Accounting Polices**

Notes to the Financial Statements

The accompanying Notes form an integral part of the Standalone Financial Statements

For and on behalf of the Board of Directors of  
**Veejay Lakshmi Engineering Works Limited**As per our report of even date  
**For N.R. D. Associates**  
Chartered Accountants, FRN No: 005662S(SD/-) V.J. JAYARAMAN  
Chairman  
DIN : 00137340(SD/-) J. ANAND  
Managing Director  
DIN : 00137425(SD/-) D.RANGANATHAN  
Whole-Time Director  
DIN : 00137566(SD/-) V.K.SWAMINATHAN  
Company SecretarySUGUNA RAVICHANDRAN  
Partner  
M.No : 207893Place : Coimbatore  
Date : 29.05.2024



## STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2024

Particulars	Note No.	Amount ₹ in lakhs	
		For the year ended 31.03.2024	For the year ended 31.03.2023
<b>INCOME</b>			
I Revenue from operations	17	8,709.10	6,397.19
II Other Income	18	343.38	31.56
III <b>Total Income (I+II)</b>		<b>9,052.48</b>	<b>6,428.75</b>
<b>IV EXPENSES</b>			
Cost of Materials consumed	19	6,454.74	4,935.36
Changes in Inventories of Finished goods, Work-in process and Stock in trade	20	257.72	392.60
Employee Benefits Expense	21	1,164.80	1,060.00
Finance Costs	22	237.22	166.97
Depreciation and amortization expenses	2&3	243.72	252.56
Other expenses	23	1,173.11	1,025.56
<b>Total Expenses (IV)</b>		<b>9,531.31</b>	<b>7,833.05</b>
V <b>Profit/(Loss) before exceptional items and tax (III-IV)</b>		<b>(478.83)</b>	<b>(1,404.30)</b>
VI Exceptional items (income+), expenses(-)		-	-
VII <b>Profit/(Loss) before Tax after exceptional items (V-VI)</b>		<b>(478.83)</b>	<b>(1,404.30)</b>
VIII Tax Expense :			
Current Tax		-	-
Current tax for prior period		-	-
Deferred Tax		(23.29)	(0.26)
IX <b>Profit and Loss for the year from continuing operations (VII-VIII)</b>		<b>(455.54)</b>	<b>(1,404.04)</b>
X Other comprehensive income			
A. Items that will not be reclassified to Profit or Loss			
1. Changes in Fair value of FVTOCI equity instruments		85.60	6.30
1.a. Deferred-tax relating to above		(23.81)	(1.75)
2. Remeasurement of post-employment defined benefit plans+(income)/-(expense)		-	(3.77)
2.a. Deferred-tax relating to above		-	1.05
B. Items that will be reclassified to Profit and Loss			
1. Forex Cash Flow Hedging		(1.88)	(1.57)
1.a. Deferred-tax relating to above		0.52	0.44
<b>Total Other Comprehensive income for the year</b>		<b>60.43</b>	<b>0.70</b>
XI Profit/loss from discontinuing operations		-	-
XII Tax expense of discontinuing operations		-	-
XIII Profit/loss from discontinuing operations(after tax)		-	-
XIV <b>Total Comprehensive income for the year</b>		<b>(395.11)</b>	<b>(1,403.34)</b>
Earnings per share for Continuing operation			
Basic		(8.98)	(27.68)
Diluted	28	(8.98)	(27.68)

There is no discontinued operation and hence there is no profit/loss or EPS relating to the same

### Significant Accounting Policies

Notes to the Financial Statements

1  
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The accompanying Notes form an integral part of the Standalone Financial Statements For and on behalf of the Board of Directors of

**Veejay Lakshmi Engineering Works Limited**

As per our report of even date  
**For N.R. D. Associates**  
Chartered Accountants, FRN No: 005662S

(SD/-) V.J. JAYARAMAN (SD/-) J. ANAND (SD/-) D.RANGANATHAN (SD/-) V.K.SWAMINATHAN  
Chairman Managing Director Whole-Time Director Company Secretary

SUGUNA RAVICHANDRAN  
Partner  
M.No : 207893

DIN : 00137340  
DIN : 00137425  
DIN : 00137566  
Place : Coimbatore  
Date : 29.05.2024

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024**

Particulars	For the year ended 31 Mar, 2024	For the year ended 31 Mar, 2023
Amount ₹ in lakhs		
<b>I. Cash Flows from Operating Activities</b>		
Net profit before taxation and extraordinary item	(478.83)	(1,404.30)
Adjustments for:		
Depreciation and amortisation expense	243.72	252.56
Allowance for doubtful debts	-	-
Finance expenses (considered separately)	237.22	166.97
Interest income (considered separately)	(130.63)	(6.90)
Dividend Income	(1.85)	(0.79)
Unrealised foreign exchange fluctuation loss/(gain), net	4.72	(0.14)
(Profit) /loss on sale of Property, Plant and Equipment (net)	-	-
Profit on sale of Investments	-	-
Operating profit before working capital changes	353.18	411.70
Working capital changes:		
(Increase)/Decrease in Trade receivables	(403.84)	34.10
(Increase)/Decrease in Inventories	553.76	297.63
Increase/(Decrease) in Loans	(2.76)	0.95
(Increase)/Decrease in other current assets	282.99	(29.13)
(Increase)/Decrease in other financial Assets	-	-
Increase/(Decrease) in trade payables	484.93	(276.72)
(Increase)/Decrease in Non current Assets	-	-
Increase/(Decrease) in other financial liabilities	11.00	58.83
Increase/(Decrease) in other current liabilities	(47.88)	8.26
Increase/(Decrease) in Advances	(17.46)	(56.17)
Increase/(Decrease) in provisions	6.47	11.52
Cash generated from operations	1,220.39	460.97
Tax (paid)/refund received	(14.26)	(0.53)
<b>Net cash provided by operating activities</b>	<b>(A)</b>	<b>727.30</b>
<b>II. Cash Flows from Investing Activities</b>		
Purchase of Property, Plant and Equipment	(92.65)	(1.92)
Sale proceeds of Property, Plant and Equipment	0.17	-
Interest income received	130.63	6.90
Amount Invested in Fixed Deposit	(0.90)	(2.04)
Proceeds from Investments	-	-
Dividend Income Received	1.85	0.79
<b>Net cash used in investing activities</b>	<b>(B)</b>	<b>39.10</b>
<b>III. Cash Flows From Financing Activities</b>		
Interest paid	(293.01)	(133.74)
Increase/(decrease) in short-term borrowings	(534.00)	879.24
Proceeds from long-term borrowings	65.07	157.28
<b>Net cash provided by financing activities</b>	<b>(C)</b>	<b>(761.94)</b>
Effect of exchange differences on translation of cash and cash equivalents	(D)	(4.72)
<b>Net increase/(decrease) in cash and cash equivalents during the year (A) + (B) + (C) + (D)</b>	<b>(0.26)</b>	<b>(37.21)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>3.11</b>	<b>40.32</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>2.85</b>	<b>3.11</b>
<b>IV. Significant Accounting Policies</b>	<b>1</b>	
Notes to financial statements	<b>(2-34)</b>	

The accompanying Notes form an integral part of the Standalone Financial Statements

Notes: 1. Figures in brackets represent out flows of cash and cash equivalents.

For and on behalf of the Board of Directors of

**Veejay Lakshmi Engineering Works Limited**

As per our report of even date

**For N.R. D. Associates**

Chartered Accountants, FRN No: 005662S

**SUGUNA RAVICHANDRAN**

Partner

M.No : 207893

(SD/-) V.J. JAYARAMAN

Chairman

DIN : 00137340

(SD/-) J. ANAND

Managing Director

DIN : 00137425

(SD/-) D.RANGANATHAN

Whole-Time Director

DIN : 00137566

(SD/-) V.K.SWAMINATHAN

Company Secretary

Place : Coimbatore  
Date : 29.05.2024



**Statement of Changes in Equity for the year ended 31<sup>st</sup> March 2023**

Particulars	Equity Share Capital	Reserves and Surplus				Equity Component of Compound Financial Instrument	Equity Instruments through Other Comprehensive Income	Items of Other Comprehensive Income	Cash Flow hedge	Total
		General Reserve	Capital Reserve	Securities premium	Retained Earnings					
Balance at the beginning of the Previous reporting period (01.04.2022)	507.19	3,599.49	100.82	2,116.43	(2,968.23)	716.87	120.24	(6.11)	(1.57)	4,185.13
Changes due to prior period items	-	-	-	-	-	-	-	(1.13)	2.70	1.57
Restated Balance at the beginning of reporting Period (01.04.2022)	507.19	3,599.49	100.82	2,116.43	(2,968.23)	716.87	120.24	(7.24)	1.13	4,186.70
Profit for the year	-	-	-	-	(1,404.04)	-	-	-	-	(1,404.04)
Reassessment of net defined benefit Liability/Asset (net)	-	-	-	-	-	-	-	(2.72)	-	(2.72)
Other Equity and interest accrued on account of compound Financial Instruments reversed	-	-	-	-	179.20	(716.87)	-	-	-	(537.67)
Changes in fair value of equity instruments through FVTOCI [net of tax]	-	-	-	-	-	-	4.55	-	-	4.55
Cash flow hedges (Net of taxes)	-	-	-	-	-	-	-	(1.13)	(1.13)	(1.13)
Total Comprehensive Income	-	-	-	-	(1,224.84)	(716.87)	4.55	(2.72)	(1.13)	(1,941.01)
Transfer to Reserves	-	-	-	-	-	-	-	-	-	-
<b>Balance at the end of reporting Period (31.03.2023)</b>	<b>507.19</b>	<b>3,599.49</b>	<b>100.82</b>	<b>2,116.43</b>	<b>(4,193.07)</b>	<b>-</b>	<b>124.79</b>	<b>(9.96)</b>	<b>-</b>	<b>2,245.69</b>

**Statement of Changes in Equity for the year ended 31<sup>st</sup> March 2024**

Particulars	Equity Share Capital	Reserves and Surplus				Equity Component of Compound Financial Instrument	Equity Instruments through Other Comprehensive Income	Items of Other Comprehensive Income	Cash Flow hedge	Total
		General Reserve	Capital Reserve	Securities premium	Retained Earnings					
Balance at the beginning of the current reporting period (01.04.2023)	507.19	3,599.49	100.82	2,116.43	(4,193.07)	-	124.79	(9.96)	-	2,245.69
Changes due to prior period items	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of reporting Period (01.04.2023)	507.19	3,599.49	100.82	2,116.43	(4,193.07)	-	124.79	(9.96)	-	2,245.69
Profit for the year	-	-	-	-	(455.54)	-	61.79	-	-	(455.54)
Changes in fair value of equity instruments through FVTOCI [net of tax]	-	-	-	-	-	-	-	-	-	61.79
Cash flow hedges (Net of taxes)	-	-	-	-	-	-	-	-	(1.36)	(1.36)
Total Comprehensive Income	-	-	-	-	(455.54)	-	61.79	-	(1.36)	(395.11)
Transfer to Reserves	-	-	-	-	-	-	-	-	-	-
<b>Balance at the end of reporting Period (31.03.2024)</b>	<b>507.19</b>	<b>3,599.49</b>	<b>100.82</b>	<b>2,116.43</b>	<b>(4,648.61)</b>	<b>-</b>	<b>186.58</b>	<b>(9.96)</b>	<b>(1.36)</b>	<b>1,850.58</b>

Significant Accounting Policies

Notes to the Financial Statements

The accompanying notes form an integral part of the standalone financial statements

For and on behalf of the Board of Directors of  
**Veejay Lakshmi Engineering Works Limited**

(SD/-) V.J. JAYARAMAN (SD/-) J. ANAND (SD/-) D.RANGANATHAN  
Chairman Managing Director Whole-Time Director  
DIN : 00137340 DIN : 00137425 DIN : 00137566

Place : Coimbatore  
Date : 29.05.2024

(SD/-) V.K. SWAMINATHAN  
Company Secretary

As per our report of even date  
For N.R. D. Associates  
Chartered Accountants, FRN No. 005662S

SUGUNA RAVICHANDRAN  
Partner  
M.No : 207893

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024****1. CORPORATE INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES:****1. Corporate information**

Veejay Lakshmi Engineering Works Limited is a public company incorporated in India under the provisions of the Companies Act, 1956. Its shares are listed on the Bombay Stock Exchange [BSE]. The principal place of business is Coimbatore. The Company manufactures Textile machinery used in post spinning operations and also has a textile unit producing yarn and knitted fabrics. The products are sold in both domestic and international markets. The financial Statements are approved for issue by the Company's Board of Directors on 29th May, 2024.

**2. Statement of compliance/Accounting treatment**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013.

**3. Basis of preparation of financial statements**

The financial statements are prepared on accrual basis of accounting under historical cost convention except as otherwise provided in policy and in accordance with Indian Accounting Standard (Ind-AS) as notified by Ministry of Corporate Affairs under Companies (Indian Accounting Standards) Rules, 2015 and guidelines issued by the Securities and Exchange Board of India (SEBI) and subsequent amendments thereof as well as with the additional requirements applicable to the financial statements as set forth in the Companies Act. All items having material bearing on the financial statements are recognised on the accrual basis.

**4. Basis of measurement**

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair values.

Items	Measurement Basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/liability	Fair value of plan assets less present value of defined benefit obligation

**Measurement of fair Values**

A number of Company's accounting policies and disclosures require a measurement of their fair value, for both financial and non-financial assets and liabilities

The Company has an established control framework with respect to the measurement of fair values. This includes periodic review of all significant fair value measurement, including level 3 fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the other Notes to Accounts.

### 5. Use of estimates and judgment

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amount of assets, liabilities expenses and revenue during the reporting period. Although such estimates and assumptions are made on reasonable and prudent basis taking into all possible information, actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and revisions to accounting estimates are recognized in the period in which the estimates are revised.

Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements are valuation of defined benefit obligations, provisions, contingent liabilities and impairment of trade receivables.

#### a) Impairment of Trade Receivables:

The company estimates the credit allowance as per practical expedient based on historical credit loss experience.

#### b) Provisions:

Provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. The policy for the same has been explained under Note 14 of Significant Accounting policies.

### 6. Functional and Presentation currency

These Financial Statements are presented in Indian Rupees, which is also Company's functional currency.

### 7. Property, Plant and Equipment and Intangible Assets

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and impairment loss, if any. Such costs comprise of purchase price and any directly attributable cost of bringing the assets to its working condition for intended use and also include any estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

The company depreciates property, plant & equipment using the straight line method on an estimated life as prescribed in Schedule II to the Companies Act, 2013.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are stated at cost less accumulated amortization and impairment if any.

The estimated useful lives and residual values of the Property, Plant & Equipment and Intangible assets are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of Property, Plant & Equipment and intangible assets is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant & Equipment and intangible assets are determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the profit or loss. Advance paid towards the acquisition of property, plant & equipment outstanding at each Balance sheet date is classified as capital advance under other non-current assets.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024****8. Impairment of assets****Financial Assets:**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. INDAS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

**Non-financial assets:**

Property, Plant and Equipment and Other Intangible Assets: The Company reviews at each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit & loss.

**9. Non-current assets held for sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Property, plant and equipment and Intangible assets are not depreciated or amortized once classified as held for sale.

**10. Investment Property**

Investment property is property held in the form of land/building which is mainly held for the purpose of capital appreciation, but not for sale in the ordinary course of business. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less impairment losses, if any. An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

**11. Borrowing cost**

Borrowing Cost specifically identified to the acquisition or construction of qualifying assets is capitalized as part of cost of such assets up to the period the project is commissioned or asset is put to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. The borrowing cost incurred on common funds borrowed generally and used for the purpose of obtaining the qualifying assets, is apportioned on rational basis, the remaining borrowing costs are charged to the Statement of Profit and Loss. Income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Finance cost-Interest expense is recognised using Effective interest rate method.





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### 12. Accounting Policy on Revenue recognition

The Company has adopted Ind AS 115 'Revenue from Contracts with Customers' with the date of initial application being April 1, 2018. Ind AS 115 establishes a comprehensive framework on revenue recognition. Ind AS 115 replaces Ind AS 18 'Revenue' and Ind AS 11 'Construction Contracts'.

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable net of returns, trade discounts. Revenue is recognised on the basis of despatches in accordance with the terms of sale when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of the goods can be estimated reliably, there is no continuing effective control over or managerial involvement with the goods and the amount of revenue can be measured reliably. The timing of transfers of risk and rewards varies depending on the individual terms of sale.

- a. Revenue from Service is recognised in accordance with the specific terms of contract on performance.
- b. Interest : Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
- c. Dividend Income is recognized when the Company's right to receive is established.
- d. Export Incentives under Duty Drawback scheme are recognized when the right to receive payments is established and there is no uncertainty regarding the amount of consideration or its collectability.

### 13. Employee Benefits

Employee benefits include salaries, wages, provident fund, gratuity, leave encashment, compensate absences and retirement benefits.

#### Short-term employee benefits

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized undiscounted during the period employee renders services. These benefits include remuneration, bonus, incentives, etc.

#### Long-term employee benefits

##### Defined contribution plans

Retirement benefit plans in the form of Provident Fund are charged as an expense on an accrual basis when employees have rendered the service.

##### Defined benefit plans

Defined benefit plans comprises of Gratuity. For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Re-measurement, comprising actuarial gains and losses and the effect of the changes to the asset ceiling (if applicable), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and consequently recognised in retained earnings and is not reclassified to profit or loss.

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

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

**Other long term employee benefits**

Other long term employee benefit comprises of leave encashment. The leave benefits are recognized based on the present value of defined obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

**14. Provisions and Contingent Liabilities**

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of past event, it is probable that the company will be required to settle the obligation and reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of reporting period, taking into the account the risks and uncertainties surrounding the obligation. When provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value money is material).

Contingent liabilities are disclosed in the financial statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote. Contingent Liabilities are possible obligations that arises from past events and whose existence will be confirmed only when occurrence or non-occurrence of one or more future events not wholly within the control of the company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably the obligations are disclosed as contingent liabilities, unless the probability of outflow of economic benefits is remote. Contingent assets are not recognized but disclosed in the financial statements when an inflow of economic benefits is probable.

**15. Foreign Currency Transactions**

The Company translates all foreign currency transactions at Exchange Rates prevailing on the date of transactions. Exchange rate differences resulting from foreign exchange transactions settled during the year are recognized as income or expenses in the period in which they arise. Monetary current assets and monetary current liabilities that are denominated in foreign currency are translated at the exchange rate prevalent at the date of the balance sheet. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are recognized in the profit and loss account.

**16. Taxes on Income**

Income Tax expense comprises current tax and deferred tax.

**Current Tax**

Current Tax is the expected tax payable on taxable income for the year, using tax rates (tax laws) enacted or substantively enacted by the end of reporting period and includes adjustment on the account of tax in respect of previous year.

**Deferred tax**

Deferred tax is recognized using balance sheet method, providing for temporary difference between the carrying amount of asset or liability in the balance sheet and its tax base. Deferred tax is measured at the rate that are expected to apply when the temporary differences are either realized or settled, based on the laws that have been enacted or substantively enacted by the end of reporting period. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the temporary difference can be utilized. The carrying amount of Deferred tax assets are reviewed at each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

Minimum alternate tax (MAT) is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of MAT credit is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

### **Current and Deferred Tax for the year**

Income tax expense is recognized in the statement of profit or loss account except to the extent that it relates to items recognized in other comprehensive income.

## **17. Financial instruments**

Financial assets and financial liabilities are recognized when Company becomes a party to the contractual provisions of the Instruments.

Financial assets and financial liabilities are initially measured at fair value, except when the effect is immaterial. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of profit and loss.

### **Financial Assets**

#### **Cash and Cash equivalents**

The company considers all highly liquid financial Instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturity of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of cash on hand and cash balances with banks which are unrestricted for withdrawal and usage.

#### **Financial assets at amortised cost**

Financial assets are subsequently measured at amortized cost using the effective interest method, except when the effect of applying it is immaterial, if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### **Financial assets at fair value through other comprehensive income**

Financial assets are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company, on initial application of IND AS 109 Financial Instruments, has made an irrevocable election to present subsequent changes in fair value of equity instruments not held for trading in other comprehensive income.

#### **Financial assets at fair value through Profit or Loss**

Financial assets at fair value through profit or loss are measured at fair values at the end of each reporting period, with any gains or losses arising on re-measurement recognized in Profit or loss.

#### **Investment in Associates**

Investment in Associates is measured at cost in separate financial statements. Dividend income from subsidiaries is recognised when its right to receive the dividend is established.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024****Derivative financial instruments and hedge accounting**

The Company uses foreign currency forward contracts / options to hedge its risks associated with foreign Currency fluctuations relating to certain forecasted transactions. The Company designates some of these forward contracts / options as hedge instruments and account for as cash flow hedges applying the recognition and measurement principles set out in the IndAS 109.

The counter party to the Company's foreign currency forward contracts is generally a bank. The Company does not use derivative financial instruments for speculative purposes. Foreign currency forward contract/option derivative instruments are initially measured at fair value and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised in other comprehensive income and accumulated under effective portion of cash flow hedges.

Amounts previously recognised in other comprehensive income and accumulated in effective portion of cash flow hedges are reclassified to the Statement of Profit or Loss in the same period in which gains/losses on the item hedged are recognised in the Statement of Profit or Loss. However when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in effective portion of cash flow hedges are transferred from effective portion of cash flow hedges and included in the initial measurement of the cost of the nonfinancial asset or non-financial liability. Profit or loss arising on cancellation or renewal of a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal occurs. Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognized in the Statement of Profit and Loss as they arise.

**Impairment of financial assets**

The Company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

**De-recognition of financial assets**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On de-recognition of a financial asset in its entirety, (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in statement of profit and loss.

**Financial liabilities and equity instruments****Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**Financial liabilities at amortized cost**

Financial liabilities are subsequently measured at amortized cost using the effective interest method, except when the effect of applying it is immaterial.

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

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue cost.

**De-recognition of financial liabilities**

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

**Effective interest method**

The effective Interest method is a method of calculating the amortized cost of a debt Instrument and of allocating interest Income over the relevant period. The effective Interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

**Financial Guarantee contracts**

Financial guarantee contracts issued by the Company are initially measured at fair value and subsequently measured at the higher of the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18 Revenue.

**18. Inventories**

Inventories are valued at lower of cost and net realisable value after providing for obsolescence wherever necessary. Cost is determined on weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**19. Statement of cash flows**

Cash Flows are reported using indirect method, whereby profit/(loss) before tax is adjusted for the effect of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

**20. Leases**

The Company enters into agreements, comprising a transaction or series of related transactions that does not take the legal form of lease but conveys the right to use the asset in return for payment of rent or series of rent payments. In case of such arrangements, the Company applies the requirements of Ind AS 116 – Leases/Rent payments to the lease element of the arrangement. For the purpose of applying the requirements under Ind AS 116–Leases, payments and other consideration required by the arrangement are separated at the inception of the arrangement into those for rent and those for other elements.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rental expense from operating leases is generally recognized on a straight-line basis over the term of the relevant lease.

However, where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognized in the year in which such benefit accrue, Contingent rentals, if any, arising under operating leases are recognized as an expense in the period in which they are incurred.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024****21. Earnings Per share**

Basic Earnings per share are computed by dividing the profit/loss after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing profit/loss after tax as adjusted for dividend, interest and other charges to expense or income relating dilutive potential equity share, by the weighted number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity.

**22. Current vs Non-Current Classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

**An asset is treated as current when it is:**

1. Expected to be realised or intended to be sold or consumed in normal operating cycle, or
2. Held primarily for the purpose of trading, or
3. Expected to be realised within twelve months after the reporting period, or
4. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

**A liability is current when:**

1. It is expected to be settled in normal operating cycle, or
2. It is held primarily for the purpose of trading, or
3. It is due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

**23. Segment reporting**

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the group's other components, and for which discrete financial information is available. Operating Segments are identified based on the nature of products and services. For reporting, the business has been split into two segments-Engineering and Textiles.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### 2. Property, Plant and Equipment

(All amounts are ₹ in Lakhs, unless otherwise stated)

Particulars	Free Hold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office equipments	Total
<b>Gross carrying Amount</b>							
As at 31.03.2022	1,112.82	1,385.54	3,307.29	60.04	26.02	12.61	5,904.32
Additions	–	–	0.75	–	–	1.17	1.92
Elimination on Disposal	–	–	–	–	–	–	–
As at 31.03.2023	1,112.82	1,385.54	3,308.04	60.04	26.02	13.78	5,906.24
Additions	–	–	70.64	–	–	–	70.64
Elimination on Disposal	–	–	–	–	0.17	–	0.17
<b>As at 31.03.2024</b>	<b>1,112.82</b>	<b>1,385.54</b>	<b>3,378.68</b>	<b>60.04</b>	<b>25.85</b>	<b>13.78</b>	<b>5,976.71</b>
<b>Accumulated Depreciation and Impairment</b>							
As at 31.03.2022	–	390.11	1,397.06	59.11	10.25	9.48	1,866.01
Depreciation Expense	–	65.97	171.57	0.47	2.62	1.22	241.85
Eliminated on Disposal	–	–	–	–	–	–	–
As at 31.03.2023	–	456.08	1,568.63	59.58	12.87	10.70	2,107.86
Depreciation Expense	–	62.60	167.28	0.36	1.43	0.72	232.39
Eliminated on Disposal	–	–	–	–	–	–	–
<b>As at 31.03.2024</b>	<b>–</b>	<b>518.68</b>	<b>1,735.91</b>	<b>59.94</b>	<b>14.30</b>	<b>11.42</b>	<b>2,340.25</b>
<b>Net book value</b>							
<b>As at 31.03.2024</b>	<b>1,112.82</b>	<b>866.86</b>	<b>1,642.77</b>	<b>0.10</b>	<b>11.55</b>	<b>2.36</b>	<b>3,636.46</b>
As at 31.03.2023	1,112.82	929.46	1,739.41	0.46	13.15	3.08	3,798.38

All factory land and buildings and movable fixed assets have been offered as security for the loans availed from banks. Refer Note Nos. 12 and 14 (a) for details of outstanding balances. All the lands including that of the investment property, are free hold, title deeds held in the name of the Company. There is no benami holding. No revaluation of property has been done during the FY 2023-24.

### 3. Details For Investment Property

Particulars	Free Hold Land	Buildings	Total
<b>Gross carrying Amount</b>			
As at 31.03.2022	7.27	134.92	142.19
Additions	–	–	–
Elimination on Disposal	–	–	–
As at 31.03.2023	7.27	134.92	142.19
Additions	–	22.01	22.01
Elimination on Disposal	–	–	–
<b>As at 31.03.2024</b>	<b>7.27</b>	<b>156.93</b>	<b>164.20</b>
<b>Depreciation and Impairment</b>			
As at 31.03.2022	–	64.33	64.33
Depreciation Expense	–	10.72	10.72
Eliminated on Disposal	–	–	–
As at 31.03.2023	–	75.05	75.05
Depreciation Expense	–	11.33	11.33
Eliminated on Disposal	–	–	–
<b>As at 31.03.2024</b>	<b>–</b>	<b>86.38</b>	<b>86.38</b>
<b>Carrying Amount as at 31.03.2024</b>	<b>7.27</b>	<b>70.55</b>	<b>77.82</b>
Carrying Amount as at 31.03.2023	7.27	59.87	67.14

No revaluation of the investment property has been done. The carrying cost as at 31.3.2024 is the actual cost less depreciation till 31.03.2024



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

(All amounts are ₹ in Lakhs, unless otherwise stated)

**4. Intangible Assets**

	Cost	Total
Gross Carrying Amount		
As at 31.03.2022	0.01	0.01
Additions/Deletions	–	–
As at 31.03.2023	0.01	0.01
Additions/Deletions	–	–
<b>As at 31.03.2024</b>	<b>0.01</b>	<b>0.01</b>
Amortisation and Impairment	–	–
As at 31.03.2022	0.01	0.01
Additions/Deletions	–	–
As at 31.03.2023	0.01	0.01
Additions/Deletions	–	–
<b>As at 31.03.2024</b>	<b>0.01</b>	<b>0.01</b>
Net Book Value 31.03.2023	–	–
<b>Net Book Value 31.03.2024</b>	<b>–</b>	<b>–</b>

**5. Financial Assets: Non Current**

**5(a). Investments**

Name of the Company/Security	31.03.2024		31.03.2023	
	No of Shares	Value	No of Shares	Value
<b>Quoted Investments-fully paid up (A)</b>				
<b>Investments in equity instruments</b>				
Lakshmi Machine Works Limited	1,500	227.46	1,500	149.57
Precision Fasteners Limited	10,000	–	10,000	–
IFCI Limited	200	0.08	200	0.02
State Bank of India	3,340	25.14	3,340	17.49
<b>Unquoted Investments - fully paid up (B)</b>				
<b>Investments in equity instruments-Associate Company</b>				
Veejay Sales and Services Limited	13,100	1.31	13,100	1.31
<b>Total</b>		<b>253.99</b>		<b>168.39</b>
<b>Total Non- Current Investments</b>				
Aggregate amount of quoted investments and market value		252.68		167.08
Aggregate amount of unquoted investments		1.31		1.31
Aggregate amount of impairment in value of investments.		–		–
<b>Total</b>		<b>253.99</b>		<b>168.39</b>
<b>Category wise investments-as per IND AS 109 classification</b>				
Financial Assets carried at Fair value through Profit or Loss(FVTPL)		–		–
Financial Assets carried at Amortised cost		1.31		1.31
Financial Assets carried at Fair value through Other Comprehensive Income(FVTOCI)		252.68		167.08
<b>Total</b>		<b>253.99</b>		<b>168.39</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

(All amounts are ₹ in Lakhs, unless otherwise stated)

### 5(b). Loans

Particulars	As at 31.03.2024	As at 31.03.2023
Unsecured and considered good		
Security Deposits	119.91	102.45
Rental Advances	0.06	0.06
<b>Total</b>	<b>119.97</b>	<b>102.51</b>

Loans do not include any due from Directors/Related parties or Key Managerial personnel. All the above are unsecured, but considered good. No allowance made for doubtful debt

### 6. Deferred tax assets/ (Liabilities)

The Deferred Tax Asset on account of MAT credit and carryover losses have not been recognised due to uncertainty in realising the same. The deferred tax liability on account of PPE or other timing difference items will get adjusted with the Carry over losses/MAT Credit entitlements.

Particulars	31.03.2024	31.03.2023
Deferred tax assets/ (Liabilities)	–	–

### 7. Other Non current Assets (Unsecured considered good)

Particulars	31.03.2024	31.03.2023
Advance for Capital Expenditure	29.17	29.17
<b>Total</b>	<b>29.17</b>	<b>29.17</b>

Does not include any advance to Directors, Key Managerial personnel or Related parties.

### 8. Current Assets:

#### 8(a). Inventories

Particulars	31.03.2024	31.03.2023
Raw Materials	486.70	486.15
Components	160.93	470.60
Scrap	8.19	14.20
Work-in-Progress	229.64	428.68
Stores and spares	57.23	44.15
Finished goods	271.11	323.78
<b>Total Inventories</b>	<b>1,213.80</b>	<b>1,767.56</b>

Mode of valuation is given in para 18 of Accounting Policies in Note No.1 .All the current assets including Inventories are offered as security for the loans availed from banks. Refer Note Nos. 12 and 14(a) for details of outstanding balances. Amount of inventories recognised as expense during the year is Rs.6454.74 lakhs (previous year Rs.4935.36 lakhs).

#### 8(b). Trade Receivables

Particulars	31.03.2024	31.03.2023
i. Secured considered good	–	–
ii. Unsecured considered good	450.93	47.09
<b>Total Trade receivables</b>	<b>450.93</b>	<b>47.09</b>
Ageing-from due date	–	–
<6 months	450.93	47.09
6 months to 1 year	–	–
1 -2 years	–	–
2-3 years	–	–
> 3 years	–	–

- Sale is generally made against payments received in advance or bills through banks with or without L/cs.
- Provision is made only for credit sales where bills have not been routed through bank. No provision has been made for credit loss on receivables as at 31.03.2024 as all are considered good and expected to be realised in full.
- There is no un billed due receivable.
- Receivables do not include any dues from Directors or Key Managerial personnel. Due from Companies in which a Director is interested as at 31.03.2024 is Rs.2.06 Lakhs. (PY Rs.4.57 Lakhs)

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

(All amounts are ₹ in Lakhs, unless otherwise stated)

**8(c). Cash and Cash equivalents**

Particulars	31.03.2024	31.03.2023
Balance with Banks		
– in Current Accounts	0.31	0.31
– in Deposit Account with original maturity less than 3 months	–	–
Cash on hand	2.54	2.80
<b>Total</b>	<b>2.85</b>	<b>3.11</b>

**8(d). Bank Balances other than 8(c) above**

Particulars	31.03.2024	31.03.2023
Deposits for Margin money or for other commitments/security	41.41	40.51
<b>Total</b>	<b>41.41</b>	<b>40.51</b>

**8(e). Loans and Advances**

Particulars	31.03.2024	31.03.2023
Unsecured-considered good Advance to Staff and Workers	2.86	0.10
<b>Total</b>	<b>2.86</b>	<b>0.10</b>

Loans do not include any dues from Directors, Key Managerial personnel or Related parties. There is no secured loans.

**9. Other Current Assets**

Particulars	31.03.2024	31.03.2023
Prepaid Expenses	32.65	28.11
Advance to Suppliers (Other than Capital Advances)	12.56	54.57
GST	33.49	271.47
Other receivables	129.32	136.86
<b>Total</b>	<b>208.02</b>	<b>491.01</b>

Advance to Suppliers does not include advances to any related party. Previous year Rs.0.39 Lakhs. Other Current Assets do not include any dues from related parties/Key managerial personnel/Directors

**10. Equity Share Capital**

Particulars	31.03.2024	31.03.2023
<b>(i) Authorised Capital</b> 180,00,000 equity shares of par value Rs. 10/- each	1,800.00	1,800.00
<b>(ii) Issued, Subscribed and fully paid up Capital</b> 50,71,900 Equity shares of par value Rs. 10/- each	507.19	507.19
Subscribed but not fully paid	Nil	Nil

**(i) Reconciliation of shares Outstanding at the beginning and at the end of the Year**

	No. of shares	
No of shares paid up outstanding at the beginning of reporting year	50,71,900	50,71,900
Add: Issued or allotted during the year	Nil	Nil
Less: Shares bought back during the year	Nil	Nil
No of shares paid up outstanding at the end of reporting year	50,71,900	50,71,900

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

(All amounts are ₹ in Lakhs, unless otherwise stated)

**(ii) Terms/Rights and restrictions attached to the equity shares**

The Company has only one class of equity shares having par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share

**(iii) The details of Shareholders holding more than 5% of total shares**

Particulars	31.03.2024			31.03.2023		
	No of shares	%to total capital	% change during the year	No of shares	%to total capital	% change during the year
1. Sri V.J. Jayaraman	12,35,753	24.36	Nil	12,35,753	24.36	Nil
2. Smt J. Vidya	7,36,110	14.51	Nil	7,36,110	14.51	Nil
3. Sri J.Anand	12,65,678	24.95	Nil	12,65,678	24.95	Nil

**(iv) Promoters Holding**

Particulars	31.03.2024	31.03.2023
Number or shares -Total	33,08,735	33,08,735
% change during the year	Nil	Nil

**Preference Share Capital**

Preference Share Capital(6% non cumulative redeemable preference shares of Rs. 10 each)

Authorised Capital - No of shares	3,60,00,000	3,60,00,000
Authorised Capital - Amount Rs. In Lakhs	3,600	3,600
Subscribed and Paid up	Nil	Nil

**11. Other Equity**

Particulars	31.03.2024	31.03.2023
<b>i) Securities Premium Account</b>	2,116.43	2,116.43
<b>ii) Retained Earnings</b>		
Opening	(4,193.07)	(2,968.23)
Add : Current year surplus/deficit	(455.54)	(1,404.04)
Accumulated notional interest on compound financial instrument reversed	—	179.20
Closing	(4,648.61)	(4,193.07)
<b>iii) Reserve for Equity instruments and others through Other Comprehensive Income</b>		
Opening	114.83	113.00
Movement in OCI (Net) during the year	61.79	1.83
Closing	176.62	114.83
<b>iv) Equity Component of compound Financial Instrument</b>		
Opening	—	716.87
Reversal due to conversion of loan as interest bearing loan	—	(716.87)
Closing	—	—
<b>v) General Reserve</b>		
Opening	3,599.49	3,599.49
Additions During the year	—	—
Closing	3,599.49	3,599.49
<b>vi) Capital Reserve</b>		
Opening	100.82	100.82
Current year addition/deletion	—	—
Closing	100.82	100.82
<b>vii) Cash flow hedge reserve</b>		
Opening	—	1.13
Current year addition/deletion	(1.36)	(1.13)
Closing	(1.36)	—
<b>Total Other Equity</b>	<b>1,343.39</b>	<b>1,738.50</b>

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

(All amounts are ₹ in Lakhs, unless otherwise stated)

**12. Financial Liabilities-Non Current****Borrowings**

Particulars	31.03.2024	31.03.2023
<b>Secured</b>		
State Bank of India	234.46	321.04
Bank of Baroda	42.59	65.83
Indian Overseas Bank	18.32	38.32
<b>Total Secured Loans</b>	<b>295.37</b>	<b>425.19</b>

- a) State Bank of India - Term Loan for Rooftop Solar Project-Sanctioned Rs.320 lakhs, Interest rate 1 % over MCLR effective 9% on date of sanction.Repayable in 120 equal monthly installments starting from 1.10.2020. Outstanding as at 31.03.2024 Rs.205.89 lakhs. Rs.32 lakhs repayable within next 12 months classified as current liability. The Loan has been used for the Rooftop Solar Project.
- b) Guaranteed Emergency Credit Line(GECL)-Sanctioned Rs.68 lakhs-interest 0.75% over EBLR effective 7.05% on date of sanction. Repayable in 36 monthly installments starting from October 2021. Outstanding as at 31.03.2024 Rs.10.28 lakhs.Rs.10.28 lakhs classified as Current liability.
- c) GECL 1.0 extension loan Rs.109.00 lakhs. Interest EBLR +75bps-effective 7.40%. Repayable in 35 monthly installments of Rs.311429/- each starting from January 2024.Outstanding as at 31/03/2024 Rs.97.94Lakhs.Rs.37.37 Lakhs classified as current liability.
- d) Bank of Baroda - Additional working capital term loan Covid BGLES1.0 Rs.69.70 lakhs. Rate of interest BRRLLR plus 2.50% effective 6.5%. Repayable in 36 months (35 monthly installments of Rs. 193611/- each and last instalment Rs. 193615/-) starting from February 2024.Outstanding as at 31/03/2024 Rs.65.83Lakhs. 23.24 lakhs is classified as current liability.
- e) Indian Overseas Bank-Working capital Term Loan under Covid ECLGS 1.0 Extension scheme Rs.60 lakhs. RLLR+1% effective 7.85%. Repayable in 36 months (35 instalments of Rs.166700/- each and last instalment of Rs.165500/- ) starting from March 2023. Outstanding as at 31.03.2024 Rs.38.33 lakhs. Rs.20.01 lakhs repayable within next 12 months classified as current liability.
- f) GECL, CCECL and GECL extension loans have been utilised for the working capital requirements.

All loans, except GECL, are secured by a charge on factory land and buildings and current assets of the Company. No default in repayment of term loan or payment of interest.

Unsecured Loans (From Promoters / Directors / Related Parties)	31.03.2024	31.03.2023
a) Loans from Directors/Promoters-interest 7.5% from 1/4/2023. Includes Rs.300 lakhs brought in as promoter's contribution for capital expenditure financed by term loans from Bank, which will be retained till the term loans to the Bank is repaid. Interest for the year 2023-24 and accrued interest upto 31/03/2023 has been waived by the promoters. State Bank of India has stipulated a condition that Unsecured Loans not to be repaid without their written approval and the rate of interest has to be less than that of the Bank's rate of interest.	1,700.00	1,505.11
<b>Total Borrowings</b>	<b>1,995.37</b>	<b>1,930.30</b>

**13. Other Financial Liabilities**

Particulars	31.03.2024	31.03.2023
Provision for Employee benefits-Gratuity & Leave salary	78.18	68.76
<b>Total</b>	<b>78.18</b>	<b>68.76</b>

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

(All amounts are ₹ in Lakhs, unless otherwise stated)

**14. Financial Liabilities****14 (a) Current Borrowings**

Particulars	31.03.2024	31.03.2023
<b>Secured-Repayable on demand</b>		
Working capital facilities		
State Bank of India	494.98	840.19
Bank of Baroda	183.08	285.27
Indian Overseas Bank	62.84	187.73
Current Maturities of Long Term Debt-Secured	122.90	84.61
<b>Total Short term Borrowings</b>	<b>863.80</b>	<b>1,397.80</b>

All the above Secured loans are secured by a charge on factory land and buildings and current assets of the Company on pari passu basis. The short term borrowings have been used for working capital requirements of the Company.

**14(b) Trade Payables**

Particulars	31.03.2024	31.03.2023
Bills unpaid to MSME	585.17	96.73
Bills unpaid to other creditors	2.89	6.40
<b>Total Payables</b>	<b>588.06</b>	<b>103.13</b>
Ageing-MSME	–	–
<1 year	585.17	96.73
Ageing-Others	–	–
<1 year	2.89	6.40

**14(c) Other Financial Liabilities**

Particulars	31.03.2024	31.03.2023
Interest Accrued but not due on borrowings	–	55.79
Salary Payable	50.64	56.58
Expenses payable	137.11	118.29
<b>Total Financial Liabilities</b>	<b>187.75</b>	<b>230.66</b>

**15. Other Current Liabilities**

Particulars	31.03.2024	31.03.2023
Security Deposit- from Customers	310.54	357.30
Statutory Dues	18.07	19.19
<b>Total</b>	<b>328.61</b>	<b>376.49</b>

**16. Provisions**

Particulars	31.03.2024	31.03.2023
Provision for Employee benefits		
i) Provision for Bonus	20.33	22.17
ii) Leave encashment	1.39	1.13
iii) Gratuity	20.72	17.13
Provision for Warranty	4.45	9.41
<b>Total</b>	<b>46.89</b>	<b>49.84</b>

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

(All amounts are ₹ in Lakhs, unless otherwise stated)

**17. Revenue from Operations**

Particulars	31.03.2024	31.03.2023
a) Sale of Products	8,466.63	6,277.01
b) Sale of Services	38.61	37.31
c) Other operating revenues	203.86	82.87
<b>Total Revenue</b>	<b>8,709.10</b>	<b>6,397.19</b>

**18. Other Income**

Particulars	31.03.2024	31.03.2023
Interest Income *	130.63	6.90
Dividend Income	1.85	0.79
Foreign Exchange Loss/(gain)	27.95	22.34
Rent receipts	117.52	–
Miscellaneous Income/(expenses)	65.43	1.53
<b>Total Other Income</b>	<b>343.38</b>	<b>31.56</b>

**19. Cost of materials consumed**

Particulars	31.03.2024	31.03.2023
Raw materials-Ferrous	172.32	277.15
Raw materials-Non-Ferrous	42.31	67.38
Raw materials-Castings	48.39	98.66
Raw materials-Non metals	9.05	20.65
Components & Others	909.81	1,554.21
Cotton Consumed	5,272.86	2,917.31
<b>Materials consumed</b>	<b>6,454.74</b>	<b>4,935.36</b>

**20. Changes in Inventories of Finished goods, Work-in process and Stock in trade**

Particulars	31.03.2024	31.03.2023
Opening stock	766.66	1,159.26
Closing stock	508.94	766.66
<b>Change in inventory</b>	<b>257.72</b>	<b>392.60</b>

**21. Employee Benefits**

Particulars	31.03.2024	31.03.2023
Salary and Allowances	994.87	894.75
Contribution to Provident Fund	46.90	38.20
Staff and Labour Welfare expenses	90.27	94.92
Bonus	20.87	20.70
Gratuity	11.89	11.43
<b>Total Employee Cost</b>	<b>1,164.80</b>	<b>1,060.00</b>

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

(All amounts are ₹ in Lakhs, unless otherwise stated)

**22. Finance costs**

Particulars	31.03.2024	31.03.2023
Interest expense *	222.12	152.87
Other borrowing costs(Commitment charges for under utilisation of the limits and other charges and fees for loan processing , documentation, property valuation, title verification and inspection relating to the loans. * Interest expense and interest income include interest of Rs.123.09 Lakhs waived on unsecured loans.	15.10	14.10
<b>Total Finance Cost</b>	<b>237.22</b>	<b>166.97</b>

**23. Other expenses**

Particulars	31.03.2024	31.03.2023
Stores consumed	176.97	163.90
Erection & Service Charges	3.92	6.18
Power and Fuel	430.85	245.24
Freight	75.40	30.54
Printing and Stationery	5.72	6.59
Postage and Telephone	7.81	7.22
Travelling and Vehicle Maintenance	63.64	60.83
Insurance	10.73	12.17
Rent	1.54	1.31
Bank Charges	5.53	5.75
Licences and Taxes	41.13	43.66
Sales commission	137.07	175.95
Sales promotion & Advertisement expenses	7.15	45.31
Subscription and periodicals	4.69	3.84
Directors' sitting fees	1.90	1.85
Audit fees-For Statutory Audit and Limited review	3.05	2.90
Legal and Professional charges	22.21	16.18
Repairs and Maintenance-Buildings	10.16	40.21
Repairs and Maintenance-Machinery	155.80	145.07
Repairs and Maintenance-Others	7.83	9.98
Miscellaneous Expenses	0.01	0.08
Donations	-	0.80
<b>Total Other Expenses</b>	<b>1,173.11</b>	<b>1,025.56</b>

**24. Payments to Auditors**

Particulars	31.03.2024	31.03.2023
<b>Audit Fees</b>		
For Statutory Audit and Limited Review	3.05	2.90
<b>Total</b>	<b>3.05</b>	<b>2.90</b>

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

(All amounts are ₹ in Lakhs, unless otherwise stated)

25. As defined under Micro, small and Medium Enterprises Development Act 2006, the disclosure in respect of the amount payable to such enterprises as at 31.03.2024 has been made in the financial statements based on information received and available with the company.

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
a) The Principal amount due there on remaining unpaid to any supplier as at the end of each accounting year	585.17	96.73
b) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the payment made to the supplier beyond the appointed day during each accounting year	-	-
c) The amount of interest due and payable for the period of delay in making payment (Which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the dues are actually paid for the purpose of disallowance under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

**26. Reconciliation of effective tax rate**

Particulars	31-Mar-2024	31-Mar-2023
<b>Current Tax</b>		
In respect of Current year	-	-
<b>Deferred Tax</b>	23.29	(0.26)
<b>Total income tax expense recognized in the current year</b>	<b>23.29</b>	<b>(0.26)</b>
The reconciliation between the provision of income tax of the company and amounts computed by applying the indian statutory income tax rate to profit before tax is as follows		
<b>Current tax :</b>		
Profit before tax	(478.83)	(1,404.30)
Enacted income tax rate	27.82%	27.82%
Computed income tax rate to profit before tax is as follows:	-	-
<b>Effect of :</b>		
Depreciation Debited in Profit and Loss account	67.81	70.27
Donation	-	0.22
Notional Interest on Unsecured Loan from Directors	-	-
Provision for gratuity	1.90	4.04
Leave Encashment	2.54	0.35
Bonus Provision made in the Books	5.81	6.16
Profit on sale of assets		
Depreciation as per IT Rules	(44.46)	(49.36)
Bonus claimed on payment basis	(6.15)	(6.14)
Unabsorbed Depreciation and carry forward loss	(27.45)	(25.55)
<b>Income Tax expense recognized in the profit or loss (Current Tax)</b>	-	-
<b>Deferred Tax relating to items of OCI adjusted in Profit &amp; loss account</b>		
Disallowance u/s 43B	-	(1.05)
Fair valuation of Investments	23.81	1.75
Forex Cash Flow Hedging	(0.52)	(0.44)
<b>Income tax expense recognized in the profit or loss (Deferred Tax)</b>	<b>23.29</b>	<b>0.26</b>

Note: The deferred tax asset on account of MAT credit and carryover losses have not been recognized due to uncertainty in realising the same. The deferred tax liability on Property, Plant and Equipment or other timing difference items will get adjusted with carry over losses/MAT Credit entitlements.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

(All amounts are ₹ in Lakhs, unless otherwise stated)

### 27. Contingent liabilities and capital commitments

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
<b>Contingent Liabilities</b>		
Claims against the company not acknowledged as debts		
i) Arbitration awards against the Company challenged in the Court of law	178.15	169.75
ii) Claim from the buyer of the Textile unit sold by the company in respect of workers retrenched before sale of the textile unit at Udumalpet with interest as per arbitration award contested by the Company. The dispute is under appeal with Hon'ble High court of Madras. While granting stay the Hon'ble High court has Ordered the Company to deposit a sum of Rs. 25 Lakhs.	47.00	43.92
iii) Cross subsidy claim for power purchase from third parties relating to earlier years.	37.92	37.92
<b>Total Contingent Liabilities</b>	<b>263.07</b>	<b>251.59</b>

### 28. Earnings Per Share

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2024
Profit after taxation	(455.54)	(1,404.04)
Equity shares outstanding at the end of the year (In No.'s)	50,71,900	50,71,900
Weighted average number of Equity shares outstanding during the year	50,71,900	50,71,900
Earnings per share(Basic) (In Rs)	(8.98)	(27.68)
Earnings per share(Diluted) (In Rs)	(8.98)	(27.68)
Nominal value per share (Rs)	10.00	10.00

29. Figures have been rounded off to Rs. In lakhs and previous year figures have been regrouped / rearranged wherever necessary.



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

(All amounts are ₹ in Lakhs, unless otherwise stated)

**30. Segment information - (Primary segment information (business segments))**

Particulars	2023 - 24					2022 - 23				
	Engineering	Textile	Unallocated	Inter Segment eliminations	Total	Engineering	Textile	Unallocated	Inter Segment eliminations	Total
a) Revenue	2,151.89	6,566.76	–	–	<b>8,718.65</b>	2,658.81	3,738.38	–	–	6,397.19
b) Inter Segment sales	–	–	–	(9.55)	(9.55)	–	–	–	–	–
Total Revenue	2,151.89	6,566.76	–	(9.55)	8,709.10	2,658.81	3,738.38	–	–	6,397.19
c) Result	(103.19)	(416.07)	–	–	<b>(519.26)</b>	(343.16)	(873.79)	–	–	(1,216.95)
Add: Unallocated income (net of expenditure)	–	–	–	–	<b>277.65</b>	–	–	–	–	(20.38)
<b>Profit before interest and tax</b>	–	–	–	–	<b>(241.61)</b>	–	–	–	–	(1,237.33)
Interest	–	–	–	–	<b>237.22</b>	–	–	–	–	166.97
<b>Profit before tax</b>	–	–	–	–	<b>(478.83)</b>	–	–	–	–	(1,404.30)
<b>Tax expenses</b>										
– Current tax-Prior years	–	–	–	–	–	–	–	–	–	–
– Deferred tax	–	–	–	–	<b>(23.29)</b>	–	–	–	–	(0.26)
– Total	–	–	–	–	<b>(23.29)</b>	–	–	–	–	(0.26)
<b>Profit for the year</b>	–	–	–	–	<b>(455.54)</b>	–	–	–	–	(1,404.04)
d) Assets	1,113.78	4,306.09	636.89	–	<b>6,056.76</b>	2,072.01	3,944.25	503.93	–	6,520.19
e) Liabilities	901.94	3,183.72	120.52	–	<b>4,206.18</b>	2,152.02	2,004.96	117.52	–	4,274.50
f) Capital assets acquired during the year	48.90	21.74	22.01	–	<b>92.65</b>	1.60	0.32	–	–	1.92
g) Depreciation, impairment and amortisation	39.98	191.00	12.74	–	<b>243.72</b>	40.13	200.30	12.13	–	252.56
h) Other non-cash charges except depreciation, impairment and amortisation	–	–	–	–	–	–	–	–	–	–

Revenue from Engineering division is on account of sales of textile machinery and spares and the textile division revenue is on account of cotton yarn and fabrics. Approximately INR Rs.3128.61 has been realised from exports (Engineering Division Rs.44.67 lakhs and Textile Division Rs.3083.94 lakhs ). Previous year total exports Rs.1725.82 lakhs. (Engineering Division Rs. 479.36 lakhs and Textile Division Rs.1246.46 lakhs). There are four customers contributing individually to more than 10% of total revenue in 2023-24. The largest turnover to a single customer is Rs.2169.34 lakhs. The largest turnover to a single customer is Rs. 791.19 lakhs in previous year.

**Reconciliations to amounts reflected in the financial statements**

Reconciliation of profit	31-Mar-24	31-Mar-23
Segment profit	(519.26)	(1,216.95)
Dividend Income	1.85	0.79
Depreciation on Corporate Assets	(12.74)	(12.13)
Other Expenses-Audit fees stationery, Professional Charges etc.,	40.39	(15.94)
Income from Investment Property (net of expenses)	117.52	-
Interest Income	130.63	6.90
<b>Profit before interest and tax</b>	<b>(241.61)</b>	<b>(1,237.33)</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

(All amounts are ₹ in Lakhs, unless otherwise stated)

Reconciliation of assets	31-Mar-24	31-Mar-23
Segment operating assets	5,419.87	6,016.26
Corporate Assets - Property & Investments	573.15	455.09
Cash and Cash equivalents	44.26	43.62
TDS / MAT receivable	19.48	5.22
<b>Total assets</b>	<b>6,056.76</b>	<b>6,520.19</b>

Reconciliation of liabilities	31-Mar-24	31-Mar-23
Segment operating liabilities	4,085.66	4,156.98
Other Current Liabilities-Corporate	120.52	117.52
<b>Total liabilities</b>	<b>4,206.18</b>	<b>4,274.50</b>

### 31. RELATED PARTY DISCLOSURES

(i) Companies/Firms with which the company had transactions during the year.

1. M/s Veejay Sales and Services Limited
2. M/s Veejay Marketing
3. M/s Team Tiger Enterprises Pvt Ltd.
4. M/s Sree Meenakshi and Co.
5. M/s Lakshmi Card Clothing Manufacturing Co. Private Ltd.
6. M/s Augustan Knitwear P. Ltd.
7. M/s Sasirekha Vengatesh
8. M/s S.K.D.C Consultants Ltd., (Upto 31.12.2023)

(ii) Companies/Firms with which the company had no transactions during the year.

1. M/s The Krishna Mills Private Limited
2. M/s Prathishta Weaving & Knitting Co. Pvt. Limited

(iii) Key Management Personnel

1. Sri J.Anand, Managing Director
2. Sri D.Ranganathan, Whole Time Director
3. Sri V.K. Swaminathan, Company Secretary

### (B) Related party transactions

Particulars	Associated Companies/ Firms	Key Managerial personnel	Relative of Key Managerial Personnel	Total
Purchase of goods and services-raw materials, components and engineering job works	<b>75.18</b>	-	-	<b>75.18</b>
	<i>146.85</i>	-	-	<i>146.85</i>
Sale of machinery, spares, raw materials, components and job works	<b>24.09</b>	-	-	<b>24.09</b>
	<i>281.22</i>	-	-	<i>281.22</i>
Rent paid	-	-	<b>1.23</b>	<b>1.23</b>
	-	-	<i>1.23</i>	<i>1.23</i>
Managerial Remuneration	-	<b>44.14</b>	-	<b>44.14</b>
	-	<i>45.01</i>	-	<i>45.01</i>
Interest Expense	-	-	-	-
	-	<i>4.67</i>	<i>32.23</i>	<i>36.90</i>
Unsecured loans outstanding at year end	-	<b>304.39</b>	<b>1,395.61</b>	<b>1,700.00</b>
	-	<i>304.97</i>	<i>1,200.15</i>	<i>1,505.12</i>
Interest accrued Payable	-	-	-	-
	-	<b>8.24</b>	<b>47.55</b>	<b>55.79</b>
Outstanding due from the company	-	-	-	-
	-	-	-	-
Outstanding due to the company	<b>2.06</b>	-	-	<b>2.06</b>
	<i>4.97</i>	-	-	<i>4.97</i>

Figures in Italics represent prior period figures.



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

(All amounts are ₹ in Lakhs, unless otherwise stated)

**32. As per IND AS 19 "Employee Benefits", the disclosure of Employee benefits are given below:**

**Defined benefit plan and other Long term Employee benefits**

**Gratuity Plan**

The company operates gratuity plan wherein every employee is entitled to benefit equivalent to 15 days salary last drawn for each completed year of service. The same is payable at the earlier of retirement or termination. The benefit vests after five years of continuous service.

**Reconciliation of opening and closing balance of the present value of defined benefit obligation**

Particulars	Leave Encashment Unfunded		Gratuity Unfunded	
	As at 31-Mar-2024	As at 31-Mar-2023	As at 31-Mar-2024	As at 31-Mar-2023
Projected benefit obligation at the beginning of the year	9.77	8.87	79.38	65.07
Service cost	5.77	1.42	6.29	6.73
Interest cost	0.65	0.65	5.76	4.86
Past Service cost	-	-	-	-
Remeasurement (Gain)/Loss	2.72	(0.80)	(0.16)	3.61
Benefits paid	(2.30)	(0.37)	(5.48)	(0.89)
Projected benefit obligation at the end of the year	16.61	9.77	85.79	79.38

**Amount recognised in Balance sheet**

Particulars	Leave Encashment Unfunded		Gratuity Unfunded	
	As at 31-Mar-2024	As at 31-Mar-2023	As at 31-Mar-2024	As at 31-Mar-2023
Projected benefit obligation at the end of the year	16.61	9.77	85.79	79.38
Fair value of plan assets at the end of the year	-	-	2.11	2.13
Amount of liability recognised in the Balance sheet	16.61	9.77	83.68	77.25
Current Liability	1.39	1.13	20.72	17.13
Non Current Liability	15.22	8.64	62.96	60.12

**Expense Recognised in Statement of Profit and Loss Account**

Particulars	Leave Encashment Unfunded		Gratuity Unfunded	
	As at 31-Mar-2024	As at 31-Mar-2023	As at 31-Mar-2024	As at 31-Mar-2023
Service cost	5.77	1.42	6.29	6.73
Interest cost	0.65	0.65	5.76	4.86
Past Service cost	-	-	-	-
Expected return on plan assets	-	-	(0.16)	(0.16)
Actuarial Gain/loss due to demographic Assumption changes in defined benefit obligation	0.08	(0.02)	0.29	1.39
Actuarial Gain/loss due to Financial assumption changes in defined benefit obligation	0.35	(0.11)	1.31	(0.87)
Actuarial Gain/loss due to Experience adjustment changes in defined benefit obligation	2.29	(0.67)	(1.60)	3.25
Return on plan assets (Greater)/lesser than Discount rate	-	-	-	-
Total cost recognised in Profit and Loss account and OCI	9.14	1.27	11.89	15.20
Cost recognised in Profit and loss Account	9.14	1.27	11.89	11.43
Remeasurement effect recognised in OCI	-	-	-	3.77
Total defined Benefit Cost	9.14	1.27	11.89	15.20

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

(All amounts are ₹ in Lakhs, unless otherwise stated)

### Summary of Actuarial Assumptions

Particulars	Leave Encashment Unfunded		Gratuity Unfunded	
	As at 31-Mar-2024	As at 31-Mar-2023	As at 31-Mar-2024	As at 31-Mar-2023
Mortality rate(LIC)				
Discount rate p.a	7.17%	7.28%	7.17%	7.52%
Expected rate of return on plan assets p.a	–	–	7.17%	7.52%
Rate of escalation of salary p.a	5%	5%	5%	5%
Attrition	5%	2%	10%	5%
Leave accounting and consumption technique	LIFO	LIFO	NA	NA
Proportion of leave availment	5%	5%	NA	NA
Proportion of encashment in Service/ Lapse	–	–	NA	NA
Proportion of encashment on separation	95%	95%	NA	NA

The estimate of rate of escalation in salary considered in actuarial valuation, taken into account inflation, seniority, promotion and other relevant factors. The discount rate has been chosen by reference to market yields on Government Bonds. The above information is certified by actuary.

The overall expected rate of return on assets is determined based on the market prices prevailing on the data applicable to the period over which the obligation is to be settled.

### The expected cash flows over the next five years are as follows:

Year	Leave Encashment	Gratuity
1 year	1.18	4.04
2 to 5 years	6.75	30.91
6 to 10 years	7.15	34.85

### Sensitivity Analysis of Significant Actuarial Assumptions

Particulars	Leave Encashment	
	March 31, 2024	March 31, 2023
	Change in Defined benefit Obligation	
Discount rate + 100 basis points	0.05	0.05
Discount rate - 100 basis points	0.05	0.05
Salary growth rate + 100 basis points	0.05	0.05
Salary growth rate - 100 basis points	0.04	0.04

Particulars	Gratuity	
	March 31, 2024	March 31, 2023
	Change in Defined benefit Obligation	
Discount rate + 100 basis points	-0.04	0.05
Discount rate - 100 basis points	0.04	0.05
Salary growth rate + 100 basis points	0.04	0.04
Salary growth rate - 100 basis points	-0.03	0.04

While one of the parameters mentioned above is changed by 100 basis points, other parameters kept unchanged for evaluating the defined benefit obligation. While there is no change in the method used for sensitivity analysis from previous period, the change in assumptions now considered are with reference to the current assumptions.

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

(All amounts are ₹ in Lakhs, unless otherwise stated)

**33. LIQUIDITY/PROFITABILITY RATIOS**

Particulars	Current Year	Previous Year
<b>A. Current Ratio</b>		
Current Assets-A	1,939.35	2,354.60
Current Liabilities-B	2,015.11	2,157.92
Current Ratio A/B	0.96	1.09
Variance compared to previous year	(12%)	
Reason: Due to decrease in current assets		
<b>B. Debt Equity Ratio</b>		
Total Liabilities Excluding Equity-A	4,206.18	4,274.50
Capital And Other Equity-B	1,850.58	2,245.69
Debt Equity Ratio-A/B	2.27	1.90
Variance compared to previous year	19%	
Reason: Due to reduction in networth on account of losses		
<b>C. Debt Service Coverage Ratio</b>		
Profit after Tax plus Interest plus deferred tax+depreciation - A	2.11	(984.77)
Interest out flow plus term loan repayments during the year-B	328.75	234.67
Debt Service Coverage (A/B)	0.01	(4.20)
Variance compared to previous year	(100%)	
Reason: Due to reduced losses during the year		
<b>D. Return On Equity Ratio</b>		
Profit After Taxes-A	(455.54)	(1,404.04)
Average of Total Equity	2,048.14	3,216.20
Return On Equity Ratio(A/B)	(0.22)	(0.44)
Variance compared to previous year	(49%)	
Reason: Usually this ratio is calculated only when the company has net profit. As there is loss in the current year, the ratio is negative and is not given		
<b>E. Inventory Turnover Ratio</b>		
Cost of Goods Sold-B	6,454.74	4,935.36
Average Inventory	1,490.68	1,916.38
Inventory Turnover Ratio-A/B	4.33	2.58
Variance compared to previous year	68%	
Reason: Due to increase in Turnover		
<b>F. Debtors Turnover Ratio</b>		
Total Revenue-A	9,052.48	6,428.75
Credit Sales In Above-B	2,883.16	1,843.60
Average Debtors-C	249.01	64.14
Debtors Turnover Ratio B/C	11.58	28.74
Variance compared to previous year	(60%)	
Reason: Due to increase in the receivables at the end of current year /average		



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

(All amounts are ₹ in Lakhs, unless otherwise stated)

Particulars	Current Year	Previous Year
<b>G. Trade Payable Turnover Ratio</b>		
Trade payable average-A	345.60	241.49
Total Purchases-B	6,339.59	5,200.41
Trade Payable Turnover Ratio B/A	18.34	21.53
Variance compared to previous year	(15%)	
Reason: The payable turnover ratio is more as the average payable level has increased in the current year		
<b>H. Net Capital Turnover Ratio</b>		
Average of Net working capital (Current Assets-Current Liabilities)	60.46	661.04
Sales Turnover-B	8,709.10	6,397.19
Net Capital Turnover Ratio(B/A)	144.05	9.68
Reason: Due to reduction in average net working capital	1388%	
<b>I. Net Profit Ratio</b>		
Profit after Taxes-A	(455.54)	(1,404.04)
Sales Turnover-B	8,709.10	6,397.19
Net Profit Ratio-(A/B) in %	(0.05)	(0.22)
Variance compared to previous year	(76%)	
Reason: Due to decrease in loss in the current year		
<b>J. Return on Capital employed</b>		
Profit before taxes plus interest-A	(241.61)	(1,237.33)
Equity+Long term borrowings (average of opening and closing)-B	4,010.97	4,799.02
Return on Capital employed-(A/B)	(0.06)	(0.26)
Variance compared to previous year	(77%)	
Reason: Due to decrease in loss in the current year		
<b>K. Return on Investment</b>		
Net profit after taxes-A	(455.54)	(1,404.04)
Average value of assets -B	2,146.98	2,523.70
Return on Investment	(0.21)	(0.56)
Variance compared to previous year	(62%)	
Reason: Due to decrease in loss in the current year		

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

(All amounts are ₹ in Lakhs, unless otherwise stated)

**34. Financial Instruments Risk and review****Financial Instruments**

The carrying value and fair value of financial instruments by categories as of March 31, 2024 is as follows:

Particulars	Fair Value through P&L	Fair Value through Comprehensive Income	Amortised Cost	Total Carrying Amount
<b>Assets</b>				
Cash and Cash Equivalents	–	–	2.85	2.85
Other Balances with Bank	–	–	41.41	41.41
Trade receivables	–	–	450.93	450.93
Loans	–	–	122.83	122.83
Investments	–	252.68	1.31	253.99
Other Financial Assets	–	–	–	–
<b>Total</b>	<b>–</b>	<b>252.68</b>	<b>619.33</b>	<b>872.01</b>
<b>Liabilities</b>				
Trade and Other Payables	–	–	588.06	588.06
Borrowings	–	–	2859.17	2859.17
Other Financial Liabilities	–	–	305.27	305.27
<b>Total</b>	<b>–</b>	<b>–</b>	<b>3752.50</b>	<b>3752.50</b>

The carrying value and fair value of financial instruments by categories as of March 31, 2023 is as follows:

Particulars	Fair Value through P&L	Fair Value through Comprehensive Income	Amortised Cost	Total Carrying Amount
<b>Assets</b>				
Cash and Cash Equivalents	–	–	3.11	3.11
Other Balances with Bank	–	–	40.51	40.51
Trade receivables	–	–	47.09	47.09
Loans	–	–	102.61	102.61
Investments	–	167.08	1.31	168.39
Other Financial Assets	–	–	–	–
<b>Total</b>	<b>–</b>	<b>167.08</b>	<b>194.63</b>	<b>361.71</b>
<b>Liabilities</b>				
Trade and Other Payables	–	–	103.13	103.13
Borrowings	–	–	3328.10	3328.10
Other Financial Liabilities	–	–	348.18	348.18
<b>Total</b>	<b>–</b>	<b>–</b>	<b>3779.41</b>	<b>3779.41</b>

**Fair Value Hierarchy:**

The following table shows the levels in the fair value hierarchy as the end of reporting period.

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Assets</b>		
Investments	Level 1	Level 1
<b>Liabilities</b>		
Borrowings-Optionally convertible loan	Level 2	Level 2





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

(All amounts are ₹ in Lakhs, unless otherwise stated)

### Financial Risk Management Objectives and Policies

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

The company is exposed to the following risks from its use of financial instruments

- Market Risk
- Credit Risk
- Liquidity Risk

The company's Board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note presents information about the risks associated with its financial instruments, the company's objectives, policies and processes for measuring and managing risk, and the Company's management of Capital.

### Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

#### a) Foreign Currency Exchange Rate Risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. The risks primarily relate to fluctuations in US Dollar, Euro, Great Britain Pound, and Japanese Yen against the respective functional currencies of Veejay Lakshmi Engineering Works Limited.

The following analysis has been worked out based on the net exposures for Veejay Lakshmi Engineering Works Limited as of the date of statements of financial position which could affect the Statements of profit or loss and other comprehensive income and equity.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary Liabilities at the end of the reporting period are as follows:

As at March 31, 2024	USD	EURO	JPY	GBP
<b>Financial Assets</b>				
Trade receivables	438.29	-	-	-
<b>Total</b>	<b>438.29</b>	-	-	-
<b>Financial Liabilities</b>				
Trade Payables	-	-	-	-
<b>Total</b>	-	-	-	-
<b>As at March 31, 2023</b>				
<b>Financial Assets</b>				
Trade receivables	42.51	-	-	-
<b>Total</b>	<b>42.51</b>	-	-	-
<b>Financial Liabilities</b>				
Trade Payables	7.58	-	-	-
<b>Total</b>	<b>7.58</b>	-	-	-

### Credit Risk

The company is exposed to credit risk as a result of risk of counter parties defaulting on their obligations. The company's exposure to credit risk primarily relates to Cash and Cash Equivalents, other bank balances, trade receivables, loans and other financial assets.

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

(All amounts are ₹ in Lakhs, unless otherwise stated)

The customer's credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management.

Credit quality of a customer is assessed based on the individual credit limits that are defined in accordance with the assessment and outstanding customer receivables are regularly monitored. The company monitors and limits its exposure to credit risk on a continuous basis.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

<b>Exposure to Credit Risk</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2024</b>
The carrying amount of financial assets represents the maximum credit exposure. Maximum exposure to credit risk being the total of the carrying amount of trade receivables, investments, cash and cash equivalents, other balance with banks, loans and other financial assets.	<b>872.01</b>	361.71

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables. The maximum exposure to credit risk as at reporting date is primarily from trade receivables and the movement in allowance for impairment in respect of trade and other receivables during the year was as follows:

Trade Receivables	<b>450.93</b>	47.09
Allowance for doubtful debts	-	-

**Liquidity Risk**

The company is exposed to liquidity risk related to its ability to fund its obligations as they become due. The company monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The company monitors cash balances daily. In relation to Company's liquidity risk, the company's policy is to ensure, as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions as they fall due while minimizing finance costs without incurring unacceptable losses or risking damage to Company's reputation.

The Company's principle source of liquidity is cash and cash equivalents and the cash flow is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements and accordingly, no risk is perceived.

**Financial Liabilities**

<b>As at March 31, 2024</b>	<b>Due in 1 year</b>	<b>1-2 years</b>	<b>3-5 years</b>	<b>&gt;5 years</b>
Borrowings	863.80	109.88	139.60	1745.89
Trade payables	588.06	-	-	-
Other Financial Liabilities	305.27	-	-	-
<b>Total</b>	<b>1757.13</b>	<b>109.88</b>	<b>139.60</b>	<b>1745.89</b>
	Due in 1 year	1-2 years	3-5 years	>5 years
<b>As at March 31, 2023</b>				
Borrowings	1397.80	122.12	223.01	1585.17
Trade payables	103.13	-	-	-
Other Financial Liabilities	348.18	-	-	-
<b>Total</b>	<b>1849.11</b>	<b>122.12</b>	<b>223.01</b>	<b>1585.17</b>

For and on behalf of the Board of Directors of  
**Veejay Lakshmi Engineering Works Limited**

As per our report of even date  
**For N.R. D. Associates**  
Chartered Accountants, FRN No: 005662S

**SUGUNA RAVICHANDRAN**

Partner

M.No : 207893

**(SD/-) V.J. JAYARAMAN**

Chairman

DIN : 00137340

Place : Coimbatore  
Date : 29.05.2024**(SD/-) J. ANAND**

Managing Director

DIN : 00137425

**(SD/-) D.RANGANATHAN**

Whole-Time Director

DIN : 00137566

**(SD/-) V.K.SWAMINATHAN**

Company Secretary

**INDEPENDENT AUDITOR'S REPORT**  
**To the Members of Veejay Lakshmi Engineering Works Limited**  
**REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS**

**Opinion**

We have audited the accompanying consolidated financial statements of **VEEJAY LAKSHMI ENGINEERING WORKS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements")

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

**Basis for Opinion**

We conducted our audit of consolidated financial statements in accordance with the Standards on Auditing (SAs) specified u/s 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are Independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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 consolidated financial statements.

**Key Audit Matters**

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

Key Audit Matter	Auditor's Response
<p><b>1. Litigations - Contingencies</b></p> <p>The company has ongoing litigations with various authorities and third parties which would have significant impact on the results, if the potential exposures were to materialize.</p> <p>The amounts involved are significant, and the application of accounting standards to determine the amount, if any, to be provided as liability or disclosed as a contingent liability is inherently subjective.</p> <p>Claims against the company not acknowledged as debts are disclosed in the Financial statements by the company after a careful evaluation of the facts and legal aspects of the matter involved. The outcome of such litigation is uncertain and the position taken by management involves as significant judgement and estimation to determine the likelihood and/or timing of cash outflows and the interpretation of preliminary and pending court rulings. Refer note 27 to the consolidated Financial Statements.</p>	<p><b>Principal Audit Procedures Performed :</b></p> <p>Our audit approach was a combination of test of controls and substantive procedures including:</p> <ol style="list-style-type: none"> <li>Assessing the appropriateness of the design and implementation of the company's controls over the assessment of litigations and completeness of disclosures.</li> <li>We tested the design and operating effectiveness of the company's key controls over the identification, estimation, monitoring and accounting/ disclosure of Provisions for disputed matters and contingent liabilities.</li> <li>For Significant cases, where the company has recognized provision, we assessed the determination of amounts recognized.</li> <li>For cases where provision was not recognized by the Company, we assessed the disclosure made in the financial statements.</li> </ol>

**Information other than the Consolidated Financial Statements and the Auditor's report thereon**

The Company's Board of directors is responsible for preparation of other information. The other information comprises the information included in the management discussion and analysis, Board's Report including annexures to Board's Report, Business responsibility report, Corporate Governance Report and Shareholder's information, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

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

**Responsibilities of Management and Those charged with Governance for the Consolidated Financial Statements:**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

**Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and event in a manner that achieves fair presentation.

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

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

**Other Matters**

We did not audit the financial statements of Veejay Sales and Services Limited, an associate whose financial statements reflect the Company's share of net loss after tax of Rs. (2.06) lakhs and share of Comprehensive income of Rs.7.39 lakhs for the year ended March 31 2024. These financial statements have been audited by other auditor whose report have been furnished to us by the management and our opinion on the consolidated, in so far as it relates to the amounts and disclosures included in respect of the associate and our report in terms of subsections (3) and (11) of Section 143 of the Act, in so far it related to the aforesaid associate, is based solely on the reports of the auditor.

Our opinion on the consolidated financial statements, and our report on other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of other auditors.

**Report on Other Legal and Regulatory Requirements:**

- 1) As required by Section 143 (3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The consolidated balance Sheet, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated statement of Changes in Equity and the consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid consolidated financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) rules, 2015 as amended.
  - e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of Section 197 of the Act read with Schedule V to the act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its consolidated Financial Statements -Refer Note No.27 on Contingent Liability to the consolidated financial statements;
    - ii. The company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

- iii. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- iv. The Company and its associates incorporated in India has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- v. The Reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is applicable from April 1, 2023.

Based on our examination which included test checks, the company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

- 2) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) order, 2020 (the "Order"/"CARO") issued by the central government in terms of section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the company and based on the CARO reports issued by the other auditors of the associate, included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

**For N.R.D. ASSOCIATES**

Chartered Accountants  
(Firm Regn. No. : 005662S)

**(Sd/-) Suguna Ravichandran**  
Partner

Membership No. : 207893  
UDIN : 24207893BKATQS5716

Place : Coimbatore  
Date : 29.05.2024



## ANNEXURE A - TO INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirement 'in the Independent Auditor's Report of even date to the members of Veejay Lakshmi Engineering works Limited on the Consolidated Financial Statements for the year ended 31-03-2024]

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

We have audited the internal financial controls over financial reporting of Veejay Lakshmi Engineering works Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

### Auditor's Responsibility:

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

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

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

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

### Meaning of Internal Financial Controls over Financial Reporting

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

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;



- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting:**

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

**Opinion:**

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

Place : Coimbatore  
Date : 29.05.2024

**For N.R.D. ASSOCIATES**  
Chartered Accountants  
(Firm Regn. No. : 005662S)  
**(Sd/-) Suguna Ravichandran**  
Partner  
Membership No. : 207893  
UDIN : 24207893BKATQS5716

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2024**

Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
<b>ASSETS</b>			
<b>Amount ₹ in lakhs</b>			
<b>I. Non-current Assets</b>			
a) Property Plant and Equipment	2	3,636.46	3,798.38
b) Capital Work in Process		–	–
c) Investment Property	3	77.82	67.14
d) Intangible Assets	4	–	–
e) Financial Assets			
(i) Investments	5 (a)	412.31	321.38
(ii) Loans	5 (b)	119.97	102.51
f) Deferred Tax Asset Net	6	–	–
g) Other Non Current Assets	7	29.17	29.17
<b>Total</b>		<b>4,275.73</b>	<b>4,318.58</b>
<b>II. Current Assets</b>			
a) Inventories	8 (a)	1,213.80	1,767.56
b) Financial Assets			
(i) Trade Receivables	8 (b)	450.93	47.09
(ii) Cash and Cash equivalents	8 (c)	2.85	3.11
(iii) Bank balances other than (ii) above	8 (d)	41.41	40.51
(iv) Loans	8 (e)	2.86	0.10
(c) Other current assets	9	208.02	491.01
(d) Current Tax Assets (Net)		19.48	5.22
<b>Total</b>		<b>1,939.35</b>	<b>2,354.60</b>
<b>TOTAL ASSETS</b>		<b>6,215.08</b>	<b>6,673.18</b>
<b>EQUITY AND LIABILITIES</b>			
<b>I. Equity</b>			
(a) Equity Share Capital	10	507.19	507.19
(b) Other Equity	11	1,501.71	1,891.49
<b>Total Equity</b>		<b>2,008.90</b>	<b>2,398.68</b>
<b>II. Non Current Liabilities</b>			
a) Financial Liabilities			
Borrowings	12	1,995.37	1,930.30
Security Deposit from Tenants		117.52	117.52
b) Gratuity/Leave Salary Provisions	13	78.18	68.76
<b>Sub Total</b>		<b>2,191.07</b>	<b>2,116.58</b>
<b>III. Current Liabilities</b>			
a) Financial Liabilities			
(i) Short term Borrowings	14 (a)	863.80	1,397.80
(ii) Trade Payables			
a) Dues to Micro and Small Enterprises	14 (b)	585.17	96.73
b) Dues to Creditors other than (ii) (a) above		2.89	6.40
(iii) Other Financial Liabilities	14 (c)	187.75	230.66
b) Other Current Liabilities	15	328.61	376.49
c) Provisions	16	46.89	49.84
<b>Sub Total</b>		<b>2,015.11</b>	<b>2,157.92</b>
<b>TOTAL LIABILITIES</b>		<b>6,215.08</b>	<b>6,673.18</b>

**Significant Accounting Polices**

Notes to the Financial Statements

1  
2-34

The accompanying Notes form an integral part of the Consolidated Financial Statements For and on behalf of the Board of Directors of Veejay Lakshmi Engineering Works Limited

As per our report of even date  
For N.R. D. Associates  
Chartered Accountants, FRN No: 005662S

(SD/-) V.J. JAYARAMAN  
Chairman  
DIN : 00137340

(SD/-) J. ANAND  
Managing Director  
DIN : 00137425

(SD/-) D.RANGANATHAN  
Whole-Time Director  
DIN : 00137566

(SD/-) V.K.SWAMINATHAN  
Company Secretary

SUGUNA RAVICHANDRAN  
Partner  
M.No : 207893

Place : Coimbatore  
Date : 29.05.2024

**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2024**

Particulars	Note No.	For the year ended 31.03.2024	For the year ended 31.03.2023
		<b>Amount ₹ in lakhs</b>	
<b>INCOME</b>			
I Revenue from operations	17	<b>8,709.10</b>	6,397.19
II Other Income	18	<b>343.38</b>	31.56
III Total Income (I+II)		<b>9,052.48</b>	6,428.75
<b>IV EXPENSES</b>			
Cost of Materials consumed	19	<b>6,454.74</b>	4,935.36
Changes in Inventories of Finished goods, Work-in process and Stock in trade	20	<b>257.72</b>	392.60
Employee Benefits Expense	21	<b>1,164.80</b>	1,060.00
Finance Costs	22	<b>237.22</b>	166.97
Depreciation and amortization expenses	2&3	<b>243.72</b>	252.56
Other expenses	23	<b>1,173.11</b>	1,025.56
<b>Total Expenses (IV)</b>		<b>9,531.31</b>	7,833.05
V <b>Profit/(Loss) before exceptional items and tax (III-IV)</b>		<b>(478.83)</b>	(1,404.30)
VI Exceptional items (income(+), expenses(-))		-	-
VII <b>Profit before Tax after exceptional items (V-VI)</b>		<b>(478.83)</b>	(1,404.30)
VIII <b>Tax Expense :</b>			
Current Tax		-	-
Deferred Tax		<b>(23.29)</b>	(0.26)
<b>IX Profit and Loss for the year from continuing operations (VII-VIII)</b>		<b>(455.54)</b>	(1,404.04)
X Share of profit/(loss) of an associate		<b>(2.06)</b>	4.17
XI Other comprehensive income			
A. Items that will not be reclassified to Profit or Loss			
1. Changes in Fair value of FVTOCI equity instruments		<b>85.60</b>	6.30
1a. Deferred-tax relating to above		<b>(23.81)</b>	(1.75)
2. Remeasurement of post-employment defined benefit plans			
+(income)-/(expense)		-	(3.77)
2a. Deferred-tax relating to above		-	1.05
B. Items that will be reclassified to Profit and Loss			
1. Forex Cash Flow Hedging		<b>(1.88)</b>	(1.57)
1a. Deferred-tax relating to above		<b>0.52</b>	0.44
Share of other Comprehensive Income in Associates		<b>7.39</b>	(1.08)
<b>Total Other Comprehensive income for the year</b>		<b>67.82</b>	(0.38)
XII <b>Total Comprehensive income for the year</b>		<b>(389.78)</b>	(1,400.25)
Earnings per share for Continuing operation			
Basic		<b>(8.98)</b>	(27.68)
Diluted	28	<b>(8.98)</b>	(27.68)

There is no discontinued operation and hence there is no profit/loss or EPS relating to the same

**Significant Accounting Polices****1**

Notes to the Financial Statements

**2-34**

The accompanying Notes form an integral part of the Consolidated Financial Statements

For and on behalf of the Board of Directors of  
**Veejay Lakshmi Engineering Works Limited**

As per our report of even date

**For N.R. D. Associates**

Chartered Accountants, FRN No: 005662S

(SD/-) V.J. JAYARAMAN  
Chairman  
DIN : 00137340(SD/-) J. ANAND  
Managing Director  
DIN : 00137425(SD/-) D.RANGANATHAN  
Whole-Time Director  
DIN : 00137566(SD/-) V.K.SWAMINATHAN  
Company SecretarySUGUNA RAVICHANDRAN  
Partner  
M.No : 207893Place : Coimbatore  
Date : 29.05.2024

**CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2024**

Particulars	For the year ended 31 Mar, 2024	For the year ended 31 Mar, 2023
Amount ₹ in lakhs		
<b>I. Cash Flows From Operating Activities</b>		
Net profit before taxation and extraordinary item	(478.83)	(1,404.30)
Adjustments for:		
Depreciation and amortisation expense	243.72	252.56
Allowance for doubtful debts	-	-
Finance expenses (considered separately)	237.22	166.97
Interest income (considered separately)	(130.63)	(6.90)
Dividend Income	(1.85)	(0.79)
Unrealised foreign exchange fluctuation loss/(gain), net	4.72	(0.14)
(Profit) /loss on sale of Property, Plant and Equipment (net)	-	-
Profit on sale of Investments	-	-
Operating profit before working capital changes	353.18	411.70
Working capital changes:		
(Increase)/Decrease in Trade receivables	(403.84)	34.10
(Increase)/Decrease in Inventories	553.76	297.63
Increase/(Decrease) in Loans	(2.76)	0.95
(Increase)/Decrease in other current assets	282.99	(29.13)
(Increase)/Decrease in other financial Assets	-	-
Increase/(Decrease) in trade payables	484.93	(276.72)
(Increase)/Decrease in Non current Assets	-	-
Increase/(Decrease) in other financial liabilities	11.00	58.83
Increase/(Decrease) in other current liabilities	(47.88)	8.26
Increase/(Decrease) in Advances	(17.46)	(56.17)
Increase/(Decrease) in provisions	6.47	11.52
Cash generated from operations	1,220.39	460.97
Tax (paid)/refund received	(14.26)	(0.53)
<b>Net cash provided by operating activities</b>	<b>(A)</b>	<b>727.30</b>
		<b>(943.86)</b>
<b>II. Cash Flows From Investing Activities</b>		
Purchase of Property, Plant and Equipment	(92.65)	(1.92)
Sale proceeds of Property, Plant and Equipment	0.17	-
Interest income received	130.63	6.90
Amount Invested in Fixed Deposit	(0.90)	(2.04)
Proceeds from Investments	-	-
Dividend Income Received	1.85	0.79
<b>Net cash used in investing activities</b>	<b>(B)</b>	<b>39.10</b>
		<b>3.73</b>
<b>III. Cash Flows From Financing Activities</b>		
Interest paid	(293.01)	(133.74)
Increase/(decrease) in short-term borrowings	(534.00)	879.24
Proceeds from long-term borrowings	65.07	157.28
<b>Net cash provided by financing activities</b>	<b>(C)</b>	<b>(761.94)</b>
		<b>902.78</b>
Effect of exchange differences on translation of cash and cash equivalents	(D)	(4.72)
		0.14
<b>Net increase/(decrease) in cash and cash equivalents during the year (A) + (B) + (C) + (D)</b>	<b>(0.26)</b>	<b>(37.21)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>3.11</b>	<b>40.32</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>2.85</b>	<b>3.11</b>
<b>IV. Significant Accounting Policies</b>	<b>1</b>	
<b>Notes to financial statements</b>	<b>(2-34)</b>	

The accompanying Notes form an integral part of the Consolidated Financial Statements

Notes : 1. Figures in brackets represent out flows of cash and cash equivalents.

For and on behalf of the Board of Directors of  
**Veejay Lakshmi Engineering Works Limited**

As per our report of even date

**For N.R. D. Associates**

Chartered Accountants, FRN No: 005662S

**SUGUNA RAVICHANDRAN**

Partner

M.No : 207893

(SD/-) V.J. JAYARAMAN

Chairman

DIN : 00137340

Place : Coimbatore

Date : 29.05.2024

(SD/-) J. ANAND

Managing Director

DIN : 00137425

(SD/-) D.RANGANATHAN

Whole-Time Director

DIN : 00137566

(SD/-) V.K.SWAMINATHAN

Company Secretary



**Consolidated Statement of Changes in Equity for the year ended 31st March 2023**

Particulars	Equity Share Capital	Reserves and Surplus				Equity Component of Compound Financial Instrument	Equity Instruments through Other Comprehensive Income	Items of Other Comprehensive Income	Cash Flow hedge	Total
		General Reserve	Capital Reserve	Securities premium	Retained Earnings					
Balance at the beginning of the Previous reporting period (01.04.2022)	507.19	3,599.49	100.82	2,116.43	(2,824.92)	716.87	126.83	(6.11)	(1.57)	4,335.03
Changes due to prior period items	-	-	-	-	-	-	-	(1.13)	2.70	1.57
Restated Balance at the beginning of reporting Period (01.04.2022)	507.19	3,599.49	100.82	2,116.43	(2,824.92)	716.87	126.83	(7.24)	1.13	4,336.60
Profit for the year	-	-	-	-	(1,399.87)	-	-	-	-	(1,399.87)
Other Equity and interest accrued on account of compound Financial instruments reversed	-	-	-	-	179.20	(716.87)	-	-	-	(537.67)
Re measurement of net defined benefit Liability/Asset (net)	-	-	-	-	-	-	-	(2.72)	-	(2.72)
Changes in fair value of equity instruments through FVTOCI (net of tax)	-	-	-	-	-	-	3.47	-	-	3.47
Cash flow hedges (Net of taxes)	-	-	-	-	-	-	-	-	(1.13)	(1.13)
Total Comprehensive Income	-	-	-	-	(1,220.67)	(716.87)	3.47	(2.72)	(1.13)	(1,937.92)
Transfer to Reserves	-	-	-	-	-	-	-	-	-	-
<b>Balance at the end of reporting Period (31.03.2023)</b>	<b>507.19</b>	<b>3,599.49</b>	<b>100.82</b>	<b>2,116.43</b>	<b>(4,045.59)</b>	<b>-</b>	<b>130.30</b>	<b>(9.96)</b>	<b>-</b>	<b>2,398.68</b>

**Consolidated Statement of Changes in Equity for the year ended 31st March, 2024**

Particulars	Equity Share Capital	Reserves and Surplus				Equity Component of Compound Financial Instrument	Equity Instruments through Other Comprehensive Income	Items of Other Comprehensive Income	Cash Flow hedge	Total
		General Reserve	Capital Reserve	Securities premium	Retained Earnings					
Balance at the beginning of the current reporting period (01.04.2023)	507.19	3,599.49	100.82	2,116.43	(4,045.59)	-	130.30	(9.96)	-	2,398.68
Changes due to prior period items	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of reporting Period (01.04.2023)	507.19	3,599.49	100.82	2,116.43	(4,045.59)	-	130.30	(9.96)	-	2,398.68
Profit for the year	-	-	-	-	(457.60)	-	-	-	-	(457.60)
Re measurement of net defined benefit Liability/Asset (net)	-	-	-	-	-	-	-	-	-	-
Changes in fair value of equity instruments through FVTOCI (net of tax)	-	-	-	-	-	-	69.18	-	-	69.18
Cash flow hedges (Net of taxes)	-	-	-	-	-	-	-	(1.36)	(1.36)	(399.78)
Total Comprehensive Income	-	-	-	-	(457.60)	-	69.18	-	(1.36)	(399.78)
Transfer to Reserves	-	-	-	-	-	-	-	-	-	-
<b>Balance at the end of reporting Period (31.03.2024)</b>	<b>507.19</b>	<b>3,599.49</b>	<b>100.82</b>	<b>2,116.43</b>	<b>(4,503.19)</b>	<b>-</b>	<b>199.48</b>	<b>(9.96)</b>	<b>(1.36)</b>	<b>2,008.90</b>

Significant Accounting Policies

Notes to the Financial Statements

The accompanying notes form an integral part of the Consolidated Financial Statements

For and on behalf of the Board of Directors of  
**Veejay Lakshmi Engineering Works Limited**

(SD-) V.J. JAYARAMAN (SD-) J. ANAND (SD-) D. RANGANATHAN  
Chairman Managing Director Whole-time Director  
DIN : 00137340 DIN : 00137425 DIN : 00137566

(SD-) V.K. SWAMINATHAN  
Company Secretary

Chartered Accountants, FRN No. 005662/S  
**SUGUNA RAVICHANDRAN**  
Partner

M.No. : 207893

As per our report of even date

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024****1. CORPORATE INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES****1. Corporate Information**

Veejay Lakshmi Engineering Works Limited is a public company incorporated in India under the provisions of the Companies Act, 1956. Its shares are listed on the Bombay Stock Exchange [BSE]. The principal place of business is Coimbatore. The Company manufactures Textile machinery used in post spinning operations and also has a textile unit producing yarn and knitted fabrics. The products are sold in both domestic and international markets. The financial statements are approved for issue by the Company's Board of Directors on 29th May, 2024.

**2. Statement of compliance**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013.

**3. Basis of preparation of financial statements**

The financial statement are prepared on accrual basis of accounting under historical cost convention except as otherwise provided in policy and in accordance with Indian Accounting Standard (Ind-AS) as notified by Ministry of Corporate Affairs under companies (Indian Accounting Standards) Rules, 2015 and guidelines issued by the Securities and Exchange Board of India (SEBI) and subsequent amendments thereof as well as with the additional requirements applicable to the financial statements as set forth in the Companies Act. All items having material bearing on the financial statements are recognised on the accrual basis.

**4. Basis of Consolidation**

The Consolidated Financial Statements comprise the financial statements of Veejay Lakshmi Engineering Works Limited and its associate (the Company and its associate constitute "the Group"). Investments in Associates are dealt in accordance with Indian Accounting Standard IND AS 28 'Investments in Associates and Joint Ventures'. An associate is an entity over which the company has significant influence.

The financial statements of the Group companies are consolidated by way of Equity method wherein the carrying amount of investment in associate is adjusted for the post-acquisition change in investor's share of Investees net assets. The investor's profit or loss includes its share of the investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income.

The financial statements of the associate company used in consolidation are drawn up to the same reporting period as of the company i.e., 31.03.2024.

**5. Basis of measurement**

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair values.

Items	Measurement Basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/liability	Fair value of plan assets less present value of defined benefit obligation

**Measurement of Fair Values**

A number of Company's accounting policies and disclosures require a measurement of their fair value, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes periodic review of all significant fair value measurement, including level 3 fair values.

The management regularly reviews significant unobservable inputs and valuation adjustments.

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

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

'The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the changes has occurred'.

Further information about the assumptions made in measuring fair values is included in the Other Notes to Accounts.

**6. Use of estimates and judgment**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amount of assets, liabilities expenses and revenue during the reporting period. Although such estimates and assumptions are made on reasonable and prudent basis taking into all possible information, actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and revisions to accounting estimates are recognized in the period in which the estimates are revised.

Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements are valuation of defined benefit obligations, provisions, contingent liabilities and impairment of trade receivables.

**a) Impairment of Trade Receivables:**

The company estimates the credit allowance as per practical expedient based on historical credit loss experience.

**b) Provisions:**

Provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. The policy for the same has been explained under Note: 14 of Significant Accounting policies

**7. Functional and Presentation Currency**

These Financial Statements are presented in Indian Rupees, which is also company's functional currency.

**8. Property, plant and Equipments and Intangible Assets**

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and impairment loss, if any. Such costs comprises of purchase price and any directly attributable cost of bringing the assets to its working condition for intended use and also include -any estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

The company depreciates property, plant & equipment using the straight line method on an estimated life as prescribed in Schedule II to the Companies act, 2013.

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

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are stated at cost less accumulated amortization and impairment if any. The estimated useful lives and residual values of the Property, Plant & Equipment and Intangible assets are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of Property, Plant & Equipment and intangible assets is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant & Equipment and intangible assets are determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the profit or loss. Advance paid towards the acquisition of property, plant & equipment outstanding at each Balance sheet date is classified as capital advance under other non-current assets.

**9. Impairment of Assets****Financial Assets:**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. IND AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

**Non-Financial Assets:**

Property, Plant and Equipment and Other Intangible Assets- the Company reviews at each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit & loss.

**10. Non-current assets held for sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Property, plant and equipment and Intangible assets are not depreciated or amortized once classified as held for sale.

**11. Investment Property**

Investment property is property held in the form of land/building which is mainly held for the purpose of capital appreciation, but not for sale in the ordinary course of business. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less impairment losses, if any. An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024****12. Borrowing Cost**

Borrowing Cost specifically identified to the acquisition or construction of qualifying assets is capitalized as part of cost of such assets up to the period the project is commissioned or asset is put to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. The borrowing cost incurred on common funds borrowed generally and used for the purpose of obtaining the qualifying assets, is apportioned on rational basis, the remaining borrowing costs are charged to the Statement of Profit and Loss. Income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Finance cost-Interest expense is recognised using Effective interest rate method.

**13. Accounting Policy on Revenue recognition**

The Company has adopted Ind AS 115 'Revenue from Contracts with Customers' with the date of initial application being April 1, 2018. Ind AS 115 establishes a comprehensive framework on revenue recognition. Ind AS 115 replaces Ind AS 18 'Revenue' and Ind AS 11 'Construction Contracts'.

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable net of returns, trade discounts. Revenue is recognized on the basis of despatches in accordance with the terms of sale when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of the goods can be estimated reliably, there is no continuing effective control over or managerial involvement with the goods, and the amount of revenue can be measured reliably. The timing of transfers of risk and rewards varies depending on the individual terms of sale.

Revenue from Services is recognized in accordance with the specific terms of contract on performance.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend Income is recognized when the company's right to receive is established.

Export Incentives under Duty Drawback scheme are recognized when the right to receive payments is established and there is no uncertainty regarding the amount of consideration or its collectability.

**14. Employee Benefits**

Employee benefits include salaries, wages, provident fund, gratuity, leave encashment, compensate absences and retirement benefits.

**Short-term employee benefits.**

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized undiscounted during the period employee renders services. These benefits include remuneration, bonus, incentives, etc.

**Long-term employee benefits.****Defined contribution plans**

Retirement benefit plans in the form of Provident Fund are charged as an expense on an accrual basis when employees have rendered the service.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024****Defined benefit plans**

Defined benefit plans comprises of Gratuity. For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Re-measurement, comprising actuarial gains and losses and the effect of the changes to the asset ceiling (if applicable), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and consequently recognised in retained earnings and is not reclassified to profit or loss.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

**Other long term employee benefits**

Other long term employee benefit comprises of leave encashment. The leave benefits are recognized based on the present value of defined obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

**15. Provisions and Contingent Liabilities**

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of past event, it is probable that the company will be required to settle the obligation and reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of reporting period, taking into the account the risks and uncertainties surrounding the obligation. When provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value money is material).

Contingent liabilities are disclosed in the financial statements by way of notes to accounts, unless possibility of an outflow resources embodying economic benefit is remote. Contingent Liabilities are possible obligations that arises from past events and whose existence will be confirmed only when occurrence or non-occurrence of one or more future events not wholly within the control of the company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably the obligations are disclosed as a contingent liabilities, unless the probability of outflow of economic benefits is remote. Contingent assets are not recognized but disclosed in the financial statements when an inflow of economic benefits is probable.

**16. Foreign Currency Transactions**

The Company translates all foreign currency transactions at Exchange Rates prevailing on the date of transactions. Exchange rate differences resulting from foreign exchange transactions settled during the year are recognized as income or expenses in the period in which they arise. Monetary current assets and monetary current liabilities that are denominated in foreign currency are translated at the exchange rate prevalent at the date of the balance sheet. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are recognized in the profit and loss account.

**17. Taxes on Income**

Income Tax expense comprises current tax and deferred tax.

**Current Tax**

Current Tax is the expected tax payable on taxable income for the year, using tax rates (tax laws) enacted or substantively enacted by the end of reporting period and includes adjustment on the account of tax in respect of previous year.

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

Deferred tax is recognized using balance sheet method, providing for temporary difference between the carrying amount of asset or liability in the balance sheet and its tax base. Deferred tax is measured at the rate that are expected to apply when the temporary differences are either realized or settled, based on the laws that have been enacted or substantively enacted by the end of reporting period. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the temporary difference can be utilized. The carrying amount of Deferred tax assets are reviewed at each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Minimum alternate tax (MAT) is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of MAT credit is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

**Current and Deferred Tax for the year**

Income tax expense is recognized in the statement of profit or loss account except to the extent that it relates to items recognized in other comprehensive income.

**18. Financial Instruments**

Financial assets and financial liabilities are recognized when Company becomes a party to the contractual provisions of the Instruments.

Financial assets and financial liabilities are initially measured at fair value, except when the effect is immaterial. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of profit and loss.

**Financial Assets****Cash and cash equivalents**

The company considers all highly liquid financial Instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturity of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of cash on hand and cash balances with banks which are unrestricted for withdrawal and usage.

**Financial Asset at amortised cost**

Financial assets are subsequently measured at amortized cost using the effective interest method, except when the effect of applying it is immaterial, if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at fair value through other comprehensive income**

Financial assets are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

The Company, on initial application of IND AS 109 Financial Instruments, has made an irrevocable election to present subsequent changes in fair value of equity instruments not held for trading in other comprehensive income.

**Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss are measured at fair values at the end of each reporting period, with any gains or losses arising on re-measurement recognized in Profit or loss.

**Derivative financial instruments and hedge accounting**

The Company uses foreign currency forward contracts / options to hedge its risks associated with foreign Currency fluctuations relating to certain forecasted transactions. The Company designates some of these forward contracts / options as hedge instruments and account for as cash flow hedges applying the recognition and measurement principles set out in the Ind AS 109.

The counter party to the Company's foreign currency forward contracts is generally a bank. The Company does not use derivative financial instruments for speculative purposes. Foreign currency forward contract/option derivative instruments are initially measured at fair value and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised in other comprehensive income and accumulated under effective portion of cash flow hedges. Amounts previously recognised in other comprehensive income and accumulated in effective portion of cash flow hedges are reclassified to the Statement of Profit or Loss in the same period in which gains/losses on the item hedged are recognised in the Statement of Profit or Loss. However when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in effective portion of cash flow hedges are transferred from effective portion of cash flow hedges and included in the initial measurement of the cost of the non-financial asset or non-financial liability. Profit or loss arising on cancellation or renewal of a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal occurs. Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognized in the Statement of Profit and Loss as they arise.

**Impairment of Financial assets**

The Company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

**De-recognition of financial assets**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On de-recognition of a financial asset in its entirety, (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in statement of profit and loss.

**Financial liabilities and equity instruments****Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024****Financial liabilities at amortized cost**

Financial liabilities are subsequently measured at amortized cost using the effective interest method, except when the effect of applying it is immaterial.

**Equity instruments**

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue cost.

**De-recognition of financial liabilities**

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged. Cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

**Effective interest method**

The effective Interest method is a method of calculating the amortized cost of a debt Instrument and of allocating interest Income over the relevant period. The effective Interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

**Financial Guarantee contracts**

Financial guarantee contracts issued by the Company are initially measured at fair value and subsequently measured at the higher of the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18 Revenue.

**19. Inventories**

Inventories are valued at lower of cost and net realisable value after providing for obsolescence wherever necessary. Cost is determined on weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**20. Statement of Cash Flows**

Cash Flows are reported using indirect method, whereby profit/(loss) before tax is adjusted for the effect of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing of financing cash flows from operating, investing and financing activities of the company are segregated.

**21. Leases**

The Company enters into agreements, comprising a transaction or series of related transactions that does not take the legal form of lease but conveys the right to use the asset in return for payment of rent or series of rent payments. In case of such arrangements, the Company applies the requirements of Ind AS 116 – Leases/ Rent payments to the lease element of the arrangement. For the purpose of applying the requirements under Ind AS 116 –Leases, payments and other consideration required by the arrangement are separated at the inception of the arrangement into those for rent and those for other elements.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rental expense from operating leases is generally recognized on a straight-line basis over the term of the relevant lease. However, where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognized in the year in which such benefit accrue, Contingent rentals, if any, arising under operating leases are recognized as an expense in the period in which they are incurred.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024****22. Earnings Per Share**

Basic Earnings per share are computed by dividing the profit/loss after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing profit/loss after tax as adjusted for dividend, interest and other charges to expense or income relating dilutive potential equity share, by the weighted number of equity shares considered for deriving basic earnings per shares and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity.

**23. Current vs Non-Current Classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

**An asset is treated as current when it is:**

1. Expected to be realised or intended to be sold or consumed in normal operating cycle, or
2. Held primarily for the purpose of trading, or
3. Expected to be realised within twelve months after the reporting period, or
4. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

**A liability is current when:**

1. It is expected to be settled in normal operating cycle, or
2. It is held primarily for the purpose of trading, or
3. It is due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

**24. Segment Reporting**

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the group's other components, and for which discrete financial information is available.

Operating Segments are identified based on the nature of products and services. For reporting, the business has been split into two segments-Engineering and Textiles.

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

(All amounts are ₹ in Lakhs, unless otherwise stated)

2. Property, Plant and Equipment
3. Investment Property
4. Intangible assets
5. Financial Assets: Non Current
- 5.a. Investments

Please refer to the respective notes in the Stand Alone Financial statements attached

Name of the Company/Security	As at 31.3.2024		As at 31.3.2023	
	Qty.	Amount	Qty.	Amount
<b>Quoted Investments-fully paid up (A)</b>				
<b>Investments in Equity Instruments</b>				
M/s Lakshmi Machine Works Limited	1,500	227.46	1,500	149.57
M/s Precision Fasteners Limited	10,000	–	10,000	–
M/s IFCI Limited	200	0.08	200	0.02
State Bank of India	3,340	25.14	3,340	17.49
<b>Unquoted Investments-fully paid up (B)</b>				
M/s Veejay Sales and Services Limited	13,100	159.63	13,100	154.30
<b>Total</b>		<b>412.31</b>		<b>321.38</b>
<b>Total Non-Current Investments</b>				
Aggregate amount of unquoted investments at Market value		252.68		167.08
Aggregate amount of unquoted investments		159.63		154.30
Aggregate amount of Impairment in value of Investments		–		–
<b>Total</b>		<b>412.31</b>		<b>321.38</b>
<b>Category wise Investments-as per IND AS 109 classification</b>				
Financial Assets carried at Fair value through Profit or Loss(FVTPL)				
Financial Assets carried at Amortised cost		159.63		154.30
Financial Assets carried at Fairvalue through Other comprehensive Income (FVTOCI)		252.68		167.08
<b>Total</b>		<b>412.31</b>		<b>321.38</b>

- 5(b) Loans
6. Deferred Tax
7. Other non current assets
8. Financial Assets:Current
- 8(a) Inventories
- 8(b) Trade Receivables
- 8(c) Cash and cash equivalents
- 8(d) Bank balances other than 8(c) above
- 8(e) Loans
9. Other current assets
10. Equity share capital

Please refer to the respective notes in the Stand Alone Financial statements attached

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

(All amounts are ₹ in Lakhs, unless otherwise stated)

**11. Other equity**

Particulars	31-Mar-24	31-Mar-23
<b>i) Securities Premium account</b>	2,116.43	2,116.43
<b>ii) Retained earnings</b>	–	–
Opening	(4,045.59)	(2,824.92)
Add: Current year surplus/deficit	(457.60)	(1,399.87)
Accumulated notional interest on compound financial instrument reversed	–	179.20
Closing	(4,503.19)	(4,045.59)
<b>iii) Reserve for equity instruments and others through other Comprehensive income</b>		
Opening	120.34	119.59
Movement in OCI (Net) during the year	69.18	0.75
Closing	189.52	120.34
<b>iv) Equity Component of compound financial instrument</b>		
Opening	–	716.87
Reversal due to conversion of loan as interest bearing loan	–	(716.87)
Closing	–	–
<b>(v) General reserve</b>		
Opening	3,599.49	3,599.49
Additions During the year	–	–
Closing	3,599.49	3,599.49
<b>(vi) Capital reserve</b>		
Opening	100.82	100.82
Current year addition/deletion	–	–
Closing	100.82	100.82
<b>(vi) Cash flow hedge reserve</b>		
Opening	–	1.13
Current year addition/deletion	(1.36)	(1.13)
Closing	(1.36)	–
<b>Total other equity</b>	<b>1,501.71</b>	<b>1,891.49</b>

Please refer to the respective notes in the stand alone financial statements for the following:

12. Borrowings
13. Provisions
- 14(a). Borrowings
- 14(b). Trade payables
- 14(c). Other financial liability
15. Other current liabilities
16. Provisions
17. Revenue from operations
18. Other income
19. Cost of Materials consumed
20. Changes in inventories of finished goods, Work-in process and stock in trade
21. Employee Benefits expense
22. Finance Costs
23. Other expenses



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

(All amounts are ₹ in Lakhs, unless otherwise stated)

## 24. Payments to Auditors

25. As defined under Micro, Small and Medium Enterprises Development Act 2006, the disclosure in respect of the amount payable to such enterprises as at 31.03.2024 has been made in the financial statements based on information received and available with the company.

## 26. Reconciliation of effective tax rate

Particulars	31-Mar-24	31-Mar-23
<b>Current Tax</b>		
In respect of current year	-	-
<b>Deferred Tax</b>	23.29	(0.26)
<b>Total income tax expense recognized in the current year</b>	<b>23.29</b>	<b>(0.26)</b>
The reconciliation between the provision of income tax of the company and amounts computed by applying the indian statutory income tax rate to profit before tax is as follows		
<b>Current tax:</b>		
Profit before tax	(478.83)	(1,404.30)
Enacted income tax rate	27.82%	27.82%
Computed income tax rate to profit before tax is as follows:	-	-
<b>Effect of:</b>		
Depreciation Debited in Profit and Loss account	67.81	70.27
Donation	-	0.22
Notional Interest on Unsecured Loan from Directors	-	-
Provision for gratuity	1.90	4.04
Leave Encashment	2.54	0.35
Bonus Provision made in the Books	5.81	6.16
Profit on sale of assets		
Depreciation as per IT Rules	(44.46)	(49.36)
Bonus claimed on payment basis	(6.15)	(6.14)
Unabsorbed Depreciation and carry forward loss	(27.45)	(25.55)
<b>Income Tax expense recognized in the profit or loss (Current Tax)</b>	<b>-</b>	<b>-</b>
Deferred Tax relating to items of OCI adjusted in Profit & loss account		
Disallowance u/s 43B	-	(1.05)
Fair valuation of Investments	23.81	1.75
Forex Cash Flow Hedging	(0.52)	(0.44)
<b>Income tax expense recognized in the profit or loss (Deferred Tax)</b>	<b>23.29</b>	<b>0.26</b>

Note : The deferred tax asset on account of MAT credit and carryover losses have not been recognized due to uncertainty in realising the same. The deferred tax liability on Property, Plant and Equipment or other timing difference items will get adjusted with carry over loss/MAT Credit entitlements.

## 27. Contingent liabilities and Capital Commitments:

(Please refer to the respective notes in the Stand Alone Financial statements attached)

## 28. Earnings Per Share

Particulars	For the year ended 31-3-2024	For the year ended 31-3-2023
Profit after taxation	(455.54)	(1,404.04)
Equity shares outstanding at the end of the year (In No.'s)	50,71,900	50,71,900
Weighted average number of Equity shares outstanding during the year	50,71,900	50,71,900
Earnings per share (Basic)(In Rs)	(8.98)	(27.68)
Earnings per share (Diluted)(In Rs)	(8.98)	(27.68)
Nominal value per share (Rs)	10.00	10.00

29. Figures have been rounded off to Rs. In lakhs and previous year figures have been regrouped / rearranged wherever necessary.

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

(All amounts are ₹ in Lakhs, unless otherwise stated)

## 30. Segment information

## Primary segment information (business segments)

Particulars	2023 - 24					2022 - 23				
	Engineering	Textile	Unallocated	Inter Segment eliminations	Total	Engineering	Textile	Unallocated	Inter Segment eliminations	Total
a) Revenue	2,151.89	6,566.76	-	-	8,718.65	2,658.81	3,738.38	-	-	6,397.19
b) Inter Segment sales	-	-	-	(9.55)	(9.55)	-	-	-	-	-
<b>Total Revenue</b>	2,151.89	6,566.76	-	(9.55)	8,709.10	2,658.81	3,738.38	-	-	6,397.19
c) Result	(103.19)	(416.07)	-	-	(519.26)	(343.16)	(873.79)	-	-	(1,216.95)
Add: Unallocated income (net of expenditure)	-	-	-	-	277.65	-	-	-	-	(20.38)
Profit before interest and tax	-	-	-	-	(241.61)	-	-	-	-	(1,237.33)
Interest	-	-	-	-	237.22	-	-	-	-	166.97
<b>Profit before tax</b>	-	-	-	-	(478.83)	-	-	-	-	(1,404.30)
<b>Tax expenses</b>										
- Current tax	-	-	-	-	-	-	-	-	-	-
- Deferred tax	-	-	-	-	(23.29)	-	-	-	-	(0.26)
- Total	-	-	-	-	(23.29)	-	-	-	-	(0.26)
<b>Profit for the year</b>	-	-	-	-	(455.54)	-	-	-	-	(1,404.04)
d) Assets	1,113.78	4,306.09	795.21	-	6,215.08	2,072.01	3,944.25	656.92	-	6,673.18
e) Liabilities	901.94	3,183.72	120.52	-	4,206.18	2,152.02	2,004.96	117.52	-	4,274.50
f) Capital assets acquired during the year	48.90	21.74	22.01	-	92.65	1.60	0.32	-	-	1.92
g) Depreciation, impairment and amortisation	39.98	191.00	12.74	-	243.72	40.13	200.30	12.13	-	252.56
h) Other non-cash charges except depreciation, impairment and amortisation	-	-	-	-	-	-	-	-	-	-

Revenue from Engineering division is on account of sales of textile machinery and spares and the textile division revenue is on account of cotton yarn and fabrics. Approximately INR Rs.3128.61 has been realised from exports (Engineering Division Rs.44.67 lakhs and Textile Division Rs.3083.94 lakhs). Previous year Total exports Rs.1725.82 lakhs. (Engineering Division Rs. 479.36 lakhs and Textile Division Rs.1246.46 lakhs). There are four customers contributing individually to more than 10% of total revenue in 2023-24. The largest turnover to a single customer is Rs.2169.34 lakhs. The largest turnover to a single customer is Rs. 791.19 lakhs in previous year.

## Reconciliations to amounts reflected in the financial statements

Reconciliation of profit	31-Mar-24	31-Mar-23
Segment profit	(519.26)	(1,216.95)
Dividend Income	1.85	0.79
Depreciation on Corporate Assets	(12.74)	(12.13)
Other Expenses-Audit fees stationery, Professional Charges etc.,	40.39	(15.94)
Income from Investment Property (net of expenses)	117.52	-
Interest Income	130.63	6.90
<b>Profit before interest and tax</b>	<b>(241.61)</b>	<b>(1,237.33)</b>

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

(All amounts are ₹ in Lakhs, unless otherwise stated)

Reconciliation of assets	31-Mar-24	31-Mar-23
Segment operating assets	5,419.87	6,016.26
Corporate Assets - Property & Investments	731.47	608.08
Cash and Cash equivalents	44.26	43.62
TDS /MAT receivable	19.48	5.22
<b>Total Assets</b>	<b>6,215.08</b>	<b>6,673.18</b>

Reconciliation of liabilities	31-Mar-24	31-Mar-23
Segment operating liabilities	4,085.66	4,156.98
Other Current Liabilities-Corporate	120.52	117.52
<b>Total Liabilities</b>	<b>4,206.18</b>	<b>4,274.50</b>

## 31. Related Party Disclosures

## 32. IND AS 19 Disclosure of Employee Benefits

## 33. Liquidity/Profitability Ratios

(Please refer to the respective notes in the Stand Alone Financial statements attached)

## 34. Financial Instruments Risk and review

## Financial Instruments

The carrying value and fair value of financial instruments by categories as of March 31, 2024 is as follows:

Particulars	Fair Value through P&L	Fair Value through Comprehensive Income	Amortised Cost	Total Carrying Amount
<b>Assets:</b>				
Cash and Cash Equivalents	–	–	2.85	2.85
Other Balances with Bank	–	–	41.41	41.41
Trade receivables	–	–	450.93	450.93
Loans	–	–	122.83	122.83
Investments	–	252.68	159.63	412.31
Other Financial Assets	–	–	–	–
<b>Total</b>	<b>–</b>	<b>252.68</b>	<b>777.65</b>	<b>1030.33</b>
<b>Liabilities</b>				
Trade and Other Payables	–	–	588.06	588.06
Borrowings	–	–	2859.17	2859.17
Other Financial Liabilities	–	–	305.27	305.27
<b>Total</b>	<b>–</b>	<b>–</b>	<b>3752.50</b>	<b>3752.50</b>

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

(All amounts are ₹ in Lakhs, unless otherwise stated)

The carrying value and fair value of financial instruments by categories as of March 31, 2023 is as follows:

Particulars	Fair Value through P&L	Fair Value through Comprehensive Income	Amortised Cost	Total Carrying Amount
Assets:				
Cash and Cash Equivalents	–	–	3.11	3.11
Other Balances with Bank	–	–	40.51	40.51
Trade receivables	–	–	47.09	47.09
Loans	–	–	102.61	102.61
Investments	–	167.08	154.30	321.38
Other Financial Assets	–	–	–	–
<b>Total</b>	<b>–</b>	<b>167.08</b>	<b>347.62</b>	<b>514.70</b>
Liabilities				
Trade and Other Payables	–	–	103.13	103.13
Borrowings -	–	–	3328.10	3328.10
Other Financial Liabilities	–	–	348.18	348.18
<b>Total</b>	<b>–</b>	<b>–</b>	<b>3779.41</b>	<b>3779.41</b>

**Fair Value Hierarchy:**

The following table shows the levels in the fair value hierarchy as the end of reporting period.

	As at March 31, 2024	As at March 31, 2023
<b>Assets</b>		
Investments	Level 1	Level 1
<b>Liabilities</b>		
Borrowings-Optionally convertible loan	Level 2	Level 2

**Financial Risk Management Objectives and Policies**

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

The company is exposed to the following risks from its use of financial instruments

- Market Risk
- Credit Risk
- Liquidity Risk

The company's Board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note presents information about the risks associated with its financial instruments, the company's objectives, policies and processes for measuring and managing risk, and the Company's management of Capital.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

(All amounts are ₹ in Lakhs, unless otherwise stated)

### Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

#### a) Foreign Currency Exchange Rate Risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. The risks primarily relate to fluctuations in US Dollar, Euro, Great Britain Pound, and Japanese Yen against the respective functional currencies of Veejay Lakshmi Engineering Works Limited.

The following analysis has been worked out based on the net exposures for Veejay Lakshmi Engineering Works Limited as of the date of statements of financial position which could affect the Statements of profit or loss and other comprehensive income and equity.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary Liabilities at the end of the reporting period are as follows:

	USD	EURO	JPY	GBP
<b>As at March 31, 2024</b>				
<b>Financial Assets</b>				
Trade receivables	438.29	–	–	–
<b>Total</b>	<b>438.29</b>	–	–	–
<b>Financial Liabilities</b>				
Trade Payables	–	–	–	–
<b>Total</b>	–	–	–	–
<b>As at March 31, 2023</b>				
<b>Financial Assets</b>				
Trade receivables	42.51	–	–	–
<b>Total</b>	<b>42.51</b>	–	–	–
<b>Financial Liabilities</b>				
Trade Payables	7.58	–	–	–
<b>Total</b>	<b>7.58</b>	–	–	–

### Credit Risk

The company is exposed to credit risk as a result of risk of counterparties defaulting on their obligations. The company's exposure to credit risk primarily relates to Cash and Cash Equivalents, other bank balances, trade receivables, loans and other financial assets.

The customer's credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management.

Credit quality of a customer is assessed based on the individual credit limits that are defined in accordance with the assessment and outstanding customer receivables are regularly monitored. The company monitors and limits its exposure to credit risk on a continuous basis.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

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

(All amounts are ₹ in Lakhs, unless otherwise stated)

<b>Exposure to Credit Risk</b>	<b>31-03-2024</b>	<b>31-03-2023</b>
The carrying amount of financial assets represents the maximum credit exposure. Maximum exposure to credit risk being the total of the carrying amount of trade receivables, investments, cash and cash equivalents, other balance with banks, loans and other financial assets.	<b>1030.33</b>	514.70

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables. The maximum exposure to credit risk as at reporting date is primarily from trade receivables and the movement in allowance for impairment in respect of trade and other receivables during the year was as follows:

<b>Trade Receivables</b>	<b>450.93</b>	<b>47.09</b>
Allowance for doubtful debts	-	-

**Liquidity Risk**

The company is exposed to liquidity risk related to its ability to fund its obligations as they become due. The company monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The company monitors cash balances daily. In relation to Company's liquidity risk, the company's policy is to ensure, as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions as they fall due while minimizing finance costs without incurring unacceptable losses or risking damage to Company's reputation.

The Company's principle source of liquidity is cash and cash equivalents and the cash flow is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements and accordingly, no risk is perceived.

**Financial Liabilities**

<b>As at March 31,2024</b>	<b>Due in 1 year</b>	<b>1-2 years</b>	<b>3-5 years</b>	<b>&gt;5 years</b>
Borrowings	863.80	109.88	139.60	1745.89
Trade payables	588.06	-	-	-
Other Financial Liabilities	305.27	-	-	-
<b>Total</b>	<b>1757.13</b>	<b>109.88</b>	<b>139.60</b>	<b>1745.89</b>
<b>As at March 31,2023</b>	<b>Due in 1 year</b>	<b>1-2 years</b>	<b>3-5 years</b>	<b>&gt;5 years</b>
Borrowings	1397.80	122.12	223.01	1585.17
Trade payables	103.13	-	-	-
Other Financial Liabilities	348.18	-	-	-
<b>Total</b>	<b>1849.11</b>	<b>122.12</b>	<b>223.01</b>	<b>1585.17</b>

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

(All amounts are ₹ in Lakhs, unless otherwise stated)

Additional information, as required under Schedule III to the Companies Act, 2013 of entities Consolidated as Subsidiaries, Associates and Jointly Controlled Entity

Name of the Entity	Net assets i.e., total assets minus total liabilities		Share in Profit or Loss				
			As % of Consolidated Net Assets	Amount	As % of Consolidated Loss	Amount	As % of Consolidated Other Comprehensive Income
<b>PARENT</b>							
Veejay Lakshmi Engineering Works Limited	31.03.2024	92%	1,850.58	100%	(455.54)	89%	60.43
	31.03.2023	94%	2,245.69	100%	(1,404.04)	(184%)	0.70
<b>ASSOCIATES</b>							
VEEJAY SALES AND SERVICES LIMITED	31.03.2024	8%	158.32	0%	(2.06)	11%	7.39
	31.03.2023	6%	152.99	0%	4.17	284%	(1.08)
Total	31.03.2024	100%	2,008.90	100%	(457.60)	100%	67.82
	31.03.2023	100%	2,398.68	100%	(1,399.87)	100%	(0.38)

## Interest in Other Entities

## a) Associates

The group's Associates at 31st March, 2024 are set out below. Unless otherwise stated, they have Share capital consisting solely of equity share capital that are directly held by the group, and the proportion of ownership interests held equals to the voting right held by the group.

Name of the Entity	Principal Place of Business	Ownership Interest held by the group		Principal Activities
		31-Mar-24	31-Mar-23	
Veejay Sales and Service Limited	Coimbatore, Tamilnadu	26.20%	26.20%	Windmill Power Generation

For and on behalf of the Board of Directors of  
Veejay Lakshmi Engineering Works Limited

(SD/-) V.J. JAYARAMAN  
Chairman  
DIN : 00137340  
Place : Coimbatore  
Date : 29.05.2024

(SD/-) J. ANAND  
Managing Director  
DIN : 00137425

(SD/-) D.RANGANATHAN  
Whole-Time Director  
DIN : 00137566

(SD/-) V.K.SWAMINATHAN  
Company Secretary

As per our report of even date  
For N.R. D. Associates  
Chartered Accountants, FRN No: 005662S

SUGUNA RAVICHANDRAN  
Partner  
M.No : 207893

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**Form No. MGT-11**

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

**PROXY FORM**

CIN : L29191TZ1974PLC000705  
Name of the Company : VEEJAY LAKSHMI ENGINEERING WORKS LTD  
Registered Office : Sengalipalayam, NGGO Colony Post, Coimbatore - 641 022

Name of the Member(s)	:	
Registered Address	:	
E-mail ID	:	
Folio No. / Client ID	:	
DP ID	:	

I / we, being the shareholder(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 49th Annual General Meeting of the company, to be held on the 13th day of September, 2024 at 10.00 a.m. at 'Indian Chamber of Commerce Building', Avinashi Road, Coimbatore - 641018 and at any adjournment thereof in respect of such resolutions as are indicated in the Notice for the meeting.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2024.

Signature of Shareholder :

Signature of Proxy holder(s) :

(Affix  
Revenue  
Stamp)

Note : This form of proxy 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.

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## VEEJAY LAKSHMI ENGINEERING WORKS LIMITED

Regd. Office : Sengalipalayam, NGGO Colony Post, Coimbatore - 641 022  
(CIN L29191TZ1974PLC000705)

### ATTENDANCE SLIP

Name & Address of the Shareholder	No. of Shares held	Sequence No.	Folio No.

I hereby record my presence at the 49th ANNUAL GENERAL MEETING of the Company at CHAMBER TOWERS, 8/733, Avinashi Road, Coimbatore – 641018 on Friday the 13th September 2024 at 10.00 AM.

Signature of the member or Proxy

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## ROUTE MAP TO MEETING HALL

