

RAJAPALAYAM MILLS LIMITED

Regd. Office : Rajapalayam Mills Premises, P.A.C.Ramasamy Raja Salai,
Post Box No. 1, Rajapalayam, Tamil Nadu, Pin : 626 117.

CIN : L17111TN1936PLC002298
PAN : AAACR8897F
GSTIN : 33AAACR8897F1Z1



Telephone : 91 4563 235666 (5 lines)
Fax : 91 4563 236520
E-mail : rajacot@ramcotex.com
rajacot@bsnl.in
Website : www.rajapalayammills.co.in

Date : 05-08-2024

M/s. BSE Limited,
Floor 25, "P.J.Towers",
Dalal Street,
Mumbai – 400 001.

Scrip Code: 532503

Dear Sir/Madam,

Sub: Submission of Annual Report for the year ended 31-03-2024

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we herewith enclosed the copy of Annual Report of the Company for the year ended 31st March, 2024.

Kindly take the same on record.

Thanking you,

For RAJAPALAYAM MILLS LIMITED

**K. MAHESWARAN
SECRETARY**

Encl: As above

RAJAPALAYAM MILLS LIMITED

RAJAPALAYAM



Annual Report and Accounts for the year ended 31st March 2024

FOUNDER



SHRI P.A.C. RAMASAMY RAJA



"Gurubakthamani"
SHRI P.R. RAMASUBRAHMANEYA RAJHA
Sridharmarakshakar - Ramco Group



Board of Directors

Shri P.R. VENKETRAMA RAJA, B.Tech., M.B.A.,
Chairman

Smt. P.V. NIRMALA RAJU, B.E., M.A.,
Managing Director

Shri S.S. RAMACHANDRA RAJA, B.Sc.,

Shri N.K. RAMASUWAMI RAJA, B.Sc.,#

Shri A.V. DHARMAKRISHNAN, B.Com, ACA.,

Justice Shri P.P.S. JANARTHANA RAJA, B.L.,#

Shri V. SANTHANARAMAN, B.Com, C.A.I.I.B.,#

Shri K.B. NAGENDRA MURTHY, M.Com, C.A.I.I.B.,

Smt. SOUNDARA KUMAR, B.Sc., C.A.I.I.B.,

Shri P.V. ABINAV RAMASUBRAMANIAM RAJA, B.Sc., (Incl. Engg.)

Shri P.A.S. ALAGHAR RAJA, D.T.T.,

Shri M. RATHINASAMY, IRS (Retd.) *

Shri SIVAGURU CHELLAPPA, B.E. (Chem. Eng.), MBA *

Shri N.S. KRISHNAMMA RAJA, B.E. (ECE), MBA *

Chief Financial Officer

Shri A. Arulpranavam

Secretary

Shri K. Maheswaran

Registered Office

Rajapalayam Mills Premises,
Post Box No.1, P.A.C. Ramasamy Raja Salai,
Rajapalayam - 626 117. Tamil Nadu.
E-mail : rajacot@ramcotex.com
Phone No.: 04563-235666
Fax No.: 04563-236520

Website

www.rajapalayammills.co.in

Corporate Identification Number

L17111TN1936PLC002298

Bankers

Axis Bank Limited

Bank of Bahrain & Kuwait

Barclays Investments & Loan (I) Pvt. Ltd.

CTBC Bank Limited

Export Import Bank of India

HDFC Bank Limited

ICICI Bank Limited

IDBI Bank Limited

IDFC First Bank Limited

IndusInd Bank Limited

Kotak Mahindra Bank Limited

RBL Bank Limited

Tamilnad Mercantile Bank Limited

The Federal Bank Limited

The Karur Vysya Bank Limited

Yes Bank Limited

Auditors

M/s. N.A. Jayaraman & Co.,
Chartered Accountants,
9, Cedar Wood, 11, 4th Main Road,
Raja Annamalaipuram,
Chennai - 600 028.

M/s. SRSV & Associates,
Chartered Accountants,
F2, 1st Floor, B Block,
Sivam Padmalaya,
28/25, Neelakanta Metha Street,
T. Nagar, Chennai - 600 017.

Secretarial Auditor

Shri M.R.L. Narasimha,
Lotus 370 - A,
Alagesan Road,
SB Mission Post,
Coimbatore - 641 011.

Cost Auditor

Shri M. Kannan,
IV-B, Akshaya Homes,
9B-20, Tagore Nagar,
Bharathiyar 4th Street,
S.S. Colony, Madurai - 625 016.

Ceased to be Directors from the close of Business hours of March 31, 2024

* From April 1, 2024



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NOTICE



NOTICE TO THE MEMBERS

Notice is hereby given that, the 88th Annual General Meeting of the Company will be held at 11:00 A.M. on Wednesday, the 28th August, 2024. This Annual General Meeting is being conducted through Video Conferencing / Other Audio Visual Means, the details of which are provided in the Notes to this Notice. The following are the businesses that would be transacted at this Annual General Meeting.

ORDINARY BUSINESS - ORDINARY RESOLUTION

1. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:
"RESOLVED THAT the Company's Separate and Consolidated Audited Financial Statements for the year ended 31st March, 2024, and the Reports of the Board of Directors' and Auditor's thereon be and are hereby considered and adopted."
2. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:
"RESOLVED THAT a Dividend of ₹ 0.60 per Share be and is hereby declared for the year ended 31st March, 2024 and the same be paid to those Shareholders whose name appear in the Register of Members and Register of Beneficial Owners maintained by the Depositories as on 21st August, 2024."
3. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:
"RESOLVED THAT Shri A.V. Dharmakrishnan (DIN: 00693181), who retires by rotation, be and is hereby re-appointed as Director of the Company."

ORDINARY BUSINESS - SPECIAL RESOLUTION

4. To consider and pass the following Resolution, as a SPECIAL RESOLUTION:
"RESOLVED THAT Shri S.S. Ramachandra Raja (DIN: 00331491), who retires by rotation, be and is hereby re-appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of SEBI (LODR) Regulations, 2015 and other applicable statutory provisions, Shri S.S. Ramachandra Raja, Non-Executive Director of the Company, aged 88 years, shall continue to occupy the position of Non-Executive Director from this Annual General Meeting till the Annual General Meeting at which he becomes liable to retire by rotation under Section 152(6)(c) of the Companies Act, 2013."

SPECIAL BUSINESS - ORDINARY RESOLUTION

5. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:
"RESOLVED that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹ 2,25,000/- (Rupees Two Lakh Twenty Five Thousand Only) plus applicable taxes and Out-of-pocket expenses payable to Shri M. Kannan, Cost Accountant



NOTICE

(Firm Registration No. 102185) appointed as the Cost Auditor of the Company by the Board of Directors, for the financial year 2024-25 for auditing the Cost Records relating to manufacture of textile products, be and is hereby ratified and confirmed."

By Order of the Board,
For **RAJAPALAYAM MILLS LIMITED,**

P.R. VENKETRAMA RAJA
CHAIRMAN
(DIN: 00331406)

RAJAPALAYAM
29th May, 2024



NOTICE

NOTES:

1. Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning each item of Special Business is annexed hereto.
2. The Company has chosen to conduct this Annual General Meeting through Video Conferencing. The Annual General Meeting would be conducted in accordance with the -
 - (i) General Circular No: 09/2023 dated 25th September, 2023, issued by Ministry of Corporate Affairs, Government of India.
 - (ii) Circular No: SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 07th October, 2023, issued by Securities and Exchange Board of India (SEBI) and
 - (iii) such other instructions that may be issued by Statutory Authorities.
3. The Company would be providing the Central Depository Services (India) Limited's (CDSL) system for the Members to cast their vote through remote e-Voting and participate in the Annual General Meeting through Video Conference.
4. Proxy form is not being sent to Shareholders, as the meeting is being conducted through Video Conference.
5. The Company is also releasing a Public Notice by way of advertisement being published in English in Business Line (All editions) and in Tamil in Dinamani (Madurai editions), containing the following information:
 - Convening of Annual General Meeting through Video Conference in compliance with applicable provisions of the Act.
 - Date and Time of the Annual General Meeting.
 - Availability of Notice of the Meeting on the website of the Company and the stock exchange, viz. BSE Limited, where the Company's shares are listed and at **<http://www.evotingindia.com>**
 - Reference to the link of the Company's website, providing access to the full annual report.
 - Requesting the Members who have not registered their E-Mail addresses with the Company, to get the same registered with the Company.
6. The cut-off date will be Wednesday, the 21st August, 2024 for determining the eligibility to vote by remote e-Voting or in the Annual General Meeting.
7. Pursuant to Rule 8 of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unclaimed / unpaid dividends lying with the Company on the website of the Company (**www.rajapalayammills.co.in**), as



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also on the website of The Ministry of Corporate Affairs. The dividends remaining unpaid for a period of over seven years will be transferred to the Investor Education and Protection Fund of the Central Government. Hence, the Members who have not claimed their dividend relating to the earlier years may write to the Company for claiming the amount before it is so transferred to the Fund.

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

FINANCIAL YEAR ENDED	DATE OF DECLARATION OF DIVIDEND	LAST DATE FOR CLAIMING UNPAID DIVIDEND	DUE DATE FOR TRANSFER TO IEPF FUND
31-03-2017 Dividend	10-08-2017	09-08-2024	08-09-2024
31-03-2018 Dividend	10-08-2018	09-08-2025	08-09-2025
31-03-2019 Dividend	14-08-2019	13-08-2026	12-09-2026
31-03-2020 Dividend	15-09-2020	14-09-2027	14-10-2027
31-03-2021 Dividend	25-08-2021	24-08-2028	23-09-2028
31-03-2022 Dividend	20-08-2022	19-08-2029	18-09-2029
31-03-2023 Dividend	18-08-2023	17-08-2030	16-09-2030

8. In accordance with Section 124(5) of the Companies Act, 2013, the Company has transferred the unclaimed / unpaid dividends lying with the Company for a period of over seven years, to the Investor Education and Protection Fund (the IEPF) established by the Central Government.
9. In accordance with Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more have been transferred by the Company to IEPF. The Shareholders / their legal heirs are entitled to claim the said shares and the dividend so transferred from the IEPF by making an online application in Form No. IEPF-5 to the IEPF authorities. The procedure is available at www.iepf.gov.in and the website of the Company viz, www.rajapalayammills.co.in and the Form is available at www.mca.gov.in
10. Dispatching of physical copies of the financial statements (including Board's report, Auditor's report or other documents required to be attached therewith), has been dispensed with. Such statements are being sent only by email to the Members and to all other persons so entitled. The Annual Report will also be made available on the Company's Website - www.rajapalayammills.co.in and at the websites of the BSE Limited, where the Company's shares are listed.



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11. The Company has fixed Wednesday, 21st August, 2024 as the 'Record Date' for determining entitlement of Members to dividend for the financial year ended 31st March, 2024, if approved at the AGM.
12. As per Income Tax Act, 1961, dividend income is taxable in the hands of Shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend payable to Shareholders at the prescribed rates. For the prescribed rates for various categories, the Shareholders are requested to refer to the Income Tax Act, 1961 and amendments thereof. The Shareholders are requested to update their PAN with the Company (in case of shares held in physical mode) with the depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to **investorgrievance@ramcotex.com** on or before 21st August, 2024. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident Shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to **investorgrievance@ramcotex.com**. The aforesaid declarations and documents need to be submitted by the Shareholders on or before 21st August, 2024.

13. Voting through electronic means
 - A. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is providing Members remote e-Voting facility to exercise their right to vote at the 88th Annual General Meeting (AGM) and the business may be transacted through such voting, through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).
 - B. The facility for remote e-Voting shall remain open from 9:00 AM on Sunday, the 25th August, 2024 to 5:00 PM on Tuesday, the 27th August, 2024. During this period, the Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date, viz. Wednesday, the 21st August, 2024, may opt for remote e-Voting. Remote e-Voting shall not be allowed beyond 5:00 PM on Tuesday, the 27th August, 2024.



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- C. In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants (DP). Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
- D. Pursuant to said SEBI Circular, Login method for e-Voting and joining the AGM through VC for Individual Shareholders holding securities in Demat mode are given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasitoken/home/login or visit https://www.cdslindia.com/ and click on Login icon and select My Easi New (Token).
	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 Company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting the vote during the remote e-Voting period or joining the AGM through VC & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers i.e. CDSL / NSDL, so that the user can visit the e-Voting service providers' website directly.
	3) If the user is not registered for Easi / Easiest, option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration or https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration
	4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on https://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, 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.

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Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL Depository	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining the AGM through VC & voting during the meeting.</p> <hr/> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. 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 holding with NSDL), Password / OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining the AGM through VC & voting during the meeting.</p>



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

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

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

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

- F. Access through CDSL e-Voting system in case of Shareholders holding share in Physical mode and non-individual Shareholder in demat mode.

Login method for e-Voting and joining the AGM through VC for shareholders holding shares in physical form and for shareholders other than individual shareholders holding in Demat form.

1. The shareholders should log on to the e-Voting website www.evotingindia.com
2. To Click on "Shareholders" tab.



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3. Now enter your User ID as given below:
 - For CDSL: 16 Digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to **www.evotingindia.com** and voted on an earlier e-Voting of any company, then your existing password is to be used.
6. If you are a first-time user follow the steps given below:

For Shareholders holding shares in Physical form and Shareholders holding shares in Demat Form other than individual holders.

PAN

Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company / DP are requested to use the first two letters of their name and the 8 digits of the Folio number in the PAN field.

In case the Folio No is less than 8 digits, enter the applicable number of 0's before the Folio No. to make it 8 digits after the first two characters of the name in CAPITAL letters. Eg. If your name is SARAVANAN.M with folio number 1 then enter SA00000001 in the PAN Field.

Dividend Bank Details or Date of Birth (DOB)

Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the depository or Company, please enter the member ID / folio number in the Dividend Bank details field as mentioned in instruction F.

After entering these details appropriately, click on "Submit" tab.



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- G. Shareholders holding Shares in physical form will then directly reach the Company selection screen. However, members holding Shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-Voting through CDSL platform. It is strongly recommended not to Share your password with any other person and take utmost care to keep your password confidential.
- H. For Shareholders holding Shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.
- I. Click on the relevant EVSN for RAJAPALAYAM MILLS LIMITED on which you choose to vote.
- J. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES / NO" for voting. Select the option YES or No as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- K. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolutions.
- L. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- M. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- N. You can also take a print of the votes cast by clicking on "Click here to Print" option on the Voting page.
- O. If demat account holder has forgotten the login password then Enter the User ID and Captcha Code and click on Forgot Password & enter the details as prompted by the system.
- P. There is also an optional provision to upload Board Resolution / Power of Attorney if any uploaded, which will be made available to scrutinizer for verification.
- Q. Facility for Non-Individual Shareholders and Custodians - Remote Voting
- i. Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodians are required to log on to **www.evotingindia.com** and register themselves in the "Corporates" module.



NOTICE

- ii. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.
 - iii. After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - iv. The list of accounts linked in the login will be mapped automatically and can be delinked in case of any wrong mapping.
 - v. It is mandatory that scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - vi. Alternatively Non Individual Shareholders are required to send the relevant Board Resolution / Authority Letter, etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at **canajco@gmail.com** and to the Company at the email address viz. **investorgrievance@ramcotex.com**, if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.
- R. If you have any queries or issues regarding attending the meeting and e-Voting from CDSL e-Voting system, you can write to **helpdesk.evoting@cdslindia.com** or contact at toll free number 1800 22 55 33.
14. Instructions for Shareholders attending the AGM through VC & e-Voting during meeting are as under:
- A. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-Voting.
 - B. The Members can join the AGM in the VC mode upto 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC will be made available to at least 1,000 members on first come first served basis. This will not include Members holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Risk Management Committee, Auditors, etc. who are allowed to attend the AGM.
 - C. Members are requested to join the AGM through Laptops / iPads for better experience and will be required to have webcam and use Internet with a good speed to avoid any disturbance during the meeting.
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NOTICE

- D. Members are requested to use Stable Wi-Fi or LAN Connection to mitigate Audio / Video loss due to fluctuation in your network. Please avoid connecting through your Mobile Devices or Tablets or through Laptop via Mobile Hotspot.
 - E. Members who would like to express their views / ask questions during the meeting may register themselves as a speaker by sending their request at least 3 days prior to meeting mentioning your name, demat account number / folio number, email id, mobile number (as registered with the Depository Participant (DP) / Company) to the mail ID: **investorgrievance@ramcotex.com**. Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the meeting.
 - F. Members who do not wish to speak during the AGM but have queries may send your queries at least 3 days prior to meeting mentioning your name, demat account number / folio number, email id, mobile number to the mail ID: **investorgrievance@ramcotex.com**. These queries will be replied by the Company suitably by email.
 - G. Non-Individual members intending to authorize their representatives to attend the Meeting are requested to send a scanned certified copy of the Board Resolution authorizing their representative to attend on their behalf at the meeting. The said Resolution / Authorization shall be sent to the Scrutinizer by email through its registered email address with a copy marked to **helpdesk.evoting@cdslindia.com**.
 - H. The attendance of the Members attending the AGM through VC will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
 - I. The link for VC to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-Voting.
 - J. Shareholders who have voted through remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
 - K. Only those Shareholders, who are present in the AGM through VC and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
 - L. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
15. As an on-going measure, SEBI has issued a Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated 17th May, 2023, for Registrars to an Issue and Share Transfer Agents,



NOTICE

wherein the Common and Simplified Norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination of the Shareholders are prescribed. As per the aforesaid master circular the Company has sent a communication in this regard on 01st May, 2024 to all the Shareholders holding Physical Share certificates advised them to furnish the following details to the Company:

- a. PAN
- b. Nomination
- c. Contact details
- d. Bank account details
- e. Specimen signature

and also intimated that, all the eligible payments including dividend shall be processed only through electronic mode w.e.f 01st April, 2024 and upon complying with the requirements of the above.

All Shareholders are advised to update the details as prescribed in the above said Circular with M/s. Cameo Corporate Services Limited, our Registrar to an Issue and Share Transfer Agent.

16. Process for those Shareholders whose E-mail / Mobile No. are not registered with the Company / DP.
 - A. For Physical Shareholders, please submit Form ISR-1 duly filled to M/s. Cameo Corporate Services Limited, our Registrar to an Issue and Share Transfer Agent.
 - B. For Individual Demat Shareholders, please update your E-Mail ID & Mobile Number with your respective DP which is mandatory while e-Voting & joining the AGM through VC through Depository.
17. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 21-08-2024 may obtain the Login ID and Password by following the procedures mentioned in Point No: 13 (D) or (F), as the case may be.
18. The voting rights of Shareholders shall be in proportion to the Shares held by them in the paid up equity Share capital of the Company as on Wednesday, the 21st August, 2024.
19. Shri R. Palaniappan, Chartered Accountant (Membership No: 205112), Partner, M/s. N.A. Jayaraman & Co., Chartered Accountants will act as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.



NOTICE

20. The scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through e-Voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 2 working days of conclusion of the meeting, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and the Chairman or a person authorised by him in writing shall declare the result of the voting forthwith.
21. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at and on the website of CDSL immediately after the declaration of results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited.
22. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400 013 or send an email to **helpdesk.evoting@cdslindia.com** or call toll free No. 1800 22 55 33.

By Order of the Board,
For **RAJAPALAYAM MILLS LIMITED,**

P.R. VENKETRAMA RAJA
CHAIRMAN
(DIN: 00331406)

RAJAPALAYAM
29th May, 2024



NOTICE

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

Shri S.S. Ramachandra Raja (DIN: 00331491), aged 88 years, has been on the Board of M/s. Rajapalayam Mills Limited, since 1992.

Under Regulation 17(1A) of SEBI (LODR) Regulations 2015, Special Resolution is required for continuing his appointment as a Non-Executive Director, since he has already attained the age of 75 years.

Nomination & Remuneration Committee and the Board of Directors have acknowledged that the vast experience and deliberations made by Shri S.S. Ramachandra Raja at the Meetings of the Company has guided the Company in taking right decisions and he has immensely contributed to the growth of the Company. After due consideration of his valuable contributions, Nomination and Remuneration Committee and the Board of Directors recommended continuing the Directorship of Shri S.S. Ramachandra Raja under Non-Executive category, from this Annual General Meeting till the Annual General Meeting at which he becomes liable to retire by rotation under Section 152(6)(c) of the Companies Act, 2013.

Shri S.S. Ramachandra Raja is eligible for sitting fees for attending Board / Committee meetings as applicable to the Directors from time to time. Continuation of Directorship of Shri S.S. Ramachandra Raja as Non-Executive Director is in accordance with Nomination and Remuneration Policy of the Company and his continuance of office has been included a Special Resolution.

Details of Shri S.S. Ramachandra Raja:

Name of the Director	Shri S.S. Ramachandra Raja
Director Identification Number (DIN)	00331491
Age / D.O.B.	88 / 04-09-1935
Qualifications	Bachelor's Degree in Science
Experience	He has knowledge and experience in Textiles, Cement and Information Technology Sectors more than 3 Decades.
Terms and conditions of appointment	Director liable to retire by rotation, under Section 152(6) of the Companies Act, 2013.
Date of First Appointment to the Board	24-06-1992
Details of remuneration last drawn	NA
Shareholding in the Company as on 31-03-2024	29,460 Equity Shares of ₹ 10/- each



NOTICE

Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Not related to any other Director / Key Managerial Personnel.
No. of Meetings of the Board attended during the year	5
Other Directorships as on 31-03-2024	Ramco Industries Limited Sri Sethu Ramasamy Farms Private Limited Rajapalayam Chamber of Commerce and Industry Sudharsanam Investments Limited Ramco Management Private Limited Sri Vishnu Shankar Mill Limited
Memberships and Chairmanships of Committees of other Board	Details given below
Skills and capabilities required for the role and the way he meets such requirements	Business Management and General Administration

Name of the Company	Name of the Committee	Position held
Rajapalayam Mills Limited	Stakeholders Relationship Committee	Member
Sri Vishnu Shankar Mill Limited	Corporate Social Responsibility Committee	Member

Disclosure of Interest:

Shri S.S. Ramachandra Raja is interested in this Resolution. None of the other Directors or Key Managerial Personnel or their relatives are deemed to be interested in the Resolution. The Notice together with this Statement may be regarded as a disclosure under Regulation 36(3) of SEBI (LODR) Regulations, 2015.

Item No. 5

In accordance with the provisions of Section 148 of the Companies Act, 2013 ("the Act") and the Companies (Audit and Auditors) Rules, 2014 ("the Rules"), the Company is required to appoint a cost auditor to audit the cost records of Company, relating to manufacture of Textile Products for the financial year 2024-25.

On the recommendation of the Audit Committee at its meeting held on 29th May, 2024, the Board had approved the appointment of Shri M. Kannan, Cost Accountant as the Cost Auditor of the



NOTICE

Company to audit the Company's Cost Records relating to manufacture of Textile Products at a remuneration of ₹ 2,25,000/- plus applicable taxes and out-of-pocket expenses for the financial year 2024-25.

Shri M. Kannan is a Cost Accountant and Chartered Accountant, started his practice as Cost Accountant in the year 1990. He has rich experience in Industry, Consulting and Cost Management System, Cost Audits etc. He is a Cost Auditor for many Companies across several Industries engaged in Chemical, Textile, Steel, Base Metal, Salt and Power apart from Engineering Industries. His area of specialization includes providing specific solutions to his clients in Cost Management System and performance review system.

The remuneration of the cost auditor is required to be ratified by the Members in accordance with the provisions of Section 148(3) of the Act and Rule 14 of the Rules.

The Directors recommend the Resolution to the Members for their approval.

None of the Directors, Key Managerial Personnel or their relatives are deemed to be interested in this Resolution.

By Order of the Board,
For RAJAPALAYAM MILLS LIMITED,

P.R. VENKETRAMA RAJA
CHAIRMAN

(DIN: 00331406)

RAJAPALAYAM
29th May, 2024



NOTICE

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

Details of Director seeking Re-appointment at the 88th Annual General Meeting pursuant to Secretarial Standards on General Meetings:

Name of the Director	Shri A.V. Dharmakrishnan
Director Identification Number (DIN)	00693181
Age	67 years
Qualification	FCA
Experience	He started his career in 1982 at The Ramco Cements Limited. He is presently holding the position of Chief Executive Officer in M/s. The Ramco Cements Limited. He has been on Board of Rajapalayam Mills Limited, since 2008. He has specialized knowledge and rich experience in Finance and Taxation matters.
Terms and conditions of re-appointment	Director liable to retire by rotation, under Section 152(6) of the Companies Act, 2013.
Date of First Appointment to the Board	16-01-2008
Details of remuneration last drawn	He is eligible for sitting fees for attending Board / Committee meetings as applicable to the Directors from time to time.
Shareholding in the Company as on 31-03-2024	1,809 Equity Shares of ₹ 10/- each
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	He is not related to any Director / Key Managerial Personnel of the Company
No. of Meetings of the Board attended during the year	6
Other Directorships as on 31-03-2024	1. Ramco Systems Limited 2. Shri Harini Media Limited 3. Madurai Trans Carrier Limited 4. Ramco Windfarms Limited 5. L3 Enterprises Private Limited 6. Ramco Industrial and Technology Services Limited
Memberships and Chairmanships of Committees of other Board	Details given below



NOTICE

Skills and capabilities required for the role and the way he meets such requirements	Strategy Management, Business Management, Banking and Financial Management, Risk Management including Foreign Exchange Management, Tax Planning and Management.
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S.No.	Name of the Company	Name of the Committee	Position held (Chairman / Member)
1.	Rajapalayam Mills Limited	Audit Committee	Member
		Nomination and Remuneration Committee	Member
		Risk Management Committee	Member
		Rights Issue Committee	Member
2.	The Ramco Cements Limited	Risk Management Committee - Non Member of the Board	Member
3.	Ramco Systems Limited	Audit Committee	Member
		Stakeholders Relationship Committee	Member
		Nomination and Remuneration Committee	Member
		Risk Management Committee	Member
		Fund Raising Committee	Member
4.	Shri Harini Media Limited	Audit Committee	Member
		Nomination & Remuneration Committee	Member
		Independent Director Committee	Member
5.	Madurai Trans Carrier Limited	Nomination & Remuneration Committee	Chairman



DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting their 88th Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2024.

1. FINANCIAL RESULTS

The financial results for the year ended 31st March, 2024 after charging all expenses but before deducting finance cost and depreciation have resulted in operating profit (EBITDA) of ₹ 10,718.45 Lakhs against ₹ 15,253.40 Lakhs for the previous financial year 2022-23. Summary of Separate Financial Results of the Company is furnished below:

(₹ in Lakhs)

Financial Results - Separate	Year ended 31-03-2024	Year ended 31-03-2023
Revenue	87,579.86	88,231.85
Operating Profit :		
Profit before Interest, Depreciation and Tax (PBIDT)	10,718.45	15,253.40
Less: Interest	7,403.01	5,505.72
Profit before Depreciation and Tax (PBDT)	3,315.44	9,747.68
Less: Depreciation	6,733.13	5,661.90
Profit / (Loss) before Exceptional Items	(3,417.69)	4,085.78
Exceptional Items	5,762.02	742.49
Profit Before Tax	2,344.33	4,828.27
Less: Tax Expenses		
Current Tax	–	155.00
Excess Income Tax Provision related to earlier years withdrawn	(0.25)	(15.56)
Deferred Tax Expenses / (Savings)	(485.72)	450.60
Profit After Tax	2,830.30	4,238.23
Other Comprehensive Income / (Loss) for the Year (Net of Tax)	78.98	(23.31)
Total Comprehensive Income for the Year (TCI)	2,909.28	4,214.92

2. SHARE CAPITAL

The Paid-up Capital of the Company is ₹ 922.02 Lakhs (PY: ₹ 922.02 Lakhs) consisting of 92,20,200 Shares of ₹ 10/- each.

3. DIVIDEND

Your Directors have pleasure in recommending a Dividend of ₹ 0.60 per share (PY: ₹ 1/- per share). The total amount of Dividend outgo for the year will be ₹ 55.32 Lakhs (PY: ₹ 92.20 Lakhs).



As per Income Tax Act, 1961, the dividend will be taxable in the hands of the Shareholders and the Company will make the payment of dividend after deducting applicable TDS. The distribution of dividend works out to 2% of Net Profit after tax for the financial year 2023-24.

As per the “Dividend Distribution Policy” of the Company, it shall strive to distribute atleast 5% of the post-tax profit as Dividend in each financial year. The Company proposes a Dividend payout at 2% of the Net Profit after tax in order to conserve cash for repayment of term loan and to fund the incremental working capital requirements caused by wide fluctuation in the cotton and yarn prices. The Policy is available on the website of the Company under web link:

<https://www.rajapalayammills.co.in/wp-content/themes/ramco/pdf/dividend-distribution-policy.pdf>

4. TRANSFER TO GENERAL RESERVE

After appropriations, a sum of ₹ 2,000 Lakhs (PY: ₹ 2,500 Lakhs) has been transferred to General Reserve for the financial year 2023-24. As on 31-03-2024, the General Reserve stands at ₹ 29,500 Lakhs (PY: ₹ 27,500 Lakhs).

5. TAXATION

The Company has opted to pay tax under Section 115BAA of the Income Tax Act, 1961. The Company is not liable to pay income tax and not provided any amount towards current tax provision. However, the Company has withdrawn an excess provision of taxes of ₹ 0.25 Lakhs (PY: ₹ 15.56 Lakhs). Deferred Tax of ₹ 485.72 Lakhs has been withdrawn for the financial year 2023-24 (PY: Deferred Tax Provided for ₹ 450.60 Lakhs).

6. MANAGEMENT DISCUSSION AND ANALYSIS

TRADE CONDITIONS

6.1 COTTON

The cotton production in India for the cotton season 2022-23 (October to September) was 319 Lakh bales (170 Kgs), compared to 307 Lakh bales produced in the previous cotton season, representing a 4% increase. However, due to sluggish market demand for cotton yarn, the cotton price remained range-bound between ₹ 57,000 to ₹ 62,000 per candy.

At the beginning of the cotton season 2023-24, the CAI estimated the cotton crop for the new season to be 294 Lakh bales (compared to the previous year's 319 Lakh bales). However, the actual cotton arrivals in the market reached 310 Lakh bales. The Cotton Corporation of India (CCI) covered 33 Lakhs bales during 2023-24 and further increased the MSP price per quintal of medium staple cotton and long staple cotton by 9% and 10% respectively. Despite some price correction in cotton, the fall in yarn prices was much sharper, leading to a wider disparity that affected the margins of yarn spinners across India.



DIRECTORS' REPORT

The Company strategically shifted its focus to more value-added counts, and imported more high-quality cotton when prices were at reasonable levels. This strategy helped the company procure diversified varieties of cotton from across the globe and offer competitive prices for its yarn. In February 2024, the Government of India exempted Customs duty on the import of Extra Long Staple Cotton exceeding 32 mm, enhancing the competitiveness of Indian exporters for premium products.

6.2 YARN PRODUCTION

The production volume has decreased to 128.67 Lakhs Kgs during the financial year 2023-24 as against 137.60 Lakhs Kgs of last year due to drop in capacity utilization.

6.3 SALE OF YARN

During FY 2023-24, the Company's sale volume was 127.24 Lakh Kgs as against 127.51 Lakh Kgs of previous year. The sale value of yarn has decreased to ₹ 656.97 Crores during the FY 2023-24 as compared to ₹ 678.64 Crores of last year.

Due to geopolitical challenges and sluggish market demand for cotton yarn, there was severe hit in margins for Spinning Mills. This situation forced many spinning mills across India to operate at lower capacity, with many spinning mills cutting down their production due to huge losses in yarn production. However, the Company's focus on producing a flexible and wide range products helped it to protect its sales volume during this sluggish period. Further, the red sea crisis has caused significant impact on Exports resulting higher freight cost, insurance cost and shipping delays.

The Company's focus on strengthening its infrastructure to produce diverse products, including various high-quality value-added yarn and collaborating with customers to manufacturer innovative products helped it maintain capacity utilization and sales volume in export market. Sales volume of value-added yarn such as Elitwist, Gassing, High twist, Melange, Core yarn and Mercerized yarn increased to 2,945 Tonnes during the FY 2023-24, a 11% growth from 2,650 Tonnes during the previous year.

6.4 EXPORTS

The Company has made export of Cotton Yarn (including merchant exports) during the financial year 2023-24 with a value of ₹ 279.74 Crores compared to ₹ 325.99 Crores in the previous year. The Company's focus on Product enhancement through technology advancement, traceability of entire production process, continuous customer-centricity and production of unmatched quality helped it to maintain export volume.

Your Directors are thankful to M/s. Asahi Kasei Advance Corporation, M/s. Doko Spinning Co. Ltd., and M/s. Unitika Ltd., Japan for their continued support and efforts towards promoting exports to Japan.



6.5 FABRIC DIVISION

The Fabric Unit, commissioned during FY 2020-21, is currently operational with a capacity of 154 looms. During the year, the Company expanded its loom capacity by installing an additional 174 looms and commenced commercial production on 01-09-2023. Furthermore, it established fabric finishing capacity capable of producing 50,000 meters of finished fabrics per day.

In terms of production and sales, the Fabric unit manufactured 119 Lakhs Meters of Fabric (compared to the previous year's 96 Lakhs Meters) and sold 122 Lakhs Meters of Fabrics (compared to the previous year's 95 Lakhs Meters). The total revenue generated by the Fabric unit for the financial year 2023-24 amounted to ₹ 190.82 Crores (compared to the previous year's ₹ 170.93 Crores). The increase in volume can be attributed to the expansion of loom capacity. Additionally, the export turnover of Fabric for the financial year 2023-24 was ₹ 69.38 Crores (compared to the previous year's ₹ 64.45 Crores).

The quality of fabric produced by the Company has been well accepted both in domestic and export markets, leading to numerous enquiries from leading brands across the globe for the supply of processed fabric. Given the encouraging demand for the Company's quality fabric, the Company is confident that the new expansion will achieve full utilization of machinery within a short period.

6.6 POWER COST

During the financial year 2023-24, the Company was able to consume power from its own wind farms to the extent of 56% (PY: 55%) of the total power requirement. The power cost increased during the financial year 2023-24 to ₹ 53.17 Crores, compared to ₹ 50.95 Crores in the previous year, due to increase in power consumption on account of enhanced fabric capacity and increase in the power tariff by Tamil Nadu Electricity Board (TNEB). In order to mitigate the higher power cost, the Company made arrangements with Solar Power developers for supply of 17 MW of power on long term basis at a fixed cost under group captive arrangement, which is cheaper as compared to TNEB's Rate. The expected full potential of Solar power will be reflected in the next financial year.

6.7 FINANCE COST

The finance cost of the Company increased to ₹ 74.03 Crores during the financial year 2023-24 from ₹ 55.06 Crores in the previous financial year. The increase is attributed to additional borrowings for expansion and modernization programs and general trend of increasing



DIRECTORS' REPORT

interest rates. A similar trend was observed globally, which made the cost of foreign currency denominated borrowings equal to working capital loans availed in Indian Rupee.

In addition to the increase in interest rates, additional working capital requirements, enhanced Fabric capacity and additional term loan borrowings had resulted in an increased outflow of finance costs during the FY 2023-24 compared to FY 2022-23.

6.8 DIVIDEND INCOME

During the financial year 2023-24, the Company received dividend income of ₹ 7.24 Crores (PY: ₹ 11.56 Crores) and the particulars of dividend received are provided under Note No.50(a) (ix).

6.9 KEY FINANCIAL RATIOS

Pursuant to Schedule V(B) of SEBI (LODR) Regulations, 2015, the Key Financial Ratios for the year 2023-24 are given below:

S. No.	Particulars	31-03-2024	31-03-2023	Variation in %	Formula adopted
1	Debtors Turnover Ratio (Days)	69	56	23	365 Days / (Net Revenue / Average Trade Receivables)
2	Inventory Turnover Ratio (Days)	146	130	12	365 Days / (Net Revenue / Average Inventories)
3	Interest Coverage Ratio	1.12	1.52	-26	(Profit Before Tax + Interest) / (Interest + Interest Capitalised)
4	Current Ratio	1.04	0.98	6	Current Assets / (Total Current Liabilities - Other Financial Liabilities - Current maturities of Long Term Debt)
5	Debt - Equity Ratio	2.23	2.44	-9	Total Debt / Total Equity
6	Operating Profit Margin	12%	18%	-33	EBITDA / Net Revenue
7	Net Profit Margin	3%	5%	-40	Net Profit / Net Revenue
8	Return on Net worth	6%	10%	-40	Total Comprehensive Income / Average Net worth
9	Total Debt / EBITDA	10.08	7.27	39	Total Debt / EBITDA
10	Return on Capital Employed	6%	6%	-	(TCI + Interest) / (Average of Equity plus Total Debt)
11	Price Earnings Ratio	29	12	142	Market Price per share as at 31 st March / Earning per share

Note: EBITDA denotes Profit Before Tax + Interest + Depreciation

**Reason for variations in excess of $\pm 25\%$:**

- a) The decline in Interest Coverage Ratio, Operating Profit Margin, Net Profit Margin, Return on Net worth and Increasing in Total Debt / EBITDA Ratio is due to reduced operating margin on account of general slowdown in the textile industry.
- b) PE Ratio increased due to decrease in profitability and increase in Market price per share as at 31st March, 2024.

7. MODERNISATION / EXPANSION

As previously reported, the implementation of looms expansion and establishment of fabric processing unit has been completed and both the projects were commissioned during the current fiscal year 2023-24. After considering the above expansion of 174 Looms, the present Loom capacity is 328 Looms and Fabric finishing capacity is 50,000 meters of finished fabric per day. The Company has invested an amount of ₹ 334 Crores for loom expansion and establishment of fabric processing unit.

In addition to this, the Company has also invested an amount of ₹ 37 Crores in modernizing textile machines / equipment which includes replacement of back process machineries, civil structures for Mercerization plant and improvement of electrical infrastructure (110KV Sub-station).

The total capital expenditure spent by the Company during the FY 2023-24 for these projects was ₹ 374 Crores which has been funded from proceeds of Rights Issue, internal accruals and term loan from Banks.

8. PROSPECTS FOR THE CURRENT YEAR

The volatility in cotton prices continues, with prices of both cotton and yarn experiencing wide fluctuations. According to data published by the Foreign Agricultural Service of USDA, world cotton production for the 2024-25 season is expected to increase by 3.30%, while global cotton consumption is projected to grow by 3.10%. This is expected to be supported by better crop availability of imported cotton, especially extra-long staple cotton, which will benefit exporters producing premium value-added products.

The company is continuously monitoring various process parameters and implementing various system controls to deliver consistent quality yarn and fabric to end customers and leading brands. Strengthening its product lines with more value-added customized yarn counts such as Mercerized Yarn, Mélange Yarn, and Core Yarn will help the Company mitigate the impact of falling demand for commodity counts. Over the last 5 years, the volume of value-added products has increased from 12% to 37%.

The company's modernization of spinning mills and forward integration by setting up fabric manufacturing and fabric processing facilities are expected to drive top-line growth and protect margins during the current year. The company's efforts to adopt sustainable manufacturing processes, including the reuse of water, zero-liquid-discharge systems, and bio-treatment of wastewater for recycling, ensure environmental sustainability, positioning the Company among the top-rated textile



DIRECTORS' REPORT

companies globally. The synergies between the company's spinning and fabric capacities are expected to enable the offering of a wide range of textile products with quick turnaround times in the coming years. The Company has secured "A Grade" in Social Audit Compliances and leading brands in domestic and international markets are approaching the company for sourcing yarn and fabric. The company is confident that these measures will contribute to decent growth in its top line and sustainable profitability in the years ahead.

9. WINDMILL

The Company has windmills with installed capacity of 35.15 MW for its captive power consumption. During the financial year 2023-24, the wind farm generated 608 Lakhs Kwh, which is higher than 578 Lakhs Kwh generated in the previous year. This was due to good wind availability / velocity during the current year. All the units generated by the windmills were adjusted for captive consumption at the Company's Spinning / Fabric Division. The income generated by the windmill division during the year was ₹ 43.77 Crores, as compared to ₹ 39.09 Crores in the previous year.

10. ASSOCIATE COMPANY

The Company has three Associate Companies: M/s. The Ramco Cements Limited, M/s. Ramco Industries Limited and M/s. Ramco Systems Limited.

As per Rule 5 of Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of the Company's Associates' is attached in Form AOC-1 as Annexure - I.

CONSOLIDATED FINANCIAL STATEMENTS

As per provisions of Section 129(3) of the Companies Act, 2013 and Regulation 34 of SEBI (LODR) Regulations, 2015, Companies are required to prepare consolidated financial statements of its Subsidiaries and Associates to be laid before the Annual General Meeting of the Company.

Accordingly, the consolidated financial statements incorporating the accounts of Associate Companies, viz. M/s. The Ramco Cements Limited, M/s. Ramco Industries Limited, M/s. Ramco Systems Limited, along with the Auditors' Report thereon, form part of this Annual Report. As per Section 136 (1) of the Companies Act, 2013, the Financial Statements including Consolidated Financial Statements are available on the Company's website at the following link:<https://www.rajapalayammills.co.in>

The consolidated profit of the Company amounted to ₹ 4,436.42 Lakhs for the year ended 31st March, 2024 as compared to ₹ 8,188.36 Lakhs of the previous year.

The Consolidated Total Comprehensive Income for the year under review is ₹ 6,083.37 Lakhs as compared to ₹ 8,253.23 Lakhs of the previous year.

11. INTERNAL FINANCIAL CONTROLS

In accordance with Section 134(5)(e) of the Companies Act, 2013, the Company has Internal Financial Controls Policy by means of Policies and Procedures commensurate with the size & nature of its operations and pertaining to financial reporting. In accordance with Rule 8(5)(viii) of

DIRECTORS' REPORT



Companies (Accounts) Rules, 2014, it is hereby confirmed that the Internal Financial Controls are adequate with reference to the financial statements. The ERP System developed by Ramco Systems Limited has been installed for online monitoring of all functions and management information reports are being used to have better internal control system and to make timely decisions.

12. VIGIL MECHANISM / WHISTLE BLOWER POLICY

In compliance with Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015, the Company has established a Vigil Mechanism and Whistle Blower Policy. The Policy provides a mechanism for the receipt, retention and treatment of complaints and to protect the confidentiality and anonymity of the stakeholders. The complaints can be made in writing and dropped into Whistle Blower Drop Boxes or sent through e-mail to dedicated e-mail addresses accessible only by the Corporate Ombudsman. The Policy also provides complainants with access to the Chairman of the Audit Committee. The web link for the Vigil Mechanism is disclosed in the Corporate Governance Report.

13. DIRECTORS

During the year, Shri B. Gnanagurusamy resigned from the position of Chief Financial Officer & Key Managerial Personnel of the Company with effect from 30-09-2023. Shri A. Arulpranavam demit the office of Company Secretary with effect from 10-11-2023 and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors appointed Shri A. Arulpranavam as Chief Financial Officer & Key Managerial Personnel of the Company with effect from 11-11-2023. Based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors Shri K. Maheswaran has been appointed as Company Secretary & Compliance Officer with effect from 09-01-2024.

The following Independent Directors retired on 31-03-2024 after completing their term of two consecutive five years each in the office:

1. Justice Shri. P.P.S. Janarthana Raja (DIN: 06702871)
2. Shri N. K. Ramaswami Raja (DIN: 00432698)
3. Shri V. Santhanaraman (DIN: 00212334)

Based on the recommendations of the Nomination and Remuneration Committee and the Board of Directors, the Shareholders through Postal Ballot process have approved the appointment of following Independent Directors for a term of 5 consecutive years from 01-04-2024 to 31-03-2029:

1. Shri M. Rathinasamy (DIN: 10391134)
2. Shri Sivaguru Chellappa (DIN: 01309727)
3. Shri N.S. Krishnamma Raja (DIN: 01655571)



DIRECTORS' REPORT

In the opinion of the Board, the above Independent Directors possess integrity, expertise and experience for being appointed as an Independent Director.

According to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association of the Company, the following Directors will retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment:

1. Shri S.S. Ramachandra Raja (DIN: 00331491)
2. Shri A.V. Dharmakrishnan (DIN: 00693181)

Pursuant to Rule 8(5)(iii) of Companies (Accounts) Rules, 2014, there have been no changes in the Directors or Key Managerial Personnel during the year, except as mentioned above.

The Independent Directors hold office for a fixed term of 5 years from the date of their appointment and are not liable to retire by rotation.

The Company has received necessary declarations from all the Independent Directors under Section 149(7) of the Companies Act, 2013, stating that they met the independence criteria provided in Section 149(6) of the Companies Act, 2013.

Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV of the Companies Act, 2013. The Company has formulated a Code of Conduct for the Directors and Senior Management personnel, which has been complied with.

The Audit Committee has four members, out of which three are Independent Directors. Pursuant to Section 177(8) of the Companies Act, 2013, it is reported that there has not been an occasion, where the Board had not accepted any recommendation of the Audit Committee.

The Company has a policy relating to appointment and remuneration of Directors, Key Managerial Personnel and other employees duly approved by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, in accordance with Section 178(3) of the Companies Act, 2013.

As per Provision to Section 178(4), the salient features of the Nomination and Remuneration Policy should be disclosed in the Board's Report. Accordingly, the following disclosures are given:

Salient Features of the Nomination and Remuneration Policy:

The objective of the Policy is to ensure that:

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- (b) the relationship of remuneration to performance is clear and meets the appropriate performance benchmarks;
- (c) remuneration to directors, key managerial personnel and senior management involves balance between fixed and incentive pay reflecting short and long term performance objectives shall be appropriated to the working of the Company and its goals.

DIRECTORS' REPORT



The Nomination and Remuneration Committee and this Policy are in compliance with the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The web address of the Policy is

<https://www.rajapalayammills.co.in/wp-content/themes/ramco/pdf/nomination-and-remuneration-policy.pdf>

As required under Regulation 25(7) of SEBI (LODR) Regulations, 2015, the Company has programmes for familiarisation for the Independent Directors about the nature of the industry, business model, roles, rights and responsibilities of Independent Directors and other relevant information. As required under Regulation 46(2)(i) of SEBI (LODR) Regulations, 2015, the details of the Familiarisation Programme for Independent Directors are available at the Company's website, at the following link -

<https://www.rajapalayammills.co.in/wp-content/themes/ramco/pdf/familiarisation-programme-for-independent-directors-31-03-2024.pdf>

The details of familiarization programme are explained in the Corporate Governance Report also.

14. EVALUATION OF BOARD

Pursuant to Section 134(3)(p) of the Companies Act, 2013, and Regulation 25(4) of SEBI (LODR) Regulations, 2015, Independent Directors have evaluated the quality, quantity and timeliness of the flow of information between the Management and the Board, Performance of the Board as a whole and its Members and other required matters.

Pursuant to Schedule II, Part D of SEBI (LODR) Regulations, 2015, the Nomination and Remuneration Committee has laid down evaluation criteria for performance evaluation of Independent Directors, which will be based on attendance, expertise and contribution brought in by the Independent Director at the Board Meeting, which shall be taken into account at the time of re-appointment of Independent Director.

Pursuant to Regulation 17(10) of SEBI (LODR) Regulations, 2015, the Board of Directors have evaluated the performance of Independent Directors and observed the same to be satisfactory and their deliberations beneficial in Board / Committee meetings.

As per Section 178(2) of the Companies Act, 2013, the Board of Directors have evaluated the performance of the Committees of the Board.

Pursuant to Regulation 4(2)(f)(ii)(9) of SEBI (LODR) Regulations, 2015, the Board of Directors have reviewed and observed that the evaluation frame work of the Board of Directors was adequate and effective.

The Board's observations on the evaluations for the year under review were similar to their observations for the Previous year. No specific actions have been warranted based on current year observations. The Company would continue to familiarize its Directors on the industry, technological and statutory developments, which have a bearing on the Company and the industry, so that Directors would be effective in discharging their expected duties.



DIRECTORS' REPORT

15. MEETINGS

During the year, six Board Meetings were held. The details of the Meetings of the Board and its various Committees held during the financial year including the number of meetings attended by each Director are given in Corporate Governance Report.

16. SECRETARIAL STANDARD

As required under Clause 9 of Secretarial Standard 1, the Board of Directors confirms that the Company has complied with applicable Secretarial Standards.

17. PUBLIC DEPOSITS

Pursuant to Rule 8 (5)(v) & (vi) of Companies (Accounts) Rules, 2014, it is reported that the Company has not accepted any deposit from public during the financial year under review. There was no outstanding of deposits as on 31-03-2024 (Previous year: NIL). The Company has no deposit, which is not in compliance with the Chapter V of the Companies Act, 2013.

18. ORDERS PASSED BY REGULATORS

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

19. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Pursuant to Section 186(4) of the Companies Act, 2013, it is reported that:

- (a) the particulars of loans are provided under Note No. 50(b)(i).
- (b) the particulars of the guarantees and investments are provided under Note No. 50(b)(iii) and Note No. 12 & 13 respectively of Notes forming part of financial statements. The guarantees are provided to secure the loans from Banks / Financial Institutions at a competitive pricing by the borrowers.

20. CORPORATE SOCIAL RESPONSIBILITY

In terms of Section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors have constituted a Corporate Social Responsibility (CSR) Committee and adopted a CSR Policy which is based on the philosophy that "As the Organization grows, the Society and Community around it also grows."

The Company has undertaken various projects in the areas of eradication of hunger, promotion of healthcare including preventive healthcare, education, restoration of buildings and sites of historical importance etc., largely in accordance with Schedule VII of the Companies Act, 2013.

DIRECTORS' REPORT



The CSR obligations pursuant to Section 135(5) of the Companies Act, 2013, for the year 2023-24 is ₹ 20.89 Lakhs. As against the requirement, the Company has spent an amount of ₹ 7.31 Lakhs. Corporate Social Responsibility Committee and the Board of Directors had accorded its approval for set-off of excess amount spent under CSR activities against the future CSR obligations and pursuant to such approval the Company has set-off an amount of ₹ 13.58 Lakhs from the excess spent in the FY 2021-22 against the obligation of current year. The Company had also spent a sum of ₹ 4.64 Lakhs (PY: ₹ 5.53 Lakhs) on other social causes and projects, which do not qualify as CSR expenditure under the classifications listed out in Schedule VII of the Companies Act, 2013.

The CSR policy is available at the Company's website at the following link:

<https://www.rajapalayammills.co.in/wp-content/uploads/2022/07/corporate-social-responsibility-policy.pdf>

The Annual Report on CSR activities as prescribed under Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as Annexure - II.

21. AUDITS

STATUTORY AUDIT

M/s. N.A. Jayaraman & Co. Chartered Accountants (FRN: 001310S) and M/s. SRSV Associates, Chartered Accountants (FRN: 015041S), whom have been appointed as the Statutory Auditors of the Company for second term of five consecutive years at the 86th Annual General Meeting, would be the Auditors of the Company till the conclusion of 91st Annual General Meeting to be held in the year 2027.

As required under Regulation 33(1)(d) of SEBI (LODR) Regulations, 2015, the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

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

SECRETARIAL AUDIT

Shri M.R.L. Narasimha, a Practicing Company Secretary is the Secretarial Auditor of the Company. Pursuant to Section 204(1) of the Companies Act, 2013, the Secretarial Audit Report submitted by the Secretarial Auditor for the year ended 31st March, 2024 is attached as Annexure - III. The report does not contain any qualification, reservation or adverse remark.



DIRECTORS' REPORT

COST AUDIT

As per Section 148(1) of the Companies Act, 2013 read with Rule 3 of Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost records and accordingly such records and accounts are made and maintained.

The Board of Directors had approved the appointment of Shri M. Kannan, Cost Accountant as the Cost Auditor of the Company to audit the Company's Cost Records relating to manufacture of textile products for the year 2024-25 at a remuneration of ₹ 2,25,000/- (Rupees Two Lakhs Twenty-Five Thousand only) exclusive of GST and out-of-pocket expenses.

The remuneration of the cost auditor is required to be ratified by the members in accordance with the provisions of Section 148(3) of the Companies Act, 2013 and Rule 14 of Companies (Audit and Auditors) Rules, 2014. Accordingly, the matter would be placed before the Members for ratification at the ensuing Annual General Meeting.

The Cost Audit Report for the financial year 2022-23 due to be filed with Ministry of Corporate Affairs by 08-09-2023, had been filed on 01-09-2023. The Cost Audit Report for the financial year 2023-24 due to be submitted by the Cost Auditor within 180 days from the closure of the financial year will be filed with the Ministry of Corporate Affairs, within 30 days thereof.

There are no changes in the Statutory, Cost and Secretarial Auditors of the Company during the year under review and upto the date of this report.

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

Pursuant to Section 134(3)(m) of the Companies Act, 2013 and Rule 8(3) of Companies (Accounts) Rules, 2014, the information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is attached as Annexure - IV.

23. ANNUAL RETURN

In Accordance with Section 92(3) of the Companies Act, 2013, read with Rule 12 of Companies (Management and Administration) Rules, 2014, the copy of the Annual Return for the year ended 31-03-2023 has been placed on the website of the Company and web link of such Annual Return is- <https://www.rajapalayammills.co.in/wp-content/uploads/2023/11/Annual-Return-31-03-2023.pdf>

24. CORPORATE GOVERNANCE

The Company has complied with the requirements regarding Corporate Governance as stipulated in SEBI (LODR) Regulations, 2015. As required under Schedule V(C) of SEBI (LODR) Regulations, 2015, a Report on Corporate Governance being followed by the Company is attached as Annexure - V.

As required under Schedule V(E) of SEBI (LODR) Regulations, 2015, a Certificate from the Auditors' confirming compliance of conditions of Corporate Governance is also attached as Annexure - VI to this Report.

DIRECTORS' REPORT



As required under Regulation 34(3) read with Schedule V Para C (10)(i) of SEBI (LODR) Regulations, 2015, Certificate from the Secretarial Auditor that none of the Company's Directors have been debarred or disqualified from being appointed or continuing as Directors of Companies, is enclosed as Annexure - VIA.

During the year under review, no complaints had been received regarding sexual harassment. The relevant statutory disclosure related to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, are available at Point No.12(xii) of Corporate Governance Report.

25. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The disclosures in terms of provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1), (2) and (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, relating to remuneration are provided in Annexure - VII.

26. INDUSTRIAL RELATIONS AND PERSONNEL

The Company has 4,809 employees as on 31-03-2024 (PY: 4,713). Industrial relations with employees remained cordial during the year. The Company focused more on Human Resources Development activities and imparted training to develop the skill-set of the employees to enable them to face the challenges in the work environment.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

27. RELATED PARTY TRANSACTION

Prior approval / Omnibus approval is obtained from the Audit Committee for all related party transactions and the transactions are periodically placed before the Audit Committee for its approval. No transaction with the related party is material in nature, in accordance with Company's "Related Party Transaction Policy" and Regulation 23 of SEBI (LODR) Regulations, 2015. In accordance with Indian Accounting Standard - 24 (Related Party Disclosure), the details of transactions with the related parties are set out in Note No: 50 of disclosures forming part of Financial Statements.

As required under Regulation 46(2)(g) of SEBI (LODR) Regulations, 2015, The Company's Related Party Transaction Policy is disclosed in the Company's website and its web link is: <https://www.rajapalayammills.co.in/wp-content/themes/ramco/pdf/related-party-transaction-policy-2022.pdf>



DIRECTORS' REPORT

28. RISK MANAGEMENT POLICY

Pursuant to Section 134(3)(n) of the Companies Act, 2013 and Regulation 17(9) of SEBI (LODR) Regulations, 2015, the Company has developed and implemented a Risk Management Policy. The Policy envisages identification of risk and procedures for assessment and minimization of risk thereof. The Risk Management policy of the Company is available at the Company's website at the following web link-

<https://www.rajapalayammills.co.in/wp-content/themes/ramco/pdf/risk-management-policy.pdf>

29. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Dividend amount remaining unclaimed / unpaid for a period of over 7 years was transferred to IEPF as detailed below:

Dividend Details	Amount Transferred (in ₹)	Date of Transfer to IEPF
Interim Dividend 2015-16	8,43,564	10-04-2023

Shares corresponding to the said dividend were transferred to IEPF, as detailed below:

No. of Shares	Date of Transfer to IEPF
2,300	13-04-2023

Year wise amount of unpaid / unclaimed dividend lying in the unpaid account and corresponding shares, which are liable to be transferred to IEPF and due dates for such transfer, are tabled below:

Year	Type of Dividend	Date of Declaration of Dividend	Last date for claiming Unpaid Dividend	Due date for transfer to IEP Fund	No. of Shares of ₹10/- each	Amount of unclaimed / unpaid Dividend as on 31-03-2024 - ₹
2016-2017	Dividend	10-08-2017	09-08-2024	08-09-2024	2,77,097	11,08,388
2017-2018	Dividend	10-08-2018	09-08-2025	08-09-2025	1,06,727	4,26,908
2018-2019	Dividend	14-08-2019	13-08-2026	12-09-2026	1,07,600	4,30,400
2019-2020	Dividend	15-09-2020	14-09-2027	14-10-2027	1,27,937	1,27,111*
2020-2021	Dividend	25-08-2021	24-08-2028	23-09-2028	2,45,129	1,21,718*
2021-2022	Dividend	20-08-2022	19-08-2029	18-09-2029	2,28,008	2,24,293*
2022-2023	Dividend	18-08-2023	17-08-2030	16-09-2030	1,74,074	1,72,593*

* Net of TDS

30. MATERIAL CHANGES SINCE 1ST APRIL, 2024

There have been no changes affecting the financial position of the Company between the end of the financial year (31-03-2024) and till the date of this report (29-05-2024).

DIRECTORS' REPORT



31. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors confirm that:

- (a) they had followed the applicable accounting standards along with proper explanation relating to material departures, if any, in the preparation of the annual accounts for the year ended 31st March, 2024;
- (b) they had 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 as on 31st March, 2024 and the profit of the Company for the year ended on that date;
- (c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) they had prepared the Annual Accounts on a going concern basis;
- (e) they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

The Directors are grateful to the various Departments and agencies of the Central and State Governments for their help and co-operation. They are thankful to the Financial Institutions and Banks for their continued help, assistance and guidance. The Directors wish to place on record their appreciation of employees at all levels for their commitment and their contribution.

By Order of the Board,
For **RAJAPALAYAM MILLS LIMITED,**

P.R. VENKETRAMA RAJA
CHAIRMAN
(DIN: 00331406)

RAJAPALAYAM,
29th May, 2024.



ANNEXURE I TO DIRECTORS' REPORT

Form AOC-1

[Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of Associate Companies

PART A - SUBSIDIARY COMPANY

The Company has no Subsidiary Company.

PART B - ASSOCIATE COMPANY

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies

Particulars	2023-24		
	The Ramco Cements Limited	Ramco Industries Limited	Ramco Systems Limited
Last Audited Balance Sheet date	31-03-2024	31-03-2024	31-03-2024
Date on which the Associate was associated / acquired	01-04-2016	01-04-2016	01-04-2016
No. of Shares held as on 31 st March, 2024	3,21,69,264	84,01,680	7,33,531
Amount of Investment in Associate as on 31-03-2024 (₹ in Lakhs)	6,217.99	1,100.81	1,141.55
Extent of Shareholding % as on 31-03-2024	13.61%	9.68%	2.07%
Description of how there is significant influence	Note (1)	Note (1)	Note (1)
Reason why Associate is not consolidated	Not applicable	Not applicable	Not applicable
Net worth attributable to Shareholding (₹ in Lakhs)	7,24,149.00	4,06,089.64	31,503.60
Profit / Loss for the Year (Consolidated) (₹ in Lakhs)	42,074.00	17,748.37	(23,616.50)
a) Considered in Consolidation (₹ in Lakhs)	6,416.52	994.83	(489.15)
b) Not considered in Consolidation (₹ in Lakhs)	36,287.48	16,753.54	(23,127.35)

- Note: 1) Significant influence exists based on combined voting rights.
2) Names of associates or joint ventures which are yet to commence operations - NIL
3) Names of associates or joint ventures which have been liquidated or sold during the year - NIL

As per our report annexed

For N.A. JAYARAMAN & CO.
Chartered Accountants
Firm Registration No. 001310S

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration No. 015041S

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)

Smt. P.V. NIRMALA RAJU
Managing Director
(DIN: 00474960)

R. PALANIAPPAN
Partner
Membership No. 205112

P. SANTHANAM
Partner
Membership No. 018697

A. ARULPRANAVAM
Chief Financial Officer

K. MAHESWARAN
Secretary

Rajapalayam
29th May, 2024

ANNEXURE II TO DIRECTORS' REPORT



ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR policy.

The objective of the CSR Policy is:

- to ensure an increased commitment at all levels in the organization, to operate its business in an economically, socially & environmentally sustainable manner, while recognising the interests of all its stakeholders.
- to directly or indirectly take up programmes that benefit the communities in & around its work locations and results, over a period of time, in enhancing the quality of life & economic wellbeing of the local populace.
- to generate, through its CSR initiatives, a community goodwill for the Company and help reinforce a positive & socially responsible image of the Company as a corporate entity.

2. The Composition of the CSR Committee:

S.No	Name of the Director	Designation / Nature of Directorship	No.of meetings of CSR held during the year	No.of meetings of CSR attended during the year
1.	Shri P.R. Venketrama Raja	Chairman of the Committee Non-executive & Non-Independent Director	1	1
2.	Smt. P.V. Nirmala Raju	Managing Director & Non-Independent Director	1	1
3.	Justice Shri P.P.S. Janarthana Raja (Upto 31-03-2024)	Non-executive & Independent Director	1	1
4.	Shri P.V. Abinav Ramasubramaniam Raja	Non-executive & Non-Independent Director	1	Absent
5.	Shri N.S. Krishnamma Raja (w.e.f 01-04-2024)	Non-executive & Independent Director	NA	NA

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

<https://www.rajapalayammills.co.in/investors/share-holders-information/>

<https://www.rajapalayammills.co.in/wp-content/uploads/2022/07/corporate-social-responsibility-policy.pdf>

<https://www.rajapalayammills.co.in/wp-content/themes/ramco/pdf/csr-expenditure-approved-by-the-board-for-the-year-2023-24.pdf>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable - Not Applicable



ANNEXURE II TO DIRECTORS' REPORT

5.
 - a. Average net profit of the company as per Section 135(5) - ₹ 1,044.33 Lakhs
 - b. Two percent of average net profit of the company as per sub-section (5) of Section 135 - ₹ 20.89 Lakhs
 - c. Surplus arising out of the CSR Projects or programmes or activities of the previous financial years - NIL
 - d. Amount required to be set-off for the financial year, if any - ₹ 13.58 Lakhs (Being set-off from the excess spent in FY 2021-22).
 - e. Total CSR obligation for the financial year [(b)+(c)-(d)] - ₹ 7.31 Lakhs

6.
 - a. Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) - ₹ 7.31 Lakhs
 - b. Amount spent in Administrative Overheads - NIL
 - c. Amount spent on Impact Assessment, if applicable - Not applicable
 - d. Total amount spent for the Financial Year (a + b + c) - ₹ 7.31 Lakhs
 - e. CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ in Lakhs)	Amount Unspent (₹ in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
7.31	NIL	NIL	NIL	NIL	NIL

- f. Excess amount for set off, if any

Sl. No.	Particulars	Amount (₹ in Lakhs)
i.	Two per cent of average net profit of the Company as per Section 135(5)	20.89
ii.	Total Amount spent for the Financial year (including set off of ₹ 13.58 Lakhs from the excess spending of previous years, available for set off)	20.89
iii.	Excess amount spent for the Financial year [(ii)-(i)]	NIL
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any.	NIL
v.	Amount available for set-off in succeeding financial years [(iii) - (iv)]	NIL

Including the excess amount spent under CSR in earlier years, the Company has an amount of ₹ 38.44 Lakhs available for set-off against future CSR obligations.



ANNEXURE II TO DIRECTORS' REPORT

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (₹ in Lakhs)	Balance amount in unspent CSR Account under sub-section (6) of Section 135 (₹ in Lakhs)	Amount spent in the reporting Financial Year (₹ in Lakhs)	Amount transferred to any fund specified under Schedule VII as per second proviso to subsection (5) of Section 135, if any			Amount remaining to be spent in succeeding financial years (₹ in Lakhs)
					Name of the Fund	(₹ in Lakhs)	Date of transfer	
1.	2022-23	NIL	NIL	11.17	NA	NA	NIL	NIL
2.	2021-22	NIL	NIL	42.88	NA	NA	NIL	NIL
3.	2020-21	NIL	NIL	20.44	NA	NA	NIL	NIL
Total				74.49				

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

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

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

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity / Authority / beneficiary of the registered owner		
					CSR Registration no	Name	Registered Address
NA							

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5) - Not applicable

The Company has complied with the provision of Section 135(5) of the Companies Act, 2013.

SHRI P.R. VENKETRAMA RAJA

CHAIRMAN
(DIN: 00331406)

RAJAPALAYAM
29th May, 2024

SMT. P.V. NIRMALA RAJU

MANAGING DIRECTOR
(DIN:00474960)



ANNEXURE III TO DIRECTORS' REPORT

Form 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 No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,

Rajapalayam Mills Limited,

[CIN: L17111TN1936PLC002298]

Rajapalayam Mills Premises,

P.A.C. Ramasamy Raja Salai,

Post Box No.1, Rajapalayam - 626 117.

I have conducted a Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **RAJAPALAYAM MILLS LIMITED** (hereinafter called "the Company") **during the financial year from 1st April, 2023 to 31st March, 2024** ("the year" / "audit period" / "period under review"). I conducted the Secretarial Audit in a manner that provided me a reasonable basis for evaluating the Company's corporate conducts / statutory compliances and expressing my opinion there on.

I am issuing this report based on my verification of the books, papers, minute books and other records maintained by the Company, forms and returns filed, compliance related action taken by the Company during the year as well as after 31st March, 2024 but before the issue of this audit report and the information provided by the Company, its officers, agents and authorised representatives during my conduct of the Secretarial Audit.

1. I hereby report that:

1.1. In my opinion, during the audit period covering the **financial year ended on 31st March, 2024**, the Company has complied with the statutory provisions listed hereunder and also has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The Members are requested to read this report along with my letter of even date annexed to this report as Annexure - A.

1.2. I have examined the books, papers, minute books and other records maintained by the Company and the forms, returns, reports, disclosures and information filed or disseminated during the year according to the applicable provisions of :

- (i) The Companies Act, 2013 (the Act), and the rules made thereunder.



ANNEXURE III TO DIRECTORS' REPORT

- (ii) Securities Contracts (Regulation) Act, 1956 and the rules made thereunder.
- (iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder.
- (iv) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Regulations):-
 - (a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
 - (c) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (v) The following laws, that are specifically applicable to the Company:
 - (a) Essential Commodities Act, 1955, with reference to "Hank Yarn Packing Notification 2003" (No.2/TDRO/8/2003 dated 17th April, 2003); and
 - (b) The Electricity Act, 2003.

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

- (i) Secretarial Standards (SS-1) on "Meetings of the Board of Directors" and Secretarial Standards (SS-2) on "General Meetings" issued by The Institute of Company Secretaries of India and
- (ii) The Listing agreement entered into by the Company with BSE Limited.

1.4. During the period under review, and also considering the compliance related action taken by the Company after 31st March, 2024 but before the issue of this report, the Company has, to the best of my knowledge and belief and based on the records, information and explanations furnished to me, complied with the applicable provisions / Clauses of the Acts, Rules, Regulations, Agreements, Guidelines and Standards mentioned under paragraphs 1.2 and 1.3 above.

1.5. I am informed that, during / in respect of the year:

- (i) Due to non-occurrence of certain events, the Company was not required to comply with the following laws / guidelines / regulations and consequently was not required to maintain any books, papers, minute books or other records or file any forms / returns under:
 - (a) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;



ANNEXURE III TO DIRECTORS' REPORT

- (b) Securities and Exchange Board of India (Share Based Employee Benefits) and Sweat Equity Regulations, 2021;
 - (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - (e) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - (f) 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 and
 - (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (ii) There was no law, other than those specified in paragraph 1.2(v) above, that was specifically applicable to the Company, considering the nature of its business. Hence the requirement to report on compliance with specific laws did not arise.

2. I further report that:

2.1 The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Board also have two Woman Directors as on 31-03-2024. There is no change in composition of the Board of Directors during the period under review .

2.2 Adequate notice was given to all Directors to schedule the Board Meetings. Notice of Board meetings were sent at least seven days in advance. Agenda and detailed notes on agenda were sent atleast seven days before the Board meetings with the exception of the following items, which were either circulated separately or at the meetings:

- (i) Supplementary agenda notes and annexures in respect of unpublished price sensitive information such as audited accounts/ results, unaudited financial results and connected papers; and
- (ii) Additional subjects / information / presentations and supplementary notes.

Consent of the Board for circulating them separately or at the meeting was duly obtained as required under the Secretarial Standards.

ANNEXURE III TO DIRECTORS' REPORT



2.3 A system exists for Directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings. Majority decision is carried through. I am informed that there were no dissenting members' views on any of the matters discussed during the year that were required to be captured and recorded as part of the minutes.

3. I further report that:

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

Coimbatore
29th May, 2024

M.R.L. Narasimha
Practising Company Secretary
Membership No: 2851
Certificate of Practice: 799
PR No.1420/2021
Lotus 370-A, Alagesan Road,
SB Mission Post, Coimbatore - 641011
UDIN: F002851F000477424



ANNEXURE III TO DIRECTORS' REPORT

Annexure - A to Secretarial Audit Report of even date

To,

The Members,

Rajapalayam Mills Limited, [CIN: L17111TN1936PLC002298]

Rajapalayam Mills Premises,

P.A.C. Ramasamy Raja Salai,

Post Box No.1, Rajapalaiyam - 626 117.

My Secretarial Audit Report (Form MR-3) of even date for the financial year ended 31st March, 2024 is to be read along with this letter.

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. My responsibility is to express an opinion on the secretarial records produced for my audit.
2. I have followed such audit practices and processes as i considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. While forming an opinion on compliance and issuing this report, i have also considered compliance related action taken by the Company after 31st March, 2024 but before the issue of this report.
4. I have verified the secretarial records furnished to me on a test basis to see whether the correct facts are reflected therein. I also examined the compliance procedures followed by the Company on a test basis. I believe that the processes and practices i followed provide a reasonable basis for my opinion.
5. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
6. I have obtained the Management's representation about compliance of laws, rules and regulations and happening of events, wherever required.
7. My Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Coimbatore

29th May, 2024

M.R.L. Narasimha
Practising Company Secretary
Membership No: 2851
Certificate of Practice: 799
PR No.1420/2021

Lotus 370-A, Alagesan Road,
SB Mission Post, Coimbatore - 641011

UDIN: F002851F000477424



ANNEXURE IV TO DIRECTORS' REPORT

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY

The Company pays attention at all levels to reduce energy consumption, by continuous monitoring maintenances and improvements.

- (i) the steps taken on conservation of : a. Installed TC5 & LC300A Carding Energy Saver Kit (Star Delta Control) - 14 No's.
b. Optimized the speed of motor using variable frequent drives.
c. Optimized the air pressures in Compressors.
d. Optimized the parking time in overhead clearer in TFO machines.
e. Installed Energy Efficient Fans in overhead cleaners - 10 nos.

Impact on conservation of energy : The above has resulted annual Energy saving of 4.65 lakhs units per annum.

- (ii) the steps taken by the Company for utilising alternate sources of energy : The Company had entered into a group captive arrangement for purchase of 'Solar power' to the extent of 17 MW.

During the year 2023-24, commissioning of 9.5 MW unit has been completed.

- (iii) the capital investment on energy conservation equipments : NIL

B. TECHNOLOGY ABSORPTION

- (i) the efforts made towards technology absorption : a. Twin yarn conversion in Spinning machines
b. Truetzschler Blow room line with blendomat installed, which feeds raw material automatically.
c. 8 nos latest high production Truetzschler TC15 cards installed.

- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution : Cost reduction and quality improvement

- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

- (a) the details of technology imported : NIL
(b) the year of import : NIL
(c) whether the technology been fully absorbed : NA



ANNEXURE IV TO DIRECTORS' REPORT

- (d) if not fully absorbed, areas where
absorption has not taken place : NA
and the reasons thereof; and
- (iv) the expenditure incurred on : NA
Research and Development

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of : ₹ 34,054.75 Lakhs
actual inflows during the year and

The Foreign Exchange outgo during the: ₹ 22,519.42 Lakhs
year in terms of actual outflows.

By Order of the Board,
For **RAJAPALAYAM MILLS LIMITED,**

P.R. VENKETRAMA RAJA
CHAIRMAN
(DIN: 00331406)

RAJAPALAYAM
29th May, 2024



ANNEXURE V TO DIRECTORS' REPORT

REPORT ON CORPORATE GOVERNANCE

[Pursuant to para C of Schedule V of SEBI (LODR) REGULATIONS, 2015]

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Since inception, M/s. Rajapalayam Mills Limited is assiduously following its self-determined goals on Corporate Governance. The object of the Company is to protect and enhance the value of all the stakeholders of the Company viz., shareholders, creditors, customers and employees. It strives to achieve these objectives through high standards in dealings and following business ethics in all its activities.

The Company believes in continuous up-gradation of technology to improve the quality of its production and productivity to achieve newer and better products for total customer satisfaction. The Company leverages the developments in the technology for better compliances and communication.

The Company lays great emphasis on team building and motivation. A contented and well developed worker will give to the Company better work and therefore better profits. The Company has strong faith in innate and infinite potential of human resources. It believes in the creative abilities of the people who work for the Company and believes in investing in their development and growth as foundation for strong and qualitative growth of the Organization.

If there is no customer, there is no business. Customers' continued satisfaction and sensitivity to their needs are the Company's source of strength and security.

The Company also believes that as the Organization grows, the society and the community around it should also grow.

2. BOARD OF DIRECTORS

The Board of Directors is headed by the Chairman Shri P.R. Venketrama Raja. The Board consists of eminent persons with considerable professional expertise in various fields such as Administration, Banking, Finance, Law, Engineering, etc. The Board had 11 Directors as on 31-03-2024. Except Smt. P.V. Nirmala Raju, all other Directors are Non-Executive. As required under Regulation 17 of the SEBI (LODR) Regulations, 2015, not less than 50% of the Board consists of Independent Directors.

In accordance with Clause C(h)(i) and (ii) of Schedule V read with Regulations 34(3) SEBI (LODR) Regulations, 2015, the Board of Directors have identified the following Core Skills / Expertise / Competencies, required for Board Members in the context of Company's business and sectors, to function effectively.



ANNEXURE V TO DIRECTORS' REPORT

- Textile Technology
- Strategy Management
- Business Management
- Banking and Financial Management
- Project Management
- Risk Management including Foreign Exchange Management
- Industrial Relationship Management, including Environment, Health and Safety
- Legal Knowledge
- Human Resource Management
- Tax Planning and Management
- Information Technology
- General Administration
- Industrial Engineering

The skills / expertise / competencies available with the Directors have been furnished under the individual Director's profile.

DIRECTORS' PROFILE

SHRI P.R. VENKETRAMA RAJA

Shri P.R. Venketrama Raja, aged 65, has a Bachelor's Degree in Chemical Engineering from University of Madras and Masters in Business Administration from University of Michigan, USA. He has been on the Board of M/s. Rajapalayam Mills Limited, since 1986. He has more than 3 decades of Industrial Experience with specific knowledge in Textiles, Cement and Information Technology sectors.

Skill / Expertise / Competency	Expert in Information Technology, Strategy Management and Business Management.
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Names of the listed entities other than M/s. Rajapalayam Mills Limited in which Shri P.R. Venketrama Raja is a Director and his category of Directorship:

Name of the Company	Category of Directorship as on 31-03-2024
The Ramco Cements Limited	Managing Director
Ramco Industries Limited	Non-Executive & Non-Independent
Ramco Systems Limited	Non-Executive & Non-Independent
The Ramaraju Surgical Cotton Mills Limited	Non-Executive & Non-Independent

ANNEXURE V TO DIRECTORS' REPORT



SMT. P.V. NIRMALA RAJU

Smt. P.V. Nirmala Raju, aged 58, has a Bachelor's Degree in Computer Science Engineering from Anna University and Masters in Arts in Applied Educational Leadership & Management from University of London. She has specialized knowledge and experience in Textile Industry for more than a decade. She has been on the Board of Rajapalayam Mills Limited, since April, 2019.

Skill / Expertise / Competency

Information Technology, Strategy Management, Business Management and General Administration.

Other than M/s. Rajapalayam Mills Limited, Smt. P.V. Nirmala Raju does not hold Directorship in any other listed entity.

SHRI S.S. RAMACHANDRA RAJA

Shri S.S. Ramachandra Raja, aged 88, has a Bachelor's Degree in science and he has been on the Board of Rajapalayam Mills Limited, since 1992. He has knowledge and Experience in Textiles, Cement and Information Technology sectors.

Skill / Expertise / Competency

Business Management and General Administration

Names of the listed entities other than M/s. Rajapalayam Mills Limited in which Shri S.S. Ramachandra Raja is a Director and his category of Directorship:

Name of the Company	Category of Directorship as on 31-03-2024
Ramco Industries Limited	Non-Executive & Non-Independent

SHRI N.K. RAMASUWAMI RAJA (Upto 31-03-2024)

Shri N.K. Ramasuwami Raja, aged 80, holds a Degree in Science and he has been on the Board of Rajapalayam Mills Limited, since 1980. He has knowledge and experience in Textiles.

Skill / Expertise / Competency

Business Management and General Administration

Other than M/s. Rajapalayam Mills Limited, Shri N.K. Ramasuwami Raja does not hold Directorship in any other listed entity.

SHRI A.V. DHARMAKRISHNAN

Shri A.V. Dharmakrishnan, aged 67, a Chartered Accountant, started his career in 1982 at The Ramco Cements Limited. He is presently holding the position of Chief Executive Officer in



ANNEXURE V TO DIRECTORS' REPORT

M/s. The Ramco Cements Limited. He has been on Board of Rajapalayam Mills Limited, since 2008. He has specialized knowledge and rich experience in Finance and Taxation matters.

Skill / Expertise / Competency	Strategy Management, Business Management, Banking and Financial Management, Risk Management including Foreign Exchange Management, Tax Planning and Management.
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Names of the listed entities other than M/s. Rajapalayam Mills Limited in which Shri A.V. Dharmakrishnan is a Director and his category of Directorship:

Name of the Company	Category of Directorship as on 31-03-2024
Ramco Systems Limited	Non-Executive & Non-Independent

JUSTICE SHRI P.P.S. JANARTHANA RAJA (UPTO 31-03-2024)

Justice Shri P.P.S. Janarthana Raja, aged 73, a graduate in Law from the Madras Law College has more than 40 years of experience in Taxation matters. He was a Honourable Justice in the High Court of Madras from December, 2005 to January, 2013. He has been on the Board of Rajapalayam Mills Limited, since 2013.

Skill / Expertise / Competency	Expert Legal Knowledge, Tax Planning and Management.
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Names of the listed entities other than M/s. Rajapalayam Mills Limited in which Justice Shri P.P.S. Janarthana Raja is a Director and his category of Directorship:

Name of the Company	Category of Directorship as on 31-03-2024
Ramco Systems Limited	Non-Executive & Independent
The Ramaraju Surgical Cotton Mills Limited *	Non-Executive & Independent

* Retired on 24-05-2024

SHRI V. SANTHANARAMAN (UPTO 31-03-2024)

Shri. V. Santhanaraman, aged 74 holds a degree in Commerce and C.A.I.I.B. He has been on the Board of Rajapalayam Mills Limited, since 2013. He has more than 40 Years of experience in Banking Sector. He had held the positions of General Manager in Indian Bank from 1998 to 2006 and Executive Director in Bank of Baroda from October, 2006 to August, 2009.

ANNEXURE V TO DIRECTORS' REPORT



Skill / Expertise / Competency	Banking and Financial Management, Risk Management including Foreign Exchange Management
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Names of the listed entities other than M/s. Rajapalayam Mills Limited in which Shri V. Santhanaraman is a Director and his category of Directorship:

Name of the Company	Category of Directorship as on 31-03-2024
Ramco Industries Limited	Non-Executive & Independent
The Ramaraju Surgical Cotton Mills Limited *	Non-Executive & Independent

* Retired on 24-05-2024

SHRI K.B. NAGENDRA MURTHY

Shri K.B. Nagendra Murthy, aged 73, holds a Master degree in Commerce and C.A.I.I.B. He has been on the Board of M/s. Rajapalayam Mills Limited, since 2014. He has more than 40 years of experience in Banking Sector. He had held the positions of General Manager in Indian Bank from 2002 to 2009 and Managing Director & CEO in M/s. Tamilnad Mercantile Bank Ltd from 2012 to 2014.

Skill / Expertise / Competency	Banking and Financial Management, Risk Management including Foreign Exchange Management
--------------------------------	---

Other than M/s. Rajapalayam Mills Limited Shri K.B. Nagendra Murthy does not hold Directorship in any other listed entity.

SMT. SOUNDARA KUMAR

Smt. Soundara Kumar, aged 69, holds a degree in Science and C.A.I.I.B. She has been on the Board M/s. Rajapalayam Mills Limited, since 2015. She has nearly 40 years of experience in Banking Sector. She had held the position of General Manager (Retail Banking), Chief General Manager (Small & Medium Enterprises) and Chief General Manager (Rural Business) in State Bank of India. She was the CEO of SBI (California) and CEO of SBI (Los Angeles) Agency during the years 2002 to 2004. She was appointed as the Managing Director of State Bank of Indore from 2008 to 2010.

Skill / Expertise / Competency	Banking and Financial Management, Risk Management including Foreign Exchange Management
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ANNEXURE V TO DIRECTORS' REPORT

Names of the listed entities other than M/s. Rajapalayam Mills Limited in which Smt. Soundara Kumar is a Director and her category of Directorship:

Name of the Company	Category of Directorship as on 31-03-2024
Ramco Systems Limited	Non-Executive & Independent
Shanthi Gears Limited	Non-Executive & Independent
Carborundum Universal Limited	Non-Executive & Independent

SHRI P.V. ABINAV RAMASUBRAMANIAM RAJA

Shri P.V. Abinav Ramasubramaniam Raja, aged 30, has Bachelor's degree in Science - Industrial Engineering from Northwestern University, Evanston, USA. He has been on the Board of M/s. Rajapalayam Mills Limited, since 2017. He is holding the position of Managing Director in M/s. Ramco Industries Limited and Whole time Director in M/s. Ramco Systems Limited.

Skill / Expertise / Competency	Industrial Engineering, Strategy Management, Business Management and Information Technology.
--------------------------------	--

Names of the listed entities other than M/s. Rajapalayam Mills Limited in which Shri P.V. Abinav Ramasubramaniam Raja is a Director and his category of Directorship:

Name of the Company	Category of Directorship as on 31-03-2024
Ramco Industries Limited	Managing Director & Non-Independent
Ramco Systems Limited	Whole Time Director & Non-Independent

SHRI P.A.S. ALAGHAR RAJA

Shri P.A.S. Alaghar Raja, aged 48, holds a Diploma in Textile Technology. He has specialized knowledge and experience in Textile Industry for nearly 2 decades. He has been on the Board of M/s. Rajapalayam Mills Limited, since 2017. He is a Whole time Director of M/s. Tirupathi Yartex Spinners Private Limited.

Skill / Expertise / Competency	Textiles Technology, General Administration Business Management
--------------------------------	---

Names of the listed entities other than M/s. Rajapalayam Mills Limited in which Shri P.A.S. Alaghar Raja is a Director and his category of Directorship:

Name of the Company	Category of Directorship as on 31-03-2024
The Ramaraju Surgical Cotton Mills Limited	Non-Executive & Independent

ANNEXURE V TO DIRECTORS' REPORT



The Board of Directors have confirmed at the Meeting held on 29-05-2024 that all the above Independent Directors fulfil the conditions specified in SEBI (LODR) Regulations, 2015 and are independent of the management.

During the year under review, no Independent Director has resigned. Further, the tenure of the following Independent Directors came to end on 31-03-2024, since they have completed their second term of 5 consecutive years:

- a. Justice Shri P.P.S. Janarthana Raja (DIN: 06702871)
- b. Shri N. K. Ramasuwami Raja (DIN: 00432698) and
- c. Shri V. Santhanaraman (DIN: 00212334)

Further, the members of the Company have appointed the following persons as Non-Executive Independent Directors of the Company for a period of 5 consecutive years from 01-04-2024 to 31-03-2029, based on the recommendation of Nomination and Remuneration Committee and Board of Directors vide their Special Resolution(s) passed through Postal Ballot on 29-03-2024:

- a. Shri M. Rathinasamy (DIN: 10391134)
- b. Shri Sivaguru Chellappa (DIN: 01309727) and
- c. Shri N.S. Krishnamma Raja (DIN: 01655571)

All the Independent Directors have registered themselves with the Independent Directors Data Bank, as required under Rule 6 of Companies (Appointment & Qualification of Directors) Rules, 2014. Further, all the Independent Directors except the newly appointed 3 Independent directors, have been exempted from passing the online proficiency self-assessment test, conducted by The Indian Institute of Corporate Affairs. However, Smt. Soundara Kumar has opted and cleared the on-line proficiency Self-Assessment test by securing 72% of marks. Further, the newly appointed Independent Directors viz Shri M. Rathinasamy, Shri Sivaguru Chellappa and Shri N.S. Krishnamma Raja, are having time upto 2 years to clear the Online Proficiency Self-Assessment Test.



ANNEXURE V TO DIRECTORS' REPORT

Details of attendance of each Director at the Board Meetings held during the year are as follows:

Sl. No.	Name of the Director, Director Identification Number (DIN) & Directorship	Board Meetings held on						Attendance at last AGM 18-08-2023
		24-05-2023	11-07-2023	09-08-2023	10-11-2023	05-01-2024	12-02-2024	
1.	Shri P.R. Venketrama Raja Chairman, DIN: 00331406 Directorship: P & NE	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2.	Smt. P.V. Nirmala Raju Managing Director, DIN No:00474960 Directorship: P & E	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Shri S.S. Ramachandra Raja DIN: 00331491, Directorship: NE	Yes	Yes	Yes	Yes	Yes	Leave	Yes
4.	Shri N.K. Ramasuwami Raja # DIN: 00432698, Directorship: NE & ID	Yes	Yes	Yes	Yes	Yes	Yes	Yes
5.	Shri A.V.Dharmakrishnan DIN: 00693181, Directorship: NE	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6.	Justice Shri P.P.S. Janarthana Raja # DIN: 06702871, Directorship: NE & ID	Yes	Yes	Yes	Yes	Yes	Yes	Yes
7.	Shri V. Santhanaraman # DIN: 00212334, Directorship: NE & ID	Yes	Yes	Yes	Yes	Yes	Yes	Yes
8.	Shri K.B. Nagendra Murthy DIN: 00359864, Directorship: NE & ID	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9.	Smt. Soundara Kumar DIN: 01974515, Directorship: NE & ID	Yes	Yes	Leave	Yes	Yes	Yes	Leave
10.	Shri P.V. Abinav Ramasubramaniam Raja DIN: 07273249, Directorship: P & NE	Yes	Yes	Yes	Yes	Yes	Yes	Yes
11.	Shri P.A.S. Alaghar Raja DIN: 00487312, Directorship: NE & ID	Yes	Yes	Yes	Yes	Yes	Yes	Yes

P- Promoter

E - Executive

NE - Non Executive

ID - Independent

The tenure of Shri N.K. Ramasuwami Raja, Justice Shri P.P.S. Janarthana Raja and Shri. V Santhanaraman, Independent Directors of the Company, came to end on 31-03-2024, since they have completed their second term of 5 consecutive years.

* Public Limited Companies, other than M/s. Rajapalayam Mills Limited.

** Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies, other than M/s. Rajapalayam Mills Limited.

ANNEXURE V TO DIRECTORS' REPORT



Other Directorships

The number of other Boards or Board Committees in which the Director is a Member or Chairperson as on 31-03-2024 are given below:

Sl. No.	Name of the Director	Other Directorships *	Committee Positions **	
			Chairperson	Member
1.	Shri P.R. Venketrama Raja	7	3	6
2.	Smt. P.V. Nirmala Raju	1	–	–
3.	Shri S.S. Ramachandra Raja	3	–	–
4.	Shri N.K. Ramasuwami Raja #	1	–	–
5.	Shri A.V.Dharmakrishnan	5	–	3
6.	Justice Shri P.P.S. Janarthana Raja #	4	4	6
7.	Shri V. Santhanaraman #	2	–	2
8.	Shri K.B. Nagendra Murthy	1	–	1
9.	Smt. Soundara Kumar	4	1	4
10.	Shri P.V. Abinav Ramasubramaniam Raja	2	–	1
11.	Shri P.A.S. Alaghar Raja	3	–	2

The tenure of Shri N.K. Ramasuwami Raja, Justice Shri P.P.S. Janarthana Raja and Shri. V Santhanaraman, Independent Directors of the Company, came to end on 31-03-2024, since they have completed their second term of 5 consecutive years.

* Public Limited Companies, other than M/s. Rajapalayam Mills Limited.

** Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies, other than M/s. Rajapalayam Mills Limited.

Disclosure of relationships between Directors inter-se

Shri P.V. Abinav Ramasubramaniam Raja is son of Shri P.R. Venketrama Raja and Smt. P.V. Nirmala Raju

Details of familiarisation programme for Independent Directors

The details of the Familiarisation Programme for Independent Directors are available at the Company's website, at the following link at

<http://www.rajapalayammills.co.in/wp-content/uploads/2023/03/Familiarisation-Programme-for-Independent-Directors1.pdf>

The Board of Directors periodically review Compliance Reports pertaining to all Laws applicable to the Company. No non-compliance was reported during the year under review.

The Board is also satisfied itself that plans are in place for orderly succession for appointment of Board of Directors and Senior Management.



ANNEXURE V TO DIRECTORS' REPORT

A Code of Conduct has been laid out for all Members of the Board and Senior Management suitably incorporating the duties of Independent Directors as laid down in the Companies Act, 2013. The Code is available at the Company's website, at the following link at -

<http://www.rajapalayammills.co.in/wp-content/themes/ramco/pdf/code-of-conduct-for-board-members-and-senior-management-personnel.pdf>

The minimum information to be placed before the Board of Directors at their meeting, as specified in Part A of Schedule II of SEBI (LODR) Regulations, 2015 have been adequately complied with.

3. AUDIT COMMITTEE

The terms of reference of the Audit Committee include:

- i) To review the reports of Internal Audit Department;
- ii) To review the Auditors' Report on the financial statements;
- iii) To review and approve the Related Party Transactions;
- iv) To review the Annual Cost Audit Report of the Cost Auditor;
- v) To review the Annual Secretarial Audit Report of the Secretarial Auditor;
- vi) To review the strength and weakness of the internal controls and to provide recommendations relating thereto;
- vii) To generally assist the Board to discharge their functions more effectively;
- viii) To review the financial statements and any investment made by the Company.

In addition, the Audit Committee would discharge the roles and responsibilities as prescribed by SEBI (LODR) Regulations, 2015 and Companies Act, 2013.

The composition of the Audit Committee and the details of attendance of its Members at the Audit Committee Meetings are as follows:

Sl. No.	Name of the Director	Audit Committee Meetings held on					
		24-05-2023	11-07-2023	09-08-2023	10-11-2023	05-01-2024	12-02-2024
1.	Justice Shri P.P.S. Janarthana Raja, Chairman of the Committee #	Yes	Yes	Yes	Yes	Yes	Yes
2.	Shri N.K. Ramasuwami Raja #	Yes	Yes	Yes	Yes	Yes	Yes
3.	Shri A.V. Dharmakrishnan	Yes	Yes	Yes	Yes	Yes	Yes
4.	Shri K.B. Nagendra Murthy	Yes	Yes	Yes	Yes	Yes	Yes

The tenure of Justice Shri. P.P.S. Janarthana Raja and Shri. N.K. Ramasuwami Raja, Independent Directors of the Company, came to end on 31-03-2024, since they have completed their second term of 5 consecutive years.

The Statutory Auditors, Chief Financial Officer, President and Head of Internal Audit Department are invitees to the Audit Committee Meetings. The Company Secretary is the Secretary to the Committee.

The representatives of the Cost Auditor and Secretarial Auditor are invited to attend the meeting of the Audit Committee when their reports are tabled for discussion.

3/4th of the members of the Audit Committee are Independent Directors as against the minimum requirements of 2/3rd as stipulated in Regulation 18(1) (b) of SEBI (LODR) Regulations, 2015.

ANNEXURE V TO DIRECTORS' REPORT



4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee discharges the functions as envisaged for it by the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and functions as mandated by the Board of Directors from time to time. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have approved a Nomination and Remuneration Policy for the Company. The Nomination and Remuneration Policy is to ensure that the level and composition of remuneration is reasonable, the relationship of remuneration to performance is clear and appropriate to the long term goals of the Company.

The complete details about the terms of reference for Nomination and Remuneration Committee and Nomination and Remuneration Policy are available at Company's website at the following link - <https://www.rajapalayammills.co.in/wp-content/themes/ramco/pdf/nomination-and-remuneration-policy.pdf>

The composition of the Nomination and Remuneration Committee and the details of attendance of its Members at the Nomination and Remuneration Committee Meetings are as follows:

Sl. No.	Name of the Director	NRC Meetings held on		
		24-05-2023	10-11-2023	05-01-2024
1.	Justice Shri P.P.S. Janarthana Raja, Chairman of the Committee #	Yes	Yes	Yes
2.	Shri N.K. Ramasuwami Raja #	Yes	Yes	Yes
3.	Shri A.V. Dharmakrishnan	Yes	Yes	Yes

The tenure of Justice Shri. P.P.S. Janarthana Raja and Shri. N.K. Ramasuwami Raja, Independent Directors of the Company, came to end on 31-03-2024, since they have completed their second term of 5 consecutive years.

The Nomination and Remuneration Committee has laid down evaluation criteria for performance evaluation of Independent Directors, which will be based on attendance, expertise and contribution brought in by the Independent Director at the Board and Committee Meetings, which shall be taken into account at the time of re-appointment of Independent Director.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The composition of Stakeholders Relationship Committee and the details of attendance of its members at the Stakeholders Relationship Committee meetings are as follows:

No.	Name of the Director	SRC Meeting held on 12-02-2024
1.	Shri P.R.Venketrama Raja, Chairman	Yes
2.	Smt. P.V. Nirmala Raju	Yes
3.	Shri S.S. Ramachandra Raja	Leave
4.	Justice Shri P.P.S. Janarthana Raja #	Yes



ANNEXURE V TO DIRECTORS' REPORT

Name of Non-Executive Director heading the Committee	Shri P.R. Venketrama Raja
Name and Designation of Compliance Officer	Shri K. Maheswaran, Secretary
No. of complaints received during the year	NIL
Number not solved to the Satisfaction of shareholders	NIL
Number of pending complaints	NIL

The tenure of Justice Shri. P.P.S. Janarthana Raja, Independent Director of the Company, came to end on 31-03-2024, since he has completed his second term of 5 consecutive years.

6. RISK MANAGEMENT COMMITTEE

The terms of reference of the Risk Management Committee include:

- To formulate a detailed risk management policy which shall include:
 - A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - Measures for risk mitigation including systems and processes for internal control of identified risks.
 - Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, atleast once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.



ANNEXURE V TO DIRECTORS' REPORT

The Composition of Risk Management Committee and the details of the attendance of its members at Risk Management Committee Meeting are as follows:

Sl. No.	Name of the Director	RMC Meetings held on	
		22-07-2023	05-01-2024
1.	Shri P.R. Venketrama Raja, Chairman	Leave	Yes
2.	Justice Shri P.P.S. Janarthana Raja #	Yes	Yes
3.	Shri A.V. Dharmakrishnan	Yes	Yes
4.	Shri P.V. Abinav Ramsubramaniam Raja	Leave	Yes

The tenure of Justice Shri. P.P.S. Janarthana Raja, Independent Director of the Company, came to end on 31-03-2024, since he has completed his second term of 5 consecutive years.

The Company has a Risk Management Policy and Foreign Exchange Risk Management Policy and the same are disclosed in the Company's website at

<http://www.rajapalayammills.co.in/investors/policies/>

7. PARTICULARS OF SENIOR MANAGEMENT PERSONNEL AND CHANGES SINCE CLOSE OF PREVIOUS FINANCIAL YEAR

The following are the Senior Management persons of the Company and their changes during the year.

Sl. No.	Name	Designation	Changes, if any, during the year 2023-24 (Yes/No)
1.	Shri N. Mohanarengan	President	No
2.	Shri B. Gnanagurusamy ¹	CFO	Yes
3.	Shri A. Arulpranavam ²	CFO	Yes
4.	Shri Murugesu Pillai	EVP - Fabrics	No
5.	Shri P. Balaji	SGM - Works	No
6.	Shri A. Balamurugan	AVP - Works	No
7.	Shri R. Parthiban	CGM - Works	No
8.	Shri K. Maheswaran ³	Company Secretary & Compliance Officer	Yes

Notes:

1 Shri B. Gnanagurusamy, former CFO has resigned from the Company w.e.f. 30th September, 2023.

2 Shri A. Arulpranavam, former Company Secretary has been elevated and appointed as CFO of the Company w.e.f. 11th November, 2023 and he demit the office of Company Secretary w.e.f. 10th November, 2023.

3. Shri K. Maheswaran appointed as Company Secretary and Compliance Officer w.e.f. 9th January, 2024.



ANNEXURE V TO DIRECTORS' REPORT

8. REMUNERATION TO DIRECTORS

The Board has approved a Sitting Fee of ₹ 40,000/- per Meeting for attending the Board and Committees thereof. There are no pecuniary relationship or transaction of the Non-Executive Directors vis-à-vis the Company, other than those reported in related party transactions under Note No. 50.

The appointment and remuneration to Managing Director is governed by the Special Resolution passed by the Shareholders at the Annual General Meeting held on 20-08-2022 and the remuneration is equivalent to 5% of the Net Profits of the Company and in case of no profits or inadequate profits the minimum remuneration will be ₹ 240 Lakhs plus perquisites prescribed under Section IV of Schedule V to the Companies Act, 2013 and sitting fees.

The details of remuneration paid for the financial year 2023-24 are as follows:

A. REMUNERATION TO MANAGING DIRECTOR: (₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Smt. P.V. Nirmala Raju Managing Director
1	Gross Salary	
	a) Salary as per provisions contained in Section 17(1) of the Income tax Act, 1961	240.00
	b) Value of perquisites u/s 17(2) Income Tax Act, 1961	–
	c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	–
2	Stock Option	–
3	Sweat Equity	–
4	Commission as % of Profit	–
5	Sitting Fees	3.20
6	Contribution to Provident Fund	6.00
7	Contribution to Superannuation Fund	1.50
	Total (A)	250.70
	No. of Shares held by Director as on 31-03-2024	1,75,526
	Ceiling as per Act	5% of the net profits of the Company and in case, no profits or inadequacy of profits, the Managing Director shall be paid minimum yearly remuneration of ₹ 240 Lakhs plus perquisites as prescribed under Section IV of Schedule V to the Companies Act, 2013. In addition the Managing Director is eligible for sitting fees.



ANNEXURE V TO DIRECTORS' REPORT

B. REMUNERATION TO OTHER DIRECTORS:

1. Independent Directors

(₹ in Lakhs)

Particulars of Remuneration	Name of the Directors						Total Amount
	Shri N.K. Ramasuwami Raja	Justice Shri P.P.S Janarthana Raja	Shri V. Santhana Raman	Shri K.B. Nagendra Murthy	Smt. Soundara Kumar	Shri P.A.S. Alaghar Raja	
Fee for attending Board / Committee meetings	6.40	8.00	2.80	5.20	2.40	2.80	27.60
Commission	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total (1)	6.40	8.00	2.80	5.20	2.40	2.80	27.60
No. of Shares held by Director as on 31-03-2024	19,249	NIL	NIL	NIL	NIL	6,157	

2. Other Non-Executive Director

(₹ in Lakhs)

Particulars of Remuneration	Name of the Directors				Total Amount	
	Shri P.R. Venketrama Raja	Shri A.V. Dharmakrishnan	Shri S.S. Ramachandra Raja	Shri P.V. Abinav Ramasubramaniam Raja		
Fee for attending Board / Committee meetings	3.60	6.80	2.00	2.80	15.20	
Commission	-	-	-	-	-	
Others	-	-	-	-	-	
Total (2)	3.60	6.80	2.00	2.80	15.20	
No. of Shares held by Director as on 31-03-2024	18,36,826	1,809	29,460	24,39,939	-	
Total B (1) + (2)					42.80	
Overall Ceiling as per the Act	Only sitting fees is being paid to Directors which is not included in the ceiling as per Section 197(2) of the Companies Act, 2013.					
Total Managerial Remuneration (A+B)						293.50



ANNEXURE V TO DIRECTORS' REPORT

9. GENERAL MEETINGS

i. Location and time, where last three AGMs held:

Year ended	Date	Time	Venue
31-03-2023	18-08-2023	11:00 A.M	Held through Video conferencing
31-03-2022	20-08-2022	11:00 A.M.	
31-03-2021	25-08-2021	10:00 A.M.	

ii. Details of Special Resolutions passed in the previous three Annual General Meetings

Date of the AGM	Subject Matter of the Special Resolution
18-08-2023	NIL
20-08-2022	1. Re-appointment of Shri S.S. Ramachandra Raja (DIN: 00331491), who retires by rotation and to continue the Directorship of Shri S.S. Ramachandra Raja as Non-Executive Director who has attained the age of 75 years. 2. Appointment of Smt. P.V. Nirmala Raju (DIN: 00474960) as the Managing Director for a period of 5 years w.e.f. 01-06-2022
25-08-2021	1. Re-appointment of Shri P.A.S. Alaghar Raja (DIN: 00487312) as an Independent Director for the second term of 5 years w.e.f. 11-02-2022 to 10-02-2027

iii. The following Special Resolutions were passed through Postal Ballot during the year under review. The details of voting pattern are given below:

Details of Special Resolutions and Scrutiniser's Details

a. Details of Special Resolution	To approve the appointment of Shri. M. Rathinasamy (DIN: 10391134) as Non-Executive Independent Director of the Company for a period of 5 consecutive years commencing from 1 st April, 2024 to 31 st March, 2029.
Date of Postal Ballot Notice	20 th February, 2024
Record Date	23 rd February, 2024
Postal Ballot Process	Conducted through Central Depository Services (India) Limited's ("CDSL") E-Voting Services.
Commencement of Remote E-Voting	29 th February, 2024
Conclusion of Remote E-Voting	29 th March, 2024
Status of Resolution	Passed with requisite majority
Results filed with Stock Exchanges on	30 th March, 2024



ANNEXURE V TO DIRECTORS' REPORT

Scrutiniser	Shri R. Palaniappan, Chartered Accountant (Membership No. 205112), Partner, M/s.N.A. Jayaraman & Co, Chartered Accountants	
Total No. of Shares	92,20,200	100%
Total No. of Votes Polled	54,83,888	59.47%
No. of votes in favour of the Resolution, out of total number of votes polled	54,83,866	99.9996%
No. of votes against the Resolution, out of the total number of votes polled	22	0.0004%
No. of invalid votes	-	-
b. Details of Special Resolution	To approve the appointment of Shri. Sivaguru Chellappa (DIN: 01309727) as Non-Executive Independent Director of the Company for a period of 5 consecutive years commencing from 1 st April, 2024 to 31 st March, 2029.	
Date of Postal Ballot Notice	20 th February, 2024	
Record Date	23 rd February, 2024	
Postal Ballot Process	Conducted through Central Depository Services (India) Limited's ("CDSL") E-Voting Services.	
Commencement of Remote E-Voting	29 th February, 2024	
Conclusion of Remote E-Voting	29 th March, 2024	
Status of Resolution	Passed with requisite majority	
Results filed with Stock Exchanges on	30 th March, 2024	
Scrutiniser	Shri R. Palaniappan, Chartered Accountant (Membership No. 205112), Partner, M/s. N.A. Jayaraman & Co, Chartered Accountants	
Total No. of Shares	92,20,200	100%
Total No. of Votes Polled	54,83,888	59.47%
No. of votes in favour of the Resolution, out of total number of votes polled	54,83,867	99.9996%
No. of votes against the Resolution, out of the total number of votes polled	21	0.0004%
No. of invalid votes	-	-



ANNEXURE V TO DIRECTORS' REPORT

c. Details of Special Resolution	To approve the appointment of Shri N.S. Krishnamma Raja (DIN : 01655571) as Non-Executive Independent Director of the Company for a period of 5 consecutive years commencing from 1 st April, 2024 to 31 st March, 2029.	
Date of Postal Ballot Notice	20 th February, 2024	
Record Date	23 rd February, 2024	
Postal Ballot Process	Conducted through Central Depository Services (India) Limited's ("CDSL") E-Voting Services.	
Commencement of Remote E-Voting	29 th February, 2024	
Conclusion of Remote E-Voting	29 th March, 2024	
Status of Resolution	Passed with requisite majority	
Results filed with Stock Exchanges on	30 th March, 2024	
Scrutiniser	Shri R. Palaniappan, Chartered Accountant (Membership No. 205112), Partner, M/s.N.A. Jayaraman & Co, Chartered Accountants	
Total No. of Shares	92,20,200	100%
Total No. of Votes Polled	54,83,888	59.47%
No. of votes in favour of the Resolution, out of total number of votes polled	54,52,058	99.1496%
No. of votes against the Resolution, out of the total number of votes polled	31,830	0.5804%
No. of invalid votes	-	-

d. No Special Resolution is proposed to be passed through Postal Ballot

10. MEANS OF COMMUNICATION

The Unaudited Quarterly and Half yearly Financial results and Audited Annual Results are published in English in Business Line (All editions) and in Tamil in Dinamani (Madurai edition). The results were also displayed on the Company's website at www.rajapalayammills.co.in. All the financial results are provided to Stock Exchange.

ANNEXURE V TO DIRECTORS' REPORT



11. GENERAL SHAREHOLDER INFORMATION

i. Annual General Meeting	On 28-08-2024 at 11:00 AM through Video conference / Other Audio
ii. Financial Year	1 st April, 2023 to 31 st March, 2024.
iii. Dividend Payment date	28-08-2024 onwards
iv. Name and address of Stock Exchange at which the Company's Shares are listed	The Company's shares are listed in BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. The Company has paid listing fee to the Stock Exchange for the financial year 2024-25.
v. Stock Code - BSE Limited	532503
vi. Market Price Data	
vii. Performance in comparison to broad based indices	Enclosed as Annexure - A
viii. Whether the securities are suspended from trading	No
ix. Registrar and Transfer Agents	<p>M/s. Cameo Corporate Services Limited w.e.f. 20-04-2022. Address: Ms. Sreepriya Subramanian Building, #1, Club House Road Chennai 600 002 - India. https://cameoindia.com</p> <p>Members may utilize the "Web-Based Query Redressal System" extended by the Registrar and transfer agent for redressal of their queries. Members may access the same by clicking the following link https://wisdom.cameoindia.com</p>
x. Share Transfer System	<p>For shares held in electronic mode, transfers are effected under the depository system of NSDL and CDSL. For shares held in physical mode, the transfers have been effected in-house till 31-03-2019.</p> <p>Vide Press Release No: 49/2018 dated 03-12-2018 of SEBI, transmission or transposition of securities were effected in physical form till 23-01-2022.</p> <p>SEBI vide Gazette Notification no. SEBI/LAD-NRO/GN/2022/66 dated January 24, 2022, has mandated that the shares that are issued pursuant to investor service request shall henceforth be issued in demat mode only and hence the share certificates (wherever applicable) will be retained at Company's end.</p>



ANNEXURE V TO DIRECTORS' REPORT

-
- | | |
|--|--|
| xi. Distribution of Shareholding | Enclosed as Annexure - B. |
| xii. Dematerialisation of Shares & liquidity | As on 31 st March, 2024, 96.51% of the shares have been dematerialized. Regarding liquidity of our Company's shares, the details are available in Annexure - A. |
| xiii. Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion NIL date and likely impact on equity | |
| xiv. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities | With respect to future payment commitments in foreign currencies, forward contracts are booked taking into account, the cost of hedging and the foreign currency receivables. The currency rate movements are monitored closely for taking covers with respect to unhedged portions, if any. |
-
- xv. Plant Locations
- Textile Division:
- Rajapalayam Mills (A, B and C Units)
Post Box No.1, P.A.C. Ramasamy Raja Salai, Rajapalayam - 626 117, Tamil Nadu.
 - Rajapalayam Spintext,
P.A.C. Ramasamy Raja Salai, Rajapalayam - 626 117, Tamil Nadu.
 - Rajapalayam Textiles,
Perumalpatti Village - 627 753, Tirunelveli District, Tamil Nadu.
 - Rajapalayam Mills - D Unit
Andalpuram, K.R. Nagar Post, Rajapalayam - 626 108, Tamil Nadu.
 - Rajapalayam Mills - Fabric Division (Unit I and Unit II),
P.A.C. Ramasamy Raja Salai, Rajapalayam - 626 117, Tamil Nadu.
 - Rajapalayam Mills - G Unit
Chatrapatti Road, Pillayarkulam, Srivilliputtur - 626 137, Tamil Nadu.
- Wind Farm Division:
Dhanakkarkulam, Irukkanthurai, Uthumalai, Aralvoimozhy, Chinnaputhur, Kolumakondan, Melkaraipatti, Muthunayakkanpatti in Tamil Nadu.
- xvi. Address of Registered Office for Correspondence for shareholder enquiries
K. Maheswaran,
Secretary (Compliance Officer),
Rajapalayam Mills Limited,
Rajapalayam Mills Premises,
Post Box No.1, P.A.C. Ramasamy Raja Salai, Rajapalayam - 626 117, Tamil Nadu.
Phone: 04563-235666; Fax : 04563-236520; E-mail: rajacot@ramcotex.com
-

ANNEXURE V TO DIRECTORS' REPORT



xvii. Credit Rating

CRISIL, the Company's credit rating agency vide its letter dated 18-03-2024 had re-affirmed long term rating as "A+/Stable" and short term ratings as "A1" as follows:

Debt Instruments	Amount ₹ in Crores	Rating
Cash Credit / Letter of Credit & Bank Guarantee / Long Term Loan / Proposed Long Term Bank Loan Facility / Working Capital Demand Loan / Working Capital Term Loan	1,491.46	A+ / Stable
Foreign Exchange Forward / Short Term Loan	6.00	A1
Total	1,497.46	

12. OTHER DISCLOSURES

- i. There are no materially significant related party transactions made by the Company that may have potential conflict with the interests of the Company at large.
- ii. There are no instances of non-compliance by the Company, and no penalties or strictures were imposed on the Company by Stock Exchange or SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years.
- iii. The Company has a Whistle Blower Policy, available at the Company's web site and it is affirmed that no personnel has been denied access to the Audit Committee. The policy is available at the following web link -
<http://www.rajapalayammills.co.in/wp-content/themes/ramco/pdf/whistle-blower-policy-for-establishing-vigil-mechanism.pdf>
- iv. The Company has complied with the Mandatory requirements of Corporate Governance stipulated under SEBI (LODR) Regulations, 2015. The status of adoption of the Non-Mandatory requirements are given below:
The Company's financial statements are with unmodified opinion for the year 2023-24.
- v. The Company has no Subsidiary. Hence, disclosure about "Material Subsidiary Policy" is not applicable.
- vi. The Related Party Transaction Policy is disclosed in the Company's website and its weblink is - <https://www.rajapalayammills.co.in/wp-content/themes/ramco/pdf/related-party-transaction-policy-2022.pdf>
- vii. Commodity price risks and commodity hedging activities:

For details on Commodity price risk, please refer to Board's Report.

The Company has Foreign exchange exposure for both revenue and capex items. However, the Company has in place a Board approved Foreign Exchange Risk Management Policy to deal with such exposures. The updates are provided to Audit Committee / Board on a quarterly basis.



ANNEXURE V TO DIRECTORS' REPORT

- viii. The Company has not raised any funds through Preferential Allotment or Qualified Institutions Placement.
- ix. M.R.L. Narasimha, Practicing Company Secretary, have certified that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board / Ministry of Corporate Affairs or any such statutory authority (Annexure - VI A)
- x. There has not been an occasion, where the Board had not accepted any recommendation of any Committees of the Board.
- xi. The total fees for all the services paid by the Company on a consolidated basis to the Statutory Auditor is ₹ 17.42 Lakhs.

No other entity in the network firm or network entity of which the Statutory Auditor is a part has been hired for any services by the Company.

- xii. Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Pursuant to Rule 8(5)(x) of Companies (Accounts) Rules, 2014, the Company has complied with the provisions relating to the constitution of Internal Complaints Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

a. Number of complaints filed during the financial year	NIL
b. Number of complaints disposed of during the financial year	NIL
c. Number of complaints pending as on end of the financial year	NIL

- xiii. Loans and advances given to Firms / Companies in which Directors are interested:

(₹ in Lakhs)

Name of the Company	Amount given during the year	Amount outstanding as on 31-03-2024
The Ramaraju Surgical Cotton Mills Limited	-	950

13. The Company has complied with the requirements of Corporate Governance Report of sub-paras (2) to (10) of Schedule V of SEBI (LODR) Regulations, 2015.
14. The extent to which the discretionary requirements specified in Part E of Schedule II have been adopted, is given against Clause 12(iv) above.
15. The Company has complied with the corporate governance requirements specified in regulation 17 to 27 of SEBI (LODR) Regulations, 2015.

As required under Regulation 46(2)(b) to (i) and (t) of SEBI (LODR) Regulations, 2015, the following information have been duly disseminated in the Company's website.



ANNEXURE V TO DIRECTORS' REPORT

- Terms and conditions of appointment of Independent Directors
 - Composition of various committees of Board of Directors
 - Code of Conduct of Board of Directors and Senior Management Personnel
 - Details of establishment of Vigil Mechanism / Whistle Blower Policy
 - Criteria of making payments to Non-Executive Directors
 - Policy on dealing with Related Party Transactions
 - Details of familiarization Programme imparted to Independent Directors
 - Secretarial Compliance Report
16. Senior Management Personnel discloses to the Board of Directors all material, financial and commercial transactions where they have personal interest that may have a potential conflict with the Company's interest, if any.
17. The Company submits quarterly compliance report on Corporate Governance to the Stock Exchange, in the prescribed format within 21 days from the close of the quarter duly signed by the Compliance Officer.
18. The various disclosures made in the Directors' Report, may be considered as disclosures made under this report.
19. The Company also have the following Committees of the Board of Directors:

i) Corporate Social Responsibility Committee

The Composition of the Corporate Social Responsibility Committee and the details of the attendance of its members at Corporate Social Responsibility Committee meeting are as follows:

Sl. No.	Name of the Director	CSR Meeting held on 24-05-2023
1.	Shri P.R. Venketrama Raja, Chairman of the Committee	Yes
2.	Smt. P.V. Nirmala Raju	Yes
3.	Justice Shri P.P.S. Janarthana Raja #	Yes
4.	Shri P.V. Abinav Ramasubramaniam Raja	Leave

The tenure of Justice Shri P.P.S. Janarthana Raja, Independent Director of the Company, came to end on 31-03-2024, since he has completed his second term of 5 consecutive years.



ANNEXURE V TO DIRECTORS' REPORT

ii) Rights Issue Committee

The Composition of Rights Issue Committee and the details of the attendance of its members at Rights Issue Committee Meeting are as follows:

Sl. No.	Name of the Director	Meeting held on
1.	Shri P.R. Venketrama Raja, Chairman	No meeting of the Rights Issue Committee was held, during the financial year 2023-24.
2.	Justice Shri P.P.S. Janarthana Raja #	
3.	Shri A.V. Dharmakrishnan	
4.	Shri P.A.S. Alaghar Raja	

The tenure of Justice Shri P.P.S. Janarthana Raja, Independent Director of the Company, came to end on 31-03-2024, since he has completed his second term of 5 consecutive years.

20. DISCLOSURES WITH RESPECT TO UNCLAIMED SUSPENSE ACCOUNT

[Pursuant to Schedule V (F) of SEBI (LODR) Regulations, 2015]

Sl. No.	Details	No. of Shareholders	No. of Shares of ₹ 10/- each
(a)	aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	18	4,690
(b)	number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	1	80
(c)	(i) number of shareholders to whom shares were transferred from suspense account during the year;	1	80
	(ii) Shares Transferred to IEPF;	2	1,860
(d)	aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	15	2,750
(e)	that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.		

ANNEXURE V TO DIRECTORS' REPORT



21. Declaration signed by the Managing Director of the Company as per Schedule V (D) of SEBI (LODR) Regulations, 2015, on compliance with the Code of Conduct is Annexed.
22. Compliance Certificate as per Regulations 17(8) read with Part B of Schedule II of SEBI (LODR) Regulations, 2015 provided by Managing Director and Chief Financial Officer is Annexed.

By Order of the Board,
For **RAJAPALAYAM MILLS LIMITED,**

P.R. VENKETRAMA RAJA
CHAIRMAN
(DIN: 00331406)

RAJAPALAYAM
29th May, 2024

DECLARATION

As provided under Schedule V (D) of the SEBI (LODR) Regulations, 2015 the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Company's Code of Conduct for the year ended 31st March, 2024.

For **RAJAPALAYAM MILLS LIMITED,**

Smt. P.V. NIRMALA RAJU
MANAGING DIRECTOR
(DIN: 00474960)

RAJAPALAYAM
29th May, 2024



ANNEXURE V TO DIRECTORS' REPORT

To

The Board of Directors,
Rajapalayam Mills Limited,
Rajapalayam.

CERTIFICATION UNDER REGULATION 17(8) OF SEBI (LODR) REGULATIONS, 2015

We hereby certify that -

- A. We have reviewed financial statements and the cash flow statement for the year 2023-24 and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the company's code of conduct.
- C. We accept responsibility for 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 we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee that -
1. there are no significant changes in internal control over financial reporting during the year;
 2. there are no significant changes in accounting policies during the year
 3. there are no instances of significant fraud of which we have become aware.

A. ARULPRANAVAM
CHIEF FINANCIAL OFFICER

RAJAPALAYAM
29th May, 2024

Smt. P.V. NIRMALA RAJU
MANAGING DIRECTOR
(DIN: 00474960)



ANNEXURE V TO DIRECTORS' REPORT

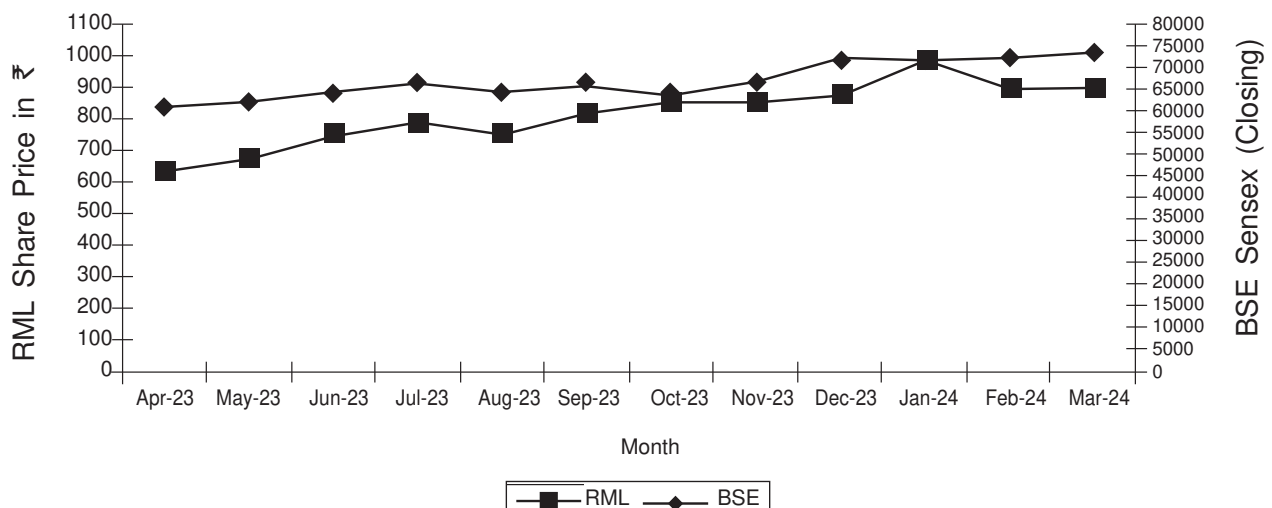
ANNEXURE - A

STATISTICAL DATA

Share Price - High & Low / Volume (During April, 2023 to March, 2024 in BSE)

Month	BSE Limited, Mumbai		
	High ₹	Low ₹	No. of Shares Traded
April, 2023	647	564	63,457
May	743	635	92,004
June	774	671	73,291
July	796	715	60,134
August	830	690	72,914
September	849	740	76,609
October	881	790	84,165
November	880	820	62,383
December	938	837	73,504
January, 2024	1,015	840	1,15,512
February	1,154	849	2,46,815
March	925	801	1,08,099

Rajapalayam Mills Share Price in ₹ on BSE (Closing) Vs BSE Sensex (Closing)





ANNEXURE V TO DIRECTORS' REPORT

ANNEXURE - B Pattern of Shareholding as on 31-03-2024

Description	Total Shareholders	%	Total Shares	%
A. PROMOTERS HOLDING				
1. Promoters	15	0.20	51,88,405	56.27
Sub-total	15	0.20	51,88,405	56.27
B. NON - PROMOTERS HOLDING				
1. Directors and their relatives	8	0.11	1,58,773	1.72
2. Bank & Financial Institutions	2	0.03	1,860	0.02
3. Body Corporate	101	1.40	1,48,397	1.61
4. Foreign Portfolio Investors (Corporate)	1	0.01	6,295	0.07
5. Foreign Portfolio Investors (Individual)	1	0.01	497	0.01
6. HUF	295	4.07	1,24,280	1.35
7. IEPF	1	0.01	2,29,196	2.49
8. Resident Individual	6685	92.23	31,22,457	33.87
9. Mutual Funds	1	0.01	31,808	0.34
10. NRIs	137	1.89	54,632	0.59
11. Trust	2	0.03	1,53,600	1.67
Sub-total	7,234	99.80	40,31,795	43.73
Total	7,249	100.00	92,20,200	100.00

Distribution of Shareholding as on 31-03-2024

No. of Shares held	Total Shareholders	%	Total Shares	%
Upto - 500	6,378	87.98	5,19,466	5.63
501 - 1000	386	5.32	2,83,619	3.08
1001 - 2000	201	2.77	2,92,636	3.17
2001 - 3000	86	1.19	2,11,262	2.29
3001 - 4000	49	0.68	1,73,577	1.88
4001 - 5000	29	0.40	1,31,503	1.43
5001 - 10000	61	0.84	4,09,501	4.44
10001 & above	59	0.82	71,98,636	78.08
Grand Total	7,249	100.00	92,20,200	100.00

Category of Shareholding as on 31-03-2024

Category	No. of Shareholders	No. of Equity shares held	% of total no. of shares	No. of equity shares held in dematerialized form	% of total no. of shares under dematerialized form
Dematerialized Form: (CDSL & NSDL)					
Promoter & Promoter Group	15	51,88,405	56.27	51,88,405	56.27
Public	7,234	40,31,795	43.73	37,10,064	40.24
Grand Total	7,249	92,20,200	100.00	88,98,469	96.51



ANNEXURE VI TO DIRECTORS' REPORT

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

[Pursuant to paragraph E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

The Members

Rajapalayam Mills Limited,
[CIN: L17111TN1936PLC002298]
Rajapalayam Mills Premises,
P.A.C. Ramasamy Raja Salai,
Post Box No.1, Rajapalayam - 626 117.

We have examined the compliance of the conditions of Corporate Governance by Rajapalayam Mills Limited ("the Company") for the financial year ended 31st March, 2024, as stipulated under Regulation numbers 17 to 27, 46(2)(b) to (i) and (t), Schedule II and Schedule V (paragraphs C,D and E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015.

The Company is required to comply with the said conditions of Corporate Governance on account of Listing Agreement entered into by the Company with BSE Limited for listing its Equity Shares.

The Company's management is responsible for compliance with the conditions of Corporate Governance. We have broadly reviewed the procedures adopted by the Company for ensuring compliance with the conditions of Corporate Governance and implementation thereof. Our review was neither an audit nor an expression of opinion on the financial statements of the Company.

We hereby certify that, in our opinion and to the best of our information and based on the records furnished for our verification and the explanations given to us by the Company, its officers and agents, the Company has, during the year ended 31st March, 2024, complied with the applicable conditions of Corporate Governance.

We further wish to state that our opinion regarding such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company during the said financial year.

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

For SRSV & ASSOCIATES,
Chartered Accountants
Firm Registration No. 015041S

R. PALANIAPPAN
Partner
Membership No. 205112
UDIN: 24205112BKEZKF1411

P. SANTHANAM
Partner
Membership No. 018697
UDIN: 24018697BKHIRW8826

RAJAPALAYAM
29th May, 2024



ANNEXURE VI A TO DIRECTORS' REPORT

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

[In terms of Regulation 34(3) read with Schedule V Para C(10)(i) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

The Members,
Rajapalayam Mills Limited,
[CIN: L17111TN1936PLC002298]
Rajapalayam Mills Premises,
P.A.C. Ramasamy Raja Salai,
Post Box No.1, Rajapalayam - 626 117.

I hereby certify that, in my opinion, none of the Directors on the Board of Rajapalayam Mills Limited ("the Company") as on the 31st March, 2024, as listed below, have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India (SEBI) or the Ministry of Corporate Affairs, Government of India (MCA):

Sl. No.	Name of the Director	Nature of Directorship	Director's Identification Number
1.	Pusapadi Ramasubramania Raja Venketrama Raja	Chairman	00331406
2.	Poosapadi Venketrama Raja Nirmla Raju	Managing Director (KMP)	00474960
3.	Sinthalapadi Srirenga Raja Ramachandra Raja	Non Independent Director	00331491
4.	Nambur Krishnama Raja Ramasamy Raja (Upto 31-03-2024)	Independent Director	00432698
5.	Arrakundal Velayutha Raja Dharmakrishnan	Non Independent Director	00693181
6.	Posapadi PerumalSubba Raja Janarthana Raja (Upto 31-03-2024)	Independent Director	06702871
7.	Vaidyanathan Santhanaraman (Upto 31-03-2024)	Independent Director	00212334
8.	Kokku Bhaskara Nagendra Murthy	Independent Director	00359864
9.	Poosapadi Venketrama Raja Abinav RamasubramaniamRaja	Non Independent Director	07273249
10.	Soundara Kumar	Independent Director	01974515
11.	Poosapadi Sankarraja Alagharraja	Independent Director	00487312

ANNEXURE VI A TO DIRECTORS' REPORT



I am issuing this certificate based on the following, which to the best of my knowledge and belief were considered necessary in this regard:

1. My verification of the information relating to the directors available in the official web site of MCA;
2. My verification of the disclosures / declarations / confirmations provided by the said directors to the Company and other relevant information, explanation and representations provided by the Company, its officers and agents.

I wish to state that the management of the Company is responsible to ensure the eligibility of a person for appointment / continuation as a Director on the Board of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness of the corporate governance processes followed by the management of the Company.

Coimbatore
29th May, 2024

M.R.L. Narasimha
Practising Company Secretary
Membership No: 2851
Certificate of Practice: 799
PR No.1420/2021
Lotus 370-A, Alagesan Road,
SB Mission Post, Coimbatore - 641011
UDIN: F002851F000477413



ANNEXURE VII TO DIRECTORS' REPORT

DISCLOSURE RELATING TO REMUNERATION UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (2) AND (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- i. & ii. The ratio of the remuneration of each director to the median remuneration of the employees of the Company and the percentage increase in remuneration of each Director, Managing Director, Chief Financial Officer and Company Secretary in the Financial Year 2023-24:

Name of the Director / KMP and Designation	Remuneration of Director / KMP for financial year 2023-24 (₹ in Lakhs)	% increase in remuneration in the financial year 2023-24	Ratio of remuneration of each Director / to median remuneration of employees
Shri P.R. Venketrama Raja, Chairman	3.60	16	2
Smt. P.V. Nirmala Raju, Managing Director	250.70	20	173
Shri S.S. Ramachandra Raja	2.00	-	1
Shri N.K. Ramasuwami Raja, (Upto 31-03-2024)	6.40	68	4
Shri. A.V. Dharmakrishnan	6.80	62	5
Justice Shri. P.P.S. Janarthana Raja, (Upto 31-03-2024)	8.00	51	6
Shri V. Santhana Raman, (Upto 31-03-2024)	2.80	40	2
Shri K.B. Nagendra Murthy	5.20	49	4
Smt. Soundara Kumar	2.40	50	2
Shri P.V. Abinav Ramasubramaniam Raja	2.80	22	2
Shri P.A.S. Alaghar Raja	2.80	40	2
Shri B. Gnanagurusamy, Chief Financial Officer (Upto 30-09-2023)	32.85	(56)	23
Shri A. Arulpranavam, Chief Financial Officer *	19.90	9	14
Shri K. Maheswaran, Company Secretary (w.e.f. 09-01-2024)	4.76	NA	3

* Shri A. Arulpranavam appointed as CFO w.e.f. 11-11-2023 and he demit the office of Company Secretary w.e.f. 10-11-2023.

Note: Non-Executive Directors are eligible only for sitting fees for attending Board / Committee Meetings and hence remuneration of Non-Executive Directors are un-comparable

- iii. The median remuneration of the employees during the financial year was ₹ 1,44,575 and the percentage of increase in the median remuneration was 4%.
- iv. There were 4,809 Permanent employees on the rolls of the Company, as on 31st March, 2024.
- v. Average percentage increase made in the salaries of the employees other than the managerial personnel in the financial year i.e. 2023-24 was 5.66%. There was a decrease in managerial remuneration for the same financial year by -11%.
- vi. It is hereby affirmed that the remuneration paid is as per the remuneration policy for Directors, Key Managerial Personnel and other employees.



ANNEXURE VII TO DIRECTORS' REPORT

1. Particulars of Top 10 Employees in terms of remuneration drawn / particulars of Employees employed throughout the financial year 2023-24 and was in receipt of remuneration in the aggregate of not less than ₹ 102 Lakhs.

Sl. No.	Name of Employee	Age (Yrs)	Designation	Remuneration Paid / Payable (₹ in lakhs)	Qualification and experience (Years)	Date of Commencement of employment	Last Employment
1	P.V. Nirmala Raju	58	Managing Director	250.70	B.Sc., Computer Science (28)	01-06-2022	Sandhya Spinning Mill Limited
2	N. Mohanarengan	55	President	79.03	D.T.T., AMIE (36)	01-04-1991	Lakshmi Spinners
3	K. Murugesapillai	54	EVP-Fabrics	70.72	D.T.T (36)	03-10-2017	Santhi Processing Unit (P) Ltd
4	K. Narayanan	61	VP - Marketing and Sales	62.08	B.S.c., (36)	05-10-2022	Raymond Luxury Cotton Limited
5	B. Velvendan	56	SVP - Electrical	35.09	B.E., (EEE) (31)	01-12-1995	The Janakiram Mills Limited
6	M. Balachandar	57	AVP - QA - Fabrics	35.02	DTD Designing & Weaving (37)	14-11-2018	Raymond Luxury Cotton Limited
7	N. Nagarajan	60	SVP - HR & TQM	34.95	M.Com, MHRM, MBA, BGL (38)	19-10-2018	Sri Cheran Synthetics India (P) Ltd
8	R.V. Muthuvenkatesan	56	VP - Raw Material	30.94	M.Com, MBA (36)	25-01-2021	Sintex Industries Limited
9	P. Ponrajan	51	VP - Civil	28.78	B.E.(Civil) (28)	01-12-2006	Thiyagarajar Mills Limited
10	A. Balamurugan	54	AVP - Works	28.07	D.T.T., B.Com., (36)	12-09-1988	--

NOTE: 1. All appointments are contractual.

2. Remuneration includes Salary, Company's contribution to Provident Fund and Superannuation Fund but does not include Provision for Gratuity and Leave salary. However, leave salary will be included in the year in which actual payment has been made by the Company to the employees on surrendering of accumulated leave balances.
3. None of the employees mentioned above are related to any Director of the Company except Smt. P.V. Nirmala Raju, Managing Director who is related to Shri P.R. Venketrana Raja, Chairman and Shri P.V. Abinav Ramasubramaniam Raja, Director

On behalf of the Board of Directors,
For RAJAPALAYAM MILLS LIMITED,

P.R. VENKETRAMA RAJA
CHAIRMAN
(DIN: 00331406)

RAJAPALAYAM
29th May, 2024



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SEPARATE FINANCIAL STATEMENTS



AUDITORS' REPORT TO SHAREHOLDERS

INDEPENDENT AUDITORS' REPORT

To the Members of M/s. RAJAPALAYAM MILLS LIMITED

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the Separate Financial Statements of RAJAPALAYAM MILLS LIMITED ("the Company"), which comprise the Separate Balance Sheet as at March 31, 2024, and the Separate Statement of Profit and Loss, the Separate Statement of changes in Equity and the Separate Statement of cash flows for the year ended on that date, and notes to the Separate Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Separate Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Separate Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

AUDITORS' REPORT TO SHAREHOLDERS



S.No.	Key Audit Matter	Auditors' Response
<p align="center">1</p>	<p>Recognition and measurement of deferred taxes</p> <p>The recognition and measurement of deferred tax items requires determination of differences between the recognition and the measurement of assets, liabilities, income and expenses in accordance with the Income Tax Act and other applicable tax laws including application of ICDS and financial reporting in accordance with Ind AS.</p> <p>Assessment of Deferred Tax Assets is done by the management at the close of each financial year taking into account forecasts of future taxable results.</p> <p>We have considered the assessment of deferred tax liabilities and assets as a key matter due to the importance of management's estimation and judgment and the materiality of amounts.</p> <p>(Refer to Note No. 5C (iii), (iv), (v) & 6(iv) to the Separate Financial Statements)</p>	<p>Principal Audit Procedures</p> <p>The key matter was addressed by performing audit procedures which involved assessment of underlying process and evaluation of internal financial controls with respect to measurement of deferred tax and re-performance of calculations and assessment of the items leading to recognition of deferred tax in light of prevailing tax laws and applicable financial reporting standards.</p> <p>Furthermore we assessed the adequacy and appropriateness of the disclosures in the Separate Financial Statements</p>
<p align="center">2</p>	<p>Evaluation of uncertain Tax Position / Other contingent liabilities</p> <p>The Company has material uncertain tax position in respect of possible or actual taxation disputes, litigations and claims. The provisions are estimated using a significant degree of management judgment in interpreting the various relevant rules, regulations and practices and in considering precedents in various legal forums.</p> <p>(Refer to Note No. 45 to the Separate Financial Statements)</p>	<p>Principal Audit Procedures</p> <p>The Audit addressed this Key Audit Matter by assessing the adequacy of tax Provisions by reviewing the management's underlying assumptions in estimating the tax provisions and the possible outcome of the disputes.</p> <p>We reviewed the significant litigations and claims and discussed with the Company's legal counsel, external advisors about their views regarding the likely outcome and magnitude of and exposure to relevant litigation and claims.</p> <p>We also reviewed to relevant judgments and the opinions given by the company's advisers, which were relied on by the management for such claims.</p> <p>Furthermore we assessed the adequacy and appropriateness of the disclosures in the Separate Financial Statements.</p>



AUDITORS' REPORT TO SHAREHOLDERS

S.No.	Key Audit Matter	Auditors' Response
3	<p>Existence and impairment of Trade Receivables</p> <p>Trade Receivables are significant to the Company's financial statements. The Collectability of trade receivables is a key element of the company's working capital management, which is managed on an ongoing basis by its management. Due to the nature of the Business and the requirements of customers, various contract terms are in place, there is a risk that the carrying values may not reflective of their recoverable amounts as at the reporting date, which would require an impairment provision. Where there are indicators of impairment, the company undertakes assessment of the recoverability of the amounts. Given the magnitude and inherent uncertainty involved in the judgment, involved in estimating impairment assessment of trade receivables, we have identified this as a key audit matter.</p> <p>(Refer to Note no. 17 to the Separate Financial Statements)</p>	<p>Principal Audit Procedures</p> <p>We performed audit procedures on the assessment of trade receivables, which included substantive testing of revenue transactions, obtaining trade receivable external confirmations and testing the subsequent payments received. Assessing the impact of impairment on trade receivables requires judgment and we evaluated management's assumptions in determining the provision for impairment of trade receivables, by analyzing the ageing of receivables, assessing significant overdue individual trade receivables and specific local risks, combined with the legal documentations, where applicable.</p> <p>We also reviewed the system of obtaining periodical confirmation from the customers, which are kept in electronic mode by the company. We tested the timing of revenue and trade receivables recognition based on the terms agreed with the customers. We also reviewed, on a sample basis, terms of the contract with the customers, invoices raised, etc., as a part of our audit procedures.</p> <p>Furthermore we assessed the adequacy and appropriateness of the disclosures in the Separate Financial Statements.</p>
4	<p>Evaluation of Carrying value of Non-Current Investments</p> <p>The Company has Non-Current Investments in listed and unlisted associates and other companies, amounting to ₹ 11,721.86 lakhs as at 31st March 2024 which is 6.91% of the total value of assets of the company. The Company's investments are valued at Cost</p>	<p>Principal Audit Procedures</p> <p>We examined the policies and methodologies used by the management to estimate the carrying value of each investment.</p> <p>We evaluated the assessment techniques for forecasting the future cash flows and revenue estimates used by the management</p>

AUDITORS' REPORT TO SHAREHOLDERS



S.No.	Key Audit Matter	Auditors' Response
	<p>less any impairment. These investments are assessed for impairment when an indicator of impairment exists. The management assess annually the existence of impairment indicators of each investment and made necessary changes in the value of such investment as on Balance Sheet date. The processes and methodologies for valuation and identification of impairment in the value of investments of unlisted companies requires application of significant judgment by the Company. The judgment has to be made with respect to the timing, quantity and estimation of future discounted cash flows of the unlisted entities. It involves significant estimates and judgment by the management because of the inherent uncertainty involved in forecasting the investee's future performance and discounting future cash flows. We consider the valuation and assessment of impairment in value of such investments to be significant to the audit, because of the materiality of the value of investments in the separate financial statements of the Company and estimates and judgments involved in assessing the various unobservable valuation inputs like estimating the future cash flows. Accordingly, the valuation and assessment of impairment value in such investments of unlisted entities is determined to be key audit matter in our audit of the separate financial statements</p>	<p>to assess the future prospect of the investee companies.</p> <p>We examined the report furnished to us by the management for the valuation of the business to assess the investment value in Companies.</p> <p>We reviewed and compared the estimates made by the management with the externally available industry data.</p>

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

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, Board's Report including Annexure to Board's Report, Corporate Governance and Report on CSR activities, and Shareholders information but does not include the Separate Financial Statements and our auditors' report thereon.



AUDITORS' REPORT TO SHAREHOLDERS

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

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

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

Management's Responsibility for the Separate Financial Statements

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the Separate Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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

AUDITORS' REPORT TO SHAREHOLDERS



misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Separate Financial Statements.

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

- Identify and assess the risks of material misstatement of the Separate Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to Separate Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Separate Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Separate Financial Statements, including the disclosures, and whether the Separate Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



AUDITORS' REPORT TO SHAREHOLDERS

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

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

Report on Other Legal and Regulatory Requirements

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

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Separate Balance Sheet, the Separate Statement of Profit and Loss including Other Comprehensive Income, the Separate Statement of changes in equity and the Separate statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Separate Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 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**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial control over financial reporting.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Section 197(16) of the Act, as amended.

AUDITORS' REPORT TO SHAREHOLDERS



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

- (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the details of the pending litigations and its impact on the financial position in its Separate Financial Statements in Note No. 45 of the Disclosures forming part of the Separate Financial Statements for the year ended March 31, 2024;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(b) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) of Companies (Audit and Auditors) Rules, 2014, as provide under (a) and (b) above, contain any material mis-statement.
 - v. The dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act.



AUDITORS' REPORT TO SHAREHOLDERS

As stated in Note No. 57 to the Separate Financial Statements, the Board of Directors of the Company have proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act.

- vi. Based on our examination, which included test checks, the company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of audit, we did not come across any instance of the audit trail feature being tampered with.

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

For N.A. JAYARAMAN & CO
Chartered Accountants
Firm Registration No. 001310S

For SRSV & ASSOCIATES,
Chartered Accountants
Firm Registration No. 015041S

R. PALANIAPPAN
Partner
Membership No. 205112
UDIN: 24205112BKEZKB5679

P. SANTHANAM
Partner
Membership No. 018697
UDIN: 24018697BKHIRU4576

RAJAPALAYAM
29th May, 2024



"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of company on the Separate Financial Statements for the year ended March 31, 2024, we report the following:

- (i) (a) A. The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) As explained to us, all the Property, Plant and Equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.
- (c) According to the information and explanation given to us and on the basis of the verification of the records of the company the title deeds of immovable properties of the Company are held in the name of the Company.

In respect of immovable properties taken on lease and disclosed as right of use assets in the Separate Financial Statements, the lease agreements are in the name of company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any Benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The management has conducted the physical verification of inventory at reasonable intervals.
- (b) The discrepancies noticed on verification between the physical stocks and the books records were properly dealt with in the books of accounts and were not material. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with the books of account.
- (c) The Company has been sanctioned working capital limits in excess of Five Crores rupees from bankers on the basis of security of current assets and the quarterly statements filed with such banks are in agreement with the books of account of the Company.



AUDITORS' REPORT TO SHAREHOLDERS

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

Particulars	Investments	Guarantees	Loans
Aggregate amount granted during the year			
(i) Associates	1,507.97	1,226.15	NIL
(ii) Other Companies	2,680.59	9,500.00	NIL
(iii) Others	NIL	NIL	23.50
Balance outstanding as at Balance Sheet date			
(i) Associates	8,460.35	1,226.15	NIL
(ii) Other Companies	3,261.51	13,000.00	950.00
(iii) Others	NIL	NIL	57.60

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in nature of loans and guarantees provided are, prima facie, not prejudicial to the interest of the company.
- (c) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, in respect of loans and advances in the nature of loans, where the schedule of repayment of principal and payment of interest has been stipulated, the repayments or receipts are regular.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the Balance Sheet date.
- (e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) According to the information and explanations given to us and based on the audit procedures conducted by us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) According to information and explanations give to us, the Company has complied with the provisions of Section 185 and 186 of the Act in relation to loans, guarantees provided and investments made.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year. Accordingly, reporting under this clause 3 (v) of the Order does not arise.
- (vi) The Central Government, under Section 148 (1) of the Companies Act 2013 has specified maintenance of cost records and such accounts and records have been so made and maintained by the Company.
- (vii) (a) According to the records of the Company and information and explanations given to us, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, goods and

AUDITORS' REPORT TO SHAREHOLDERS



services tax, cess and any other statutory dues with the appropriate authorities. No undisputed amounts payable in respect of the above were in arrear as at March 31, 2024 for a period of more than six months from the date they become payable.

- (b) As at March 31, 2024, according to the records of the Company and information and explanations given to us, the Company does not have paid any statutory dues on account of disputes.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under Income Tax Act, 1961 as income during the year.
- (ix)
 - (a) Based on our audit procedures and according to the information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is not a declared willful defaulter by any bank or financial institution or other lender.
 - (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
 - (d) According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short term basis have not been used for long term purposes.
 - (e) According to the information and explanations given to us and on an overall examination of the Separate Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associate companies as defined in the Act.
 - (f) According to the information and explanations given to us and the procedures performed by us, we report that the Company has raised loans during the year on the pledge of securities held in its associate companies as defined under the Act (Refer Note No. 29).
- (x)
 - (a) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not raised moneys by way of initial public offer or further public offer during the year.
 - (b) In our opinion and according to the information and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not raised funds by way of preferential allotment or private placement of shares during the year.



AUDITORS' REPORT TO SHAREHOLDERS

- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) No whistle blower complaints received by the Company during the year. Accordingly, clause 3 (xi) (c) of the Order is not applicable to the Company.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanation given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Separate Financial Statements, as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations given to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non - cash transactions with directors or persons connected to its Directors. Accordingly, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provision of clause 3 (xvi)(a) of the Order is not applicable to the Company
- (b) The Company has not conducted non-banking financial activities or housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) According to the information and explanations provided to us during the course of our audit, the Group does not have any CICs.
- (xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year.

AUDITORS' REPORT TO SHAREHOLDERS



- (xviii) There has been no resignation of the Statutory Auditors during the year.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, (also refer to Note No.55(i) to the separate financial statements) ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Separate Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report, that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the date of the balance sheet, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project under CSR. Accordingly, clauses 3 (xx) (a) and 3 (xx)(b) of the Order are not applicable.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Separate Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For N.A. JAYARAMAN & CO
Chartered Accountants
Firm Registration No. 001310S

For SRSV & ASSOCIATES,
Chartered Accountants
Firm Registration No. 015041S

R. PALANIAPPAN
Partner
Membership No. 205112
UDIN: 24205112BKEZKB5679

P. SANTHANAM
Partner
Membership No. 018697
UDIN: 24018697BKHIRU4576

RAJAPALAYAM
29th May, 2024



AUDITORS' REPORT TO SHAREHOLDERS

"Annexure B" to the Independent Auditors' Report of even date on the Separate Financial Statements prepared in accordance with Indian Accounting Standards of Rajapalayam Mills Limited

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

We have audited the internal financial controls over financial reporting of **M/s. RAJAPALAYAM MILLS LIMITED** ("the Company") as of March 31, 2024 in conjunction with our audit of the separate financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' 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.

AUDITORS' REPORT TO SHAREHOLDERS



Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 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 Institute of Chartered Accountants of India.

For N.A. JAYARAMAN & CO
Chartered Accountants
Firm Registration No. 001310S

For SRSV & ASSOCIATES,
Chartered Accountants
Firm Registration No. 015041S

R. PALANIAPPAN
Partner
Membership No. 205112
UDIN: 24205112BKEZKB5679

P. SANTHANAM
Partner
Membership No. 018697
UDIN: 24018697BKHIRU4576

RAJAPALAYAM
29th May, 2024



BALANCE SHEET AS AT 31ST MARCH, 2024

(₹ in Lakhs)

	Note No.	As at 31-03-2024	As at 31-03-2023	
I ASSETS				
(1) Non-Current Assets				
(a) Property, Plant and Equipment	7	98,313.38	67,651.97	
(b) Capital Work-in-progress	8	1,490.50	26,165.79	
(c) Investment Property	9	7.05	7.29	
(d) Intangible Assets	10	434.86	517.43	
(e) Financial Assets				
<i>Investment in Associates</i>	11	8,460.35	7,042.57	
<i>Other Investment</i>	12	3,261.51	247.89	
<i>Loans</i>	13	950.00	2,370.00	
<i>Other Financial Assets</i>	14	1,448.73	2,125.03	
(f) Other Non-Current Assets	15	<u>946.14</u>	<u>3,794.62</u>	
		1,15,312.52	3,794.62	1,09,922.59
(2) Current Assets				
(a) Inventories	16	32,392.10	36,353.00	
(b) Financial Assets				
<i>Trade Receivables</i>	17	16,769.31	15,919.50	
<i>Cash and Cash Equivalents</i>	18	83.85	113.65	
<i>Bank Balance other than Cash and Cash Equivalents</i>	19	529.12	509.13	
<i>Other Financial Assets</i>	20	1,231.93	1,049.70	
(c) Current Tax Asset (Net)	21	164.94	49.10	
(d) Other Current Assets	22	<u>3,271.74</u>	<u>4,550.76</u>	58,544.84
TOTAL ASSETS		<u>1,69,755.51</u>	<u>1,68,467.43</u>	
II EQUITY & LIABILITIES				
(1) Equity				
(a) Equity Share Capital	23	922.02	922.02	
(b) Other Equity	24	<u>47,361.78</u>	<u>44,544.70</u>	
Total Equity		48,283.80	44,544.70	45,466.72
(2) Liabilities				
A) Non Current Liabilities				
(a) Financial Liabilities				
<i>(i) Borrowings</i>	25	49,616.32	48,110.75	
<i>(ii) Lease Liabilities</i>	26	489.98	495.82	
(b) Deferred Tax Liabilities (Net)	27	4,507.81	4,873.81	
(c) Other Non-Current Liabilities	28	<u>57.61</u>	<u>-</u>	53,480.38
B) Current Liabilities				
(a) Financial Liabilities				
<i>(i) Borrowings</i>	29	58,550.25	62,748.62	
<i>(ii) Lease Liabilities</i>	30	5.84	3.57	
<i>(iii) Trade Payables</i>	31			
<i>(a) Total outstanding dues of micro enterprises and small enterprises</i>		205.39	185.00	
<i>(b) Total outstanding dues of creditors other than micro enterprises and small enterprises</i>		2,160.35	1,302.62	
<i>(iv) Other Financial Liabilities</i>	32	3,030.15	2,609.01	
(b) Provisions	33	<u>2,848.01</u>	<u>2,671.51</u>	69,520.33
TOTAL EQUITY AND LIABILITIES		<u>1,69,755.51</u>	<u>1,68,467.43</u>	
Material Accounting Policies, Judgements and Estimates	1 - 6			
See accompanying notes to the financial statements	7 - 58			

As per our report annexed

For N.A. JAYARAMAN & CO.
Chartered Accountants
Firm Registration No. 001310S

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration No. 015041S

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)

Smt. P.V. NIRMALA RAJU
Managing Director
(DIN: 00474960)

R. PALANIAPPAN
Partner
Membership No. 205112

P. SANTHANAM
Partner
Membership No. 018697

A. ARULPRANAVAM
Chief Financial Officer

K. MAHESWARAN
Secretary

Rajapalayam
29th May, 2024

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



(₹ in Lakhs)

	Note No.	For the year ended 31-03-2024	For the year ended 31-03-2023
INCOME			
I	34	85,855.86	86,189.43
II	35	1,724.00	2,042.42
III		87,579.86	88,231.85
IV EXPENSES			
	36	45,403.57	49,061.25
	37	4,651.67	3,577.62
	38	1,006.46	(6,328.85)
	39	10,456.99	10,225.25
	40	7,403.01	5,505.72
	41	6,733.13	5,661.90
	42	15,342.72	16,443.18
		90,997.55	84,146.07
V		(3,417.69)	4,085.78
VI Exceptional Items [Refer to Note No. 56]			
		5,381.19	–
		380.83	742.49
		5,762.02	742.49
VII		2,344.33	4,828.27
VIII Tax Expenses / (Savings)			
	27	–	155.00
		(0.25)	(15.56)
		(485.72)	450.60
		(485.97)	590.04
IX		2,830.30	4,238.23
X Other Comprehensive Income			
<i>Item that will not be reclassified to Profit or Loss:</i>			
		(134.33)	(29.78)
		333.03	6.47
		–	–
		119.72	–
		78.98	(23.31)
XI		2,909.28	4,214.92
XII Earnings per Equity Share of face value of ₹ 10/- each			
		31	49
	1 - 6		
	7 - 58		

As per our report annexed

For N.A. JAYARAMAN & CO.
Chartered Accountants
Firm Registration No. 001310S

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration No. 015041S

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)

Smt. P.V. NIRMALA RAJU
Managing Director
(DIN: 00474960)

R. PALANIAPPAN
Partner
Membership No. 205112

P. SANTHANAM
Partner
Membership No. 018697

A. ARULPRANAVAM
Chief Financial Officer

K. MAHESWARAN
Secretary

Rajapalayam
29th May, 2024



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2024

A. Equity Share Capital [Refer to Note No. 23] (₹ in Lakhs)

(1) For the year ended 31-03-2024	
Balance as at 01-04-2023	922.02
Changes in Equity Share Capital during the year 2023-24	-
Balance as at 31-03-2024	922.02
(2) For the year ended 31-03-2023	
Balance as at 01-04-2022	860.55
Add: Shares allotted pursuant to Rights Issue	61.47
Balance as at 31-03-2023	922.02

B. Other Equity [Refer to Note No. 24]

(1) For the year ended 31-03-2024

Particulars	Reserves and Surplus			Items of OCI		Total Other Equity
	Capital Reserve	Security Premium	General Reserve	FVTOCI Equity Instruments	Re-measurements of Defined Benefit Obligations	
Other Equity as at 01-04-2023	3.75	11,702.02	27,500.00	5,272.69	66.24	44,544.70
Financial year 2023-24						
Add: Profit for the year	-	-	-	2,830.30	-	2,830.30
Add: Other Comprehensive Income	-	-	-	-	213.31 (134.33)	78.98
Total Comprehensive Income	-	-	-	2,830.30	(134.33)	2,909.28
Less: Dividend Distribution to Shareholders	-	-	-	(92.20)	-	(92.20)
Less: Transfer to Retained Earnings	-	-	-	-	(355.95)	(221.62)
Add: Transfer from OCI	-	-	-	221.62	-	221.62
Less: Transfer to General Reserve	-	-	-	(2,000.00)	-	(2,000.00)
Add: Transfer from Retained Earnings	-	-	2,000.00	-	-	2,000.00
Balance as at 31st March, 2024	3.75	11,702.02	29,500.00	6,232.41	(76.40)	47,361.78



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2024

(2) For the year ended 31-03-2023 (₹ in Lakhs)

Particulars	Reserves and Surplus			Items of OCI		Total Other Equity
	Capital Reserve	Security Premium	General Reserve	FVTOCI Equity Instruments	Re-measurements of Defined Benefit Obligations	
Other Equity as at 01-04-2022	3.75	8,313.35	25,000.00	59.77	-	37,027.15
Financial year 2022-23						
Add: Profit for the year	-	-	-	-	-	4,238.23
Add: Other Comprehensive Income	-	-	-	6.47	(29.78)	(23.31)
Total Comprehensive Income	-	-	-	6.47	(29.78)	4,214.92
Add: Rights Issue Allotment during the year	-	3,436.06	-	-	-	3,436.06
Less: Rights Issue Expenses	-	(47.39)	-	-	-	(47.39)
Less: Dividend Distribution to Shareholders	-	-	-	-	-	(86.04)
Less: Transfer to Retained Earnings	-	-	-	-	29.78	29.78
Add: Transfer from OCI	-	-	-	-	-	(29.78)
Less: Transfer to General Reserve	-	-	(2,500.00)	-	-	(2,500.00)
Add: Transfer from Retained Earnings	-	-	2,500.00	-	-	2,500.00
Other Equity as at 31st March, 2023	3.75	11,702.02	27,500.00	66.24	-	44,544.70

As per our report annexed

For N.A. JAYARAMAN & CO.
Chartered Accountants
Firm Registration No. 001310S

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration No. 015041S

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)

Smt. P.V. NIRMALA RAJU
Managing Director
(DIN: 00474960)

R. PALANIAPPAN
Partner
Membership No. 205112
Rajapalayam
29th May, 2024

P. SANTHANAM
Partner
Membership No. 018697

A. ARULPRANAVAM
Chief Financial Officer

K. MAHESWARAN
Secretary



STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
A. Cash Flow from Operating Activities		
Profit / (Loss) before Exceptional items and Tax	(3,417.69)	4,085.78
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation & Amortisation	6,733.13	5,661.90
Finance Costs	7,403.01	5,505.72
Interest Income	(564.04)	(525.84)
Dividend Income	(724.31)	(1,155.69)
Rent Receipts from Investment Properties	(3.79)	(0.68)
Impairment allowance for trade receivables / (withdrawn)	–	(36.05)
Fair Value movement and Financial Guarantee obligation	261.38	(98.57)
Operating Profit before Working capital Changes	9,687.69	13,436.57
Movements in Working Capital		
Trade Receivables	(849.81)	(5,547.47)
Loans and Advances	(379.93)	(97.35)
Unutilised Tax Credit - Indirect Tax	1,357.37	(922.83)
Inventories	3,960.90	(11,443.67)
Trade Payables & Current Liabilities	1,154.27	(206.99)
Cash generated from Operations	14,930.49	(4,781.74)
Direct Taxes (Paid) / Refund received (Net)	(84.73)	217.22
Net Cash generated from Operating Activities	A	14,845.76
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment, Intangible Asset & Investment property (Including Capital work-in-progress, Capital Advance and payable for Capital Goods), (including interest capitalised for ₹ 1,307.57 Lakhs (PY: ₹ 1,272.75 Lakhs).	(9,816.85)	(35,545.89)
Government Grants received - related to acquisition of fixed assets	350.00	1,050.00
Inter-Corporate Loans (Given) / Received	1,420.00	(720.00)
Proceeds from Sales of Equity Shares of Associates	5,471.38	–
Proceeds from Redemption of Preference Shares	–	2,500.00
Acquisition of Preference Shares - Related Party	(1,540.45)	(80.00)
Acquisition of Equity Shares including Share Application money - Related Party	(1,511.68)	–
Subscribed for Equity Shares including Share Application money for purchase of solar power under Group Captive Arrangement	(840.89)	(299.25)
Proceeds from Sale of Assets / Investment Properties	509.65	1,020.03
Interest Received	604.04	564.33
Dividend Received	724.31	1,155.69
Rent Receipts from Investment Properties	3.79	0.68
Net Cash used in Investing Activities	B	(4,626.70)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2024



(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
C. Cash Flow from Financing Activities		
Proceeds from Right Issue, net of issue expenses	–	3,450.15
Proceeds from Long Term Borrowings	11,443.69	24,363.42
Proceeds from / (Repayment) of Loan - Related Parties	54.65	(2,694.94)
Repayment of Long Term Borrowings	(7,371.65)	(9,542.00)
Availment / (Repayment) of Short Term Borrowings (Net)	(6,909.54)	24,682.23
Payment of Principal portion of Lease Liabilities	(3.57)	(3.40)
Payment of Dividend including TDS on Dividend	(92.20)	(86.06)
Interest Paid	(7,350.25)	(5,289.12)
Net Cash Generated / (used) from Financing Activities	C (10,228.87)	34,880.28
Net decrease in Cash and Cash Equivalent	D = (A+B+C) (9.81)	(38.65)
Opening balance of Cash and Cash Equivalents	E 622.78	661.43
Closing balance of Cash and Cash Equivalents	D + E 612.97	622.78

Notes:

- (i) The cash flows from operating activities under the above statement of cash flows has been prepared under 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flow.
- (ii) Bank Borrowings including Cash Credits are considered as Financing Activities.
- (iii) For the purpose of Statement of Cash Flow, Cash and Cash Equivalents comprise the following:

Particulars	31-03-2024	31-03-2023
Cash and Cash Equivalents [Refer to Note No.18]	83.85	113.65
Bank Balances other than Cash and Cash Equivalents [Refer to Note No.19]	529.12	509.13
	612.97	622.78

(iv) Reconciliation of changes in liabilities arising from Financing Activities pertaining to Borrowings:

Particulars	31-03-2024	31-03-2023
Balance at the beginning of the year		
Long Term Borrowings	48,110.75	31,162.79
Short Term Borrowings	62,748.62	43,025.97
Long Term Lease Liabilities	495.82	499.39
Short Term Lease Liabilities	3.57	3.40
Interest accrued	422.63	206.03
Sub-Total Balance at the beginning of the year	1,11,781.39	74,897.58

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2024****(₹ in Lakhs)**

Particulars	31-03-2024	31-03-2023
Cash flows during the year		
Proceeds from Long Term Borrowings	11,443.69	24,363.42
Repayment of Long Term Borrowings	(7,371.65)	(9,542.00)
Proceeds from / (Repayment) of Loan from Related Parties, Net	54.65	(2,694.94)
Proceeds from / (Repayment) of Short Term Borrowings, Net	(6,909.54)	24,682.23
Payment of Principal portion of Lease Liabilities	(3.57)	(3.40)
Interest Paid including interest on lease liabilities	(7,350.25)	(5,289.12)
Sub-Total Cash flows during the year	(10,136.67)	31,516.19
Non-cash changes		
Interest accrual for the year	7,403.01	5,505.72
Fair Value Movement	90.05	(138.10)
Sub-Total Non-cash changes during the year	7,493.06	5,367.62
Balance at the end of the year		
Long Term Borrowings	49,616.32	48,110.75
Short Term Borrowings	58,550.25	62,748.62
Long Term Lease Liabilities	489.98	495.82
Short Term Lease Liabilities	5.84	3.57
Interest accrued	475.39	422.63
Balance at the end of the year	1,09,137.78	1,11,781.39

See accompanying notes to the financial statements [Refer to Note Nos. 7 - 58]

As per our report annexed

For N.A. JAYARAMAN & CO.
Chartered Accountants
Firm Registration No. 001310S

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration No. 015041S

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)

Smt. P.V. NIRMALA RAJU
Managing Director
(DIN: 00474960)

R. PALANIAPPAN
Partner
Membership No. 205112
Rajapalayam
29th May, 2024

P. SANTHANAM
Partner
Membership No. 018697

A. ARULPRANAVAM
Chief Financial Officer

K. MAHESWARAN
Secretary



NOTES TO SEPARATE FINANCIAL STATEMENTS

1. Corporate Information

Rajapalayam Mills Limited ("the Company") is a Public Limited Company domiciled and headquartered in India and incorporated under the provisions of the Companies Act, 1913. The Registered office of the Company is located at Rajapalayam Mills Premises, P.A.C. Ramasamy Raja Salai, Rajapalayam - 626 117, Tamil Nadu. The Company's shares are listed in BSE Limited.

The Company is engaged in manufacture of cotton yarn and fabrics. The Company is also engaged in generation of electricity from its windmills for its captive requirements.

2. Presentation & rounding norms

The financial statements of the Company for the year ended 31-03-2024 were approved and adopted by Board of Directors of the Company in their meeting dated 29-05-2024.

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

Previous year figures have been re-grouped / restated wherever it may be appropriate.

3. Statement of Compliance

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, presentation requirements of Division II of Ind AS compliant Schedule III to the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India, wherever applicable.

4. Amendments to the existing accounting standards issued and effective from 01-04-2023 onwards.

The details of amendment to the existing standards that are relevant to the Company with effect from 01-04-2023 are given below:

The amendment to Ind AS 1 on 'Presentation of financial statements' stipulates that the entity shall disclose material accounting policy information rather than significant accounting policies. Accounting policy information is considered material when accounting policy is related to a material transaction, event, or condition and involves either a change in accounting policy or one or more permissible accounting policy choices or accounting policy development in the absence of specific standard or significant judgment or assumptions involved in applying such policy, or complexity of accounting requiring one or more application of Ind AS.

Accordingly, the company has revised its accounting policy disclosures (Refer Note No.5) by specifically providing only material accounting policies ensuring no obscuring information. The above amendment has no financial effect on company.



NOTES TO SEPARATE FINANCIAL STATEMENTS

5. Material Accounting Policies

A. Inventories

- (i) Raw-materials, Stores & Spares, Fuel, Packing materials etc., are valued at cost, determined on a weighted average basis, or net realisable value whichever is lower. However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost.
- (ii) Process stock is valued at weighted average cost including the cost of conversion with systematic allocation of production overheads based on normal capacity of production facilities but excluding borrowing cost, or net realisable value whichever is lower.
- (iii) Finished goods are valued at cost or net realisable value whichever is lower.

B. Statement of Cash Flows

- (i) Cash flows from operating activities is presented using Indirect Method.
- (ii) Cash and cash equivalents for the purpose of Statement of Cash Flows comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short-term highly liquid investments, which are subject to insignificant risk of changes in value.
- (iii) Bank borrowings including Bank overdrafts / Cash Credit, which are repayable on demand, form an Integral part of the Company's cash management.

C. Income Taxes

- (i) Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the tax rates (and tax laws) that have been enacted at the reporting date.
- (ii) Current tax assets and liabilities are offset, when the Company has legally enforceable right to set off the recognised amounts and intends to settle the asset and the liability on a net basis.
- (iii) Deferred tax is recognised using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting at the reporting date.
- (iv) Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year where the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.



NOTES TO SEPARATE FINANCIAL STATEMENTS

- (v) Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by same governing tax laws and the Company has legally enforceable right to set off current tax assets against current tax liabilities.
- (vi) Both current tax and deferred tax relating to items recognised outside the Profit or Loss is recognised in Other Comprehensive Income.

D. Property, plant and equipments (PPE)

- (i) PPEs are stated at cost of acquisition or construction less accumulated depreciation and impairment losses if any, except freehold land, which is carried at cost. The cost includes directly attributable cost of bringing the asset to its working condition for the intended use and borrowing cost if capitalisation criteria are met.
- (ii) Spares, which meet the definition of PPE, are capitalised from the date when it is available for use. The company identifies the significant parts of plant and equipment separately, which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives.
- (iii) The present value of the expected cost for the decommissioning of PPE after its use, if materially significant, is included in the cost of the respective asset when the recognition criteria are met.
- (iv) Capital Expenditure on tangible assets for research and development is classified as PPE and is depreciated based on the estimated useful life. Other expenditure incurred for research and development are expensed under the respective heads of accounts in the year in which it is incurred.
- (v) The Company follows the useful lives of the significant parts of certain class of PPE on best estimate basis upon technical advice, as detailed below, that are different from the useful lives indicated under Part C of Schedule II of the Companies Act, 2013:

Type of Plant and Machinery	Useful life of such components ranging from
Textile Machineries / Equipment	2 to 20 years
Wind Mills	22 to 30 years
HFO / DG Set	12 to 25 years
Electrical Machineries	3 to 25 years

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



NOTES TO SEPARATE FINANCIAL STATEMENTS

- (vii) Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life on a straight-line method. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less 5% being its residual value, except for process control systems whose residual value is considered as Nil.
- (viii) Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion / disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded / sold.
- (ix) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each reporting date and adjusted prospectively, if appropriate.

Capital Work in progress / Capital Advances

- (x) Capital work in progress includes cost of property, plant and equipment under installation, under development including related expenses and attributable interest as at the reporting date.
- (xi) Advances given towards acquisition / construction of PPE outstanding at the reporting date are disclosed as 'Capital Advances' under 'Other Non-Current Assets'.

E. Leases

Company as a Lessee

- (i) The Company recognises a right-of-use asset (RoU) and a lease liability at the lease commencement date for all leases whose non-cancellable leases is more than 12 months.
- (ii) The RoU is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term, as follows:

Nature of RoU	Useful life ranging from
Land	99 years
Building	20 years

- (iii) The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.
- (iv) The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the



NOTES TO SEPARATE FINANCIAL STATEMENTS

amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

- (v) When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the Statement of Profit or Loss if the carrying amount of the right-of-use asset has been reduced to zero.
- (vi) The Company presents right-of-use assets that do not meet the definition of investment property in 'Property, Plant and Equipment' and Lease liabilities as a separate line item on face of the Balance sheet.
- (vii) The Company has opted not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Lease Improvements

- (viii) Lease improvements on a right-of-use asset (RoU) made by the Company, which enhance the value, functionality, or extend the useful life of the leased asset, shall be recognized as assets and capitalized in the same category of RoU asset under 'Property, Plant and Equipment', if capitalization criteria are met.
- (ix) Lease improvements recognized as assets shall be initially measured at cost, which includes all directly attributable costs incurred to bring the improvements to their present condition and location.
- (x) The lease improvements on RoU assets are depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of lease improvement or the end of the lease term.

Company as a Lessor

- (xi) Operating lease receipts are recognised in the Statement of Profit and Loss on straight-line basis over the lease terms except where the payments are structured to increase in line with the general inflation to compensate for the expected inflationary cost increases.

F. Revenue from Operations

(i) Sale of Products including Scrap Sales

Revenue from product sales including scrap sales is recognized at the point in time when the obligation of delivery of goods is fulfilled in accordance with the agreed



NOTES TO SEPARATE FINANCIAL STATEMENTS

delivery terms while control of such goods is transferred to customers. The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring goods to the customer. The Company provides discounts to customers on the achievement of the performance criteria based on agreed terms and conditions. The financing component with regard to sale of products are excluded from Revenue from operations and recognized as Interest Receipts over the credit periods as per Ind AS 115. The Company does not have any non-cash consideration.

(ii) Power generated from Windmills

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

The Value of unadjusted units available if any, at the end of financial year and sold to the Electricity Board at an agreed rate / tariff rate are recognized and shown as income from Wind Mills.

G. Other Income

- (i) Interest income is recognised using the Effective Interest Rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period where appropriate, the gross carrying amount of the financial asset or to the amortised cost of a financial liability.
- (ii) Dividend income is recognised when the Company's right to receive dividend is established.
- (iii) Rental income from operating lease on investment properties is recognised on a straight-line basis over the term of the relevant lease.

H. Employee Benefits

Short term employee benefits

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

Post-employment benefits

Defined Contribution Plan

- (ii) The Company contributes monthly to Employees' Provident Fund & Employees' Pension Fund administered by the Employees' Provident Fund Organisation, Government of India, at 12% of employee's basic salary.



NOTES TO SEPARATE FINANCIAL STATEMENTS

- (iii) The Company contributes to Superannuation Fund at a sum equivalent to 15% of the officer's eligible basic salary as the case may be, based on the option exercised by such officers.
- (iv) Contributions to Provident Fund and Superannuation Fund are recognized as an expense in the Statement of Profit and Loss for the year in which the employees have rendered services. There are no further obligations except for the above said contributions.

Defined Benefit Plan

- (v) The Company contributes to Defined Benefit Plan viz., an approved Gratuity Fund, for its employees. It is in the form of lump sum payments to vested employees on resignation, retirement, death while in employment or on termination of employment, for an amount equivalent to 15 days' basic salary for each completed year of service. Vesting occurs upon completion of five years of continuous service. Based on the valuation by an independent external actuary, the Company makes annual contributions to "Rajapalayam Mills Limited Employees' Gratuity Fund" administered by trustees as at the reporting date using Projected Unit Credit method. The funds are managed by LIC of India.
- (vi) Remeasurement of net defined benefit asset / liability comprising of actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are charged / credited to other comprehensive income in the period in which they arise and immediately transferred to retained earnings. Other costs are accounted in the Statement of Profit and Loss.

Other long term employee benefits

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

I. Government Grants

- (i) Government grants are recognised at fair value where there is a reasonable assurance that the grant will be received and all the attached conditions are complied with.
- (ii) In case of revenue related grant, the income is recognised on a systematic basis over the period for which it is intended to compensate an expense and is disclosed under "Other Income" or netted off against corresponding expenses wherever appropriate. Receivables of such grants are shown under "Other Financial Assets".



NOTES TO SEPARATE FINANCIAL STATEMENTS

- (iii) Government grants related to assets have been deducted in arriving all the carrying amount of the respective assets.
- (iv) Export benefits are accounted for in the year of exports based on eligibility and when there is uncertainty in receiving the same. Receivables of such benefits are shown under "Other Financial Assets".

J. Impairment of Non-Financial Assets

- (i) The carrying amount of assets i.e property, plant and equipment including right-of-use asset, investment properties, cash generating units and intangible assets other than inventories; deferred tax assets, are reviewed for impairment at each reporting date, if there is any indication of impairment based on internal and external factors.
- (ii) Non-financial assets are treated as impaired when the carrying amount of such asset exceeds its recoverable value. After recognition of impairment loss, the depreciation for the said assets is provided for remaining useful life based on the revised carrying amount, less its residual value if any, on straight-line basis.

K. Provisions, Contingent Liabilities and Contingent Assets

- (i) Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources embodying economic benefits in respect of which a reliable estimate can be made.
- (ii) Provisions are discounted if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.
- (iii) Insurance claims are accounted on the basis of claims admitted or expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection. Any subsequent change in the recoverability is provided for. Contingent Assets are not recognised.
- (iv) Contingent liability is a possible obligation that may arise from past events and its existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the same are not recognised but disclosed in the financial statements.



L. Intangible Assets

- (i) The costs of computer software acquired and its subsequent improvements are capitalised. Internally generated software is not capitalized and the expenditure is recognized in the Statement of Profit and Loss in the year in which the expenditure is incurred.
- (ii) The cost incurred for right to un-restricted usage of power transmission system for drawal of power from State grid to its mills were capitalized as the Company is expected to yield future economic benefits.
- (iii) The useful lives of intangible assets are assessed as either finite or indefinite. Intangible Assets with finite lives are carried at cost less accumulated amortisation and impairment losses if any and are amortised over their estimated useful life based on straight-line method. The Company do not have any intangible assets with indefinite lives. The estimated useful lives of intangible assets with finite lives are assessed by the internal technical team as detailed below, that are different from the useful lives prescribed under Part C of Schedule II of the Companies Act, 2013:

Nature of Intangible Assets	Estimated useful life
Computer Software	6 years
Power Transmission System	5 years

- (iv) The intangible assets that are under development phase are carried at cost including related expenses and attributable interest, and are recognised as Intangible assets under development.
- (v) The residual values, useful lives and methods of amortisation of intangible asset are reviewed at each reporting date and adjusted prospectively, if appropriate.

M. Investment Properties

- (i) An investment in land or buildings both furnished and unfurnished, which are held for earning rentals or capital appreciation or both rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business, are classified as investment properties.
- (ii) Investment properties are stated at cost, net of accumulated depreciation and impairment loss, if any except freehold land, which is carried at cost.
- (iii) The Company identifies the significant parts of investment properties separately, which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives determined on best estimate basis upon technical advice.



NOTES TO SEPARATE FINANCIAL STATEMENTS

- (iv) Depreciation on investment properties are calculated on straight-line method based on useful life of the significant parts as detailed below, that are different from the useful lives as indicated under Part C of Schedule II of the Companies Act, 2013:

Asset type	Useful life
Buildings under Investment properties	60 years

- (v) The residual values, useful lives and methods of depreciation of investment properties are reviewed at each reporting date and adjusted prospectively, if appropriate.

N. Operating Segments

- (i) Operating segments are identified on the basis of nature and usage of products and reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker. The Company's business operation comprises of two operating segment viz., Textile and Windmills.

O. Financial Instruments

- (i) The Company initially determines the classification of financial assets and liabilities. After initial recognition, no re-classification is made for financial assets, which are categorised as equity instruments at FVTOCI, and financial assets / liabilities that are specifically designated as FVTPL. However, other financial assets are re-classifiable when there is a change in the business model of the Company.

(ii) *Fair Value Hedge*

Changes in the fair value of forwards contracts that are designated and qualify as fair value hedges are recognized in the income statement, together with the changes in the fair value of the hedged item that are attributable to the hedged risk. If the hedge no longer meets the criteria for hedge accounting, changes in the fair value of the hedged item attributable to the hedged risk are no longer recognized in the income statement.

When a hedged item in a fair value hedge is a firm commitment (or a component thereof) to acquire an asset or assume a liability, the initial carrying amount of the asset or the liability that results from the entity meeting the firm commitment is adjusted to include the cumulative change in the fair value of the hedged item that was recognised in the balance sheet, with a corresponding gain or loss recognized in Profit or Loss.

Financial Assets

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



NOTES TO SEPARATE FINANCIAL STATEMENTS

Initial recognition and measurement

- (iv) All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, Trade receivables that do not contain a significant financing component are measured at transaction price.
- (v) Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).
- (vi) In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

Subsequent measurement

- (vii) For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:
- (a) The Company's business model for managing the financial asset and,
- (b) The contractual cash flow characteristics of the financial asset:

Based on the above criteria, the Company classifies its financial assets into the following categories:

Classification	Name of Financial Assets
Amortised cost	Trade receivables, Loans to employees and related parties, deposits, IPA receivable, interest receivable and other advances recoverable in cash.
FVTOCI	Equity investments in companies (including compound financial instrument, which qualify as equity under Ind AS 32) other than Associate as an irrevocable option exercised at the time of initial recognition.
FVTPL	Forward exchange contracts.



NOTES TO SEPARATE FINANCIAL STATEMENTS

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

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

- (ix) The Company has accounted for its investments in associates at cost.
- (x) For impairment purposes, significant financial assets are tested on individual basis at each reporting date. Other financial assets are assessed collectively in groups that share similar credit risk characteristics. Accordingly, the impairment testing is done on the following basis:

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



Financial Liabilities

- (xi) Financial liabilities comprise of Borrowings, Trade payables, Lease Liabilities and other financial liabilities.

Initial recognition and measurement:

- (xii) All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.
- (xiii) Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).
- (xiv) In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

Subsequent measurement

- (xv) All financial liabilities of the Company are subsequently measured at amortised cost using the effective interest method except for certain items like foreign exchange forward contracts that do not qualify for hedge accounting are measured at fair through profit or loss (FVTPL).
- (xvi) Transaction cost of financial guarantee contracts that are directly attributable to the issuance of the guarantee are recognised initially as a liability at fair value. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

P. Fair value measurement

- (i) The fair value of an asset or a liability is measured using the assumptions that the market participants would use when pricing the asset or liability, assuming that the market participants act in the economic best interest.
- (ii) All assets and liabilities for which fair value is measured and disclosed in the financial statements are categorised within fair value hierarchy based on the lowest level input



NOTES TO SEPARATE FINANCIAL STATEMENTS

that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

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

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

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

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

6. Significant Estimates and Judgements

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

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

(i) Revenue Recognition

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

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

The residual values and estimated useful life of PPEs, Intangible Assets and Investment Properties are assessed by the technical team at each reporting date by taking into account the nature of asset, the estimated usage of the asset, the operating condition of



NOTES TO SEPARATE FINANCIAL STATEMENTS

the asset, past history of replacement and maintenance support. Upon review, the management accepts the assigned useful life and residual value for computation of depreciation / amortisation. Also, management judgement is exercised for classifying the asset as investment properties or vice versa.

(iii) Current Taxes

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

(iv) Deferred Tax Asset

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

(v) Provisions

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

(vi) Segment Reporting

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

(vii) Contingent Liabilities

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

(viii) Classification of Investment

Management judgement is exercised in determining the following criteria while making classification of investments:

- the intention of the Company to sell the investment immediately;



NOTES TO SEPARATE FINANCIAL STATEMENTS

- the sale is highly probable;
- it is unlikely that significant change to the sale plan will be made and;
- that plan will not be withdrawn.

Based on this judgement, the investments are classified as “Investment held for sale”, if all the above criteria are met and continue to classify the investment as “Non-current investment”, if the above criteria are not met.

(ix) Impairment of Trade receivables

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

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

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

(xi) Impairment of Investments in Associates

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

(xii) Defined Benefit Plans and Other long term benefits

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

(xiii) Determination of lease term of contracts as non-cancellable term

Significant management judgement is exercised in determining the lease term as non-cancellable term of the lease, together with any periods covered by an option to



NOTES TO SEPARATE FINANCIAL STATEMENTS

extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised, by considering all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

(xiv) Fair value measurement of financial instruments / Firm Commitments

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

In case of unrecognised firm commitments denominated in foreign currency, which also qualify as a hedged item, the fair value of such firm commitments outstanding at the reporting date are measured at functional currency based on the quoted price in the active market prevailing on the reporting date.

(xv) Interests in other entities

Significant management judgement is exercised in determining the interests in other entities. The management believes that wherever there is a significant influence over certain companies belonging to its group, such companies are treated as Associate companies even though it holds less than 20% of the voting rights.



NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 7

PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Year	Gross Block			Depreciation			Net Block	
		As at the beginning of the year	Additions	Deductions / Adjustments	As at the end of the year	For the year (Refer to Note No. 41)	Deductions / Adjustments	As at the end of the year	As at the beginning of the year
Land - Free hold	2023-24	1,316.06	-	6.93	1,309.13	-	-	1,309.13	1,316.06
	2022-23	1,190.35	125.71	-	1,316.06	-	-	1,316.06	1,190.35
Land - Right-of-Use Asset	2023-24	779.68	60.99	-	840.67	34.67	7.91	798.09	745.01
	2022-23	779.68	-	-	779.68	27.18	7.49	745.01	752.50
Own Buildings	2023-24	13,823.94	8,530.92	-	22,354.86	3,434.40	638.75	18,281.71	10,389.54
	2022-23	12,454.74	1,650.16	280.96	13,823.94	3,004.23	430.17	10,389.54	9,450.51
Buildings - Right-of-Use Asset	2023-24	684.30	-	-	684.30	34.47	35.33	614.50	649.83
	2022-23	513.23	171.07	-	684.30	10.08	24.39	649.83	503.15
Plant and Machinery	2023-24	96,521.98	25,964.81	694.41	1,21,792.38	46,651.55	5,289.31	70,441.08	49,870.43
	2022-23	93,176.46	5,879.64	2,534.12	96,521.98	42,628.11	4,625.44	49,870.43	50,548.35
Electrical Machinery	2023-24	6,972.37	2,556.93	38.24	9,491.06	3,077.29	439.63	6,010.52	3,895.08
	2022-23	5,012.50	2,041.64	81.77	6,972.37	2,826.85	255.35	3,895.08	2,185.65
Furniture & Office Equipments	2023-24	1,344.52	186.18	55.52	1,475.18	897.51	143.26	488.83	447.01
	2022-23	1,198.06	158.94	12.48	1,344.52	788.50	120.82	447.01	409.56
Vehicles	2023-24	655.78	104.79	39.68	720.89	316.77	60.20	369.52	339.01
	2022-23	577.94	107.86	30.02	655.78	288.83	52.24	339.01	289.11
Total	2023-24	1,22,098.63	37,404.62	834.78	1,58,668.47	54,446.66	6,614.39	98,313.38	67,651.97
	2022-23	1,14,902.96	10,135.02	2,939.35	1,22,098.63	49,573.78	5,515.90	67,651.97	65,329.18

Notes: (i) Borrowings cost of ₹ 1,307.57 Lakhs have been capitalised for current year (P.Y: ₹ 1,272.75 Lakhs).

(ii) All the moveable fixed assets have been pledged as security for borrowings.

(iii) The Company has opted to present the government grants related to assets as deduction from the carrying value of eligible assets in accordance with Ind AS20. No grants has been deducted from the carrying value of assets during the financial year 2023-24 (P.Y: ₹ 2,100.00 Lakhs).

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

(v) The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Asset) since the Company has adopted cost model as its accounting policy to an entire class of Property, Plant and Equipment in accordance with Ind AS 16.



NOTES TO SEPARATE FINANCIAL STATEMENTS

(vi) Deductions / Adjustments in Gross Block comprises of:

Particulars	2023-24				2022-23			
	Sale of Assets	Scrap of Assets	Government Grants	Total	Sale of Assets	Scrap of Assets	Government Grants	Total
Land - Free hold	6.93	-	-	6.93	-	-	-	-
Land - Right-of-Use Asset	-	-	-	-	-	-	-	-
Own Buildings	-	-	-	-	-	-	280.96	280.96
Plant and Machinery	676.89	17.52	-	694.41	765.59	23.95	1,744.58	2,534.12
Electrical Machinery	37.70	0.54	-	38.24	7.31	-	74.46	81.77
Furniture & Office Equipments	17.25	38.27	-	55.52	10.57	1.91	-	12.48
Vehicles	39.68	-	-	39.68	29.56	0.46	-	30.02
Total	778.45	56.33	-	834.78	813.03	26.32	2,100.00	2,939.35

(vii) Scrap of assets represent components of assets that were derecognised due to wear and tear and damages, since no future benefits is expected from those components and thus replaced by new components.

NOTE NO. 8

CAPITAL WORK IN PROGRESS

Particulars	Year	As at the beginning of the year	Additions	Capitalised	As at the end of the year
Capital Work in Progress	2023-24	26,165.79	12,765.26	37,440.55	1,490.50
	2022-23	3,707.86	32,635.86	10,177.93	26,165.79

Note: (i) Refer to Note No. 55(b) for information relating to Ageing Schedule.

NOTE NO. 9

INVESTMENT PROPERTY

Particulars	Year	Gross Block			Amortisation		Net Block	
		As at the beginning of the year	Additions	Sold	As at the beginning of the year	Withdrawn during the year	As at the end of the year	As at the beginning of the year
Building	2023-24	15.12	15.12	-	7.83	0.24	8.07	7.05
	2022-23	15.12	-	-	7.58	0.25	7.83	7.29



NOTES TO SEPARATE FINANCIAL STATEMENTS

- Notes: (i) The Company measured all of its Investment Properties at Cost in accordance with Ind AS 40.
- (ii) The fair valuation of these investment property are determined by an internal technical team, who are specialists in valuing these types of investment properties by using the technic of quoted prices for similar assets in active markets or recent price of similar properties in less active markets and adjusted to reflect those differences. Since the valuation is done by internal technical team, the fair value of investment property as disclosed above is not based on valuation by a register valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. All resulting fair value estimates for investment properties as given below :

Particulars	₹ in Lakhs)	
	31-03-2024	31-03-2023
Fair value of Investment Properties	166.05	166.68

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

- (iv) Fair value hierarchy disclosures for investment properties have been provided in Note No. 52.

- (v) Information regarding income and expenditure of Investment property.

Particulars	₹ in Lakhs)	
	31-03-2024	31-03-2023
Rental Income from Investment Properties	3.79	0.68
Direct Operating Expenses	—	—
Profit arising from Investment Properties before Depreciation and indirect expenses	3.79	0.68
Less: Depreciation	0.24	0.25
Profit arising from Investment Properties before indirect expenses	3.55	0.43



NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 10 INTANGIBLE ASSETS

Particulars	Year	Gross Block			Amortisation			Net Block			
		As at the beginning of the year	Additions	Deductions / Adjustments	As at the end of the year	As at the beginning of the year	For the year (Refer to Note No. 41)	Deductions / Adjustments	As at the end of the year	As at the beginning of the year	As at the end of the year
Computer software	2023-24	865.40	35.93	-	901.33	356.62	109.85	-	466.47	434.86	508.78
	2022-23	822.49	42.91	-	865.40	261.14	95.48	-	356.62	508.78	561.35
Power Transmission System	2023-24	67.17	-	-	67.17	58.52	8.65	-	67.17	-	8.65
	2022-23	191.76	-	124.59	67.17	132.84	50.27	124.59	58.52	8.65	58.92
Total - Intangible Assets	2023-24	932.57	35.93	-	968.50	415.14	118.50	-	533.64	434.86	517.43
	2022-23	1,014.25	42.91	124.59	932.57	393.98	145.75	124.59	415.14	517.43	620.27

Notes: (i) Deductions / adjustments represents intangible assets derecognised from the financial statements since no future economic benefit is expected.

(ii) The Company has not revalued its Intangible Asset since the Company has adopted cost model as its accounting policy to an entire class of Intangible Asset in accordance with Ind AS 38.



NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 11

INVESTMENT IN ASSOCIATES

(₹ in Lakhs)

Particulars	Face Value ₹ per share	31-03-2024		31-03-2023	
		Numbers	Amount	Numbers	Amount
Investment in Equity Instruments					
Quoted					
The Ramco Cements Limited	1	3,21,69,264	6,217.99	3,26,25,264	4,800.21
Ramco Industries Limited	1	84,01,680	1,100.81	84,01,680	1,100.81
Ramco System Limited	10	7,33,531	1,141.55	7,33,531	1,141.55
Total			8,460.35		7,042.57
Quoted Investments - Cost			8,460.35		7,042.57
Market Value			2,79,577.37		2,58,682.76

- Notes: (i) The Company has accounted for Investment in Associates at cost. Refer to Note No. 50(A) for information on principal place of business / country of incorporation and the Company's interest / percentage of shareholding in the above associates.
- (ii) The carrying amount of investment in Associates is tested for impairment in accordance with Ind AS 36. The investment in Associates are long term strategic in nature, no impairment is considered as at the reporting date, considering its long term future prospects.

NOTE NO. 12

OTHER INVESTMENT (DESIGNATED AT FVTOCI)

(₹ in Lakhs)

Particulars	Face Value ₹ per share	31-03-2024		31-03-2023	
		Numbers	Amount	Numbers	Amount
I. Investment in Equity Instruments					
1) Quoted					
The Ramaraju Surgical Cotton Mills Limited	10	4,000	6.12	4,000	8.56
Lakshmi Automatic Loom Works Limited	100	250	4.83	250	1.93
Total Quoted Investments	(A)		10.95		10.49
2) Unquoted					
Sri Vishnu Shankar Mills Limited	10	38,400	64.90	38,400	144.77
Ramco Industrial and Technology Services Limited	10	50,000	3.50	50,000	4.00
Ramco Windfarms Limited	1	8,32,000	8.32	8,32,000	8.32
Miot Hospitals Limited	10	2,500	0.25	2,500	0.25
Tamilnadu Jai Bharath Mills Limited	10	1,200	0.05	1,200	0.05
Green Infra Clean Wind Generation Limited	10	59,85,000	598.50	-	-
Clean Max Opus Private Limited	10	11,921	541.64	-	-
Total Unquoted Investments	(B)		1,217.16		157.39



NOTES TO SEPARATE FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	Face Value ₹ per share	31-03-2024		31-03-2023	
		Numbers	Amount	Numbers	Amount
II. Investment in Preference Shares, Non-Trade - Unquoted					
Lynks Logistics Limited	1	–	–	80,00,000	80.00
Bundl Technologies Private Limited	10	5,85,723	2,033.39	–	–
Total Unquoted Investments	(C)		2,033.39		80.00

Note: By virtue of execution of Share Subscription and Purchase Agreement the Company had sold 12,15,40,789 equity shares of Lynks Logistics Limited ("Lynks") to Bundl Technologies Private Limited ("Bundl" operating under the brand name "Swiggy") and measured such investment at its Fair Value through Other Comprehensive Income (FVTOCI) in accordance with Ind AS 109. The Company simultaneously acquired 5,85,723 Compulsory Convertible Preference Shares (CCPS) of Bundl, in consideration of the sale of shares. The Company opted to designate such investment in CCPS of Bundl measured at Fair Value through Other Comprehensive Income (FVTOCI) in accordance with Ind AS 109 and recognise the fair value fluctuations through Other Comprehensive Income.

III. Other Non-Current Investments, Non-Trade - Unquoted

Ramco Group Employees' Co-operative Stores Limited	1	500	0.01	500	0.01
Total other Investments	(D)		0.01		0.01
Total (A+B+C+D)			3,261.51		247.89
Aggregate Market Value of Quoted Investments			NA		NA

*Notes: (i) Refer to Note No. 52 for information about fair value hierarchy under Disclosure of Fair Value Measurement.
(ii) Market Value of quoted investments for some equity instruments were not available due to no trading activities in stock market.*

NOTE NO. 13

FINANCIAL ASSETS - (NON CURRENT) LOANS AND ADVANCES

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Unsecured, considered good		
Loans and Advances to Related Parties [Refer to Note No.50(b)(i)]	950.00	2,370.00
Total	950.00	2,370.00

*Notes: (i) Loans are non-derivative financial assets and are carried at amortized cost, which generate fixed or variable interest income for the Company.
(ii) Loans to Related parties had been granted towards working capital in the normal course of business.
(iii) The Company has not granted any loan or advance in the nature of loan to promoters, directors and KMPs that are repayable on demand or without specifying any terms or period of repayment.*



NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 14

OTHER FINANCIAL ASSETS - (NON CURRENT) (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Unsecured, considered good		
Security Deposits with Electricity Board / Others	1,095.02	1,125.78
Government Grants Receivable	350.00	700.00
Application Money for Securities Subscription	3.71	299.25
Total	1,448.73	2,125.03

Notes: (i) The Company is eligible to receive capital subsidy of ₹ 2,100.00 Lakhs from Government of Tamilnadu and the same has been reduced from cost of qualifying Property, Plant and Equipment. Out of the eligible subsidy amount, the Company has received ₹ 1,400.00 Lakhs upto the FY 2023-24. The balance amount of ₹ 700.00 Lakhs will be received in 2 annual installments. Out of this, an amount of ₹ 350.00 Lakhs has been reported under "Other Financial Assets (Non-Current)" and the balance amount of ₹ 350.00 Lakhs, which is receivable within 12 months of the balance sheet date has been classified under "Other Financial Assets (Current)".

(ii) The Company has made application for acquisition of 1,818 Nos. of equity share of M/s. The Ramaraju Surgical Cotton Mills Limited on rights basis and the equity shares has been allotted to the Company during April, 2024.

NOTE NO. 15

OTHER NON CURRENT-ASSETS (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Unsecured, Considered Good		
Capital Advances	877.45	3,688.02
Income Tax Refund Receivable	16.63	47.49
Prepaid Expenses - Non-Current	52.06	59.11
Total	946.14	3,794.62

NOTE NO. 16

INVENTORIES (VALUED AT LOWER OF COST OR NET REALISABLE VALUE) (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Finished Goods (Yarn and Fabrics)	5,165.43	6,294.03
Raw materials - Cotton, Cotton Waste & Yarn	18,512.19	21,956.54
Stores and Spares	461.84	566.52
Works-in-progress (Cotton, Yarn and Fabric)	8,252.64	7,535.91
Total	32,392.10	36,353.00

Notes: (i) Raw materials includes Goods-in-transit of ₹ 335.43 Lakhs (As at 31-03-2023 ₹ 770.12 Lakhs).

(ii) The total carrying amount of inventories as at reporting date has been pledged as Security for Borrowings.

(iii) The mode of valuation of inventories has been stated in the Note No. 5A



NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 17

TRADE RECEIVABLES (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Secured, Considered good	2,833.96	2,157.01
Unsecured, considered good	13,935.35	13,762.49
Total	16,769.31	15,919.50

Notes: (i) Trade receivables are generally non-interest bearing.

(ii) No trade receivable are due from Directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any Director is a partner, a Director or a Member.

(iii) The total carrying amount of trade receivables has been pledged as security for Borrowings.

(iv) Trade Receivables aging schedule have been provided in Note No. 55 (c)

NOTE NO. 18

CASH AND CASH EQUIVALENTS (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Cash on Hand	1.14	0.87
Balance with Bank		
In Current Account	82.71	112.78
Total	83.85	113.65

NOTE NO. 19

BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Balances with Banks held as security against Borrowings	503.01	475.00
Earmarked balances with Banks for Unclaimed Dividend	26.11	34.13
Total	529.12	509.13

NOTE NO. 20

OTHER FINANCIAL ASSETS (CURRENT) (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Government Grants Receivable	756.43	756.43
Security Deposit	–	17.49
Insurance Claim receivable	340.29	30.46
Exchange difference on Firm Commitment	135.21	245.32
Total	1,231.93	1,049.70



NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 21

CURRENT TAX ASSETS	(₹ in Lakhs)	
Particulars	31-03-2024	31-03-2023
Advance Income Tax, Self Assessment Tax and Tax deducted at source	164.94	49.10
Total	164.94	49.10

Note: (i) Advance Income Tax, Self Assessment Tax and Tax deducted at source is net of provision for tax during the year NIL (PY: ₹ 155.00 Lakhs).

NOTE NO. 22

OTHER CURRENT ASSETS	(₹ in Lakhs)	
Particulars	31-03-2024	31-03-2023
Unsecured, considered good		
Advance to Suppliers / Others	234.49	292.67
Tax Credit and Refund due - Indirect Taxes	2,578.29	3,935.66
Accrued Income	109.50	76.30
Prepaid Expenses	287.14	195.10
Other Current Assets	62.32	51.03
Total	3,271.74	4,550.76

NOTE NO. 23

EQUITY SHARE CAPITAL	(₹ in Lakhs)	
Particulars	31-03-2024	31-03-2023
Authorised		
1,50,00,000 Equity Shares of ₹ 10/- each (PY: 1,50,00,000 Equity Shares of ₹ 10/- each)	1,500.00	1,500.00
Issued, Subscribed and Fully paid-up		
92,20,200 Equity Shares of ₹ 10/- each (PY: 92,20,200 Equity Shares of ₹ 10/- each)	922.02	922.02

Notes:

(i) Issued, Subscribed and fully paid-up Shares includes 62,13,850 Equity Shares (PY: 62,13,850 Equity Shares) of ₹ 10/- each, which were allotted as fully paid Bonus Shares by Capitalisation of Reserves.

Particulars	As at 31-03-2024		As at 31-03-2023	
	No. of Shares	Amount	No. of Shares	Amount
	Number of Shares at the beginning	92,20,200	922.02	86,05,520
Shares allotted pursuant to Rights Issue	-	-	6,14,680	61.47
Number of Shares at the end	92,20,200	922.02	92,20,200	922.02



NOTES TO SEPARATE FINANCIAL STATEMENTS

(iii) Rights / Restrictions attached to Equity Shares

The Company has one class of equity shares having a face value of Rs. 10/- each. Each Shareholder is eligible for one vote per share held. The Company declares and pays dividend in Indian Rupees. In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iv) List of Shareholders holding more than 5 percent in the Company.

(₹ in Lakhs)

Name of the Shareholder	As at 31-03-2024		As at 31-03-2023	
	No. of Shares	% of holding	No. of Shares	% of holding
P R Venketrama Raja	18,36,826	19.92%	18,36,826	19.92%
P V Abinav Ramasubramaniam Raja	24,39,939	26.46%	24,39,939	26.46%
Govindlal M Parikh	5,37,426	5.83%	5,37,426	5.83%

(v) Shareholders holding of Promoters as at 31-03-2024

S.No.	Name of the Promoters	No. of Shares	% of total shares	% Change during the year
1	P.R. Venketrama Raja	18,36,826	19.92%	–
2	P V Abinav Ramasubramaniam Raja	24,39,939	26.46%	–
3	R Sudarsanam	1,06,771	1.16%	0.07%
4	Late Ramachandra Raja Chittammal #	–	–	(1.12%)
5	P V Nirmala Raju	1,75,526	1.90%	–
6	Nalina Ramalakshmi	8,400	0.09%	–
7	Sharadha Deepa	13,699	0.15%	–
8	B Srisandhya Raju	20,700	0.22%	–
9	A Ramalakshmi #	87,386	0.95%	0.52%
10	J Sethulakshmi #	88,352	0.96%	0.53%
11	Ramco Industries Limited	1,59,200	1.73%	–
12	The Ramaraju Surgical Cotton Mills Limited	1,68,999	1.83%	–
13	Sri Vishnu Shankar Mill Limited	37,174	0.40%	–
14	Sandhya Spinning Mill Limited	624	0.01%	–
15	Ramco Management Private Limited	2,550	0.03%	–
16	The Ramco Cements Limited	42,259	0.46%	–
TOTAL		51,88,405	56.27%	

Smt. Ramachandra Raja Chittammal Member of Promoter Group demised on 15-09-2023. Subsequently the holdings of Smt. Ramachandra Raja Chittammal was transmitted to her daughters viz Smt. Alagaraja Ramalakshmi and Smt. Sethulakshmi Jayaraman on 26-03-2024 and they are classified as Member of Promoter Group in terms of Regulation 31A (6) of SEBI (LODR) Regulations 2015.



NOTES TO SEPARATE FINANCIAL STATEMENTS

(vi) Shareholders holding of Promoters as at 31-03-2023

S.No.	Name of the Promoters	No. of Shares	% of total shares	% Change during the year
1	P R Venketrama Raja	18,36,826	19.92%	-1.42%
2	P V Abinav Ramasubramaniam Raja	24,39,939	26.46%	-0.01%
3	R Sudarsanam	1,00,786	1.09%	0.23%
4	Late Ramachandra Raja Chittammal	1,03,284	1.12%	-
5	P V Nirmala Raju	1,75,526	1.90%	1.42%
6	Nalina Ramalakshmi	8,400	0.09%	-
7	Sharadha Deepa	13,699	0.15%	-
8	B Srisandhya Raju	20,700	0.22%	-
9	Ramco Industries Limited	1,59,200	1.73%	-
10	The Ramaraju Surgical Cotton Mills Limited	1,68,999	1.83%	-
11	Sri Vishnu Shankar Mill Limited	37,174	0.40%	-
12	Sandhya Spinning Mill Limited	624	0.01%	-
13	Ramco Management Private Limited	2,550	0.03%	-
14	The Ramco Cements Limited	42,259	0.46%	0.07%
TOTAL		51,09,966	55.42%	

NOTE NO. 24

OTHER EQUITY

Capital Reserve

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Balance as per Last Financial Statement	3.75	3.75
Total	3.75	3.75

Nature of Reserve

Capital Reserve represents the difference between the shares allotted to the Share Holders of Transferor Company and Net Worth acquired from Transferor Company as per scheme of Amalgamation.

Securities Premium

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Balance as per Last Financial Statement	11,702.02	8,313.35
Add: Security Premium on Rights Issue	-	3,436.06
Less: Rights Issue Expenses	-	(47.39)
Total	11,702.02	11,702.02

Nature of Reserve

Securities Premium was credited when shares are issued at a Premium. The Company can use this reserve to issue bonus shares, to provide for preliminary expenses, the commission paid or discount allowed and expenses related to any issue of shares of the Company.



NOTES TO SEPARATE FINANCIAL STATEMENTS

General Reserve		(₹ in Lakhs)	
Particulars	31-03-2024	31-03-2023	
Balance as per Last Financial Statement	27,500.00	25,000.00	
Add: Amount transferred from Retained Earnings	2,000.00	2,500.00	
Total	29,500.00	27,500.00	

Nature of Reserve

General Reserve represents the statutory reserve in accordance with Companies Act, 2013 wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a Company can declare dividend, however under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.

FVTOCI Reserve		(₹ in Lakhs)	
Particulars	31-03-2024	31-03-2023	
Balance as per Last Financial Statement	66.24	59.77	
Add: Other Comprehensive Income for the year	78.98	(23.31)	
Sub-Total	145.22	36.46	
Transfer from Retained Earnings	(221.62)	29.78	
Total	(76.40)	66.24	

Nature of Reserve

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

Retained Earnings		(₹ in Lakhs)	
Particulars	31-03-2024	31-03-2023	
Balance as per Last Financial Statement	5,272.69	3,650.28	
Profit / (Loss) for the year	2,830.30	4,238.23	
Transfer from FVTOCI Reserve	221.62	(29.78)	
Sub-Total	8,324.61	7,858.73	
Less: Appropriations			
Dividend Distribution to Shareholders	(92.20)	(86.04)	
Transfer to General Reserve	(2,000.00)	(2,500.00)	
Total	6,232.41	5,272.69	

Nature of Reserve

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

Note: The Board of Directors have recommended the payment of Dividend ₹ 0.60 per share for the year 2023-24 (PY: ₹ 1 per Share). This proposed dividend is subject to the approval of Shareholders in the ensuing Annual General Meeting.

Total Other Equity	47,361.78	44,544.70	
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NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 25

NON CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Secured		
Term Loan from Banks	49,616.32	47,849.04
Unsecured		
Term Loan from Banks	–	261.71
Total	49,616.32	48,110.75

Notes: (i) Term Loan from Banks of ₹ 49,616.32 Lakhs (PY: ₹ 47,849.04 Lakhs) are secured by pari-passu first charge on moveable Fixed Assets of the Company and pari-passu second charge on the Current Assets of the Company.

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

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

(iv) Refer to Note No. 53 for information about risk profile of borrowings under Financial Risk Management.

(v) The Long Term Borrowings from Banks are repayable in quarterly installments. The year wise repayment is as follows:

Year	31-03-2024	31-03-2023
2024-25	–	9,582.98
2025-26	10,130.74	9,137.90
2026-27	9,499.87	7,826.03
2027-28	9,221.12	7,721.12
2028-29	9,248.60	6,373.60
2029-30	4,664.00	4,664.00
2030-31	4,082.00	2,805.12
2031-32	2,769.99	–
Total	49,616.32	48,110.75

NOTE NO. 26

LEASE LIABILITIES

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Lease Liabilities [Refer to Note No. 48]	489.98	495.82
Total	489.98	495.82



NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 27

DEFERRED TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at 01-04-2022	Recognised in Profit and Loss	As at 31-03-2023	Recognised in Profit and Loss	As at 31-03-2024
Tax Impact on difference in written down value of Property, Plant & Equipment as per books and as per Income Tax Act, 1961	5,447.62	323.61	5,771.23	1,462.93	7,234.16
Tax impact on provision for compensated absences & Bonus	(203.94)	(27.04)	(230.98)	8.89	(222.09)
Tax impact on allowance for expected credit losses	(9.07)	9.07	–	–	–
Tax Impact on lease accounting as per Ind AS 116	0.09	(5.27)	(5.18)	(5.60)	(10.78)
Tax Impact on Fair value of forward contracts	7.63	6.17	13.80	51.40	65.20
Tax Impact on unabsorbed Depreciation / unadjusted losses	(819.12)	144.06	(675.06)	(1,869.12)	(2,544.18)
Others	–	–	–	(14.50)	(14.50)
Total	4,423.21	450.60	4,873.81	(366.00)	4,507.81

Reconciliation of Deferred tax Liabilities (Net)

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Balance at the beginning of the year	4,873.81	4,423.21
Deferred Tax recognised in Statement of Profit and Loss - Expense / (Gain)	(366.00)	450.60
Balance at the end of the year	4,507.81	4,873.81

Components of Tax Expenses

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
(i) Profit or Loss Section		
Current Tax		
Current Income Tax charge	–	155.00
Current Tax adjustments of earlier years	(0.25)	(15.56)
Deferred Tax		
Relating to the origination and reversal of temporary differences	(485.72)	450.60
Total Tax Expenses recognised in Profit or Loss section	(485.97)	590.04
(ii) Other Comprehensive Income Section		
Current Tax credit on remeasurement losses on defined benefit obligations, net	119.72	–
Total Tax Credit to OCI	119.72	–
(iii) Total Tax Expenses recognised in Statement of Profit and Loss (i) + (ii)	(366.25)	590.04



NOTES TO SEPARATE FINANCIAL STATEMENTS

Reconciliation of the Income tax provision to the amount computed by applying the statutory Income tax rate to the Income before taxes is summarised below:

Particulars	(₹ in Lakhs)	
	31-03-2024	31-03-2023
Accounting Profit before Tax (including OCI)	2,543.03	4,804.96
Corporate Tax Rate %	25.168%	25.168%
Computed Tax Expense	640.03	1,209.31
Increase / (reduction) in taxes on account of:		
Tax adjustments of earlier years [Refer Note below]	(0.25)	(15.56)
Non-deductible expenses	55.67	21.83
Change in carried forward unabsorbed Depreciation	-	(651.90)
Income chargeable to tax under different tax rates (Capital Gains)	-	(202.30)
Tax Expenses related to Capital Gains	-	155.00
Additional allowance / deductions for tax purposes	(1,061.70)	73.66
Tax Expenses recognised in the Statement of Profit and Loss	(366.25)	590.04

Note: Tax adjustments of earlier years represent amount provided for / written back based on recent assessment orders or completion of filing return of income before the due dates.

NOTE NO. 28

OTHER NON-CURRENT LIABILITIES		(₹ in Lakhs)
Particulars	31-03-2024	31-03-2023
Deferred Revenue	57.61	-
Total	57.61	-

Notes: (i) Deferred Revenue represents the receipt of upfront lease consideration which is recognised on operating lease basis i.e. on straight line basis over the lease term arrangement.

NOTE NO. 29

CURRENT BORROWINGS		(₹ in Lakhs)
Particulars	31-03-2024	31-03-2023
Secured		
Loan from Banks	28,373.53	24,063.71
Current Maturities of Long Term Loans	9,694.13	6,324.79
Unsecured		
Loan from Banks	19,618.26	30,765.29
Loans and Advances from Related Parties [Refer to Note No. 50(b)(ii)]	602.62	547.97
Current Maturities of Long Term Loans	261.71	1,046.86
Total	58,550.25	62,748.62

Notes: (i) Short term Borrowings from banks (other than Current maturities of Long term Borrowings) of ₹ 26,923.53 Lakhs (PY : ₹ 18,563.71 Lakhs) are secured by way of first pari-passu hypothecation charge on trade receivables and inventories of the Company, present and future.

(ii) Short term Borrowings of ₹ 1,450.00 Lakhs are secured by pledging of investment in equity shares of The Ramco Cements Limited to the extent of 3,60,000 nos. of shares and equity shares of Ramco Industries Limited to the extent of 1,40,000 nos. of shares.



NOTES TO SEPARATE FINANCIAL STATEMENTS

- (iii) No Short term Borrowings from banks (other than Current maturities of Long term Borrowings) are secured by way of sub servient charge on the Current Assets of the Company (PY ₹ 5,500 Lakhs).
- (iv) The quarterly returns or statements filed by the Company with the banks or financial institutions are in agreement with the books of accounts.
- (v) The Company has used the borrowings from banks for the specific purpose for which it was taken as at the reporting date.
- (vi) Refer to Note No. 53 for information about risk profile of borrowings under Financial Risk Management.

NOTE NO. 30

LEASE LIABILITIES		(₹ in Lakhs)	
Particulars	31-03-2024	31-03-2023	
Lease Liabilities [Refer to Note No. 48]	5.84	3.57	
Total	5.84	3.57	

NOTE NO. 31

TRADE PAYABLES		(₹ in Lakhs)	
Particulars	31-03-2024	31-03-2023	
Dues of Micro Enterprises and Small Enterprises	205.39	185.00	
Dues of creditors other than Micro Enterprises and Small Enterprises	2,160.35	1,302.62	
Total	2,365.74	1,487.62	

- Notes: (i) The disclosures as per the requirements of The Micro, Small and Medium Enterprises Development Act, 2006 are furnished in Note No. 54.
- (ii) Refer to Note No. 53 for information about risk profile of Trade payables under Financial Risk Management.
- (iii) Trade Payables aging schedule given in Note No. 55 (a).

NOTE NO. 32

OTHER CURRENT FINANCIAL LIABILITIES		(₹ in Lakhs)	
Particulars	31-03-2024	31-03-2023	
Interest Accrued	475.39	422.63	
Unclaimed Dividends	26.11	34.13	
PACR Memorial Fund	138.40	133.40	
Advance received from Customers	103.00	103.01	
Payables for Capital Goods	652.41	514.57	
Statutory Liabilities Payable	1,056.17	948.99	
Financial Guarantee Contracts	282.60	52.52	
Derivatives Designated as Hedges - Foreign Exchange Forward Contract	150.87	319.73	
Other payables	145.20	80.03	
Total	3,030.15	2,609.01	

- Notes: (i) Unclaimed dividends represents amount not due for transfer to Investor Education and Protection Fund.
- (ii) The Company has recognised financial guarantee obligation at fair value towards the corporate guarantees issued to the bankers on behalf of Related parties, and the same is recognised as other Income over the tenure of the corporate guarantee.



NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 33

PROVISIONS	(₹ in Lakhs)	
Particulars	31-03-2024	31-03-2023
Provision for Employee Benefits	1,458.74	1,415.09
Provision for Compensated absences [Refer to Note No. 47]	329.68	282.31
Other Provision for		
- Sales and Administrative Expenses	622.99	318.34
- Electricity Charges	409.12	591.57
- Other Expenses	27.48	64.20
Total	2,848.01	2,671.51

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

(ii) Movement in Provisions for compensated absences.

Particulars	31-03-2024	31-03-2023
Carrying amount at the beginning of the year	282.31	283.44
Add: Current Service Cost	51.57	43.96
Add: Interest Cost	18.76	16.46
Add: Actuarial Loss	25.98	57.85
Less: Benefits paid	(48.94)	(119.40)
Carrying amount at the end of the year	329.68	282.31

NOTE NO. 34

REVENUE FROM OPERATIONS	(₹ in Lakhs)	
Particulars	31-03-2024	31-03-2023
Sale of Products		
Yarn	65,696.57	67,863.50
Fabrics	19,082.18	17,092.95
Waste Cotton	749.22	757.52
	85,527.97	85,713.97
Other Operating Revenue		
Export Incentive	50.75	215.35
Scrap Sales	79.59	57.98
Job Work Charges Received	197.55	202.13
Total	85,855.86	86,189.43



NOTES TO SEPARATE FINANCIAL STATEMENTS

Notes: (i) The disaggregation of revenue as required under Ind AS 115 is given below: (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Gross Revenue from Operations	89,851.22	89,091.63
Less: Rebates & Discounts	95.10	100.16
Less: GST	2,726.17	2,394.97
Sub-Total	87,029.95	86,596.50
Less: Revenue netted off with Trial run expenses	1,174.09	407.07
Revenue from Operations (net of GST)	85,855.86	86,189.43

(ii) Revenue from operation does not include an amount of ₹ 1,174.09 Lakhs (PY: ₹ 407.07 Lakhs), being sale value of fabric, which has been produced during trial run and netted-off with trial run expenses and capitalised during the financial year 2023-24 in accordance with Ind AS 16.

NOTE NO. 35

OTHER INCOME (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Interest Receipts	564.04	525.84
Rent Receipts	31.72	32.83
Dividend Income	724.31	1,155.69
Profit on Sale of Cotton	247.80	144.74
Miscellaneous Income	156.13	183.32
Total	1,724.00	2,042.42

NOTE NO. 36

COST OF MATERIALS CONSUMED (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Raw materials Consumed		
Cotton & Cotton Waste Consumed for Yarn Production	39,098.75	42,951.56
Yarn Consumed for Fabric Production	6,304.82	6,109.69
Total	45,403.57	49,061.25

Note: Raw material consumed does not include an amount of ₹ 1,210.11 Lakhs (PY: ₹ 309.94 Lakhs), being value of yarn consumed at fabric unit, during trial run and capitalised during the financial year 2023-24 in accordance with Ind AS 16.

NOTE NO. 37

PURCHASES OF STOCK-IN-TRADE (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Purchases of Stock-in-Trade	4,651.67	3,577.62
Total	4,651.67	3,577.62



NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 38

CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	31-03-2024		31-03-2023	
Opening stock				
Finished Goods	6,294.03		2,010.64	
Work-in-Progress	7,535.91	13,829.94	5,490.45	7,501.09
Add: Value of Stock transferred from Trial Run		594.59		–
		14,424.53		7,501.09
Closing Stock				
Finished Goods	5,165.43		6,294.03	
Work-in-Progress	8,252.64	13,418.07	7,535.91	13,829.94
Net (Increase) / Decrease in Stock		1,006.46		(6,328.85)

NOTE NO. 39

EMPLOYEE BENEFITS

(₹ in Lakhs)

Particulars	31-03-2024		31-03-2023	
For Employees Other than Managing Director				
Salaries, Wages and Bonus	8,562.76		8,346.26	
Contribution to Provident and Other Funds	1,003.85		912.66	
Staff and Labour Welfare & Training Expenses	639.68	10,206.29	715.88	9,974.80
For Managing Director				
Managing Director Remuneration	240.00		240.00	
Contribution to Provident and Other Funds	7.50		7.75	
Sitting Fees	3.20	250.70	2.70	250.45
Total		10,456.99		10,225.25

Note: Refer to Note No.47 for disclosures pertaining to defined contribution plan and defined benefit obligations under Ind AS 19.

NOTE NO. 40

FINANCE COSTS

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Interest on Debts and Borrowings	7,208.48	5,140.36
Interest expense on lease liabilities [Refer to Note No. 48]	24.89	25.06
Exchange differences on Foreign Currency Borrowings regarded as an adjustment to Borrowing cost	169.64	340.30
Total	7,403.01	5,505.72

Notes: (i) Interest on Term Loans represent interest calculated using the effective interest rate method.

(ii) The above Finance Costs is net of capitalised portion of ₹ 1,307.57 Lakhs (PY: ₹ 1,272.75 Lakhs) attributable to the qualifying assets / Capital work-in-progress.

(iii) Refer to Note No. 53 for information about interest rate risk exposure under Financial Risk Management.



NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 41

DEPRECIATION AND AMORTISATION EXPENSE (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Depreciation of Plant, Property and Equipment [Refer to Note No. 7]	6,614.39	5,515.90
Depreciation on Investment Properties [Refer to Note No. 9]	0.24	0.25
Amortization of Intangible Assets [Refer to Note No. 10]	118.50	145.75
Total	6,733.13	5,661.90

NOTE NO. 42

OTHER EXPENSES (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Manufacturing Expenses		
Power and Fuel	5,317.02	5,094.89
Packing Materials Consumption	931.95	1,063.72
Repairs to Buildings	242.79	264.54
Repairs to Plant and Machinery	1,386.89	1,905.93
Repairs - Wind Mills & Others	1,406.74	1,489.96
Mercerising expenses - Yarn Processing	561.05	728.04
Chemical Consumption - Fabric	904.77	913.15
Job work Charges Paid	540.24	620.26
	11,291.45	12,080.49
Establishment Expenses		
Rates and Taxes	240.38	234.45
Insurance	431.87	469.21
Postage and Telephone	43.23	37.86
Printing and Stationery	36.10	47.72
Travelling Expenses	160.53	157.96
Vehicle Maintenance	151.52	140.80
Exchange Loss on Foreign Currency Transactions	202.06	902.15
Directors Sitting Fees to Non-Executive Directors	42.80	29.80
Lease Rent [Refer to Note (ii) below]	55.13	53.70
Audit Fees and Legal Expenses	34.94	31.63
Financial Guarantee Expenses	262.50	-
Provision for PACR Memorial Fund	5.00	5.00
Corporate Social Responsibility Expenses	7.31	11.17
Mark to Market Loss on Cotton	-	42.30
Miscellaneous Expenses	237.44	230.59
	1,910.81	2,394.34



NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 42

OTHER EXPENSES - (Contd.)

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023	
Selling Expenses			
Sales Commission	1,248.15	939.69	
Export Expenses	465.62	717.26	
Other Selling Expenses	426.69	347.45	
Impairment allowance provided / (withdrawn) for trade receivables	– 2,140.46	(36.05)	1,968.35
Total	15,342.72		16,443.18

Note: (i) The details of CSR Expenditure are disclosed in Note No. 55(j).

(ii) The disclosures pertaining to Lease Rent as required under Ind AS 116 are given in Note No. 48.

NOTE NO. 43

AUDIT FEES AND EXPENSES (NET OF TAX CREDITS)

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Statutory Auditors		
Statutory Audit fee	8.00	7.00
Other Certification Work	7.76	4.37
Reimbursement of Expenses	2.19	0.63
Tax Auditors		
Tax Audit fee	1.25	1.25
Cost Auditor		
Cost Audit fee	2.25	1.75
Reimbursement of Expenses	0.03	0.12
Secretarial Auditor		
Secretarial Audit fee	0.85	0.65
Other Certification Work	0.75	0.27
Total	23.08	16.04



NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 44

COMMITMENTS

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	2,834.12	7,310.51
(ii) Other Commitments		
Liability on Letter of Credit opened for Capital Goods	55.22	408.63
Liability on Letter of Credit opened for Cotton / Spares	NIL	39.56
(iii). Export Promotion Scheme		
(a) Export obligations against the import licenses taken for import of capital goods under the Export Promotion on Capital Goods Scheme and Advance License Scheme for import of raw material.	38,660.35	38,915.85
(b) Duty amount involved under EPCG Scheme	6,443.39	6,485.97
(c) Duty amount involved under Advance License Scheme	3,500.10	1,492.86

Note: Company is availing benefit under EPCG Scheme for import of capital goods and spare parts against obligation to export six times of the duty saved. The export obligation under the EPCG Scheme to be fulfilled on or before the financial year 2029-30. The Company is also importing cotton under Advance License Scheme against obligation to export the yarn / fabrics within 18 months from the date of license. The export obligation under the Advance License Scheme to be fulfilled on or before 30th September, 2025.

NOTE NO. 45

CONTINGENT LIABILITIES

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Guarantees given by the bankers on behalf of company	303.60	355.19
Demands / Claims not acknowledged as Debts in respect of matters in appeals relating to -		
Income Tax	NIL	NIL
Other demands	484.04	474.39

- i. Income Tax Assessment have been completed upto the Accounting Year ended 31st March, 2022 i.e. AY 2022-23.
- ii. Sales Tax / VAT Assessment has been completed upto the Accounting year 2016-17. The Assessment under CST Act was completed upto the Accounting year 2017-18.
- iii. In respect of Electricity matters, Appeals / Writ petition are pending with TNERC / APTEL / High Court for various matters for which no provision has been made in the books of accounts to the extent of ₹ 484.04 Lakhs (PY: ₹ 474.39 Lakhs). In view of the various case laws decided in favour of the Company and in the opinion of the management, there may not be any tax liability on this matter.



NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 46

FINANCIAL GUARANTEE (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Financial Guarantee given to banks to avail loan facilities by Related parties:		
Sri Vishnu Shankar Mill Limited	–	1,000
Sandhya Spinning Mill Limited	13,000	3,500
Actual amount of loan outstanding against above Financial Guarantees		
Sri Vishnu Shankar Mill Limited	–	100
Sandhya Spinning Mill Limited	11,375	2,547

NOTE NO. 47

As per Ind AS 19, the disclosures pertaining to "Employee Benefits" are given below: (₹ in Lakhs)

Particulars	2023-24	2022-23
Defined Contribution Plan:		
Employer's Contribution to Provident Fund	632.09	584.64
Employer's Contribution to Superannuation Fund	72.68	64.45

Defined Benefit Plan - Gratuity

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

Defined Benefit Plan (Gratuity): (₹ in Lakhs)

Particulars	2023-24	2022-23
Reconciliation of Opening and Closing balances of Present Value of Obligation:		
As at the beginning of the year	1,423.61	1,322.23
Current Service Cost	122.71	107.75
Interest Cost	99.74	92.59
Actuarial Loss/ (Gain)	133.26	29.48
Benefits paid	(-) 107.15	(-) 128.44
As at the end of the year	1,672.17	1,423.61

NOTES TO SEPARATE FINANCIAL STATEMENTS



(₹ in Lakhs)

Particulars	2023-24	2022-23
Reconciliation of Opening and Closing Balances of Fair Value of Plan Assets		
As at the beginning of the year	1,284.39	1,222.62
Expected return on plan assets	94.74	88.99
Actuarial gain / (loss)	(-) 1.07	(-) 0.29
Employer Contribution	140.92	101.51
Benefits paid	(-) 107.15	(-) 128.44
As at the end of the year	1,411.83	1,284.39
Actual Return on Plan Assets		
Expected Return on Plan Assets	94.74	88.99
Actuarial Gain / (Loss) on Plan Assets	(-) 1.07	(-) 0.29
Actual Return on Plan Assets	93.67	88.70
Reconciliation of Fair Value of Assets and Obligations:		
Present value of obligation	1,672.18	1,423.61
Fair value of plan assets	1,411.83	1,284.39
Difference, Amount recognized in Balance Sheet	260.35	139.22
Expenses recognized during the year:		
Current Service Cost	122.71	107.75
Net Interest on Obligations	5.01	3.59
Expenses recognized in Statement of Profit and Loss	127.72	111.34
Amount recognized in the Other Comprehensive Income:		
Actuarial changes arising from:		
Experience adjustments on Plan Liabilities	(-) 40.95	(-) 18.01
Experience adjustments on Plan Assets	(-) 1.07	(-) 0.29
Changes in financial assumptions	(-) 92.31	(-) 11.48
Changes in demographic assumptions	-	-
Amount recognized in OCI during the year	(-) 134.33	(-) 29.78
Investment Details		
Funds with LIC	1,406.37	1,278.04
Bank Balance	5.46	6.35
Total	1,411.83	1,284.39
Actuarial assumptions:		
LIC 2012-14 Table applied for service mortality rate	Yes	Yes
Discount rate p.a	6.98%	7.28%
Expected rate of Return on Plan Assets p.a.	6.98%	7.28%
Rate of escalation in salary p.a	4.00%	3.75%
.Rate of Employee Turnover	0.10%	0.05%



NOTES TO SEPARATE FINANCIAL STATEMENTS

Estimate of Expected Benefit payments		(₹ in Lakhs)	
Particulars	31-03-2024	31-03-2023	
Year 1	51.89	40.21	
Year 2	146.98	87.34	
Year 3	118.05	104.25	
Year 4	229.35	136.73	
Year 5	141.89	198.52	
Next 5 Years	623.39	591.67	

Quantitative Sensitivity Analysis for Significant Assumptions		(₹ in Lakhs)	
Particulars	31-03-2024	31-03-2023	
0.50% Increase in Discount Rate	134.36	114.22	
0.50% Decrease in Discount Rate	155.57	132.15	
0.50% Increase in Salary Growth Rate	155.89	132.47	
0.50% Decrease in Salary Growth Rate	134.01	113.88	

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

NOTES TO SEPARATE FINANCIAL STATEMENTS



Defined Benefit Plan (Leave encashment plan):		(₹ in Lakhs)	
Particulars	2023-24	2022-23	
Reconciliation of Opening and Closing balances of Present Value of Obligation:			
As at the beginning of the year	282.31	283.44	
Current Service Cost	51.56	43.96	
Interest Cost	18.77	16.46	
Actuarial Loss	25.98	57.85	
Benefits paid	(-) 48.94	(-) 119.40	
As at the end of the year	329.68	282.31	
Reconciliation of Opening and Closing Balances of Fair Value of Plan Assets:			
As at the beginning of the year	NIL	NIL	
Expected return on plan assets	NIL	NIL	
Actuarial gain / (loss)	NIL	NIL	
Employer Contribution	48.94	119.40	
Benefits paid	(-) 48.94	(-) 119.40	
As at the end of the year	NIL	NIL	
Actual Return of plan assets:			
Expected Return on Plan Assets	NIL	NIL	
Actuarial Gain / (Loss) on Plan Assets	NIL	NIL	
Actual Return on Plan Assets	NIL	NIL	
Reconciliation of Fair Value of Assets and Obligations:			
Fair value of plan assets	NIL	NIL	
Present value of obligation	329.69	282.31	
Difference, Amount Recognized in Balance Sheet	329.69	282.31	
Expenses recognized during the year:			
Current Service Cost	51.57	43.96	
Net Interest on obligations	18.77	16.47	
Actuarial Loss recognized during the year	25.98	57.85	
Expenses recognized in the Statement of Profit & Loss	96.32	118.28	
Amount recognized in the Other Comprehensive Income:			
Actuarial changes arising from:			
Experience adjustments on Plan Liabilities	NIL	NIL	
Experience adjustments on Plan Assets	NIL	NIL	
Changes in financial assumptions	NIL	NIL	
Changes in demographic assumptions	NIL	NIL	
Amount recognized in OCI during the year	NIL	NIL	



NOTES TO SEPARATE FINANCIAL STATEMENTS

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
Investment Details		
Funds with LIC	NIL	NIL
Bank Balance	NIL	NIL
Total	NIL	NIL
Actuarial assumptions:		
LIC 2012-14 Table applied for service mortality rate		
Discount rate p.a	6.98%	7.28%
Expected rate of Return on Plan Assets p.a.	NIL	NIL
Rate of escalation in salary p.a	4.00%	3.75%
Rate of Employee Turnover	0.10%	0.05%

Particulars	(₹ in Lakhs)	
	31-03-2024	31-03-2023
Estimate of Expected Benefit payments		
Year 1	14.66	11.50
Year 2	25.12	16.67
Year 3	24.94	17.42
Year 4	49.18	25.07
Year 5	22.99	45.99
Next 5 Years	112.43	103.39

Particulars	(₹ in Lakhs)	
	31-03-2024	31-03-2023
Quantitative Sensitivity Analysis for Significant Assumptions		
0.50% Increase in Discount Rate	57.85	48.22
0.50% Decrease in Discount Rate	66.34	55.28
0.50% Increase in Salary Growth Rate	66.46	55.41
0.50% Decrease in Salary Growth Rate	57.72	48.09

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

NOTES TO SEPARATE FINANCIAL STATEMENTS



NOTE NO. 48

DISCLOSURES PERTAINING TO IND AS 116 - LEASES

COMPANY AS A LESSEE

Nature of leasing activities

The Company has entered into operating lease on certain assets i.e land and building. Lease rentals are determined based on agreed terms. There is escalation clause in certain lease agreements after a specified period and no restriction imposed by the lease arrangements.

Maturity analysis of Lease Liabilities:

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Not later than one year	33.42	30.53
One to five years	186.12	179.10
More than five years	533.25	573.70
Total Undiscounted lease liabilities as at 31 st March	752.79	783.33

Other disclosures as required by Ind AS 116:

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Depreciation charge for Right-of-use asset	40.97	31.88
Interest on lease liabilities	24.89	25.06
Expenses relating to short-term leases	55.13	53.70
Total cash outflow for leases including principal and interest	89.45	199.53
Additions to Right-of-use assets	60.99	171.07
Carrying amount of Right-of-use assets at 31 st March	1,412.59	1,394.84

Note: Expenses relating to Short-term lease include leases whose lease term ends within 12 months from date of initial application and leases whose non-cancellable period is less than 12 months, irrespective of the actual tenure agreed as per the arrangement.

COMPANY AS A LESSOR

The Company has entered into operating leases i.e. Land & Building. The Company has not entered into any Finance leases. Future minimum rental receivable under non-cancellable operating leases as at the reporting date is given below:

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Not later than one year	1.31	1.10
One to five years	6.98	6.65
More than five years	6.32	7.97



NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 49

EARNINGS PER SHARE

(₹ in Lakhs)

Particulars		31-03-2024	31-03-2023
Net profit / (loss) after tax (₹ in Lakhs)	(A)	2,830.30	4,238.23
Weighted average number of Equity shares after deducting treasury shares [In Lakhs]	(B)	92.20	86.81
Nominal value per equity share (in ₹)		10	10
Basic & Diluted Earnings per share (A) / (B) (in ₹)		31	49

Reconciliation of Weighted average number of Equity Shares

(Nos. in Lakhs)

Particulars		31-03-2024	31-03-2023
No. of Shares at the beginning of the year	(A)	92.20	86.06
Equity Shares allotted pursuant to Rights issue on 15 th February, 2023	(B)	-	6.14
Weighted average number of Equity Shares [CY: A + B] / [PY: (A) + (B /365 x 45)]		92.20	86.81

NOTE NO. 50

RELATED PARTY TRANSACTIONS

Information on names of Related parties and nature of Relationship as required by Ind AS 24 on Related party disclosures for the year ended 31st March, 2024:

A) Associates

Name of the Company	Place of Business / Country of Incorporation	% of Shareholding as at	
		31-03-2024	31-03-2023
The Ramco Cements Limited	India	13.61%	13.81%
Ramco Industries Limited	India	9.68%	9.68%
Ramco Systems Limited	India	2.07%	2.08%

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

Name	Designation
Shri P.R. Venketrama Raja	Chairman
Smt. P.V. Nirmala Raju	Managing Director
Shri S.S. Ramachandra Raja	Non-Executive Director
Shri N.K. Ramasuwami Raja	Independent Director (Upto 31-03-2024)
Shri A.V. Dharmakrishnan	Non-Executive Director
Justice Shri P.P.S. Janarthana Raja	Independent Director (Upto 31-03-2024)
Shri V. Santhana Raman	Independent Director (Upto 31-03-2024)
Shri K.B. Nagendra Murthy	Independent Director
Smt. Soundara Kumar	Independent Director
Shri P.V. Abinav Ramasubramniam Raja	Non-Executive Director
Shri P.A.S Alaghar Raja	Independent Director
Shri B. Gnanagurusamy	Chief Financial Officer (Upto 30-09-2023)
Shri A. Arulpranavam	Chief Financial Officer (From 11-11-2023)*
Shri K. Maheswaran	Secretary (From 09-01-2024)

* Shri A. Arulpranavam, former Company Secretary has been elevated and appointed as CFO of the Company w.e.f. 11-11-2023 and he demit the office and Company Secretary w.e.f. 10-11-2023



NOTES TO SEPARATE FINANCIAL STATEMENTS

C) Relatives of Key Managerial Personnel

Name of the Relative of KMP	Relationship
Smt. R. Sudarsanam	Mother of Shri P.R. Venketrama Raja
Smt. Nalina Ramalakshmi	Sister of Shri P.R. Venketrama Raja
Smt. Sharadha Deepa	Sister of Shri P.R. Venketrama Raja
Smt. Byraju Srisandhya Raju	Daughter of Shri P.R. Venketrama Raja

D) Companies over which KMP/Relatives of KMP exercise significant influence or control

The Ramaraju Surgical Cotton Mills Limited	Ramco Industrial and Technology Services Limited
Sri Vishnu Shankar Mill Limited	Ramco Wind farms Limited
Thanjavur Spinning Mill Limited	Ramco Management Private Limited
Sandhya Spinning Mill Limited	RCDC Securities & Investments Private Limited
Rajapalayam Textile Limited	Sri Harini Media Limited
Lynks Logistics Limited	

E) Employee Benefit Funds where control exists

Rajapalayam Mills Limited Officers' Superannuation Fund
Rajapalayam Mills Limited Employees' Gratuity Fund

F) Other entities over which there is a significant influence

Smt. Lingammal Ramaraju Shastra Prathishta Trust	PACR Sethurammam Charity Trust
Ramco Welfare Trust	PACR Sethurammam Charities
Raja Charity Trust	PAC Ramasamy Raja Education Charity Trust
Gowri Metal Works LLP	PACR Centenary Trust
Ramco Organic Farming Centre	PACR Rotary Blood Bank



NOTES TO SEPARATE FINANCIAL STATEMENTS

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

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

		(₹ in Lakhs)	
Name of the Related party	2023-24	2022-23	
i. Goods Supplied / Services rendered			
Associates			
The Ramco Cements Limited	0.09	42.15	
Ramco Industries Limited	1,491.44	1,195.80	
Companies over which KMP / Relative of KMP exercise significant Influence			
The Ramaraju Surgical Cotton Mills Limited	975.76	592.78	
Sri Vishnu Shankar Mill Limited	746.15	1,090.77	
Sandhya Spinning Mill Limited	2,669.20	820.39	
Rajapalayam Textile Limited	311.78	186.38	
ii. Sale of Fixed Assets			
Companies over which KMP / Relative of KMP exercise significant Influence			
Sri Vishnu Shankar Mill Limited	NIL	10.74	
Sandhya Spinning Mill Limited	0.91	38.66	
iii. Cost of Goods & Services purchased / availed			
Associates			
The Ramco Cements Limited	12.97	12.42	
Ramco Industries Limited	3,367.84	3,135.79	
Ramco Systems Limited	47.23	38.81	
Companies over which KMP / Relative of KMP exercise significant Influence			
The Ramaraju Surgical Cotton Mills Limited	810.74	970.08	
Sri Vishnu Shankar Mill Limited	1,550.22	4,078.38	
Ramco Windfarms Limited	281.05	390.78	
Sandhya Spinning Mill Limited	6,359.54	1,283.43	
Rajapalayam Textile Limited	516.87	1,284.25	
Shri Harini Media Limited	1.47	1.84	
Ramco Industrial and Technology Services Limited	NIL	9.88	
Other entities over which there is a significant influence			
PACR Sethurammam Charity Trust	270.20	301.50	
PACR Centenary Trust	9.59	13.89	
Gowrihouse Metal Works LLP	0.57	0.16	
Ramco Organic Farming Centre	0.30	0.10	

NOTES TO SEPARATE FINANCIAL STATEMENTS



		(₹ in Lakhs)	
Name of the Related party	2023-24	2022-23	
iv. Purchase of Fixed Assets			
Associates			
Ramco Industries Limited	NIL	17.70	
Companies over which KMP / Relative of KMP exercise significant Influence			
Sri Vishnu Shankar Mill Limited	NIL	135.89	
Rajapalayam Textile Limited	9.00	NIL	
v. Leasing Arrangements - Rent Received			
Associates			
Ramco Industries Limited	8.33	8.92	
Ramco Systems Limited	3.79	0.72	
Companies over which KMP / Relative of KMP exercise significant Influence			
The Ramaraju Surgical Cotton Mills Limited	68.58	0.50	
Sri Vishnu Shankar Mill Limited	0.04	0.33	
Sandhya Spinning Mill Limited	14.83	16.95	
Rajapalayam Textile Limited	2.36	4.57	
Other entities over which there is a significant influence			
PACR Educational Charity Trust	0.35	0.35	
vi. Leasing Arrangements - Rent Paid			
Associates			
The Ramco Cements Limited	0.08	0.08	
Ramco Industries Limited	6.48	3.54	
Companies over which KMP / Relative of KMP exercise significant Influence			
The Ramaraju Surgical Cotton Mills Limited	68.42	0.03	
Sri Vishnu Shankar Mill Limited	2.95	2.81	
Sandhya Spinning Mill Limited	1.55	0.25	
Rajapalayam Textile Limited	0.12	NIL	
Key Managerial Personnel			
Shri P.V. Abinav Ramasubramaniam Raja	7.33	7.31	
Relative of Key Managerial Personnel			
Smt. Sharadha Deepa	1.70	1.63	



NOTES TO SEPARATE FINANCIAL STATEMENTS

		(₹ in Lakhs)	
Name of the Related party	2023-24	2022-23	
vii. Reimbursement of Expenses Paid / (Received)			
Associates			
The Ramco Cements Limited	64.32	61.93	
Ramco Industries Limited	(32.93)	(84.62)	
Companies over which KMP / Relative of KMP exercise significant Influence			
The Ramaraju Surgical Cotton Mills Limited	(41.36)	(89.61)	
Sri Vishnu Shankar Mill Limited	(31.29)	(29.53)	
Sandhya Spinning Mill Limited	(50.00)	(45.74)	
Rajapalayam Textile Limited	(4.67)	(9.56)	
Sri Harini Textiles Limited	NIL	(4.99)	
viii. Dividend Paid			
Key Managerial Personnel			
Shri P.R. Venketrama Raja	18.37	18.37	
Smt. P.V. Nirmala Raju	1.76	0.41	
Shri P.V. Abinav Ramasubramaniam Raja	24.40	22.77	
Shri S.S. Ramachandra Raja	0.29	0.29	
Shri N.K. Ramasuwami Raja	0.19	0.18	
Shri A.V. Dharmakrishnan	0.02	0.01	
Shri P.A.S. Alaghar Raja	0.06	0.08	
Associates			
The Ramco Cements Limited	0.42	0.33	
Ramco Industries Limited	1.59	1.49	
Companies over which KMP / Relative of KMP exercise significant Influence			
The Ramaraju Surgical Cotton Mills Limited	1.69	1.58	
Sri Vishnu Shankar Mill Limited	0.37	0.35	
Sandhya Spinning Mill Limited	0.01	0.01	
Ramco Management Private Limited	0.03	0.02	
Relative of Key Managerial Personnel			
Smt. R. Sudarsanam	1.01	0.74	
Late Smt. R. Chittammal	1.03	0.96	
Smt. R. Nalina Ramalakshmi	0.08	0.08	
Smt. S. Sharadha Deepa	0.14	0.13	
Smt. Byraju Srisandhya Raju	0.21	0.19	

NOTES TO SEPARATE FINANCIAL STATEMENTS



		(₹ in Lakhs)	
Name of the Related party	2023-24	2022-23	
ix. Dividend Received			
Associates			
The Ramco Cements Limited	640.25	978.76	
Ramco Industries Limited	84.02	84.02	
Companies over which KMP / Relative of KMP exercise significant Influence			
The Ramaraju Surgical Cotton Mills Limited	0.02	0.04	
Sri Vishnu Shankar Mill Limited	NIL	0.38	
Thanjavur Spinning Mill Limited	NIL	92.47	
x. Right Issue Amount Received			
Key Managerial Personnel			
Shri P.R. Venketrama Raja	NIL	746.53	
Smt. P.V. Nirmala Raju	NIL	16.81	
Shri P.V. Abinav Ramasubramaniam Raja	NIL	925.55	
Shri S.S. Ramachandra Raja	NIL	5.12	
Shri N.K. Ramasuwami Raja	NIL	7.30	
Shri A.V. Dharmakrishnan	NIL	2.21	
Shri P.A.S. Alaghar Raja	NIL	3.06	
Associates			
The Ramco Cements Limited	NIL	51.83	
Ramco Industries Limited	NIL	60.39	
Companies over which KMP / Relative of KMP exercise significant Influence			
The Ramaraju Surgical Cotton Mills Limited	NIL	64.10	
Sri Vishnu Shankar Mill Limited	NIL	14.10	
Sandhya Spinning Mill Limited	NIL	0.23	
Ramco Management Private Limited	NIL	0.97	
Relative of Key Management Personnel			
Smt. R. Sudarsanam	NIL	150.22	
Late Smt. R. Chittammal	NIL	39.18	
Smt. R. Nalina Ramalakshmi	NIL	3.19	
Smt. S. Sharadha Deepa	NIL	5.19	
Smt. Byraju Srisandhya Raju	NIL	7.85	



NOTES TO SEPARATE FINANCIAL STATEMENTS

		(₹ in Lakhs)	
		2023-24	2022-23
xi. Redemption of Preference Shares over which KMP / Relative of KMP exercise significant Influence Key Managerial Personnel			
Thanjavur Spinning Mill Limited		NIL	2,500.00
xii. Investment in / (Sale) of Shares during the year			
Companies over which KMP / Relative of KMP exercise significant Influence			
The Ramaraju Surgical Cotton Mills Limited (Equity)		3.71	NIL
Lynks Logistics Limited (Preference)		(80.00)	80.00
xiii. Sale of Investment in Associates			
Relative of Key Management Personnel			
Smt. S. Sharadha Deepa		2,490.40	NIL
xiv. Purchase of Investment in Associates			
Relative of Key Management Personnel			
Smt. R. Nalina Ramalakshmi		1,503.51	NIL
xv. Interest Paid / (Received)			
Key Managerial Personnel			
Shri P.R. Venketrama Raja		0.34	12.31
Smt. P.V. Nirmala Raju		3.99	7.70
Shri P.V. Abinav Ramasubramaniam Raja		0.25	0.30
Relative of Key Management Personnel			
Smt. R. Sudarsanam		NIL	0.04
Companies over which KMP / Relative of KMP exercise significant Influence			
The Ramaraju Surgical Cotton Mills Limited		(88.12)	(87.88)
Lynks Logistics Limited		(49.67)	(115.99)
Thanjavur Spinning Mill Limited		36.61	101.55
xvi. Director's Sitting Fees			
Key Managerial Personnel			
Shri P.R. Venketrama Raja		3.60	3.10
Smt. R. Sudarsanam		NIL	0.40
Smt. P.V. Nirmala Raju		3.20	2.30
Shri S.S. Ramachandra Raja		2.00	2.00
Shri N.K. Ramasuwami Raja		6.40	3.80
Shri A.V. Dharmakrishnan		6.80	4.20
Justice Shri P.P.S. Janarthana Raja		8.00	5.30
Shri V. Santhanaraman		2.80	2.00
Shri K.B. Nagendra Murthy		5.20	3.50
Smt Soundara Kumar		2.40	1.60
Shri P.V. Abinav Ramasubramaniam Raja		2.80	2.30
Shri P.A.S Alaghar Raja		2.80	2.00

NOTES TO SEPARATE FINANCIAL STATEMENTS



(₹ in Lakhs)

Name of the Related party	2023-24	2022-23
xvii. Remuneration to Key Managerial Personnel (Other than Sitting Fees)		
Key Managerial Personnel		
Smt. P.V. Nirmala Raju, Managing Director	247.50	206.50
Smt. R. Sudarsanam, Managing Director (Upto 31-05-2022)	NIL	41.25
Shri B. Gnanagurusamy, Chief Financial Officer (Upto 30-09-2023)	32.85	75.13
Shri A. Arulpranavam, Chief Financial Officer (From 11-11-2023) *	19.90	18.19
Shri K. Maheswararan, Secretary (From 09-01-2024)	4.76	NIL
* Shri A. Arulpranavam, former Company Secretary has been elevated and appointed as CFO of the Company w.e.f. 11-11-2023 and he demit the office and Company Secretary w.e.f. 10-11-2023.		
xviii. CSR / Donation given		
Other entities over which there is a significant influence		
PACR Education Charity Trust	1.05	1.02
xix. Contribution to Superannuation Fund / Gratuity Fund		
Other entities over which there is a significant influence		
Rajapalayam Mills Limited Officers' Superannuation Fund	72.68	64.45
Rajapalayam Mills Limited Employees' Gratuity Fund	262.05	141.13
xx. Maximum amount of loans and advance / (borrowings) outstanding during the year		
Key Managerial Personnel		
Shri P.R. Venketrama Raja	(144.01)	(501.70)
Smt. P.V. Nirmala Raju	(81.52)	(207.02)
Shri P.V. Abinav Ramasubramaniam Raja	(4.29)	(4.27)
Companies over which KMP / Relative of KMP exercise significant Influence		
The Ramaraju Surgical Cotton Mills Limited	950.00	950.00
Lynks Logistics Limited	NIL	1,420.00
Thanjavur Spinning Mill Limited	(518.00)	(3,363.16)
Relative of Key Management Personnel		
Smt. R. Sudarsanam	NIL	(303.66)



NOTES TO SEPARATE FINANCIAL STATEMENTS

(₹ in Lakhs)

Name of the Related party	31-03-2024	31-03-2023
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b. Outstanding balance including commitments

i. Loans and advances

Companies over which KMP / Relative of KMP exercise significant Influence

The Ramaraju Surgical Cotton Mills Limited	950.00	950.00
Lynks Logistics Limited	NIL	1,420.00

ii. Borrowings:

Key Managerial Personnel

Shri P.R. Venketrama Raja	0.08	43.77
Smt. P.V. Nirmala Raju	81.52	7.93
Shri P.V. Abinav Ramasubramaniam Raja	3.02	4.27

Companies over which KMP / Relative of KMP exercise significant Influence

Thanjavur Spinning Mill Limited	518.00	492.00
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iii. Corporate Guarantee given to lender of Related parties

Associates

Ramco Systems Limited	1,226.15	NIL
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Companies over which KMP / Relative of KMP exercise significant Influence

Sri Vishnu Shankar Mill Limited	NIL	1,000.00
Sandhya Spinning Mill Limited	13,000.00	3,500.00

Notes: (a) These Guarantees have been given as an additional security.

(b) The loan balance with Banks by the related parties, on the strength of the above Corporate Guarantees given by the Company are furnished below:

Sri Vishnu Shankar Mill Limited	NIL	100.00
Sandhya Spinning Mill Limited	11,375.00	2,546.95

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

Particulars	31-03-2024	31-03-2023
Short - Term Benefits ^[1]	295.39	329.87
Defined Contribution Plan ^[2]	10.97	13.08
Defined Benefit Plan / Other Long-Term Benefits ^[3]	0.85	0.82
Total	307.21	343.77

1 It includes bonus, sitting fees, and value of perquisites.

2 It includes contribution to Provident fund and Superannuation fund.

3 As the liability for gratuity and compensated absences are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above. However, amount paid towards compensated absence is included whenever Company makes such payment to KMPs.



NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 51

SEGMENT INFORMATION FOR THE YEAR ENDED 31-03-2024

(₹ in Lakhs)

Particulars	Textiles		Power from Windmills		Total	
	31-03-2024	31-03-2023	31-03-2024	31-03-2023	31-03-2024	31-03-2023
REVENUE						
External Sales / Other Operating Income	85,855.86	86,189.43	-	-	85,855.86	86,189.43
Inter Segment Sale	-	-	4,376.96	3,917.79	4,376.96	3,917.79
Total	85,855.86	86,189.43	4,376.96	3,917.79	90,232.82	90,107.22
Other Income	744.42	579.87	-	-	744.42	579.87
Total Revenue	86,600.28	86,769.30	4,376.96	3,917.79	90,977.24	90,687.09
RESULT						
Segment Profit	727.80	6,082.43	2,277.95	2,046.53	3,005.75	8,128.96
Unallocated Income	-	-	-	-	724.31	1,155.69
Operating Profit	-	-	-	-	3,730.06	9,284.65
Interest Expenses	-	-	-	-	7,403.02	5,505.73
Interest Income	-	-	-	-	255.27	306.86
Provision for Taxation						
Current Tax	-	-	-	-	-	155.00
Excess Income Tax provision related to earlier years withdrawn	-	-	-	-	(0.25)	(15.56)
Deferred Tax	-	-	-	-	(485.72)	450.60
Profit from ordinary activities	-	-	-	-	(2,931.72)	3,495.74
Other Comprehensive Income after Tax	-	-	-	-	78.98	(23.31)
Exceptional Items	-	-	-	-	5,762.02	742.49
Total Comprehensive Income	-	-	-	-	2,909.28	4,214.92
OTHER INFORMATION						
Segment Assets	1,61,247.80	154,172.06	4,296.19	4,714.90	1,65,543.99	1,58,886.96
Unallocated Assets	-	-	-	-	4,211.52	9,580.47
Total Assets	-	-	-	-	1,69,755.51	1,68,467.43
Segment Liabilities	8,249.73	6,771.70	-	-	8,249.73	6,771.70
Unallocated Liabilities	-	-	-	-	1,13,221.98	1,16,229.01
Total Liabilities	-	-	-	-	1,21,471.71	1,23,000.71
Capital Expenditure	9,816.85	35,545.89	-	-	9,816.85	35,545.89
Unallocated Capital Expenditure	-	-	-	-	-	-
Depreciation	6,314.41	5,244.47	418.72	417.43	6,733.13	5,661.90
Unallocated Depreciation Expenditure	-	-	-	-	-	-
Non-Cash expenses other than Depreciation	-	-	-	-	-	-



NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 52

DISCLOSURE OF FAIR VALUE MEASUREMENTS

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

Financial Instruments by category

(₹ in Lakhs)

Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying Amount	Fair Value
As at 31-03-2024					
Financial Assets					
Other Investments	1,148.46	–	2,113.05	3,261.51	3,261.51
Loans and Advances	950.00	–	–	950.00	950.00
Trade Receivables	16,769.31	–	–	16,769.31	16,769.31
Cash and Bank Balances	612.97	–	–	612.97	612.97
Other Financial Assets	2,680.66	–	–	2,680.66	2,680.66
Financial Liabilities					
Borrowings	1,08,166.57	–	–	1,08,166.57	1,08,166.57
Lease Liabilities	495.82	–	–	495.82	495.82
Trade Payables	2,365.74	–	–	2,365.74	2,365.74
Other Financial Liabilities	3,030.15	–	–	3,030.15	3,030.15
As at 31-3-2023					
Financial Assets					
Investments - Preference Shares	80.00	–	–	80.00	80.00
Other Investments	–	–	167.88	167.88	167.88
Loans and Advances	2,370.00	–	–	2,370.00	2,370.00
Trade Receivables	15,919.50	–	–	15,919.50	15,919.50
Cash and Bank Balances	622.78	–	–	622.78	622.78
Other Financial Assets	3,174.73	–	–	3,174.73	3,174.73
Financial Liabilities					
Borrowings	1,10,859.37	–	–	1,10,859.37	1,10,859.37
Lease Liabilities	499.39	–	–	499.39	499.39
Trade Payables	1,487.62	–	–	1,487.62	1,487.62
Other Financial Liabilities	2,609.01	–	–	2,609.01	2,609.01

Fair value hierarchy

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

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

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

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



NOTES TO SEPARATE FINANCIAL STATEMENTS

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

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial Instruments at FVTOCI				
Investments in listed equity securities				
As at 31-03-2024	10.95	–	–	10.95
As at 31-03-2023	10.54	–	–	10.54
Investment in unlisted securities				
As at 31-03-2024	–	–	1,217.66	1,217.66
As at 31-03-2023	–	–	157.34	157.34
Financial Instruments at FVTPL				
Foreign exchange forward contracts				
As at 31-03-2024 (Asset)	–	135.21	–	135.21
As at 31-03-2023 (Liability)	–	319.73	–	319.73

Valuation techniques used to determine the fair value

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

Nature of Financial Instrument	Valuation Technique	Remarks
Investment in Listed securities / Mutual Funds	Market Value	Closing Price as at reporting date in Stock Exchange.
Investment in Unlisted securities	Adjusted Net Assets	Net Assets value as per Balance Sheet of respective Companies as at reporting date.
Foreign exchange forward contracts	Mark to Market	Based on MTM valuations provided by the Banker.
Financial Guarantee Obligation	Differential Interest Rate	Interest rates quote have been obtained from the Banker.

NOTE NO. 53

FINANCIAL RISK MANAGEMENT

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

The Company has the following financial risks:

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



NOTES TO SEPARATE FINANCIAL STATEMENTS

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

Credit Risk

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

Receivables

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

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

(₹ in Lakhs)					
Particulars	Due less than 45 days	46 to 90 days	91 to 180 days	More than 180 days	Total
As at 31-03-2024					
Gross carrying amount	10,503.84	1,959.89	4,199.67	105.91	16,769.31
Expected Loss Rate	0%	0%	0%	0%	0%
Expected Credit Losses	–	–	–	–	–
Carrying amount of trade receivables net of impairment	10,503.84	1,959.89	4,199.67	105.91	16,769.31
As at 31-03-2023					
Gross carrying amount	10,596.34	1,845.41	3,371.13	106.62	15,919.50
Expected Loss Rate	0%	0%	0%	0%	0%
Expected Credit Losses	–	–	–	–	–
Carrying amount of trade receivables net of impairment	10,596.34	1,845.41	3,371.13	106.62	15,919.50

Financial Instruments and Cash deposits

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

Liquidity Risk

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



NOTES TO SEPARATE FINANCIAL STATEMENTS

Fund Management

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

Financial arrangements

The Company has access to the following undrawn borrowing facilities: (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Expiring within one year		
Bank Overdraft and other facilities	29,576.49	12,610.83
Term Loans	3,737.12	4,632.00
Expiring beyond year		
Term Loans	-	-

Maturities of Financial Liabilities

(₹ in Lakhs)

Nature of Financial Liability	< 1 Year	1 - 5 Years	> 5 years	Total
As at 31-03-2024				
Borrowings from Banks / Relates parties	58,550.25	42,764.33	6,851.99	1,08,166.57
Trade payables	2,365.74	-	-	2,365.74
Other Financial Liabilities (Incl. Interest)	3,030.15	-	-	3,030.15
As at 31-03-2023				
Borrowings from Banks / Relates parties	62,748.62	40,641.63	7,469.12	1,10,859.37
Trade payables	1,487.62	-	-	1,487.62
Other Financial Liabilities (Incl. Interest)	2,609.01	-	-	2,609.01

Foreign Currency Risk

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

Decisions regarding borrowing in Foreign Currency and hedging thereof, (both interest and exchange rate risk) and the quantum of coverage is driven by the necessity to keep the cost comparable. Foreign Currency loans, imports and exports transactions are hedged by way of forward contracts / packing credit in foreign currency which acts as natural hedge against export receivable. The Company enters the above transactions, after taking into consideration the anticipated Foreign exchange inflows/outflows, timing of cash flows, tenure of the forward contract and prevailing Foreign exchange market conditions.

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



NOTES TO SEPARATE FINANCIAL STATEMENTS

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

As at 31-03-2024 **(In Millions)**

Type	Particulars	USD	Euro	CHF
	Financial Assets / Firm commitments related to Financial Assets			
	(a) Trade Receivables	10.75	0.85	–
Hedged Items	Financial Liabilities / Firm Commitments related to Financial Liabilities			
	(a) Buyers Credit Loan	13.62	1.98	–
	(b) Contracts for import of materials	5.11	–	0.06
	(c) Forward for Exports	11.13	7.81	–
	Instruments for hedging the currency risk on Financial Assets			
	(a) PCFC Loan	5.50	–	–
Hedging Instruments (Forward contracts)	Instruments for hedging the currency risk on Financial Liabilities			
	(a) Forward contracts for Buyers Credit Loan	13.62	1.98	–
	(b) Forward contract for imports	5.11	–	0.06
	(c) Forward Contracts for Exports	16.27	8.30	–

As at 31-03-2023 **(In Millions)**

Type	Particulars	USD	Euro	JPY
	Financial Assets / Firm commitments related to Financial Assets			
	(a) Trade Receivables	11.95	1.13	–
Hedged Items	Financial Liabilities / Firm Commitments related to Financial Liabilities			
	(a) Buyers Credit Loan	15.84	–	–
	(b) Contracts for import of materials	0.96	2.09	47.75
	(c) Forward for Exports	12.96	4.77	–
	Instruments for hedging the currency risk on Financial Assets			
	(a) PCFC Loan	4.11	–	–
Hedging Instruments (Forward contracts)	Instruments for hedging the currency risk on Financial Liabilities			
	(a) Forward contracts for Buyers Credit Loan	15.84	–	–
	(b) Forward contract for imports	0.96	2.09	47.75
	(c) Forward Contracts for Exports	20.79	10.66	–



NOTES TO SEPARATE FINANCIAL STATEMENTS

The details of foreign currency forward contracts outstanding at the end of the reporting period is given below:

Particulars	Foreign currency (in Lakhs)		Nominal Amount (₹ in Lakhs)	
	31-03-2024	31-03-2023	31-03-2024	31-03-2023
USD / INR buy forward	187.31	167.92	15,653.36	13,797.85
USD / INR sell forward	162.67	207.93	13,686.74	17,085.40
EURO / INR buy forward	19.83	20.94	1,815.71	1,872.93
EURO / INR sell forward	83.00	106.58	7,723.39	9,532.83
CHF / INR buy forward	0.60	NIL	56.40	NIL
JPY / INR buy forward	NIL	477.50	NIL	294.14

The above forward contracts are having maturity of less than 12 months.

Cash flow and fair value interest rate risk

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

Interest rate risk exposure		(₹ in Lakhs)	
Particulars	31-03-2024	31-03-2023	
Variable rate borrowings	1,08,166.57	1,01,173.87	
Fixed rate borrowings	–	9,685.50	

The Company does not have any interest rate swap contracts

Sensitivity on Interest rate fluctuation		(₹ in Lakhs)	
Incremental Interest Cost works out to	31-03-2024	31-03-2023	
1% Increase in Interest Rate	1,081.67	1,011.74	



NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 54

DISCLOSURE AS REQUIRED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006:

The categorization of supplier as MSME registered under the Act under new definition, has been determined based on the information available with the Company as at the reporting date. The Company has also considered suppliers as MSME who possess the erstwhile MSME certificate for the period upto the reporting date, for the purpose of categorization and disclosures. The disclosures as required under Micro, Small and Medium Enterprises Development Act, 2006:

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
(a) (i) The Principal amount remaining unpaid to any supplier at the end of the financial year included in -		
Trade Payables	205.39	185.00
Other Current Financial Liabilities	13.46	17.37
(ii) The Interest due on the above	-	-
(b) The amount of interest paid by the buyer in terms of Section 16 of the Act	-	-
(c) The amount of the payment made to the supplier beyond the appointed day during the financial year	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the financial year	-	-
(e) The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under this Act	-	-

NOTE NO. 55

ADDITIONAL REGULATORY INFORMATION AS REQUIRED UNDER COMPANIES ACT, 2013 / INDIAN ACCOUNTING STANDARDS:

a) Trade Payables Ageing Schedule

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	< 1 Year	1 – 2 Years	2 - 3 years	> 3 years	
As at 31-03-2024						
MSME	205.39	-	-	-	-	205.39
Others	1,571.97	569.53	4.78	0.06	-	2,146.34
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	14.01	14.01
Unbilled dues	-	-	-	-	-	-
Total	1,777.36	569.53	4.78	0.06	14.01	2,365.74
As at 31-03-2023						
MSME	185.00	-	-	-	-	185.00
Others	1,065.25	218.52	0.95	0.11	-	1,284.83
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	1.25	16.54	17.79
Unbilled dues	-	-	-	-	-	-
Total	1,250.25	218.52	0.95	1.36	16.54	1,487.62



NOTES TO SEPARATE FINANCIAL STATEMENTS

b) Capital Work-in-Progress Ageing Schedule (₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	< 1 Year	1 – 2 Years	2 - 3 years	> 3 years	
As at 31-03-2024	1,479.34	11.16	–	–	1,490.50
As at 31-03-2023	26,022.63	143.16	–	–	26,165.79

Notes: (i) None of the capital-work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

(ii) The Company did not have any projects whose activity has been suspended.

(iii) The Company has no intangible assets under development.

c) Trade Receivables Ageing Schedule (₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	> 3 years	
As at 31-03-2024							
Undisputed Trade receivables - considered good	14,531.48	2,132.00	1.40	0.48	0.02	103.93	16,769.31
Undisputed Trade receivables - which have significant increase in credit risk	–	–	–	–	–	–	–
Disputed Trade receivables - considered good	–	–	–	–	–	–	–
Disputed Trade receivables - which have significant increase in credit risk	–	–	–	–	–	–	–
Total	14,531.48	2,132.00	1.40	0.48	0.02	103.93	16,769.31
As at 31-03-2023							
Undisputed Trade receivables - considered good	14,656.18	1,158.78	0.13	0.04	0.86	103.51	15,919.50
Undisputed Trade receivables - which have significant increase in credit risk	–	–	–	–	–	–	–
Disputed Trade receivables - considered good	–	–	–	–	–	–	–
Disputed Trade receivables - which have significant increase in credit risk	–	–	–	–	–	–	–
Total	14,656.18	1,158.78	0.13	0.04	0.86	103.51	15,919.50

d) Details of Loans Granted to Promoters, Directors, KMPs and related parties: (₹ in Lakhs)

Type of the Borrower	Amount of Loan outstanding as on 31-03-2024	% to the Total Loans and advances in the nature of Loans
The Ramaraju Surgical Cotton Mills Limited (a related party refer to Note No. 50(b)(i))	950.00	100%



NOTES TO SEPARATE FINANCIAL STATEMENTS

e) Undisclosed Income

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

f) Relationship with Struck off Companies

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

g) Details of Crypto Currency or Virtual Currency

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

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

- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or
- ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

i) Key Financial Ratios

Particulars	UOM	31-03-2024	31-03-2023	Variation in %
(a) Current Ratio	In multiple	1.04	1.08	5%
(b) Debt-Equity Ratio	In multiple	2.23	2.44	(-) 8%
(c) Debt Service Coverage Ratio	In multiple	0.72	1.09	(-) 32%
(d) Return on Equity Ratio	In %	6%	9%	(-) 31%
(e) Inventory Turnover Ratio	In Days	146	130	13%
(f) Trade receivables Turnover Ratio	In Days	70	56	25%
(g) Trade payables Turnover Ratio	In Days	8	7	18%
(h) Net Capital Turnover Ratio	In Days	207	223	16%
(i) Net Profit Ratio	In %	3%	6%	(-) 51%
(j) Return on Capital Employed	In %	6%	6%	-
(k) Return on Investment (Assets)	In %	2%	3%	(-) 36%



NOTES TO SEPARATE FINANCIAL STATEMENTS

Formula adopted for above Ratios:

- (a) Current Ratio = Current Assets / (Total Current Liabilities - Security Deposits payable on Demand - Current maturities of Long Term Debt)
- (b) Debt-Equity Ratio = Total Debt / Total Equity
- (c) Debt Service Coverage Ratio = (EBITDA - Current Tax) / (Principal Repayment + Gross Interest)
- (d) Return on Equity Ratio = Total Comprehensive Income / Average Total Equity
- (e) Inventory Turnover Ratio (Average Inventory days) = 365 / (Net Revenue / Average Inventories)
- (f) Trade receivables Turnover Ratio (Average Receivables days) = 365 / (Net Revenue / Average Trade receivables)
- (g) Trade Payables Turnover Ratio (Average Payable days) = 365 / (Net Revenue / Average Trade payables)
- (h) Net Capital Turnover Ratio = (Inventory Turnover Ratio + Trade receivables turnover ratio - Trade payables turnover ratio)
- (i) Net Profit Ratio = Net Profit / Net Revenue
- (j) Return on Capital employed = (Total Comprehensive Income + Interest) / (Average of (Equity + Total Debt))
- (k) Return on Investment (Assets) = Total Comprehensive Income / Average Total Assets.

Reasons for Variation if more than $\pm 25\%$:

Debt Service Coverage Ratio, Return on Equity, Net Profit Ratio & Return on Investment (Assets):

The operating margin during the financial year 2023-24 is declined on account of general slowdown in the textile industry and increase in finance cost due to expansion projects which results reduction in Debt Service Coverage Ratio, Return on Equity, Net Profit Ratio & Return on Investment.

Trade Receivable Turnover Ratio:

The Trade receivables as on 31-03-2024 has increased due to outstanding of invoices which are related to sale value of more value added yarn / fabric.



NOTES TO SEPARATE FINANCIAL STATEMENTS

j) Disclosures related to CSR activities

Particulars	Amount ₹ in Lakhs
Amount required to be spent by the Company during the year	20.89
Amount of expenditure incurred (including set off of ₹ 13.58 Lakhs from the excess spending of previous years, available for set off)	20.89
Shortfall at the end of the year	NIL
Total of previous years shortfall	NIL
Reason for shortfall	NA
Nature of CSR activities	Please refer to Table-A below
Details of related party transactions	Please refer to Table-B below

Note : The Company has not made any provision related to CSR activities for the financial years 2023-24 and 2022-23.

Table – A Nature of CSR activities:

Nature	Amount ₹ in Lakhs
Eradication of Hunger and Promotion of Healthcare including Preventive Healthcare	2.46
Promotion of Education including Special Education and Livelihood Enhancement Projects	1.05
Restoration of Building and Sites of Historical Importance and Works of Art	3.80
Total	7.31

Table – B Details of related party transactions:

Name of the related party	Nature of CSR activities	Amount ₹ in Lakhs
P.A.C. Ramasamy Raja Education Charity Trust	Promotion of Education	1.05

NOTES TO SEPARATE FINANCIAL STATEMENTS



NOTE NO. 56

EXCEPTIONAL ITEMS

a. Profit on Sale of Investment:

The Company has decided to sell some of the investments held in the Shares of one of its associates viz. The Ramco Cements Limited as a means of finance of margin money for the project of fabric expansion and establishment of new processing unit. The Company has sold 6,13,000 Shares of The Ramco Cements Limited during the FY 2023-24 for a sale consideration of ₹ 5,486.82 Lakhs. After adjusting cost of sale ₹ 15.44 Lakhs and carrying cost of investment ₹ 90.19 Lakhs, the net profit on sale of investment of ₹ 5,381.19 Lakhs (PY: NIL) has been presented in the Statement of Profit and Loss as "Profit on Sale of Investment" under Exceptional Item.

b. Profit on Sale of Property, Plant & Equipment and Investment Property:

The Company has sold 0.41 Acres of Land located at Dhanot Village, Gujarat for a sale consideration of ₹ 22.00 Lakhs and 16.16 Acres of Land located at Anuppapatty Village, Palladam, Tamilnadu for a sale consideration of ₹ 323.20 Lakhs after adjusting the cost of acquisition of land & land development expenses of ₹ 6.93 Lakhs, the net profit on sale of land was ₹ 338.27 Lakhs (PY: ₹ 803.80 Lakhs).

The Company has modernized the old textile machineries during FY 2023-24 and sold the old machineries for a sale consideration of ₹ 171.38 Lakhs. The WDV of old machineries was ₹ 128.82 Lakhs. The Company has incurred profit on sale of the above old machineries to the extent of ₹ 42.56 Lakhs (PY: Loss of ₹ 61.31 Lakhs).

The aggregate net profit of ₹ 5,762.02 Lakhs (PY: ₹ 742.49 Lakhs) of above transactions is shown as an Exceptional Items in the Statement of Profit and Loss.

NOTE NO. 57

EVENTS AFTER THE REPORTING PERIOD – DISTRIBUTION MADE AND PROPOSED (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Cash Dividends on Equity Shares declared and paid		
Final dividend for the year ended 31 st March, 2023: ₹ 1/- per share (PY: ₹ 1/- per share)	92.20	86.06
Proposed Dividends on Equity Shares		
Final dividend for the year ended 31 st March, 2024: ₹ 0.60 per share (PY: ₹ 1/- per share)	55.32	92.20

NOTE NO. 58

CAPITAL MANAGEMENT

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

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



NOTES TO SEPARATE FINANCIAL STATEMENTS

Particulars	(₹ in Lakhs)		
	31-03-2024	31-03-2023	
Long Term Borrowings	49,616.32	48,110.75	
Short Term Borrowings	58,550.25	62,748.62	
Less: Cash and Cash Equivalents	83.85	113.65	
Net Debt (A)	1,08,082.72	1,10,745.72	
Equity Share Capital	922.02	922.02	
Other Equity	47,361.78	44,544.70	
Total Equity (B)	48,283.80	45,466.72	
Total Capital Employed	(C) = (A) + (B)	1,56,366.52	1,56,212.44
Capital Gearing Ratio (A) / (C)	69%	71%	

The decrease in capital gearing ratio as at 31-03-2024 was due to repayment of Long term loans / reduction working capital loan. The Capital Gearing Ratio is expected to come down in the forthcoming years, once the Fabric expansion of projects start generating revenue / profits.

There are no significant changes in the objectives, policies or processes for managing capital during the years ended 31-03-2024 and 31-03-2023.

As per our report annexed

For N.A. JAYARAMAN & CO.
Chartered Accountants
Firm Registration No. 001310S

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration No. 015041S

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)

Smt. P.V. NIRMALA RAJU
Managing Director
(DIN: 00474960)

R. PALANIAPPAN
Partner
Membership No. 205112

P. SANTHANAM
Partner
Membership No. 018697

A. ARULPRANAVAM
Chief Financial Officer

K. MAHESWARAN
Secretary

Rajapalayam
29th May, 2024



CONSOLIDATED FINANCIAL STATEMENTS



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AUDITORS' REPORT TO SHAREHOLDERS



INDEPENDENT AUDITORS' REPORT

To the Members of M/s. RAJAPALAYAM MILLS LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the Consolidated Financial Statements of RAJAPALAYAM MILLS LIMITED ("the Company") and the share of profits and total comprehensive income of its associates, comprising of the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information ("the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Company as at March 31, 2024, and the consolidated profit / loss, and its consolidated cash flows for the year ended and consolidated changes in the equity on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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



AUDITORS' REPORT TO SHAREHOLDERS

S.No.	Key Audit Matter	Auditors' Response
1.	<p>Recognition and measurement of deferred taxes</p> <p>The recognition and measurement of deferred tax items requires determination of differences between the recognition and the measurement of assets, liabilities, income and expenses in accordance with the Income Tax Act and other applicable tax laws including application of ICDS and financial reporting in accordance with Ind AS.</p> <p>Assessment of Deferred Tax Assets is done by the management at the close of each financial year taking into account forecasts of future taxable results.</p> <p>We have considered the assessment of deferred tax liabilities and assets as a key matter due to the importance of management's estimation and judgment and the materiality of amounts.</p> <p>Refer to Note No. 5C (iii), (iv), (v) & 6(iv) to the Consolidated Financial Statements)</p>	<p>Principal Audit Procedures</p> <p>The key matter was addressed by performing audit procedures which involved assessment of underlying process and evaluation of internal financial controls with respect to measurement of deferred tax and assessment of the items leading to recognition of deferred tax in light of prevailing tax laws and applicable financial reporting standards.</p> <p>Furthermore we assessed the adequacy and appropriateness of the disclosures in the Consolidated Financial Statements.</p>
2.	<p>Evaluation of uncertain Tax Position / Other contingent liabilities</p> <p>The Company has material uncertain tax position in respect of possible or actual taxation disputes, litigations and claims. The provisions are estimated using a significant degree of management judgment in interpreting the various relevant rules, regulations and practices and in considering precedents in various legal forums.</p> <p>(Refer to Note No. 44 to the Consolidated Financial Statements)</p>	<p>Principal Audit Procedures</p> <p>The Audit addressed this Key Audit Matter by assessing the adequacy of tax Provisions by reviewing the management's underlying assumptions in estimating the tax provisions and the possible outcome of the disputes. We reviewed the significant litigations and claims and discussed with the Company's legal counsel, external advisors about their views regarding the likely outcome and magnitude of and exposure to relevant litigation and claims.</p> <p>We also reviewed to relevant judgments and the opinions given by the company's advisers, which were relied on by the management for such claims.</p> <p>Furthermore we assessed the adequacy and appropriateness of the disclosures in the Consolidated Financial Statements.</p>

AUDITORS' REPORT TO SHAREHOLDERS



S.No.	Key Audit Matter	Auditors' Response
3.	<p>Existence and impairment of Trade Receivables</p> <p>Trade Receivables are significant to the Company's financial statements. The Collectability of trade receivables is a key element of the company's working capital management, which is managed on an ongoing basis by its management. Due to the nature of the Business, the requirements of customers and various contract terms are in place, there is a risk that the carrying values may not reflect of their recoverable amounts as at the reporting date, which would require an impairment provision. Where there are indicators of impairment, the company undertakes assessment of the recoverability of the amounts. Given the magnitude and inherent uncertainty involved in the judgement, in estimating impairment assessment of trade receivables, we have identified this as a key audit matter.</p> <p>(Refer to Note No. 17 to the Consolidated Financial Statements)</p>	<p>Principal Audit Procedures</p> <p>We performed audit procedures on the assessment of trade receivables, which included substantive testing of revenue transactions, obtaining trade receivable external confirmations and testing the subsequent payments received. Assessing the impact of impairment on trade receivables requires judgement and we evaluated management's assumptions in determining the provision for impairment of trade receivables, by analyzing the ageing of receivables, assessing significant overdue individual trade receivables and specific local risks, combined with the legal documentations, where applicable.</p> <p>We tested the timing of revenue and trade receivables recognition based on the terms agreed with the customers. We also reviewed, on a sample basis, terms of the contract with the customers, invoices raised, etc., as a part of our audit procedures.</p> <p>Furthermore we assessed the adequacy and appropriateness of the disclosures in the Consolidated Financial Statements.</p>
4.	<p>Evaluation of Carrying value of Non-Current Investments</p> <p>The Company has Non-Current Investments in listed and unlisted associates and other companies, amounting to ₹ 1,93,600.75 lakhs as at 31st March 2024 which is 55.06% of the total value of assets of the company. The Company's investments are accounted using equity method less any impairment. These investments are assessed for impairment when an indicator of impairment</p>	<p>Principal Audit Procedures</p> <p>We examined the policies and methodologies used by the management to estimate the carrying value of each investment.</p> <p>We evaluated the assessment techniques for forecasting the future cash flows and revenue estimates used by the management to assess the future prospect of the investee companies.</p>



AUDITORS' REPORT TO SHAREHOLDERS

S.No.	Key Audit Matter	Auditors' Response
	<p>exists. The management assess annually the existence of impairment indicators of each investment and made necessary changes in the value of such investment as on Balance Sheet date. The processes and methodologies for valuation and identification of impairment in the value of investments of unlisted companies requires application of significant judgment by the Company. The judgment has to be made with respect to the timing, quantity and estimation of future discounted cash flows of the unlisted entities. It involves significant estimates and judgment by the management because of the inherent uncertainty involved in forecasting the investee's future performance and discounting future cash flows. We consider the valuation and assessment of impairment in value of such investments to be significant to the audit, because of the materiality of the value of investments in the consolidated financial statements of the Company and estimates and judgments involved in assessing the various unobservable valuation inputs like estimating the future cash flows. Accordingly, the valuation and assessment of impairment value in such investments of unlisted entities is determined to be key audit matter in our audit of the consolidated financial statements.</p>	<p>We examined the report furnished to us by the management for the valuation of the business to assess the investment value in Companies.</p> <p>We reviewed and compared the estimates made by the management with the externally available industry data.</p>

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

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

AUDITORS' REPORT TO SHAREHOLDERS



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

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

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

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

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the Company and of its associates are responsible for assessing the ability of the Company and its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Company and its Associates are responsible for overseeing the financial reporting process of each entity.



AUDITORS' REPORT TO SHAREHOLDERS

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013 we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of Consolidated Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of these assumptions. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company and its associates to cease to continue as a going concern.

AUDITORS' REPORT TO SHAREHOLDERS



- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of company and such other entities included in the Consolidated Financial Statements of which we are independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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



AUDITORS' REPORT TO SHAREHOLDERS

Other Matters

The Consolidated Financial Statements include the Company's share of profit after tax of ₹ 5,354.23 Lakhs and total comprehensive income of ₹ 6,922.20 Lakhs for the year ended March 31, 2024 as considered in the Consolidated Audited Financial Statements in respect of all the three associates. The financial results / financial information of two associates have been audited by one of us along with another joint auditor and one associate has been audited by an Independent Auditor, whose reports have been furnished to us by the management and our report on the Consolidated Financial Statements in so far as it relates to the amounts that have been derived from such audited financial statements is solely based on the reports of the other auditors.

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

Report on Other Legal and Regulatory Requirements

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

As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

AUDITORS' REPORT TO SHAREHOLDERS



- (e) On the basis of the written representations received from the directors of the Company as on March 31, 2024 taken on record by the Board of Directors of the Company and the report of the statutory auditors of its associates incorporated in India, none of the Directors of the companies and its associates incorporated in India is disqualified as on March 31, 2024 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**", which is based on the auditor's reports of the company and its associate companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reason stated there in.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Section 197 (16) of the Act, as amended:

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

- (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended;

In our opinion and to the best of our information and according to the explanations given to us:

- i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Company and its associates.
- ii. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its associate companies incorporated in India during the year ended March 31, 2024.



AUDITORS' REPORT TO SHAREHOLDERS

- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) of Companies (Audit and Auditors) Rules, 2014, as provide under (a) and (b) above, contain any material mis-statement.
- v. The dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act.

As stated in Note No. 57 to the Consolidated Financial Statements, the Board of Directors of the Company have proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act.

- vi. Based on our examination which included test checks and that performed by the respective auditors of the associates which are companies incorporated in India whose financial statements have been audited under the Act, the company and its associates have used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

AUDITORS' REPORT TO SHAREHOLDERS



Further, during the course of audit, we did not come across any instance of the audit trail feature being tampered with.

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

For N.A. JAYARAMAN & CO
Chartered Accountants
Firm Registration No. 001310S

For SRSV & ASSOCIATES,
Chartered Accountants
Firm Registration No. 015041S

R. PALANIAPPAN
Partner
Membership No. 205112
UDIN: 24205112BKEZKC1769

P. SANTHANAM
Partner
Membership No. 018697
UDIN: 24018697BKHIRV9501

RAJAPALAYAM
29th May, 2024



AUDITORS' REPORT TO SHAREHOLDERS

"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the consolidated financial statements for the year ended 31st March, 2024, we report the following:

Clause (xxi) of The Companies (Auditor's Report) Order (CARO) report of the Company did not include any unfavourable answers or qualifications or adverse remarks. According to the information and explanations given to us, in respect of the following associate companies incorporated in India and included in the consolidated financial statements, we give below details:

S No.	Particulars	CIN	Relationship	Qualifications or Adverse Remarks by the Auditors	Clause Number of the CARO report which is qualified or adverse
1	The Ramco Cements Limited	L26941TN1957PLC003566	Associate	There are no qualifications / adverse remarks by the Auditors	
2	Ramco Industries Limited	L26943TN1965PLC005297	Associate	There are no qualifications / adverse remarks by the Auditors	
3	Ramco Systems Limited	L72300TN1997PLC037550	Associate	There are no qualifications / adverse remarks by the Auditors	

For N.A. JAYARAMAN & CO
Chartered Accountants
Firm Registration No. 001310S

For SRSV & ASSOCIATES,
Chartered Accountants
Firm Registration No. 015041S

R. PALANIAPPAN
Partner
Membership No. 205112
UDIN: 24205112BKEZKC1769

P. SANTHANAM
Partner
Membership No. 018697
UDIN: 24018697BKHIRV9501

RAJAPALAYAM
29th May, 2024



"ANNEXURE B" TO THE INDEPENDENT AUDITORS' REPORT

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

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

In conjunction with our audit of the Consolidated Financial Statements of Rajapalayam Mills Limited (The Company) as of and for the year ended March 31, 2024, we have audited the internal financial controls over financial reporting of the Company and its associate companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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



AUDITORS' REPORT TO SHAREHOLDERS

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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports and the information and explanation provided by the management is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, based on the test checks conducted by us, the Company and its associate companies which are companies incorporated in India, have, in all material respects, reasonably adequate internal financial controls system over financial reporting and such internal financial controls over

AUDITORS' REPORT TO SHAREHOLDERS



financial reporting were prima facie operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For N.A. JAYARAMAN & CO
Chartered Accountants
Firm Registration No. 001310S

For SRSV & ASSOCIATES,
Chartered Accountants
Firm Registration No. 015041S

R. PALANIAPPAN
Partner
Membership No. 205112
UDIN: 24205112BKEZKC1769

P. SANTHANAM
Partner
Membership No. 018697
UDIN: 24018697BKHIRV9501

RAJAPALAYAM
29th May, 2024



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2024

(₹ in Lakhs)

	Note No.	As at 31-03-2024	As at 31-03-2023	
I ASSETS				
(1) Non-Current Assets				
(a) Property, Plant and Equipment	7	98,313.38	67,651.97	
(b) Capital Work-in-progress	8	1,490.50	26,165.79	
(c) Investment Property	9	7.05	7.29	
(d) Intangible Assets	10	434.86	517.43	
(e) Investment in Associates	11	1,90,339.24	1,85,747.37	
(f) Financial Assets				
<i>Other Investment</i>	12	3,261.51	247.89	
<i>Loans</i>	13	950.00	2,370.00	
<i>Other Financial Assets</i>	14	1,448.73	2,125.03	
(g) Other Non-Current Assets	15	946.14	3,794.62	
		<u>2,97,191.41</u>	<u>2,88,627.39</u>	
(2) Current Assets				
(a) Inventories	16	32,392.10	36,353.00	
(b) Financial Assets				
<i>Trade Receivables</i>	17	16,769.31	15,919.50	
<i>Cash and Cash Equivalents</i>	18	83.85	113.65	
<i>Bank Balance other than Cash and Cash Equivalents</i>	19	529.12	509.13	
<i>Other Financial Assets</i>	20	1,231.93	1,049.70	
(c) Current Tax Asset (Net)	21	164.94	49.10	
(d) Other Current Assets	22	3,271.74	4,550.76	58,544.84
		<u>54,442.99</u>	<u>4,550.76</u>	
TOTAL ASSETS		<u>3,51,634.40</u>	<u>3,47,172.23</u>	
II EQUITY & LIABILITIES				
(1) Equity				
(a) Equity Share Capital	23	920.41	920.41	
(b) Other Equity	24	2,29,242.28	2,23,251.11	
Total Equity		<u>2,30,162.69</u>	<u>2,24,171.52</u>	
(2) Liabilities				
A) Non Current Liabilities				
(a) Financial Liabilities				
<i>(i) Borrowings</i>	25	49,616.32	48,110.75	
<i>(ii) Lease Liabilities</i>	26	489.98	495.82	
(b) Deferred Tax Liabilities (Net)	27	4,507.81	4,873.81	
(c) Other Non-Current Liabilities	28	57.61	-	53,480.38
		<u>54,671.72</u>	<u>-</u>	
B) Current Liabilities				
(a) Financial Liabilities				
<i>(i) Borrowings</i>	29	58,550.25	62,748.62	
<i>(ii) Lease Liabilities</i>	30	5.84	3.57	
<i>(iii) Trade Payables</i>	31			
(a) Total outstanding dues of micro enterprises and small enterprises		205.39	185.00	
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,160.35	1,302.62	
<i>(iv) Other Financial Liabilities</i>	32	3,030.15	2,609.01	
(b) Provisions	33	2,848.01	2,671.51	69,520.33
		<u>66,799.99</u>	<u>2,671.51</u>	
TOTAL EQUITY AND LIABILITIES		<u>3,51,634.40</u>	<u>3,47,172.23</u>	
Material Accounting Policies, Judgements and Estimates	1 - 6			
See accompanying notes to the financial statements	7 - 57			

As per our report annexed

For N.A. JAYARAMAN & CO.
Chartered Accountants
Firm Registration No. 001310S

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration No. 015041S

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)

Smt. P.V. NIRMALA RAJU
Managing Director
(DIN: 00474960)

R. PALANIAPPAN
Partner
Membership No. 205112

P. SANTHANAM
Partner
Membership No. 018697

A. ARULPRANAVAM
Chief Financial Officer

K. MAHESWARAN
Secretary

Rajapalayam
29th May, 2024

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024



(₹ in Lakhs)

	Note No.	For the year ended 31-03-2024	For the year ended 31-03-2023
INCOME			
I	34	85,855.86	86,189.43
II	35	999.74	979.65
III		86,855.60	87,169.08
IV EXPENSES			
	36	45,403.57	49,061.25
	37	4,651.67	3,577.62
	38	1,006.46	(6,328.85)
	39	10,456.99	10,225.25
	40	7,403.01	5,505.72
	41	6,733.13	5,661.90
	42	15,342.72	16,443.18
		90,997.55	84,146.07
V		(4,141.95)	3,023.01
VI Exceptional Items [Refer to Note No. 56]			
		2,357.34	-
		380.83	742.49
VII		(1,403.78)	3,765.50
VIII Tax Expenses / (Savings)			
	27	-	155.00
		(0.25)	(15.56)
		(485.72)	450.60
		(485.97)	590.04
IX		(917.81)	3,175.46
X Share of Net Profit After Tax (PAT) of Associates accounted for using the equity method			
		5,354.23	5,012.90
XI		4,436.42	8,188.36
XII Other Comprehensive Income			
Item that will not be reclassified to Profit or Loss :			
		(134.33)	(29.78)
		333.03	6.47
		-	-
		119.72	-
		78.98	(23.31)
		1,567.97	88.18
		1,646.95	64.87
XIII		6,083.37	8,253.23
XIV Earnings per Equity Share of face value of ₹ 10/- each			
		48	94
	1 - 6		
	7 - 57		

As per our report annexed

For N.A. JAYARAMAN & CO.
Chartered Accountants
Firm Registration No. 001310S

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration No. 015041S

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)

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R. PALANIAPPAN
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Partner
Membership No. 018697

A. ARULPRANAVAM
Chief Financial Officer

K. MAHESWARAN
Secretary

Rajapalayam
29th May, 2024



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2024

A. Equity Share Capital [Refer to Note No. 23] (₹ in Lakhs)

(1) For the year ended 31-03-2024	
Balance as at 01-04-2023	920.41
Changes in Equity Share Capital during the year 2023-24	-
Less: Treasury Shares adjustment	-
Balance as at 31-03-2024	920.41
(2) For the year ended 31-03-2023	
Balance as at 01-04-2022	858.94
Add: Shares allotted pursuant to Rights Issue	61.47
Less: Treasury Shares adjustment	-
Balance as at 31-03-2023	920.41

Note: Treasury Shares adjustment computed based on holding through fellow associates.

B. Other Equity [Refer to Note No. 24]

(1) For the year ended 31-03-2024

Particulars	Reserves and Surplus				Items of OCI			Total Other Equity	
	Capital Reserve	Capital Reserve on Consolidation	Security Premium	General Reserve	Retained Earnings	FVTOCI Equity Instruments	Re-measurements of Defined Obligations		Share of OCI of Associates
Other Equity as at 01-04-2023	3.75	1,03,952.21	11,702.02	83,976.29	23,507.89	66.24	-	42.71	2,23,251.11
Financial year 2023-24									
Add: Profit for the year	-	-	-	-	4,436.42	-	-	-	4,436.42
Add: Other Comprehensive Income	-	-	-	-	-	213.31	(134.33)	1,567.97	1,646.95
Total Comprehensive Income	-	-	-	-	4,436.42	213.31	(134.33)	1,567.97	6,083.37
Less: Dividend Distribution to Shareholders	-	-	-	-	(92.20)	-	-	-	(92.20)
Less: Transfer to Retained Earnings - sale of Investments in Associates	-	(1,783.82)	-	-	1,783.82	-	-	-	-
Less: Transfer to Retained Earnings	-	-	-	-	-	(355.95)	134.33	-	(221.62)
Add: Transfer from OCI	-	-	-	-	221.62	-	-	-	221.62
Add: Transfer to General Reserve	-	-	-	-	(2,000.00)	-	-	-	(2,000.00)
Add: Transfer from Retained Earnings	-	-	-	2,000.00	-	-	-	-	2,000.00
Balance as at 31st March, 2024	3.75	1,02,168.39	11,702.02	85,976.29	27,857.55	(76.40)	-	1,610.68	2,29,242.28



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2024

(2) For the year ended 31-03-2023

Particulars	Reserves and Surplus				Items of OCI			Total Other Equity	
	Capital Reserve	Capital Reserve on Consolidation	Security Premium	General Reserve	Retained Earnings	FVTOCI Equity Instruments	Re-measurements of OCI		Share of OCI of Associates
Other Equity as at 01-04-2022	3.75	1,03,952.21	8,313.35	81,476.29	17,935.35	59.77	-	(45.47)	2,11,695.25
Financial year 2022-23									
Add: Profit for the year	-	-	-	-	8,188.36	-	-	-	8,188.36
Add: Other Comprehensive Income	-	-	-	-	-	6.47	(29.78)	88.18	64.87
Total Comprehensive Income	-	-	-	-	8,188.36	6.47	(29.78)	88.18	8,253.23
Add: Rights Issue Allotment during the year	-	-	3,436.06	-	-	-	-	-	3,436.06
Less: Rights Issue Expenses	-	-	(47.39)	-	-	-	-	-	(47.39)
Less: Dividend Distribution to Shareholders	-	-	-	-	(86.04)	-	-	-	(86.04)
Less: Transfer to Retained Earnings	-	-	-	-	-	-	29.78	-	29.78
Add: Transfer from OCI	-	-	-	-	(29.78)	-	-	-	(29.78)
Add: Transfer to General Reserve	-	-	-	-	(2,500.00)	-	-	-	(2,500.00)
Add: Transfer from Retained Earnings	-	-	-	2,500.00	-	-	-	-	2,500.00
Balance as at 31st March, 2023	3.75	1,03,952.21	11,702.02	83,976.29	23,507.89	66.24	-	42.71	2,23,251.11

As per our report annexed

For N.A. JAYARAMAN & CO.
Chartered Accountants
Firm Registration No. 001310S

R. PALANIAPPAN
Partner
Membership No. 205112
Rajapalayam
29th May, 2024

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration No. 015041S

P. SANTHANAM
Partner
Membership No. 018697

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)

A. ARULPRANAVAM
Chief Financial Officer

Smt. P.V. NIRMALA RAJU
Managing Director
(DIN: 00474960)

K. MAHESWARAN
Secretary



CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
A. Cash Flow from Operating Activities		
Profit / (Loss) before Exceptional items and Tax	(4,141.95)	3,023.01
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation & Amortisation	6,733.13	5,661.90
Finance Costs	7,403.01	5,505.72
Interest Income	(564.04)	(525.84)
Dividend Income	(0.05)	(92.92)
Rent Receipts from Investment Properties	(3.79)	(0.68)
Impairment allowance for trade receivables / (withdrawn)	–	(36.05)
Fair Value movement and Financial Guarantee obligation	261.38	(98.57)
Operating Profit before Working capital Changes	9,687.69	13,436.57
Movements in Working Capital		
Trade Receivables	(849.81)	(5,547.47)
Loans and Advances	(379.93)	(97.35)
Unutilised Tax Credit - Indirect Tax	1,357.37	(922.83)
Inventories	3,960.90	(11,443.67)
Trade Payables & Current Liabilities	1,154.27	(206.99)
Cash generated from Operations	14,930.49	(4,781.74)
Direct Taxes Paid (Net)	(84.73)	217.22
Net Cash generated from Operating Activities	A 14,845.76	(4,564.52)
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment, Intangible Asset & Investment property (Including Capital work-in-progress, Capital Advance and payable for Capital Goods), (including interest capitalised for ₹ 1,307.57 Lakhs (PY: ₹ 1,272.75 Lakhs).	(9,816.85)	(35,545.89)
Government Grants received - related to acquisition of fixed assets	350.00	1,050.00
Inter-Corporate Loans (Given) / Received	1,420.00	(720.00)
Proceeds from Sales of Equity Shares of Associates	5,471.38	–
Proceeds from Redemption of Preference Shares	–	2,500.00
Acquisition of Preference Shares - Related Party	(1,540.45)	(80.00)
Acquisition of Equity Shares including Share Application money - Related Party	(1,511.68)	–
Subscribed for Equity Shares including Share Application money for purchase of solar power under Group Captive Arrangement	(840.89)	(299.25)
Proceeds from Sale of Assets / Investment Property	509.65	1,020.03
Interest Received	604.04	564.33
Dividend Received	724.31	1,155.69
Rent Receipts from Investment Properties	3.79	0.68
Net Cash used in Investing Activities	B (4,626.70)	(30,354.41)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2024



(₹ in Lakhs)

Particulars		31-03-2024	31-03-2023
C. Cash Flow from Financing Activities			
Proceeds from Right Issue, net of issue expenses		–	3,450.15
Proceeds from Long Term Borrowings		11,443.69	24,363.42
Proceeds from / (Repayment) of Loan - Related Parties		54.65	(2,694.94)
Repayment of Long Term Borrowings		(7,371.65)	(9,542.00)
Availment / (Repayment) of Short Term Borrowings (Net)		(6,909.54)	24,682.23
Payment of Principal portion of Lease Liabilities		(3.57)	(3.40)
Payment of Dividend including TDS on Dividend		(92.20)	(86.06)
Interest Paid		(7,350.25)	(5,289.12)
Net Cash Generated / (used) from Financing Activities	C	(10,228.87)	34,880.28
Net Increase in Cash and Cash Equivalent	D = (A+B+C)	(9.81)	(38.65)
Opening balance of Cash and Cash Equivalents	E	622.78	661.43
Closing balance of Cash and Cash Equivalents	D + E	612.97	622.78

Notes:

- (i) The cash flows from operating activities under the above statement of cash flows has been prepared under 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flow.
- (ii) Bank Borrowings including Cash Credits are considered as Financing Activities.
- (iii) For the purpose of Statement of Cash Flow, Cash and Cash Equivalents comprise the following:

Particulars	31-03-2024	31-03-2023
Cash and Cash Equivalents [Refer to Note No.18]	83.85	113.65
Bank Balances other than Cash and Cash Equivalents [Refer to Note No. 19]	529.12	509.13
Cash and Bank Balance for Statement of Cash Flow	612.97	622.78

- (iv) Reconciliation of changes in liabilities arising from Financing Activities pertaining to Borrowings:

Particulars	31-03-2024	31-03-2023
Balance at the beginning of the year		
Long Term Borrowings	48,110.75	31,162.79
Short Term Borrowings	62,748.62	43,025.97
Long Term Lease Liabilities	495.82	499.39
Short Term Lease Liabilities	3.57	3.40
Interest accrued	422.63	206.03
Sub-Total Balance at the beginning of the year	1,11,781.39	74,897.58

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2024**

Particulars	(₹ in Lakhs)	
	31-03-2024	31-03-2023
Cash flows during the year		
Proceeds from Long Term Borrowings	11,443.69	24,363.42
Repayment of Long Term Borrowings	(7,371.65)	(9,542.00)
Proceeds from /(Repayment) of Loan from Related Parties, Net	54.65	(2,694.94)
Proceeds from /(Repayment) of Short Term Borrowings, Net	(6,909.54)	24,682.23
Payment of Principal portion of Lease Liabilities	(3.57)	(3.40)
Interest Paid including interest on lease liabilities	(7,350.25)	(5,289.12)
Sub-Total Cash flows during the year	(10,136.67)	31,516.19
Non-cash changes		
Interest accrual for the year	7,403.01	5,505.72
Fair Value Movement	90.05	(138.10)
Sub-Total Non-cash changes during the year	7,493.06	5,367.62
Balance at the end of the year		
Long Term Borrowings	49,616.32	48,110.75
Short Term Borrowings	58,550.25	62,748.62
Long Term Lease Liabilities	489.98	495.82
Short Term Lease Liabilities	5.84	3.57
Interest accrued	475.39	422.63
Balance at the end of the year	1,09,137.78	1,11,781.39

See accompanying notes to the financial statements [Refer to Note Nos. 7-57]

As per our report annexed

For N.A. JAYARAMAN & CO.
Chartered Accountants
Firm Registration No. 001310S

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration No. 015041S

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)

Smt. P.V. NIRMALA RAJU
Managing Director
(DIN: 00474960)

R. PALANIAPPAN
Partner
Membership No. 205112

P. SANTHANAM
Partner
Membership No. 018697

A. ARULPRANAVAM
Chief Financial Officer

K. MAHESWARAN
Secretary

Rajapalayam
29th May, 2024



1. Corporate Information

The Rajapalayam Mills Limited ("the Company") is a Public Limited company domiciled and headquartered in India and incorporated under the provisions of the Companies Act, 1913. The Registered office of the Company is located at Rajapalayam Mills Premises, P.A.C.Ramasamy Raja Salai, Rajapalayam - 626 117, Tamil Nadu. The Company's shares are listed in BSE Limited.

The Company is engaged in manufacture of cotton yarn and fabrics. The Company is also engaged in generation of electricity from its windmills for its captive requirements.

The Consolidated Financial Statements comprises the financial statements of Rajapalayam Mills Limited and its Associate Companies. The following companies are considered as Associates based on existence of significant influence over such companies:

Name of the Company	% of Holding & Voting Rights	
	2023-24	2022-23
The Ramco Cements Limited	13.61%	13.81%
Ramco Industries Limited	9.68%	9.68%
Ramco Systems Limited	2.07%	2.08%

The above Companies are incorporated in India and financial statements of the respective Companies are drawn upto the same reporting date as that of the Company (i.e) 31-03-2024.

2. Presentation & rounding norms

The Consolidated financial statements of the Company for the year were approved and adopted by Board of Directors of the Company in their meeting dated 29-05-2024.

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

Previous year figures have been re-grouped / restated wherever it may be appropriate.

3. Statement of Compliance

The Consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, presentation requirements of Division II of Ind AS compliant Schedule III to the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India, wherever applicable.



4. Amendments to the existing accounting standards issued and effective from 01-04-2023 onwards

The details of amendment to the existing standards that are relevant to the Company with effect from 01-04-2023 are given below:

The amendment to Ind AS 1 on 'Presentation of financial statements' stipulates that the entity shall disclose material accounting policy information rather than significant accounting policies. Accounting policy information is considered material when accounting policy is related to a material transaction, event, or condition and involves either a change in accounting policy or one or more permissible accounting policy choices or accounting policy development in the absence of specific standard or significant judgment or assumptions involved in applying such policy, or complexity of accounting requiring one or more application of Ind AS.

Accordingly, the company has revised its accounting policy disclosures (Refer Note No.5) by specifically providing only material accounting policies ensuring no obscuring information. The above amendment has no financial effect on company.

5. Material Accounting Policies

A. Inventories

- (i) Raw-materials, Stores & Spares, Fuel, Packing materials etc., are valued at cost, determined on a weighted average basis, or net realisable value whichever is lower. However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost.
- (ii) Process stock is valued at weighted average cost including the cost of conversion with systematic allocation of production overheads based on normal capacity of production facilities but excluding borrowing cost, or net realisable value whichever is lower.
- (iii) Finished goods are valued at cost or net realisable value whichever is lower.

B. Statement of Cash Flows

- (i) Cash flows from operating activities is presented using Indirect Method.
- (ii) Cash and cash equivalents for the purpose of Statement of Cash Flows comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short-term highly liquid investments, which are subject to insignificant risk of changes in value.
- (iii) Bank overdrafts / Cash Credit, which are repayable on demand, form an Integral part of the Company's cash management.

**C. Income Taxes**

- (i) Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the tax rates (and tax laws) that have been enacted at the reporting date.
- (ii) Current tax assets and liabilities are offset, when the Company has legally enforceable right to set off the recognised amounts and intends to settle the asset and the liability on a net basis.
- (iii) Deferred tax is recognised using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting at the reporting date.
- (iv) Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year where the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.
- (v) Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by same governing tax laws and the Company has legally enforceable right to set off current tax assets against current tax liabilities.
- (vi) Both current tax and deferred tax relating to items recognised outside the Profit or Loss is recognised in Other Comprehensive Income.

D. Property, plant and equipments (PPE)

- (i) PPEs are stated at cost of acquisition or construction less accumulated depreciation and impairment losses if any, except freehold land, which is carried at cost. The cost includes directly attributable cost of bringing the asset to its working condition for the intended use and borrowing cost if capitalisation criteria are met.
- (ii) Spares, which meet the definition of PPE, are capitalised from the date when it is available for use. The company identifies the significant parts of plant and equipment separately, which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives.
- (iii) The present value of the expected cost for the decommissioning of PPE after its use, if materially significant, is included in the cost of the respective asset when the recognition criteria are met.
- (iv) Capital Expenditure on tangible assets for research and development is classified as PPE and is depreciated based on the estimated useful life. Other expenditure incurred for research and development are expensed under the respective heads of accounts in the year in which it is incurred.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

- (v) The Company follows the useful lives of the significant parts of certain class of PPE on best estimate basis upon technical advice, as detailed below, that are different from the useful lives indicated under Part C of Schedule II of the Companies Act, 2013:

Type of Plant and Machinery	Useful life of such components ranging from
Textile Machineries / Equipment	2 to 20 years
Wind Mills	22 to 30 years
HFO / DG Set	12 to 25 years
Electrical Machineries	3 to 25 years

- (vi) PPE acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balance transaction amount. Fair market value is determined either for the assets acquired or for asset given up, whichever is more clearly evident.
- (vii) Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life on a straight-line method. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less 5% being its residual value, except for process control systems whose residual value is considered as Nil.
- (viii) Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion/disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded / sold.
- (ix) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each reporting date and adjusted prospectively, if appropriate.

Capital Work in progress / Capital Advances

- (x) Capital work in progress includes cost of property, plant and equipment under installation, under development including related expenses and attributable interest as at the reporting date.
- (xi) Advances given towards acquisition / construction of PPE outstanding at the reporting date are disclosed as 'Capital Advances' under 'Other Non-Current Assets'.

E. Leases

Company as a Lessee

- (i) The company recognises a right-of-use asset (RoU) and a lease liability at the lease commencement date for all leases whose non-cancellable leases is more than 12 months.



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

Nature of RoU	Useful life ranging from
Land	99 years
Building	20 years

- (iii) The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.
- (iv) The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.
- (v) When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the Statement of Profit or Loss if the carrying amount of the right-of-use asset has been reduced to zero.
- (vi) The Company presents right-of-use assets that do not meet the definition of investment property in 'Property, Plant and Equipment' and Lease liabilities as a separate line item on face of the Balance sheet.
- (vii) The Company has opted not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Lease Improvements

- (viii) Lease improvements on a right-of-use asset (RoU) made by the Company, which enhance the value, functionality, or extend the useful life of the leased asset, shall be recognized as assets and capitalized in the same category of RoU asset under 'Property, Plant and Equipment', if capitalization criteria are met.
- (ix) Lease improvements recognized as assets shall be initially measured at cost, which includes all directly attributable costs incurred to bring the improvements to their present condition and location.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

- (x) The lease improvements on RoU assets are depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of lease improvement or the end of the lease term.

Company as a Lessor

- (xi) Operating lease receipts are recognised in the Statement of Profit and Loss on straight-line basis over the lease terms except where the payments are structured to increase in line with the general inflation to compensate for the expected inflationary cost increases.

F. Revenue from Operations

(i) Sale of Products including Scrap Sales

Revenue from product sales including scrap sales is recognized at the point in time when the obligation of delivery of goods is fulfilled in accordance with the agreed delivery terms while control of such goods is transferred to customers. The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring goods to the customer. The Company provides discounts to customers on the achievement of the performance criteria based on agreed terms and conditions. The financing component with regard to sale of products are excluded from Revenue from operations and recognized as Interest Receipts over the credit periods as per Ind AS 115. The Company does not have any non-cash consideration.

(ii) Power generated from Windmills

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

The Value of unadjusted units available if any, at the end of financial year and sold to the Electricity Board at an agreed rate / tariff rate are recognized and shown as income from Wind Mills.

G. Other Income

- (i) Interest income is recognised using the Effective Interest Rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period where appropriate, the gross carrying amount of the financial asset or to the amortised cost of a financial liability.
- (ii) Dividend income is recognised when the Company's right to receive dividend is established.
- (iii) Rental income from operating lease on investment properties is recognised on a straight-line basis over the term of the relevant lease.



H. Employee Benefits

Short term employee benefits

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

Post-employment benefits

Defined Contribution Plan

- (ii) The Company contributes monthly to Employees' Provident Fund & Employees' Pension Fund administered by the Employees' Provident Fund Organisation, Government of India, at 12% of employee's basic salary.
- (iii) The Company contributes to Superannuation Fund at a sum equivalent to 15% of the officer's eligible basic salary as the case may be, based on the option exercised by such officers.
- (iv) Contributions to Provident Fund, Superannuation Fund are recognized as an expense in the Statement of Profit and Loss for the year in which the employees have rendered services. There are no further obligations except for the above said contributions.

Defined Benefit Plan

- (v) The Company contributes to Defined Benefit Plan viz., an approved Gratuity Fund, for its employees. It is in the form of lump sum payments to vested employees on resignation, retirement, death while in employment or on termination of employment, for an amount equivalent to 15 days' basic salary for each completed year of service. Vesting occurs upon completion of five years of continuous service. Based on the valuation by an independent external actuary, the Company makes annual contributions to "Rajapalayam Mills Limited Employees' Gratuity Fund" administered by trustees as at the reporting date using Projected Unit Credit method. The funds are managed by LIC of India.
- (vi) Remeasurement of net defined benefit asset / liability comprising of actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are charged / credited to other comprehensive income in the period in which they arise and immediately transferred to retained earnings. Other costs are accounted in the Statement of Profit and Loss.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Other long term employee benefits

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

I. Government Grants

- (i) Government grants are recognised at fair value where there is a reasonable assurance that the grant will be received and all the attached conditions are complied with.
- (ii) In case of revenue related grant, the income is recognised on a systematic basis over the period for which it is intended to compensate an expense and is disclosed under "Other Income" or netted off against corresponding expenses wherever appropriate. Receivables of such grants are shown under "Other Financial Assets". Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same. Receivables of such benefits are shown under "Other Financial Assets".
- (iii) Government grants related to assets have been deducted in arriving all the carrying amount of the respective assets.
- (iv) Export benefits are accounted for in the year of exports based on eligibility and when there is uncertainty in receiving the same. Receivables of such benefits are shown under "Other Financial Assets".

J. Impairment of Non-Financial Assets

- (i) The carrying amount of assets i.e property, plant and equipment including right-of-use asset, investment properties, cash generating units and intangible assets other than inventories & deferred tax assets, are reviewed for impairment at each reporting date, if there is any indication of impairment based on internal and external factors.
- (ii) Non-financial assets are treated as impaired when the carrying amount of such asset exceeds its recoverable value. After recognition of impairment loss, the depreciation for the said assets is provided for remaining useful life based on the revised carrying amount, less its residual value if any, on straight-line basis.

K. Provisions, Contingent Liabilities and Contingent Assets

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



- (ii) Provisions are discounted if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.
- (iii) Insurance claims are accounted on the basis of claims admitted or expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection. Any subsequent change in the recoverability is provided for. Contingent Assets are not recognised.
- (iv) Contingent liability is a possible obligation that may arise from past events and its existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the same are not recognised but disclosed in the financial statements.

L. Intangible Assets

- (i) The costs of computer software acquired and its subsequent improvements are capitalised. Internally generated software is not capitalized and the expenditure is recognized in the Statement of Profit and Loss in the year in which the expenditure is incurred.
- (ii) The cost incurred for right to un-restricted usage of power transmission system for drawal of power from State grid to its mills were capitalized as the Company is expected to yield future economic benefits.
- (iii) The useful lives of intangible assets are assessed as either finite or indefinite. Intangible Assets with finite lives are carried at cost less accumulated amortisation and impairment losses if any and are amortised over their estimated useful life based on straight-line method. The Company do not have any intangible assets with indefinite lives. The estimated useful lives of intangible assets with finite lives are assessed by the internal technical team as detailed below:

Nature of Intangible Assets	Estimated useful life
Computer Software	6 years
Power Transmission System	5 years

- (iv) The intangible assets that are under development phase are carried at cost including related expenses and attributable interest, and are recognised as Intangible assets under development.
- (v) The useful lives and methods of amortisation of intangible asset are reviewed at each reporting date and adjusted prospectively, if appropriate.



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M. Investment Properties

- (i) An investment in land or buildings both furnished and unfurnished, which are held for earning rentals or capital appreciation or both rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business, are classified as investment properties.
- (ii) Investment properties are stated at cost, net of accumulated depreciation and impairment loss, if any except freehold land, which is carried at cost.
- (iii) The Company identifies the significant parts of investment properties separately, which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives determined on best estimate basis upon technical advice.
- (iv) Depreciation on investment properties are calculated on straight-line method based on useful life of the significant parts as detailed below, that are different from the useful lives as indicated under Part C of Schedule II of the Companies Act, 2013:

Asset type	Useful life
Buildings under Investment properties	60 years

- (v) The residual values, useful lives and methods of depreciation of investment properties are reviewed at each reporting date and adjusted prospectively, if appropriate.

N. Operating Segments

- (i) Operating segments are identified on the basis of nature and usage of products and reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker. The Company's business operation comprises of two operating segment viz., Textile and Windmills.

O. Financial Instruments

- (i) The Company initially determines the classification of financial assets and liabilities. After initial recognition, no re-classification is made for financial assets, which are categorised as equity instruments at FVTOCI, and financial assets / liabilities that are specifically designated as FVTPL. However, other financial assets are re-classifiable when there is a change in the business model of the Company.
- (ii) Fair Value Hedge

Changes in the fair value of forwards contracts that are designated and qualify as fair value hedges are recognized in the income statement, together with the changes in the fair value of the hedged item that are attributable to the hedged risk. If the hedge no longer meets the criteria for hedge accounting, changes in the fair value of the hedged item attributable to the hedged risk are no longer recognized in the income statement.



When a hedged item in a fair value hedge is a firm commitment (or a component thereof) to acquire an asset or assume a liability, the initial carrying amount of the asset or the liability that results from the entity meeting the firm commitment is adjusted to include the cumulative change in the fair value of the hedged item that was recognised in the balance sheet, with a corresponding gain or loss recognized in Profit or Loss.

Financial Assets

- (iii) Financial assets comprise of investments in equity and mutual funds, loans, trade receivables, cash and cash equivalents and other financial assets.

Initial recognition and measurement

- (iv) All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, Trade receivables that do not contain a significant financing component are measured at transaction price.
- (v) Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).
- (vi) In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

Subsequent measurement

- (vii) For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:
- (a) The Company's business model for managing the financial asset and,
- (b) The contractual cash flow characteristics of the financial asset:

Based on the above criteria, the Company classifies its financial assets into the following categories:

Classification	Name of Financial Assets
Amortised cost	Trade receivables, Loans to subsidiaries, associates, employees and related parties, deposits, IPA receivable, interest receivable and other advances recoverable in cash.
FVTOCI	Equity investments in companies (including compound financial instrument, which qualify as equity under Ind AS 32) other than Associate as an irrevocable option exercised at the time of initial recognition.
FVTPL	Forward exchange contracts.



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

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

- (ix) The Company has accounted for its investments in associates at cost.
- (x) For impairment purposes, significant financial assets are tested on individual basis at each reporting date. Other financial assets are assessed collectively in groups that share similar credit risk characteristics. Accordingly, the impairment testing is done on the following basis:

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

**Financial Liabilities**

- (xi) Financial liabilities comprise of Borrowings, Trade payables, Lease Liabilities and other financial liabilities.

Initial recognition and measurement:

- (xii) All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.
- (xiii) Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).
- (xiv) In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

Subsequent measurement

- (xv) All financial liabilities of the Company are subsequently measured at amortised cost using the effective interest method except for certain items like foreign exchange forward contracts that do not qualify for hedge accounting are measured at fair through profit or loss (FVTPL).
- (xvi) Transaction cost of financial guarantee contracts that are directly attributable to the issuance of the guarantee are recognised initially as a liability at fair value. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

P. Fair value measurement

- (i) The fair value of an asset or a liability is measured using the assumptions that the market participants would use when pricing the asset or liability, assuming that the market participants act in the economic best interest.
- (ii) All assets and liabilities for which fair value is measured and disclosed in the financial statements are categorised within fair value hierarchy based on the lowest level input



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that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

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

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

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

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

6. Significant Estimates and Judgements

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

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

(i) Revenue Recognition

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

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

The residual values and estimated useful life of PPEs, Intangible Assets and Investment Properties are assessed by the technical team at each reporting date by taking into account the nature of asset, the estimated usage of the asset, the operating condition of



the asset, past history of replacement and maintenance support. Upon review, the management accepts the assigned useful life and residual value for computation of depreciation/amortisation. Also, management judgement is exercised for classifying the asset as investment properties or vice versa.

(iii) Current Taxes

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

(iv) Deferred Tax Asset

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

(v) Provisions

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

(vi) Segment Reporting

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

(vii) Contingent Liabilities

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

(viii) Classification of Investment

Management judgement is exercised in determining the following criteria while making classification of investments:

- the intention of the Company to sell the investment immediately;



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

- the sale is highly probable;
- it is unlikely that significant change to the sale plan will be made and;
- that plan will not be withdrawn.

Based on this judgement, the investments are classified as "Investment held for sale", if all the above criteria are met and continue to classify the investment as "Non-current investment", if the above criteria are not met.

(ix) Impairment of Trade receivables

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

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

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

(xi) Impairment of Investments in Associates

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

(xii) Defined Benefit Plans and Other long term benefits

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

(xiii) Determination of lease term of contracts as non-cancellable term

Significant management judgement is exercised in determining the lease term as non-cancellable term of the lease, together with any periods covered by an option to extend



the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised, by considering all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

(xiv) Fair value measurement of financial instruments / Firm Commitments

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

In case of unrecognised firm commitments denominated in foreign currency, which also qualify as a hedged item, the fair value of such firm commitments outstanding at the reporting date are measured at functional currency based on the quoted price in the active market prevailing on the reporting date.

(xv) Interests in other entities

Significant management judgement is exercised in determining the interests in other entities. The management believes that wherever there is a significant influence over certain companies belonging to its group, such companies are treated as Associate companies even though it holds less than 20% of the voting rights.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 7 PROPERTY, PLANT AND EQUIPMENT

Particulars	Year	Gross Block			Depreciation			Net Block		
		As at the beginning of the year	Additions	Deductions / Adjustments	As at the end of the year	For the year (Refer to Note No. 41)	Deductions / Adjustments	As at the end of the year	As at the beginning of the year	
Land - Free hold	2023-24	1,316.06	-	6.93	1,309.13	-	-	-	1,309.13	1,316.06
	2022-23	1,190.35	125.71	-	1,316.06	-	-	-	1,316.06	1,190.35
Land - Right-of-Use Asset	2023-24	779.68	60.99	-	840.67	34.67	7.91	42.58	798.09	745.01
	2022-23	779.68	-	-	779.68	27.18	7.49	34.67	745.01	752.50
Own Buildings	2023-24	13,823.94	8,530.92	-	22,354.86	3,434.40	638.75	4,073.15	18,281.71	10,389.54
	2022-23	12,454.74	1,650.16	280.96	13,823.94	3,004.23	430.17	3,434.40	10,389.54	9,450.51
Buildings - Right-of-Use Asset	2023-24	684.30	-	-	684.30	34.47	35.33	69.80	614.50	649.83
Asset	2022-23	513.23	171.07	-	684.30	10.08	24.39	34.47	649.83	503.15
Plant and Machinery	2023-24	96,521.98	25,964.81	694.41	1,21,792.38	46,651.55	5,289.31	589.56	70,441.08	49,870.43
	2022-23	93,176.46	5,879.64	2,534.12	96,521.98	42,628.11	4,625.44	602.00	49,870.43	50,548.35
Electrical Machinery	2023-24	6,972.37	2,556.93	38.24	9,491.06	3,077.29	439.63	36.38	6,010.52	3,895.08
	2022-23	5,012.50	2,041.64	81.77	6,972.37	2,826.85	255.35	4.91	3,895.08	2,185.65
Furniture & Office Equipments	2023-24	1,344.52	186.18	55.52	1,475.18	897.51	143.26	54.42	488.83	447.01
	2022-23	1,198.06	158.94	12.48	1,344.52	788.50	120.82	11.81	447.01	409.56
Vehicles	2023-24	655.78	104.79	39.68	720.89	316.77	60.20	25.60	369.52	339.01
	2022-23	577.94	107.86	30.02	655.78	288.83	52.24	24.30	339.01	289.11
Total	2023-24	1,22,098.63	37,404.62	834.78	1,58,668.47	54,446.66	6,614.39	705.96	60,355.09	67,651.97
	2022-23	1,14,902.96	10,135.02	2,939.35	1,22,098.63	49,573.78	5,515.90	643.02	67,651.97	65,329.18

Notes: (i) Borrowings cost of ₹ 1,307.57 Lakhs have been capitalised for current year (PY: ₹ 1,272.75 Lakhs).

(ii) All the moveable fixed assets have been pledged as security for borrowings.

(iii) The Company has opted to present the government grants related to assets as deduction from the carrying value of eligible assets in accordance with Ind AS20. No grants has been deducted from the carrying value of assets during the financial year 2023-24 (PY: ₹ 2,100.00 Lakhs).

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

(v) The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Asset) since the Company has adopted cost model as its accounting policy to an entire class of Property, Plant and Equipment in accordance with Ind AS 16.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(vi) Deductions / Adjustments in Gross Block comprises of:

Particulars	2023-24			2022-23				
	Sale of Assets	Scrap of Assets	Government Grants	Total	Sale of Assets	Scrap of Assets	Government Grants	Total
Land - Free hold	6.93	-	-	6.93	-	-	-	-
Land - Right-of-Use Asset	-	-	-	-	-	-	-	-
Own Buildings	-	-	-	-	-	-	280.96	280.96
Plant and Machinery	676.89	17.52	-	694.41	765.59	23.95	1,744.58	2,534.12
Electrical Machinery	37.70	0.54	-	38.24	7.31	-	74.46	81.77
Furniture & Office Equipments	17.25	38.27	-	55.52	10.57	1.91	-	12.48
Vehicles	39.68	-	-	39.68	29.56	0.46	-	30.02
Total	778.45	56.33	-	834.78	813.03	26.32	2,100.00	2,939.35

(vii) Scrap of assets represent components of assets that were derecognised due to wear and tear and damages, since no future benefits is expected from those components and thus replaced by new components.

NOTE NO. 8

CAPITAL WORK IN PROGRESS

Particulars	Year	As at the beginning of the year	Additions	Capitalised	As at the end of the year
Capital Work in Progress	2023-24	26,165.79	12,765.26	37,440.55	1,490.50
	2022-23	3,707.86	32,635.86	10,177.93	26,165.79

Note: (i) Refer to Note No. 55(b) for information relating to Ageing Schedule.

NOTE NO. 9

INVESTMENT PROPERTY

Particulars	Year	Gross Block		Amortisation		Net Block					
		As at the beginning of the year	Additions	Sold	As at the end of the year	For the year (Refer to Note No. 41)	Deductions / Adjustments	As at the beginning of the year	As at the end of the year		
Building	2023-24	15.12	-	-	15.12	0.24	7.83	0.24	8.07	7.05	7.29
	2022-23	15.12	-	-	15.12	0.25	7.58	0.25	7.83	7.29	7.54



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

- Notes: (i) The Company measured all of its Investment Properties at Cost in accordance with Ind AS 40.
- (ii) The fair valuation of these investment property are determined by an internal technical team, who are specialists in valuing these types of investment properties by using the technic of quoted prices for similar assets in active markets or recent price of similar properties in less active markets and adjusted to reflect those differences. Since the valuation is done by internal technical team, the fair value of investment property as disclosed above is not based on valuation by a register valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. All resulting fair value estimates for investment properties are given below

Particulars	31-03-2024	31-03-2023
Fair value of Investment Properties	166.05	166.68

- (iii) The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.
- (iv) Fair value hierarchy disclosures for investment properties have been provided in Note No. 52.
- (v) Information regarding income and expenditure of Investment property.

Particulars	31-03-2024	31-03-2023
Rental Income from Investment Properties	3.79	0.68
Direct Operating Expenses	-	-
Profit arising from Investment Properties before Depreciation and indirect expenses	3.79	0.68
Less: Depreciation	0.24	0.23
Profit arising from Investment Properties before indirect expenses	3.55	0.45



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 10 INTANGIBLE ASSETS

Particulars	Year	Gross Block			Amortisation			Net Block		
		As at the beginning of the year	Additions	As at the end of the year	As at the beginning of the year	For the year (Refer to Note No. 41)	Deductions / Adjustments	As at the end of the year	As at the beginning of the year	
Computer software	2023-24	865.40	35.93	901.33	356.62	109.85	-	466.47	434.86	508.78
	2022-23	822.49	42.91	865.40	261.14	95.48	-	356.62	508.78	561.35
Power Transmission System	2023-24	67.17	-	67.17	58.52	8.65	-	67.17	-	8.65
	2022-23	191.76	-	67.17	132.84	50.27	124.59	58.52	8.65	58.92
Total - Intangible Assets	2023-24	932.57	35.93	968.50	415.14	118.50	-	533.64	434.86	517.43
	2022-23	1,014.25	42.91	932.57	393.98	145.75	124.59	415.14	517.43	620.27

Notes: (i) Deductions / adjustments represents intangible assets derecognised from the financial statements since no future economic benefit is expected.

(ii) The Company has not revalued its Intangible Asset since the Company has adopted cost model as its accounting policy to an entire class of Intangible Asset in accordance with Ind AS 38.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 11

INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD

(₹ in Lakhs)

Particulars	Face Value ₹ per share	31-03-2024		31-03-2023	
		Numbers	Amount	Numbers	Amount
Investment in Equity Instruments					
Quoted					
The Ramco Cements Limited	1	3,21,69,264	1,69,821.40	3,26,25,264	1,65,651.19
Ramco Industries Limited	1	84,01,680	16,542.85	84,01,680	15,632.04
Ramco System Limited	10	7,33,531	3,974.99	7,33,531	4,464.14
Total			1,90,339.24		1,85,747.37
Quoted Investments - Cost			1,90,339.24		1,85,747.37
Market Value			2,79,577.37		2,58,682.76

Notes: (i) The Company has accounted for Investment in Associates at cost. Refer to Note No. 50(A) for information on principal place of business / country of incorporation and the Company's interest / percentage of shareholding in the above associates.

(ii) The carrying amount of investment in Associates is tested for impairment in accordance with Ind AS 36. The investment in Associates are long term strategic in nature, no impairment is considered as at the reporting date, considering its long term future prospects.

NOTE NO. 12

OTHER INVESTMENT

(₹ in Lakhs)

Particulars	Face Value ₹ per share	31-03-2024		31-03-2023	
		Numbers	Amount	Numbers	Amount
I. Investment in Equity Instruments					
1) Quoted					
The Ramaraju Surgical Cotton Mills Limited	10	4,000	6.12	4,000	8.56
Lakshmi Automatic Loom Works Limited	100	250	4.83	250	1.93
Total Quoted Investments	(A)		10.95		10.49
2) Unquoted					
Sri Vishnu Shankar Mills Limited	10	38,400	64.90	38,400	144.77
Ramco Industrial and Technology Services Limited	10	50,000	3.50	50,000	4.00
Ramco Windfarms Limited	1	8,32,000	8.32	8,32,000	8.32
Miot Hospitals Limited	10	2,500	0.25	2,500	0.25
Tamilnadu Jai Bharath Mills Limited	10	1,200	0.05	1,200	0.05
Green Infra Clean Wind Generation Limited	10	59,85,000	598.50	-	-
Clean Max Opus Private Limited	10	11,921	541.64	-	-
Total Unquoted Investments	(B)		1,217.16		157.39

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS



OTHER INVESTMENT *Continued* (₹ in Lakhs)

Particulars	Face Value ₹ per share	31-03-2024		31-03-2023	
		Numbers	Amount	Numbers	Amount
II. Investment in Preference Shares, Non-Trade - Unquoted					
Lynks Logistics Limited	1	–	–	8,000,000	80.00
Bundl Technologies Private Limited	10	5,85,723	2,033.39	–	–
Total Investments in Preference Shares (C)		–	2,033.39	–	80.00

Notes: By virtue of execution of Share Subscription and Purchase Agreement the Company had sold 12,15,40,789 equity shares of Lynks Logistics Limited ("Lynks") to Bundl Technologies Private Limited ("Bundl" operating under the brand name "Swiggy") and measured such investment at its Fair Value through Other Comprehensive Income (FVTOCI) in accordance with Ind AS 109. The Company simultaneously acquired 5,85,723 Compulsory Convertible Preference Shares (CCPS) of Bundl, in consideration of the sale of shares. The Company opted to designate such investment in CCPS of Bundl measured at Fair Value through Other Comprehensive Income (FVTOCI) in accordance with Ind AS 109 and recognise the fair value fluctuations through Other Comprehensive Income.

III. Other Non-Current Investments, Non-Trade - Unquoted

Ramco Group Employees' Co-operative Stores Limited	1	500	0.01	500	0.01
Total other Investments (D)			0.01		0.01
Total (A+B+C+D)			3,261.51		247.89
Aggregate Market Value of Quoted Investments			NA		NA

Notes: (i) Refer to Note No. 52 for information about fair value hierarchy under Disclosure of Fair Value Measurement.
(ii) Market Value of quoted investments for some equity instruments were not available due to no trading activities in stock market.

NOTE NO. 13

FINANCIAL ASSETS (NON-CURRENT) LOANS AND ADVANCES (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Unsecured, considered good		
Loans and Advances to Related Parties [Refer to Note No. 50(b)(i)]	950.00	2,370.00
Total	950.00	2,370.00

Notes: (i) Loans are non-derivative financial assets and are carried at amortized cost, which generate fixed or variable interest income for the Company.
(ii) Loans to Related parties had been granted towards working capital in the normal course of business.
(iii) The Company has not granted any loan or advance in the nature of loan to promoters, directors and KMPs that are repayable on demand or without specifying any terms or period of repayment.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 14

OTHER FINANCIAL ASSETS - (NON CURRENT) (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Unsecured, considered good		
Security Deposits with Electricity Board / Others	1,095.02	1,125.78
Government Grants Receivable	350.00	700.00
Application Money for Securities Subscription	3.71	299.25
Total	1,448.73	2,125.03

Notes: (i) The Company is eligible to receive capital subsidy of ₹ 2,100.00 Lakhs from Government of Tamilnadu and the same has been reduced from cost of qualifying Property, Plant and Equipment. Out of the eligible subsidy amount, the Company has received ₹ 1,400.00 Lakhs upto the FY 2023-24. The balance amount of ₹ 700.00 Lakhs will be received in 2 annual installments. Out of this, an amount of ₹ 350.00 Lakhs has been reported under "Other Financial Assets (Non-Current)" and the balance amount of ₹ 350.00 Lakhs, which is receivable within 12 months of the balance sheet date has been classified under "Other Financial Assets (Current)".

(ii) The Company has made application for acquisition of 1,818 Nos. of equity share of M/s. The Ramaraju Surgical Cotton Mills Limited on rights basis and the equity shares has been allotted to the Company during April, 2024.

NOTE NO. 15

OTHER NON CURRENT-ASSETS (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Unsecured, Considered Good		
Capital Advances	877.45	3,688.02
Income Tax Refund Receivable	16.63	47.49
Prepaid Expenses - Non-Current	52.06	59.11
Total	946.14	3,794.62

NOTE NO. 16

INVENTORIES (VALUED AT LOWER OF COST OR NET REALISABLE VALUE) (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Finished Goods (Yarn and Fabrics)	5,165.43	6,294.03
Raw materials - Cotton, Cotton Waste & Yarn	18,512.19	21,956.54
Stores and Spares	461.84	566.52
Works-in-progress (Cotton, Yarn and Fabric)	8,252.64	7,535.91
Total	32,392.10	36,353.00

Notes: (i) Raw materials includes Goods-in-transit of ₹ 335.43 Lakhs (As at 31-03-2023 ₹ 770.12 Lakhs).

(ii) The total carrying amount of inventories as at reporting date has been pledged as Security for Borrowings.

(iii) The mode of valuation of inventories has been stated in the Note No. 5A

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS



NOTE NO. 17

TRADE RECEIVABLES (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Secured, Considered good	2,833.96	2,157.01
Unsecured, considered good	13,935.35	13,762.49
Total	16,769.31	15,919.50

Notes:

- (i) Trade receivables are generally non-interest bearing.
- (ii) No trade receivable are due from Directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any Director is a partner, a Director or a Member.
- (iii) The total carrying amount of trade receivables has been pledged as security for Borrowings.
- (iv) Trade Receivables aging schedule have been provided in Note No. 55(c)

NOTE NO. 18

CASH AND CASH EQUIVALENTS (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Cash on Hand	1.14	0.87
Balance with Bank		
In Current Account	82.71	112.78
Total	83.85	113.65

NOTE NO. 19

BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Balances with Banks held as security against Borrowings	503.01	475.00
Earmarked balances with Banks for Unclaimed Dividend	26.11	34.13
Total	529.12	509.13

NOTE NO. 20

OTHER FINANCIAL ASSETS (CURRENT) (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Government Grants Receivable	756.43	756.43
Security Deposit	-	17.49
Insurance Claim receivable	340.29	30.46
Exchange difference on Firm Commitment	135.21	245.32
Total	1,231.93	1,049.70



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 21

CURRENT TAX ASSETS (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Advance Income Tax, Self Assessment Tax and Tax deducted at source	164.94	49.10
Total	164.94	49.10

Note: (i) Advance Income Tax, Self Assessment Tax and Tax deducted at source is net of provision for tax during the year NIL (PY: ₹ 155.00 Lakhs) .

NOTE NO. 22

OTHER CURRENT ASSETS (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Unsecured, considered good		
Advance to Suppliers / Others	234.49	292.67
Tax Credit and Refund due - Indirect Taxes	2,578.29	3,935.66
Accrued Income	109.50	76.30
Prepaid Expenses	287.14	195.10
Other Current Assets	62.32	51.03
Total	3,271.74	4,550.76

NOTE NO. 23

EQUITY SHARE CAPITAL (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Authorised		
1,50,00,000 Equity Shares of ₹ 10/- each (PY: 1,50,00,000 Equity Shares of ₹ 10/- each)	1,500.00	1,500.00
Issued, Subscribed and Fully paid-up		
92,20,200 Equity Shares of ₹ 10/- each (PY: 92,20,200 Equity Shares of ₹ 10/- each)	920.41	920.41

Notes:

(i) Issued, Subscribed and fully paid-up Shares includes 62,13,850 Equity Shares (PY: 62,13,850 Equity Shares) of ₹ 10/- each, which were allotted as fully paid Bonus Shares by Capitalisation of Reserves..

(ii) Reconciliation of the number of shares outstanding:

(₹ in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	No. of Shares	Amount	No. of Shares	Amount
Number of Shares at the beginning	92,20,200	922.02	86,05,520	860.55
Shares allotted pursuant to Rights Issue	-	-	6,14,680	61.47
Number of Shares at the end	92,20,200	922.02	92,20,200	922.02

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS



(iii) *Rights / Restrictions attached to Equity Shares:*

The Company has one class of equity shares having a face value of ₹ 10/- each. Each Shareholder is eligible for one vote per share held. The Company declares and pays dividend in Indian Rupees. In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iv) *List of Shareholders holding more than 5 percent in the Company.*

Particulars	As at 31-03-2024		As at 31-03-2023	
	No. of Shares	% of holding	No. of Shares	% of holding
P.R. Venketrana Raja	18,36,826	19.92%	18,36,826	19.92%
P.V. Abinav Ramasubramaniam Raja	24,39,939	26.46%	24,39,939	26.46%
Govindlal M Parikh	5,37,426	5.83%	5,37,426	5.83%

(v) *Shareholders holding of Promoters as at 31-03-2024:*

S. No.	Name of the Promoters	No. of Shares	% of total shares	% Change during the year
1	P R Venketrana Raja	18,36,826	19.92%	–
2	P V Abinav Ramasubramaniam Raja	24,39,939	26.46%	–
3	R Sudarsanam	1,06,771	1.16%	0.07%
4	Late Ramachandra Raja Chittammal [#]	–	–	(1.12%)
5	P V Nirmala Raju	1,75,526	1.90%	–
6	Nalina Ramalakshmi	8,400	0.09%	–
7	Sharadha Deepa	13,699	0.15%	–
8	B Srisandhya Raju	20,700	0.22%	–
9	A Ramalakshmi [#]	87,386	0.95%	0.52%
10	J Sethulakshmi [#]	88,352	0.96%	0.53%
11	Ramco Industries Limited	1,59,200	1.73%	–
12	The Ramaraju Surgical Cotton Mills Limited	1,68,999	1.83%	–
13	Sri Vishnu Shankar Mill Limited	37,174	0.40%	–
14	Sandhya Spinning Mill Limited	624	0.01%	–
15	Ramco Management Private Limited	2,550	0.03%	–
16	The Ramco Cements Limited	42,259	0.46%	–
	TOTAL	51,88,405	56.27%	

[#] Smt. Ramachandra Raja Chittammal Member of Promoter Group demised on 15-09-2023. Subsequently the holdings of Smt. Ramachandra Raja Chittammal was transmitted to her daughters viz Smt. Alagaraja Ramalakshmi and Smt. Sethulakshmi Jayaraman on 26-03-2024 and they are classified as Member of Promoter Group in terms of Regulation 31A (6) of SEBI (LODR) Regulations 2015.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(vi) Shareholders holding of Promoters as at 31-03-2023:

S. No.	Name of the Promoters	No. of Shares	% of total shares	% Change during the year
1	P R Venketrama Raja	18,36,826	19.92%	-1.42%
2	P V Abinav Ramasubramaniam Raja	24,39,939	26.46%	-0.01%
3	R Sudarsanam	1,00,786	1.09%	0.23%
4	Late Ramachandra Raja Chittammal	1,03,284	1.12%	–
5	P V Nirmala Raju	1,75,526	1.90%	1.42%
6	Nalina Ramalakshmi	8,400	0.09%	–
7	Sharadha Deepa	13,699	0.15%	–
8	B Srisandhya Raju	20,700	0.22%	–
9	Ramco Industries Limited	1,59,200	1.73%	–
10	The Ramaraju Surgical Cotton Mills Limited	1,68,999	1.83%	–
11	Sri Vishnu Shankar Mill Limited	37,174	0.40%	–
12	Sandhya Spinning Mill Limited	624	0.01%	–
13	Ramco Management Private Limited	2,550	0.03%	–
14	The Ramco Cements Limited	42,259	0.46%	0.07%
	TOTAL	51,09,966	55.42%	

NOTE NO. 24

OTHER EQUITY

Capital Reserve

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Balance as per Last Financial Statement	3.75	3.75
Total	3.75	3.75

Nature of Reserve

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS



Capital Reserve on Consolidation

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Balance as per Last Financial Statement	1,03,952.21	1,03,952.21
Less: Transfer to Retained earnings on Sale of Shares of Associates	(1,783.82)	–
Total	1,02,168.39	1,03,952.21

Nature of Reserve

Capital Reserve on Consolidation represent excess of the Parents's Share of the net fair value of the investment in Associates over the cost of the investment which is recognised directly in equity as capital reserve upon transition to Ind AS.

Securities Premium

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Balance as per Last Financial Statement	11,702.02	8,313.35
Add: Security Premium on Rights Issue	–	3,436.06
Less: Rights Issue Expenses	–	(47.39)
Total	11,702.02	11,702.02

Nature of Reserve

Securities Premium was credited when shares are issued at a Premium. The Company can use this reserve to issue bonus shares, to provide for preliminary expenses and the commission paid or discount allowed on, any issue of shares of the Company.

General Reserve

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Balance as per Last Financial Statement	83,976.29	81,476.29
Add: Amount transferred from Retained Earnings	2,000.00	2,500.00
Total	85,976.29	83,976.29

Nature of Reserve

General Reserve represents the statutory reserve in accordance with Companies Act, 2013 wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a Company can declare dividend, however under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FVTOCI Reserve

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Balance as per Last Financial Statement	108.95	14.30
Add: Other Comprehensive Income / (Loss) for the year	1,646.95	64.87
Sub-Total	1,755.90	79.17
Transfer from Retained Earnings	(221.62)	29.78
Total	1,534.28	108.95

Nature of Reserve

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

Retained Earnings

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Balance as per Last Financial Statement	23,507.89	17,935.35
Add: Profit for the year	4,436.42	8,188.36
Add: Transfer from FVTOCI Reserve	221.62	(29.78)
Add: Transfer from Capital Reserve on Consolidation	1,783.82	–
Sub-Total	29,949.75	26,093.93
Less: Appropriations		
Dividend Distribution to Shareholders	(92.20)	(86.04)
Transfer to General Reserve	(2,000.00)	(2,500.00)
Total	27,857.55	23,507.89

Nature of Reserve

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

Note: The Board of Directors have recommended the payment of Dividend ₹ 0.60 per share for the year 2023-24 (PY: ₹ 1/- per Share). This proposed dividend is subject to the approval of Shareholders in the ensuing Annual General Meeting.

Total Other Equity	2,29,242.28	2,23,251.11
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS



NOTE NO. 25

NON CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Secured		
Term Loan from Banks	49,616.32	47,849.04
Unsecured		
Term Loan from Banks	–	261.71
Total	49,616.32	48,110.75

Notes: (i) Term Loan from Banks of ₹ 49,616.32 Lakhs (PY: ₹ 47,849.04 Lakhs) are secured by pari-passu first charge on moveable Fixed Assets of the Company and pari-passu second charge on the Current Assets of the Company.

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

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

(iv) Refer to Note No. 53 for information about risk profile of borrowings under Financial Risk Management.

(v) The Long Term Borrowings from Banks are repayable in quarterly installments. The year wise repayment is as follows:

(₹ in Lakhs)

Year	31-03-2024	31-03-2023
2024-25	–	9,582.98
2025-26	10,130.74	9,137.90
2026-27	9,499.87	7,826.03
2027-28	9,221.12	7,721.12
2028-29	9,248.60	6,373.60
2029-30	4,664.00	4,664.00
2030-31	4,082.00	2,805.12
2031-32	2,769.99	–
Total	49,616.32	48,110.75

NOTE NO. 26

LEASE LIABILITIES

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Lease Liabilities [Refer to Note No. 47]	489.98	495.82
Total	489.98	495.82



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 27

DEFERRED TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at 01-04-2022	Recognised in Profit and Loss	As at 31-03-2023	Recognised in Profit and Loss	As at 31-03-2024
Tax Impact on difference in written down value of Property, Plant & Equipment as per books and as per Income Tax Act, 1961	5,447.62	323.61	5,771.23	1,462.93	7,234.16
Tax impact on provision for compensated absences & Bonus	(203.94)	(27.04)	(230.98)	8.89	(222.09)
Tax impact on allowance for expected credit losses	(9.07)	9.07	–	–	–
Tax Impact on lease accounting as per Ind AS 116	0.09	(5.27)	(5.18)	(5.60)	(10.78)
Tax Impact on Fair value of forward contracts	7.63	6.17	13.80	51.40	65.20
Tax Impact on unabsorbed Depreciation / unadjusted losses	(819.12)	144.06	(675.06)	(1,869.12)	(2,544.18)
Others	–	–	–	(14.50)	(14.50)
Total	4,423.21	450.60	4,873.81	(366.00)	4,507.81

Reconciliation of Deferred tax Liabilities (Net)

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Balance at the beginning of the year	4,873.81	4,423.21
Deferred Tax recognised in Statement of Profit and Loss - Expense / (Gain)	(366.00)	450.60
Balance at the end of the year	4,507.81	4,873.81

Components of Tax Expenses

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
(i) Profit or Loss Section		
Current Tax		
Current Income Tax charge	–	155.00
Current Tax adjustments of earlier years	(0.25)	(15.56)
Deferred Tax		
Relating to the origination and reversal of temporary differences	(485.72)	450.60
Total Tax Expenses recognised in Profit or Loss section	(485.97)	590.04
(ii) Other Comprehensive Income Section		
Current Tax credit on remeasurement losses on defined benefit obligations, net	119.72	–
Total Tax Credit to OCI	119.72	–
(iii) Total Tax Expenses recognised in Statement of Profit and Loss (i) + (ii)	(366.25)	590.04



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Reconciliation of the Income tax provision to the amount computed by applying the statutory Income tax rate to the Income before taxes is summarised below:

	(₹ in Lakhs)	
Particulars	31-03-2024	31-03-2023
Accounting Profit before Tax (including OCI)	(1,324.80)	3,742.19
Corporate Tax Rate %	25.168%	25.168%
Computed Tax Expense	(333.43)	941.83
Increase / (reduction) in taxes on account of:		
Tax adjustments of earlier years [Refer Note below]	(0.25)	(15.56)
Non-deductible expenses	55.67	21.83
Change in carried forward unabsorbed Depreciation	-	(651.90)
Income chargeable to tax under different tax rates (Capital Gains)	-	(202.30)
Tax Expenses related to Capital Gains	-	155.00
Tax adjustments upon consolidation between associates	973.46	283.04
Others	(1,061.70)	58.10
Tax Expenses recognised in the Statement of Profit and Loss	(366.25)	590.04

Note: Tax adjustments of earlier years represent amount provided for / written back based on recent assessment orders or completion of return of income before the due dates.

NOTE NO. 28

	(₹ in Lakhs)	
OTHER NON-CURRENT LIABILITIES	31-03-2024	31-03-2023
Deferred Revenue	57.61	-
Total	57.61	-

Notes: (i) Deferred Revenue represents the receipt of upfront lease consideration which is recognised on operating lease basis i.e. on straight line basis over the lease term arrangement.

NOTE NO. 29

	(₹ in Lakhs)	
CURRENT BORROWINGS	31-03-2024	31-03-2023
Secured		
Loan from Banks	28,373.53	24,063.71
Current Maturities of Long Term Loans	9,694.13	6,324.79
Unsecured		
Loan from Banks	19,618.26	30,765.29
Loans and Advances from Related Parties [Refer to Note No.50 (b) (ii)]	602.62	547.97
Current Maturities of Long Term Loans	261.71	1,046.86
Total	58,550.25	62,748.62

Notes: (i) Short term Borrowings from banks (other than Current maturities of Long term Borrowings) of ₹ 26,923.53 Lakhs (PY : ₹ 18,563.71 Lakhs) are secured by way of first pari passu hypothecation charge on trade receivables and inventories of the Company, present and future.

(ii) Short term Borrowings of ₹ 1,450.00 Lakhs are secured by pledging of investment in equity shares of The Ramco Cements Limited to the extent of 3,60,000 nos. of shares and equity shares of Ramco Industries Limited to the extent of 1,40,000 nos. of shares.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

- (iii) No Short term Borrowings from banks (other than Current maturities of Long term Borrowings) are secured by way of sub servient charge on the Current Assets of the Company (PY ₹ 5,500 Lakhs).
- (iv) The quarterly returns or statements filed by the Company with the banks or financial institutions are in agreement with the books of accounts.
- (v) The Company has used the borrowings from banks for the specific purpose for which it was taken as at the reporting date.
- (vi) Refer to Note No. 53 for information about risk profile of borrowings under Financial Risk Management.

NOTE NO. 30

LEASE LIABILITIES	(₹ in Lakhs)	
Particulars	31-03-2024	31-03-2023
Lease Liabilities [Refer to Note No. 47]	5.84	3.57
Total	5.84	3.57

NOTE NO. 31

TRADE PAYABLES	(₹ in Lakhs)	
Particulars	31-03-2024	31-03-2023
Dues of Micro Enterprises and Small Enterprises	205.39	185.00
Dues of creditors otherthan Micro Enterprises and Small Enterprises	2,160.35	1,302.62
Total	2,365.74	1,487.62

- Notes: (i) The disclosures as per the requirements of The Micro, Small and Medium Enterprises Development Act, 2006 are furnished in Note No. 54.
- (ii) Refer to Note No. 53 for information about risk profile of Trade payables under Financial Risk Management.
- (iii) Trade Payables aging schedule given in Note No. 55(a).

NOTE NO. 32

OTHER CURRENT FINANCIAL LIABILITIES	(₹ in Lakhs)	
Particulars	31-03-2024	31-03-2023
Interest Accrued	475.39	422.63
Unclaimed Dividends	26.11	34.13
PACR Memorial Fund	138.40	133.40
Advance received from Customers	103.00	103.01
Payables for Capital Goods	652.41	514.57
Statutory Liabilities Payable	1,056.17	948.99
Financial Guarantee Contracts	282.60	52.52
Derivatives Designated as Hedges - Foreign Exchange Forward Contract	150.87	319.73
Other payables	145.20	80.03
Total	3,030.15	2,609.01

- Notes: (i) Unclaimed dividends represents amount not due for transfer to Investor Education and Protection Fund.
- (ii) The Company has recognised financial guarantee obligation at fair value towards the corporate guarantees issued to the bankers on behalf of Related parties, and the same is recognised as other Income over the tenure of the corporate guarantee.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS



NOTE NO. 33

PROVISIONS (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Provision for Employee Benefits	1,458.74	1,415.09
Provision for Compensated absences [Refer to Note No. 46]	329.68	282.31
Other Provision for		
- Sales and Administrative Expenses	622.99	318.34
- Electricity Charges	409.12	591.57
- Other Expenses	27.48	64.20
Total	2,848.01	2,671.51

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

(ii) Movement in Provisions for compensated absences.

Particulars	31-03-2024	31-03-2023
Carrying amount at the beginning of the year	282.31	283.44
Add: Current Service Cost	51.57	43.96
Add: Interest Cost	18.76	16.46
Add: Actuarial Loss	25.98	57.85
Less: Benefits paid	(48.94)	(119.40)
Carrying amount at the end of the year	329.68	282.31

NOTE NO. 34

REVENUE FROM OPERATIONS (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Sale of Products		
Yarn	65,696.57	67,863.50
Fabrics	19,082.18	17,092.95
Waste Cotton	749.22	757.52
	85,527.97	85,713.97
Other Operating Revenue		
Export Incentive	50.75	215.35
Scrap Sales	79.59	57.98
Job Work Charges Received	197.55	202.13
Total	85,855.86	86,189.43



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Notes: (i) The disaggregation of revenue as required under Ind AS 115 is given below: (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Gross Revenue from Operations	89,851.22	89,091.63
Less: Rebates & Discounts	95.10	100.16
Less: GST	2,726.17	2,394.97
Sub-Total	87,029.95	86,596.50
Less: Revenue netted off with Trial run expenses	1,174.09	407.07
Revenue from Operations (net of GST)	85,855.86	86,189.43

(ii) Revenue from operation does not include an amount of ₹ 1,174.09 Lakhs (PY: ₹ 407.07 Lakhs), being sale value of fabric, which has been produced during trial run and netted-off with trial run expenses and capitalised during the financial year 2023-24 in accordance with Ind AS 16.

NOTE NO. 35

OTHER INCOME (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Interest Receipts	564.04	525.84
Rent Receipts	31.72	32.83
Dividend Income	0.05	92.92
Profit on Sale of Cotton	247.80	144.74
Miscellaneous Income	156.13	183.32
Total	999.74	979.65

NOTE NO. 36

COST OF MATERIALS CONSUMED (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Raw materials Consumed		
Cotton & Cotton Waste Consumed for Yarn Production	39,098.75	42,951.56
Yarn Consumed for Fabric Production	6,304.82	6,109.69
Total	45,403.57	49,061.25

Note: Raw material consumed does not include an amount of ₹ 1,210.11 Lakhs (PY: ₹ 309.94 Lakhs), being value of yarn consumed at fabric unit, during trial run and capitalised during the financial year 2023-24 in accordance with Ind AS 16 .

NOTE NO. 37

PURCHASES OF STOCK-IN-TRADE (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Purchases of Stock-in-Trade	4,651.67	3,577.62
Total	4,651.67	3,577.62

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS



NOTE NO. 38

CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	31-03-2024		31-03-2023	
Opening stock				
Finished Goods	6,294.03		2,010.64	
Work-in-Progress	7,535.91	13,829.94	5,490.45	7,501.09
Add: Value of Stock transferred from Trial Run		594.59		–
		14,424.53		7,501.09
Closing Stock				
Finished Goods	5,165.43		6,294.03	
Work-in-Progress	8,252.64	13,418.07	7,535.91	13,829.94
Net (Increase) / Decrease in Stock		1,006.46		(6,328.85)

NOTE NO. 39

EMPLOYEE BENEFITS

(₹ in Lakhs)

Particulars	31-03-2024		31-03-2023	
For Employees Other than Managing Director				
Salaries, Wages and Bonus	8,562.76		8,346.26	
Contribution to Provident and Other Funds	1,003.85		912.66	
Staff and Labour Welfare & Training Expenses	639.68	10,206.29	715.88	9,974.80
For Managing Director				
Managing Director Remuneration	240.00		240.00	
Contribution to Provident and Other Funds	7.50		7.75	
Sitting Fees	3.20	250.70	2.70	250.45
Total		10,456.99		10,225.25

Note: Refer to Note No.46 for disclosures pertaining to defined contribution plan and defined benefit obligations under Ind AS 19.

NOTE NO. 40

FINANCE COSTS

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Interest on Debts and Borrowings	7,208.48	5,140.36
Interest expense on lease liabilities [Refer to Note No. 47]	24.89	25.06
Exchange differences on Foreign Currency Borrowings regarded as an adjustment to Borrowing cost	169.64	340.30
Total	7,403.01	5,505.72

Notes: (i) Interest on Term Loans represent interest calculated using the effective interest rate method.

(ii) The above Finance Costs is net of capitalised portion of ₹ 1,307.57 Lakhs (PY: ₹ 1,272.75 Lakhs) attributable to the qualifying assets / Capital work-in-progress.

(iii) Refer to Note No. 53 for information about interest rate risk exposure under Financial Risk Management.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 41

DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Depreciation of Plant, Property and Equipment [Refer to Note No. 7]	6,614.39	5,515.90
Depreciation on Investment Properties [Refer to Note No. 9]	0.24	0.25
Amortization of Intangible Assets [Refer to Note No. 10]	118.50	145.75
Total	6,733.13	5,661.90

NOTE NO. 42

OTHER EXPENSES

(₹ in Lakhs)

Particulars	31-03-2024		31-03-2023	
Manufacturing Expenses				
Power and Fuel	5,317.02		5,094.89	
Packing Materials Consumption	931.95		1,063.72	
Repairs to Buildings	242.79		264.54	
Repairs to Plant and Machinery	1,386.89		1,905.93	
Repairs - Wind Mills & Others	1,406.74		1,489.96	
Mercerising expenses - Yarn Processing	561.05		728.04	
Chemical Consumption - Fabric	904.77		913.15	
Job work Charges Paid	540.24	11,291.45	620.26	12,080.49
Establishment Expenses				
Rates and Taxes	240.38		234.45	
Insurance	431.87		469.21	
Postage and Telephone	43.23		37.86	
Printing and Stationery	36.10		47.72	
Travelling Expenses	160.53		157.96	
Vehicle Maintenance	151.52		140.80	
Exchange Loss on Foreign Currency Transactions	202.06		902.15	
Directors Sitting Fees to Non-Executive Directors	42.80		29.80	
Lease Rent [Refer to Note (ii) below]	55.13		53.70	
Audit Fees and Legal Expenses	34.94		31.63	
Financial Guarantee Expenses	262.50		-	
Provision for PACR Memorial Fund	5.00		5.00	
Corporate Social Responsibility Expenses	7.31		11.17	
Mark to Market Loss on Cotton	-		42.30	
Miscellaneous Expenses	237.44	1,910.81	230.59	2,394.34

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS



NOTE NO. 42

OTHER EXPENSES - (Contd.)

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023	
Selling Expenses			
Sales Commission	1,248.15	939.69	
Export Expenses	465.62	717.26	
Other Selling Expenses	426.69	347.45	
Impairment allowance provided / (withdrawn) for trade receivables	-	(36.05)	1,968.35
Total	15,342.72		16,443.18

Notes: (i) The details of CSR Expenditure are disclosed in Note No. 55(j).

(ii) The disclosures pertaining to Lease Rent as required under Ind AS 116 are given in Note No. 47.

NOTE NO. 43

AUDIT FEES AND EXPENSES (NET OF TAX CREDITS)

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023	
Statutory Auditors			
Statutory Audit fee	8.00	7.00	
Other Certification Work	7.76	4.37	
Reimbursement of Expenses	2.19	0.63	
Tax Auditors			
Tax Audit fee	1.25	1.25	
Cost Auditor			
Cost Audit fee	2.25	1.75	
Reimbursement of Expenses	0.03	0.12	
Secretarial Auditor			
Secretarial Audit fee	0.85	0.65	
Other Certification Work	0.75	0.27	
Total	23.08		16.04



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 44

CONTINGENT LIABILITIES (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Guarantees given by the bankers on behalf of company	303.60	355.19
Demands / Claims not acknowledged as Debts in respect of matters in appeals relating to -		
- Parent	484.04	474.39
- Parent's share in Associates	23,153.99	15,295.31

NOTE NO. 45

FINANCIAL GUARANTEE GIVEN TO BANKS TO AVAIL LOAN FACILITIES BY RELATED PARTIES (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Sri Vishnu Shankar Mill Limited	-	1,000
Sandhya Spinning Mill Limited	13,000	3,500

Actual amount of loan outstanding against above Financial Guarantees (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Sri Vishnu Shankar Mill Limited	-	100
Sandhya Spinning Mill Limited	11,375	2,547

NOTE NO. 46

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

Defined Contribution Plan: (₹ in Lakhs)

Particulars	2023-24	2022-23
Employer's Contribution to Provident Fund	632.09	584.64
Employer's Contribution to Superannuation Fund	72.68	64.45

Defined Benefit Plan - Gratuity

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS



Defined Benefit Plan (Gratuity):		(₹ in Lakhs)	
Particulars	2023-24	2022-23	
Reconciliation of Opening and Closing balances of Present Value of Obligation:			
As at the beginning of the year	1,423.61	1,322.23	
Current Service Cost	122.71	107.75	
Interest Cost	99.74	92.59	
Actuarial Loss / (Gain)	133.26	29.48	
Benefits paid	(-) 107.15	(-) 128.44	
As at the end of the year	1,672.17	1,423.61	
Reconciliation of Opening and Closing Balances of Fair Value of Plan Assets			
As at the beginning of the year	1,284.39	1,222.62	
Expected return on plan assets	94.74	88.99	
Actuarial gain / (loss)	(-) 1.07	(-) 0.29	
Employer Contribution	140.92	101.51	
Benefits paid	(-) 107.15	(-) 128.44	
As at the end of the year	1,411.83	1,284.39	
Actual Return on Plan Assets			
Expected Return on Plan Assets	94.74	88.99	
Actuarial Gain / (Loss) on Plan Assets	(-) 1.07	(-) 0.29	
Actual Return on Plan Assets	93.67	88.70	
Reconciliation of Fair Value of Assets and Obligations:			
Present value of obligation	1,672.18	1,423.61	
Fair value of plan assets	1,411.83	1,284.39	
Difference, Amount recognized in Balance Sheet	260.35	139.22	
Expenses recognized during the year:			
Current Service Cost	122.71	107.75	
Net Interest on Obligations	5.01	3.59	
Expenses recognized in Statement of Profit and Loss	127.72	111.34	
Amount recognized in the Other Comprehensive Income:			
Actuarial changes arising from:			
Experience adjustments on Plan Liabilities	(-) 40.95	(-) 18.01	
Experience adjustments on Plan Assets	(-) 1.07	(-) 0.29	
Changes in financial assumptions	(-) 92.31	(-) 11.48	
Changes in demographic assumptions	-	-	
Amount recognized in OCI during the year	(-) 134.33	(-) 29.78	



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	(₹ in Lakhs)	
Particulars	2023-24	2022-23
Investment Details		
Funds with LIC	1,406.37	1,278.04
Bank Balance	5.46	6.35
Total	1,411.83	1,284.39
Actuarial assumptions:		
LIC 2012-14 Table applied for service mortality rate	Yes	Yes
Discount rate p.a	6.98%	7.28%
Expected rate of Return on Plan Assets p.a.	6.98%	7.28%
Rate of escalation in salary p.a	4.00%	3.75%
Rate of Employee Turnover	0.10%	0.05%

	(₹ in Lakhs)	
Particulars	31-03-2024	31-03-2023
Estimate of Expected Benefit payments		
Year 1	51.89	40.21
Year 2	146.98	87.34
Year 3	118.05	104.25
Year 4	229.35	136.73
Year 5	141.89	198.52
Next 5 Years	623.39	591.67

	(₹ in Lakhs)	
Particulars	31-03-2024	31-03-2023
Quantitative Sensitivity Analysis for Significant Assumptions		
0.50% Increase in Discount Rate	134.36	114.22
0.50% Decrease in Discount Rate	155.57	132.15
0.50% Increase in Salary Growth Rate	155.89	132.47
0.50% Decrease in Salary Growth Rate	134.01	113.88

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS



Defined Benefit Plan (Leave encashment plan):

(₹ in Lakhs)

Particulars	2023-24	2022-23
Reconciliation of Opening and Closing balances of Present Value of Obligation:		
As at the beginning of the year	282.31	283.44
Current Service Cost	51.57	43.96
Interest Cost	18.77	16.46
Actuarial Loss	25.98	57.85
Benefits paid	(-) 48.94	(-) 119.40
As at the end of the year	329.69	282.31

Reconciliation of Opening and Closing Balances of Fair Value of Plan Assets:

As at the beginning of the year	NIL	NIL
Expected return on plan assets	NIL	NIL
Actuarial gain / (loss)	NIL	NIL
Employer Contribution	48.94	119.40
Benefits paid	(-) 48.94	(-) 119.40
As at the end of the year	NIL	NIL

Actual Return of plan assets:

Expected Return on Plan Assets	NIL	NIL
Actuarial Gain / (Loss) on Plan Assets	NIL	NIL
Actual Return on Plan Assets	NIL	NIL

Reconciliation of Fair Value of Assets and Obligations

Fair value of plan assets	NIL	NIL
Present value of obligation	329.69	282.31
Difference, Amount Recognized in Balance Sheet	329.69	282.31

Expenses recognized during the year:

Current Service Cost	51.57	43.96
Net Interest on obligations	18.77	16.47
Actuarial Gain recognized during the year	25.98	57.85
Expenses recognized in the Statement of Profit & Loss	96.32	118.28

Amount recognized in the Other Comprehensive Income:

Actuarial changes arising from:		
Experience adjustments on Plan Liabilities	NIL	NIL
Experience adjustments on Plan Assets	NIL	NIL
Changes in financial assumptions	NIL	NIL
Changes in demographic assumptions	NIL	NIL
Amount recognized in OCI during the year	NIL	NIL



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
Investment Details		
Funds with LIC	NIL	NIL
Bank Balance	NIL	NIL
Total	NIL	NIL

Actuarial assumptions:

LIC 2012-14 Table applied for service mortality rate		
Discount rate p.a	6.98%	7.28%
Expected rate of Return on Plan Assets p.a.	NIL	NIL
Rate of escalation in salary p.a	4.00%	3.75%
Rate of Employee Turnover	0.10%	0.05%

Estimate of Expected Benefit payments (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Year 1	14.66	11.50
Year 2	25.12	16.67
Year 3	24.94	17.42
Year 4	49.18	25.07
Year 5	22.99	45.99
Next 5 Years	112.43	103.39

Quantitative Sensitivity Analysis for Significant Assumptions (₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
0.50% Increase in Discount Rate	57.85	48.22
0.50% Decrease in Discount Rate	66.34	55.28
0.50% Increase in Salary Growth Rate	66.46	55.41
0.50% Decrease in Salary Growth Rate	57.72	48.09

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS



NOTE NO. 47

DISCLOSURES PERTAINING TO IND AS 116 - LEASES

COMPANY AS A LESSEE

Nature of leasing activities

The Company has entered into operating lease on certain assets i.e. land and building. Lease rentals are determined based on agreed terms. There is escalation clause in certain lease agreements after a specified period and no restriction imposed by the lease arrangements.

Maturity analysis of Lease Liabilities:

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Not later than one year	33.42	30.53
One to five years	186.12	179.10
More than five years	533.25	573.70
Total Undiscounted lease liabilities as at 31 st March	752.79	783.33

Other disclosures as required by Ind AS 116:

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Depreciation charge for Right-of-use asset	40.97	31.88
Interest on lease liabilities	24.89	25.06
Expenses relating to short-term leases	55.13	53.70
Total cash outflow for leases including principal and interest	89.45	199.53
Additions to Right-of-use assets	60.99	171.07
Carrying amount of Right-of-use assets as at 31 st March	1,412.59	1,394.84

Note: Expenses relating to Short-term lease include leases whose lease term ends within 12 months from date of initial application and leases whose non-cancellable period is less than 12 months, irrespective of the actual tenure agreed as per the arrangement.

COMPANY AS A LESSOR

The Company has entered into operating leases i.e. Land & Building. The Company has not entered into any Finance leases. Future minimum rental receivable under non-cancellable operating leases as at the reporting date is given below:

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Not later than one year	1.31	1.10
One to five years	6.98	6.65
More than five years	6.32	7.97



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 48

DISCLOSURE OF INTERESTS IN ASSOCIATES UNDER EQUITY METHOD

Name of the Company	Principal Place of Business / Country on Incorporation	Principal activities of Business
The Ramco Cements Limited (TRCL)	India	Manufacture of Cement and Cementitious materials
Ramco Industries Limited (RIL)	India	Manufacture of Building materials
Ramco Systems Limited (RSL)	India	Software development

Name of the Company	% Shareholding as at	
	31-03-2024	31-03-2023
The Ramco Cements Limited	13.61%	13.81%
Ramco Industries Limited	9.68%	9.68%
Ramco Systems Limited	2.07%	2.08%

Summarised financial information for Associates:

The summarized consolidated financial statements of the material associates are as below: (₹ in Lakhs)

Balance Sheet	Non-current Assets	Investment in Associates	Current Assets	Non-current Liabilities	Current Liabilities	Total Equity
As at 31-03-2024						
The Ramco Cements Limited	13,79,046.00	23,231.00	2,24,996.00	5,05,981.00	3,97,143.00	7,24,149.00
Ramco Industries Limited	66,462.89	3,09,115.98	81,941.35	7,158.81	44,271.77	4,06,089.64
Ramco Systems Limited	46,993.00	171.30	19,638.20	9,271.70	26,027.20	31,503.60
As at 31-03-2023						
The Ramco Cements Limited	12,46,349.00	24,438.00	1,88,687.00	4,63,859.00	3,08,809.00	6,86,806.00
Ramco Industries Limited	59,843.66	3,05,551.30	81,122.41	8,978.60	49,137.02	3,88,401.75
Ramco Systems Limited	50,191.60	165.40	42,988.00	8,504.70	31,185.50	53,654.80

Note: The above financial information is amended to determine the share of interest in associates. (₹ in Lakhs)

Profit and Loss	TRCL		RIL		RSL	
	31-03-2024	31-03-2023	31-03-2024	31-03-2023	31-03-2024	31-03-2023
Total Revenue	9,41,527.00	8,19,019.00	1,51,562.41	1,47,911.40	52,989.30	49,773.20
Profit before tax	54,166.00	47,198.00	10,851.24	12,167.87	(24,378.50)	(22,069.10)
Tax expenses / (savings)	14,813.00	12,999.00	3,554.46	1,405.79	(205.40)	(1,381.60)
Profit after Tax	39,353.00	34,199.00	7,296.78	10,762.08	(24,173.10)	(20,687.50)
Share of profit in Associate	(3,704.00)	(2,724.00)	3,274.64	1,638.19	5.90	1.60
Other Comprehensive Income	6,425.00	(109.00)	7,176.95	718.10	550.70	925.80
Total Comprehensive Income	42,074.00	31,366.00	17,748.37	13,118.37	(23,616.50)	(19,760.10)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS



Fair Value of Investments		(₹ in Lakhs)	
Name of the Associates	31-03-2024	31-03-2023	
The Ramco Cements Limited	2,60,747.97	2,46,859.06	
Ramco Industries Limited	16,887.38	10,422.28	
Ramco Systems Limited	1,942.02	1,401.41	

Share of Contingent Liabilities in respect of associates		(₹ in Lakhs)	
Name of the Associates	31-03-2024	31-03-2023	
The Ramco Cements Limited	21,514.81	14,244.61	
Ramco Industries Limited	668.00	789.08	
Ramco Systems Limited	183.55	261.62	

Reconciliation to the carrying amount of investment in associates: (₹ in Lakhs)

Profit and Loss	TRCL		RIL		RSL	
	31-03-2024	31-03-2023	31-03-2024	31-03-2023	31-03-2024	31-03-2023
Entity's TCI	42,074.00	31,366.00	17,748.37	13,118.37	(23,616.50)	(19,760.10)
Entity's Adjusted TCI	41,048.00	30,393.00	8,373.76	5,919.05	(23,619.90)	(19,758.20)
Effective shareholding %	15.62%	15.84%	11.88%	11.81%	2.07%	2.08%
Associates share of profit / OCI	6,416.52	4,813.73	994.83	698.76	(489.15)	(411.41)
Less: Unrealised profit on inter-company transactions (net of tax)	-	-	-	-	-	-
Amount recognized in P & L	6,416.52	4,813.73	994.83	698.76	(489.15)	(411.41)

Reconciliation

Opening Carrying amount	1,65,651.19	1,61,816.21	15,632.04	15,017.30	4,464.14	4,875.55
Less: Adjustment on Deemed Disposal	-	-	-	-	-	-
Add: Acquisition / (Sold) during the year	(1,606.07)	-	-	-	-	-
Add: Associate's share of Profit / OCI	6,416.52	4,813.73	994.83	698.76	(489.15)	(411.41)
Less: Dividend received	(640.24)	(978.75)	(84.02)	(84.02)	-	-
Net Carrying amount	1,69,821.40	1,65,651.19	16,542.85	15,632.04	3,974.99	4,464.14

Notes:

- Adjusted TCI represents total comprehensive income of the entity after eliminating effects of reciprocal interests and unrealized profits.
- Effective shareholdings represent the aggregate of direct holding and indirect holding through fellow associates.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 49

EARNINGS PER SHARE

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Net profit / (loss) after tax (₹ in Lakhs) (A)	4,436.42	8,188.36
Weighted average number of Equity shares after deducting treasury shares [In Lakhs] (B)	92.04	86.65
Nominal value per equity share (in ₹)	10	10
Basic & Diluted Earnings per share (A) / (B) (in ₹)	48	94

Reconciliation of Weighted average number of Equity Shares

(Nos. in Lakhs)

Particulars	31-03-2024	31-03-2023
No. of Shares at the beginning of the year (A)	92.04	85.89
Equity Shares allotted pursuant to Rights issue on 15 th February, 2023 (B)	-	6.14
Weighted average number of Equity Shares [CY: A + B] / [PY: (A) + (B /365 x 45)]	92.04	86.65

NOTE NO. 50

RELATED PARTY TRANSACTIONS

Information on names of Related parties and nature of Relationship as required by Ind AS 24 on Related party disclosures for the year ended 31st March, 2024:

A) Associates

Name of the Company	Place of Business / Country of Incorporation	% of Shareholding as at	
		31-03-2024	31-03-2023
The Ramco Cements Limited	India	13.61%	13.81%
Ramco Industries Limited	India	9.68%	9.68%
Ramco Systems Limited	India	2.07%	2.08%

B) Key Managerial Personnel (including KMP under the Companies Act, 2013)

Name	Designation
Shri P.R. Venketrama Raja	Chairman
Smt. P.V. Nirmala Raju	Managing Director
Shri S.S. Ramachandra Raja	Non-Executive Director
Shri N.K. Ramaswami Raja	Independent Director (Upto 31-03-2024)
Shri A.V. Dharmakrishnan	Non-Executive Director
Justice Shri P.P.S. Janarthana Raja	Independent Director (Upto 31-03-2024)
Shri V. Santhana Raman	Independent Director (Upto 31-03-2024)
Shri K.B. Nagendra Murthy	Independent Director
Smt. Soundara Kumar	Independent Director
Shri P.V. Abinav Ramasubramniam Raja	Non-Executive Director
Shri P.A.S Alaghar Raja	Independent Director
Shri B. Gnanagurusamy	Chief Financial Officer (Upto 30-09-2023)
Shri A. Arulpranavam	Chief Financial Officer (From 11-11-2023) *
Shri K. Maheswaran	Secretary (From 09-01-2024)

* Shri A. Arulpranavam, former Company Secretary has been elevated and appointed as CFO of the Company w.e.f. 11-11-2023 and he demit the office and Company Secretary w.e.f. 10-11-2023

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS



C) Relatives of Key Managerial Personnel

Name of the Relative of KMP	Relationship
Smt. R. Sudarsanam	Mother of Shri P.R. Venketrama Raja
Smt. R. Chittammal	Spouse of Shri S.S. Ramachandra Raja
Smt. Nalina Ramalakshmi	Sister of Shri P.R. Venketrama Raja
Smt. Sharadha Deepa	Sister of Shri P.R. Venketrama Raja
Smt. Byraju Srisandhya Raju	Daughter of Shri P.R. Venketrama Raja

D) Companies over which KMP / Relatives of KMP exercise significant influence or control

The Ramaraju Surgical Cotton Mills Limited	Ramco Industrial and Technology Services Limited
Sri Vishnu Shankar Mill Limited	Ramco Wind farms Limited
Thanjavur Spinning Mill Limited	Ramco Management Private Limited
Sandhya Spinning Mill Limited	RCDC Securities & Investments Private Limited
Rajapalayam Textile Limited	Sri Harini Media Limited
Lynks Logistics Limited	

E) Employee Benefit Funds where control exists

Rajapalayam Mills Limited Officers' Superannuation Fund
Rajapalayam Mills Limited Employees' Gratuity Fund

F) Other entities over which there is a significant influence

Smt. Lingammal Ramaraju Shastra Prathishta Trust	PACR Sethurammammal Charity Trust
Ramco Welfare Trust	PACR Sethurammammal Charities
Raja Charity Trust	PAC Ramasamy Raja Education Charity Trust
Gowri Metal Works LLP	PACR Centenary Trust
Ramco Organic Farming Centre	PACR Rotary Blood Bank

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

a. Transactions during the year at Arm's length basis or its equivalent (₹ in Lakhs)

Name of the Related party	2023-24	2022-23
i. Good Supplied / Services rendered		
Associates		
The Ramco Cements Limited	0.09	42.15
Ramco Industries Limited	1,491.44	1,195.80
Companies over which KMP / Relative of KMP exercise significant Influence		
The Ramaraju Surgical Cotton Mills Limited	975.76	592.78
Sri Vishnu Shankar Mill Limited	746.15	1,090.77
Sandhya Spinning Mill Limited	2,669.20	820.39
Rajapalayam Textile Limited	311.78	186.38



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

		(₹ in Lakhs)	
Name of the Related party	2023-24	2022-23	
ii. Sale of Fixed Assets			
Companies over which KMP / Relative of KMP exercise significant Influence			
Sri Vishnu Shankar Mill Limited	NIL	10.74	
Sandhya Spinning Mill Limited	0.91	38.66	
iii. Cost of Goods & Services purchased / availed			
Associates			
The Ramco Cements Limited	12.97	12.42	
Ramco Industries Limited	3,367.84	3,135.79	
Ramco Systems Limited	47.23	38.81	
Companies over which KMP / Relative of KMP exercise significant Influence			
The Ramaraju Surgical Cotton Mills Limited	810.74	970.08	
Sri Vishnu Shankar Mill Limited	1,550.22	4,078.38	
Ramco Windfarms Limited	281.05	390.78	
Sandhya Spinning Mill Limited	6,359.54	1,283.43	
Rajapalayam Textile Limited	516.87	1,284.25	
Shri Harini Media Limited	1.47	1.84	
Ramco Industrial and Technology Services Limited	NIL	9.88	
Other entities over which there is a significant influence			
PACR Sethurammam Charity Trust	270.20	301.50	
PACR Centenary Trust	9.59	13.89	
Gowrihouse Metal Works LLP	0.57	0.16	
Ramco Organic Farming Centre	0.30	0.10	
iv. Purchase of Fixed Assets			
Associates			
Ramco Industries Limited	NIL	17.70	
Companies over which KMP / Relative of KMP exercise significant Influence			
Sri Vishnu Shankar Mill Limited	NIL	135.89	
Rajapalayam Textile Limited	9.00	NIL	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS



(₹ in Lakhs)		
Name of the Related party	2023-24	2022-23
v. Leasing arrangement - Rent Received		
Associates		
Ramco Industries Limited	8.33	8.92
Ramco Systems Limited	3.79	0.72
Companies over which KMP / Relative of KMP exercise significant Influence		
The Ramaraju Surgical Cotton Mills Limited	68.58	0.50
Sri Vishnu Shankar Mill Limited	0.04	0.33
Sandhya Spinning Mill Limited	14.83	16.95
Rajapalayam Textile Limited	2.36	4.57
Other entities over which there is a significant influence		
PACR Educational Charity Trust	0.35	0.35
vi. Leasing Arrangements - Rent Paid		
Associates		
The Ramco Cements Limited	0.08	0.08
Ramco Industries Limited	6.48	3.54
Companies over which KMP / Relative of KMP exercise significant Influence		
The Ramaraju Surgical Cotton Mills Limited	68.42	0.03
Sri Vishnu Shankar Mill Limited	2.95	2.81
Sandhya Spinning Mill Limited	1.55	0.25
Rajapalayam Textile Limited	0.12	NIL
Key Managerial Personnel		
Shri P.V. Abinav Ramasubramaniam Raja	7.33	7.31
Relative of Key Managerial Personnel		
Smt. Sharadha Deepa	1.70	1.63
vii. Reimbursement of Expenses Paid / (Received)		
Associates		
The Ramco Cements Limited	64.32	61.93
Ramco Industries Limited	(32.93)	(84.62)
Companies over which KMP / Relative of KMP exercise significant Influence		
The Ramaraju Surgical Cotton Mills Limited	(41.36)	(89.61)
Sri Vishnu Shankar Mill Limited	(31.29)	(29.53)
Sandhya Spinning Mill Limited	(50.00)	(45.74)
Rajapalayam Textile Limited	(4.67)	(9.56)
Sri Harini Textiles Limited	NIL	(4.99)



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	(₹ in Lakhs)	
Name of the Related party	2023-24	2022-23
viii.Dividend Paid		
Key Managerial Personnel		
Shri P.R. Venketrama Raja	18.37	18.37
Smt. P.V. Nirmala Raju	1.76	0.41
Shri P.V. Abinav Ramasubramaniam Raja	24.40	22.77
Shri S.S. Ramachandra Raja	0.29	0.29
Shri N.K. Ramasuwami Raja	0.19	0.18
Shri A.V. Dharmakrishnan	0.02	0.01
Shri P.A.S. Alaghar Raja	0.06	0.08
Associates		
The Ramco Cements Limited	0.42	0.33
Ramco Industries Limited	1.59	1.49
Companies over which KMP / Relative of KMP exercise significant Influence		
The Ramaraju Surgical Cotton Mills Limited	1.69	1.58
Sri Vishnu Shankar Mill Limited	0.37	0.35
Sandhya Spinning Mill Limited	0.01	0.01
Ramco Management Private Limited	0.03	0.02
Relative of Key Management Personnel		
Smt. R. Sudarsanam	1.01	0.74
Late Smt. R. Chittammal	1.03	0.96
Smt. R. Nalina Ramalakshmi	0.08	0.08
Smt. S. Sharadha Deepa	0.14	0.13
Smt. Byraju Srisandhya Raju	0.21	0.19
ix. Dividend Received		
Associates		
The Ramco Cements Limited	640.25	978.76
Ramco Industries Limited	84.02	84.02
Companies over which KMP / Relative of KMP exercise significant Influence		
The Ramaraju Surgical Cotton Mills Limited	0.02	0.04
Sri Vishnu Shankar Mill Limited	NIL	0.38
Thanjavur Spinning Mill Limited	NIL	92.47

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS



			(₹ in Lakhs)	
Name of the Related party	2023-24	2022-23		
x. Right Issue Amount Received				
Key Managerial Personnel				
Shri P.R. Venketrama Raja	NIL	746.53		
Smt. P.V. Nirmala Raju	NIL	16.81		
Shri P.V. Abinav Ramasubramaniam Raja	NIL	925.55		
Shri S.S. Ramachandra Raja	NIL	5.12		
Shri N.K. Ramasuwami Raja	NIL	7.30		
Shri A.V. Dharmakrishnan	NIL	2.21		
Shri P.A.S. Alaghar Raja	NIL	3.06		
Associates				
The Ramco Cements Limited	NIL	51.83		
Ramco Industries Limited	NIL	60.39		
Companies over which KMP / Relative of KMP exercise significant Influence				
The Ramaraju Surgical Cotton Mills Limited	NIL	64.10		
Sri Vishnu Shankar Mill Limited	NIL	14.10		
Sandhya Spinning Mill Limited	NIL	0.23		
Ramco Management Private Limited	NIL	0.97		
Relative of Key Management Personnel				
Smt. R. Sudarsanam	NIL	150.22		
Late Smt. R. Chittammal	NIL	39.18		
Smt. R. Nalina Ramalakshmi	NIL	3.19		
Smt. S. Sharadha Deepa	NIL	5.19		
Smt. Byraju Srisandhya Raju	NIL	7.85		
xi. Redemption of Preference Shares				
Companies over which KMP / Relative of KMP exercise significant Influence				
Thanjavur Spinning Mill Limited	NIL	2,500.00		
xii. Investment in / (Sale) of Shares during the year				
Companies over which KMP / Relative of KMP exercise significant Influence				
The Ramaraju Surgical Cotton Mills Limited (Equity)	3.71	NIL		
Lynks Logistics Limited (Preference)	(80.00)	80.00		



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	(₹ in Lakhs)	
Name of the Related party	2023-24	2022-23
xiii. Sale of Investment in Associates		
Relative of Key Management Personnel		
Smt. S. Sharadha Deepa	2,490.40	NIL
xiv. Purchase of Investment in Associates		
Relative of Key Management Personnel		
Smt. R. Nalina Ramalakshmi	1,503.51	NIL
xv. Interest Paid / (Received)		
Key Managerial Personnel		
Shri P.R. Venketrama Raja	0.34	12.31
Smt. P.V. Nirmala Raju	3.99	7.70
Shri P.V. Abinav Ramasubramaniam Raja	0.25	0.30
Relative of Key Management Personnel		
Smt. R. Sudarsanam	NIL	0.04
Companies over which KMP / Relative of KMP exercise significant Influence		
The Ramaraju Surgical Cotton Mills Limited	(88.12)	(87.88)
Lynks Logistics Limited	(49.67)	(115.99)
Thanjavur Spinning Mill Limited	36.61	101.55
xvi. Directors' Sitting Fees		
Key Managerial Personnel		
Shri P.R. Venketrama Raja	3.60	3.10
Smt. R. Sudarsanam	NIL	0.40
Smt. P.V. Nirmala Raju	3.20	2.30
Shri S.S. Ramachandra Raja	2.00	2.00
Shri N.K. Ramasuwami Raja	6.40	3.80
Shri A.V. Dharmakrishnan	6.80	4.20
Justice Shri P.P.S. Janarthana Raja	8.00	5.30
Shri V. Santhanaraman	2.80	2.00
Shri K.B. Nagendra Murthy	5.20	3.50
Smt Soundara Kumar	2.40	1.60
Shri P.V. Abinav Ramasubramaniam Raja	2.80	2.30
Shri P.A.S Alaghar Raja	2.80	2.00
xvii. Remuneration to Key Management Personnel (Other than Sitting Fees)		
Key Managerial Personnel		
Smt. P.V. Nirmala Raju, Managing Director	247.50	206.50
Smt. R. Sudarsanam, Managing Director (Upto 31-05-2022)	NIL	41.25
Shri B. Gnanagurusamy, Chief Financial Officer (Upto 30-09-2023)	32.85	75.13
Shri A. Arulpranavam, Chief Financial Officer (From 11-11-2023) *	19.90	18.19
Shri K. Maheswararan, Secretary (From 09-01-2024)	4.76	NIL
* Shri A. Arulpranavam, former Company Secretary has been elevated and appointed as CFO of the Company w.e.f. 11-11-2023 and he demit the office and Company Secretary w.e.f. 10-11-2023		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS



		(₹ in Lakhs)	
Name of the Related party	2023-24	2022-23	
xviii. CSR / Donation given			
Other entities over which there is a significant influence			
PACR Education Charity Trust	1.05	1.02	
xix. Contribution to Superannuation Fund / Gratuity Fund			
Other entities over which there is a significant influence			
Rajapalayam Mills Limited Officers' Superannuation Fund	72.68	64.45	
Rajapalayam Mills Limited Employees' Gratuity Fund	262.05	141.13	
xx. Maximum amount of loans and advance / (borrowings) outstanding during the year			
Key Managerial Personnel			
Shri P.R. Venketrama Raja	(144.01)	(501.70)	
Smt. P.V. Nirmala Raju	(81.52)	(207.02)	
Shri P.V. Abinav Ramasubramaniam Raja	(4.29)	(4.27)	
Companies over which KMP / Relative of KMP exercise significant Influence			
The Ramaraju Surgical Cotton Mills Limited	950.00	950.00	
Lynks Logistics Limited	NIL	1,420.00	
Thanjavur Spinning Mill Limited	(518.00)	(3,363.16)	
Relative of Key Management Personnel			
Smt. R. Sudarsanam	NIL	(303.66)	

b. Outstanding balance including commitments

		(₹ in Lakhs)	
Name of the Related party	31-03-2024	31-03-2023	
i. Loans and advances			
Companies over which KMP / Relative of KMP exercise significant Influence			
The Ramaraju Surgical Cotton Mills Limited	950.00	950.00	
Lynks Logistics Limited	NIL	1,420.00	
ii. Borrowings:			
Key Managerial Personnel			
Shri P.R. Venketrama Raja	0.08	43.77	
Smt. P.V. Nirmala Raju	81.52	7.93	
Shri P.V. Abinav Ramasubramaniam Raja	3.02	4.27	
Companies over which KMP / Relative of KMP exercise significant Influence			
Thanjavur Spinning Mill Limited	518.00	492.00	



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

		(₹ in Lakhs)	
Name of the Related party	31-03-2024	31-03-2023	
iii. Corporate Guarantee given to lender of Related parties			
Associates			
Ramco Systems Limited	1,226.15	NIL	
Companies over which KMP / Relative of KMP exercise significant Influence			
Sri Vishnu Shankar Mill Limited	NIL	1,000	
Sandhya Spinning Mill Limited	13,000	3,500	

Notes: (a) These Guarantees have been given as an additional security.

(b) The loan balance with Banks by the related parties, on the strength of the above Corporate Guarantees given by the Company are furnished below:

Sri Vishnu Shankar Mill Limited	NIL	100.00
Sandhya Spinning Mill Limited	11,375.00	2,546.95

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

		(₹ in Lakhs)	
Particulars	31-03-2024	31-03-2023	
Short - Term Benefits ^[1]	295.39	329.87	
Defined Contribution Plan ^[2]	10.97	13.08	
Defined Benefit Plan / Other Long-Term Benefits ^[3]	0.85	0.82	
Total	307.21	343.77	

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



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 51

SEGMENT INFORMATION FOR THE YEAR ENDED 31-03-2024

(₹ in Lakhs)

Particulars	Textiles		Power from Windmills		Total	
	31-03-2024	31-03-2023	31-03-2024	31-03-2023	31-03-2024	31-03-2023
REVENUE						
External Sales / Other Operating Income	85,855.86	86,189.43	-	-	85,855.86	86,189.43
Inter Segment Sale	-	-	4,376.96	3,917.79	4,376.96	3,917.79
Total	85,855.86	86,189.43	4,376.96	3,917.79	90,232.82	90,107.22
Other Income	744.43	579.88	-	-	744.43	579.88
Total Revenue	86,600.29	86,769.31	4,376.96	3,917.79	90,977.25	90,687.10
RESULT						
Segment Profit	727.80	6,082.43	2,277.95	2,046.53	3,005.75	8,128.96
Unallocated Income	-	-	-	-	0.04	92.91
Operating Profit	-	-	-	-	3,005.79	8,221.87
Interest Expenses	-	-	-	-	7,403.01	5,505.72
Interest Income	-	-	-	-	255.27	306.86
Provision for Taxation						
Current Tax	-	-	-	-	-	155.00
Excess Income Tax provision related to earlier years withdrawn	-	-	-	-	(0.25)	(15.56)
Deferred Tax	-	-	-	-	(485.72)	450.60
Profit from ordinary activities	-	-	-	-	(3,655.98)	2,432.97
Other Comprehensive Income after Tax	-	-	-	-	78.98	(23.31)
Exceptional Items	-	-	-	-	2,738.17	742.49
Share of TCI from Associates	-	-	-	-	6,922.20	5,101.08
Total Comprehensive Income	-	-	-	-	6,083.37	8,253.23
OTHER INFORMATION						
Segment Assets	1,61,247.80	154,172.06	4,296.19	4,714.90	1,65,543.99	1,58,886.96
Unallocated Assets	-	-	-	-	1,86,090.41	1,88,285.27
Total Assets	-	-	-	-	3,51,634.40	3,47,172.23
Segment Liabilities	8,249.73	6,771.70	-	-	8,249.73	6,771.70
Unallocated Liabilities	-	-	-	-	1,13,221.98	1,16,229.01
Total Liabilities	-	-	-	-	1,21,471.71	1,23,000.71
Capital Expenditure	9,816.85	35,545.89	-	-	9,816.85	35,545.89
Unallocated Capital Expenditure	-	-	-	-	-	-
Depreciation	6,314.41	5,244.47	418.72	417.43	6,733.13	5,661.90
Unallocated Depreciation Expenditure	-	-	-	-	-	-
Non-Cash expenses other than Depreciation	-	-	-	-	-	-



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 52

DISCLOSURE OF FAIR VALUE MEASUREMENTS

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

Financial Instruments by category

(₹ in Lakhs)

Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying Amount	Fair Value
As at 31-03-2024					
Financial Assets					
Other Investments	1,148.46	–	2,113.05	3,261.51	3,261.51
Loans and Advances	950.00	–	–	950.00	950.00
Trade Receivables	16,769.31	–	–	16,769.31	16,769.31
Cash and Bank Balances	612.97	–	–	612.97	612.97
Other Financial Assets	2,680.66	–	–	2,680.66	2,680.66
Financial Liabilities					
Borrowings	1,08,166.57	–	–	1,08,166.57	1,08,166.57
Lease Liabilities	495.82	–	–	495.82	495.82
Trade Payables	2,365.74	–	–	2,365.74	2,365.74
Other Financial Liabilities	3,030.15	–	–	3,030.15	3,030.15
As at 31-03-2023					
Financial Assets					
Investments - Preference Shares	80.00	–	–	80.00	80.00
Other Investments	–	–	167.89	167.89	167.89
Loans and Advances	2,370.00	–	–	2,370.00	2,370.00
Trade Receivables	15,919.50	–	–	15,919.50	15,919.50
Cash and Bank Balances	622.78	–	–	622.78	622.78
Other Financial Assets	3,174.73	–	–	3,174.73	3,174.73
Financial Liabilities					
Borrowings	1,10,859.37	–	–	1,10,859.37	1,10,859.37
Lease Liabilities	499.39	–	–	499.39	499.39
Trade Payables	1,487.62	–	–	1,487.62	1,487.62
Other Financial Liabilities	2,609.01	–	–	2,609.01	2,609.01

Fair value hierarchy

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

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

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

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



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The details of financial instruments that are measured at fair value on recurring basis are given below: (₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial Instruments at FVTOCI				
Investments in listed equity securities				
As at 31-03-2024	10.95	–	–	10.95
As at 31-03-2023	10.54	–	–	10.54
Investment in unlisted securities				
As at 31-03-2024	–	–	1,217.66	1,217.66
As at 31-03-2023	–	–	157.34	157.34
Financial Instruments at FVTPL				
Foreign exchange forward contracts				
As at 31-03-2024 (Asset)	–	135.21	–	135.21
As at 31-03-2023 (Liability)	–	319.73	–	319.73

Valuation techniques used to determine the fair value

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

Nature of Financial Instrument	Valuation Technique	Remarks
Investment in Listed securities / Mutual Funds	Market Value	Closing Price as at reporting date in Stock Exchange.
Investment in Unlisted securities	Adjusted Net Assets	Net Assets value as per Balance Sheet of respective Companies as at reporting date.
Foreign exchange forward contracts	Mark to Market	Based on MTM valuations provided by the Banker.
Financial Guarantee Obligation	Differential Interest Rate	Interest rates quote have been obtained from the Banker.

NOTE NO. 53

FINANCIAL RISK MANAGEMENT

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

The Company has the following financial risks:

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



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

Credit Risk

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

Receivables

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

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

(₹ in Lakhs)

Particulars	Due less than 45 days	46 to 90 days	91 to 180 days	More than 180 days	Total
As at 31-03-2024					
Gross carrying amount	10,503.84	1,959.89	4,199.67	105.91	16,769.31
Expected Loss Rate	0%	0%	0%	0%	0%
Expected Credit Losses	-	-	-	-	-
Carrying amount of trade receivables net of impairment	10,503.84	1,959.89	4,199.67	105.91	16,769.31
As at 31-03-2023					
Gross carrying amount	10,596.34	1,845.41	3,371.13	106.62	15,919.50
Expected Loss Rate	0%	0%	0%	0%	0%
Expected Credit Losses	-	-	-	-	-
Carrying amount of trade receivables net of impairment	10,596.34	1,845.41	3,371.13	106.62	15,919.50

Financial Instruments and Cash deposits

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

Liquidity Risk

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS



Fund Management

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

Financial arrangements

The Company has access to the following undrawn borrowing facilities:

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023
Expiring within one year		
Bank Overdraft and other facilities	29,576.49	12,610.83
Term Loans	3,737.12	4,632.00
Expiring beyond year		
Term Loans	-	-

Maturities of Financial Liabilities

(₹ in Lakhs)

Nature of Financial Liability	< 1 Year	1 - 5 Years	> 5 years	Total
As at 31-03-2024				
Borrowings from Banks	58,550.25	42,764.33	6,851.99	1,08,166.57
Trade payables	2,365.74	-	-	2,365.74
Other Financial Liabilities (Incl. Interest)	3,030.15	-	-	3,030.15
As at 31-03-2023				
Borrowings from Banks	62,748.62	40,641.63	7,469.12	1,10,859.37
Trade payables	1,487.62	-	-	1,487.62
Other Financial Liabilities (Incl. Interest)	2,609.01	-	-	2,609.01

Foreign Currency Risk

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

Decisions regarding borrowing in Foreign Currency and hedging thereof, (both interest and exchange rate risk) and the quantum of coverage is driven by the necessity to keep the cost comparable. Foreign Currency loans, imports and exports transactions are hedged by way of forward contracts / packing credit in foreign currency which acts as natural hedge against export receivable. The Company enters the above transactions, after taking into consideration the anticipated Foreign exchange inflows/outflows, timing of cash flows, tenure of the forward contract and prevailing Foreign exchange market conditions.

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



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

As at 31-03-2024 **(In Millions)**

Type	Particulars	USD	Euro	CHF
	Financial Assets / Firm commitments related to Financial Assets			
	(a) Trade Receivables	10.75	0.85	-
Hedged Items	Financial Liabilities / Firm Commitments related to Financial Liabilities			
	(a) Buyers Credit Loan	13.62	1.98	-
	(b) Contracts for import of materials	5.11	-	0.06
	(c) Forward for Exports	11.73	7.81	-
	Instruments for hedging the currency risk on Financial Assets			
	(a) PCFC Loan	5.50	-	-
Hedging Instruments (Forward contracts)	Instruments for hedging the currency risk on Financial Liabilities			
	(a) Forward contracts for Buyers Credit Loan	13.62	1.98	-
	(b) Forward contract for imports	5.11	-	0.06
	(c) Forward Contracts for Exports	16.27	8.30	-

As at 31-03-2023 **(In Millions)**

Type	Particulars	USD	Euro	JPY
	Financial Assets / Firm commitments related to Financial Assets			
	(a) Trade Receivables	11.95	1.13	-
Hedged Items	Financial Liabilities / Firm Commitments related to Financial Liabilities			
	(a) Buyers Credit Loan	15.84	-	-
	(b) Contracts for import of materials	0.96	2.09	47.75
	(c) Forward for Exports	12.96	4.77	-
	Instruments for hedging the currency risk on Financial Assets			
	(a) PCFC Loan	4.11	-	-
Hedging Instruments (Forward contracts)	Instruments for hedging the currency risk on Financial Liabilities			
	(a) Forward contracts for Buyers Credit Loan	15.84	-	-
	(b) Forward contract for imports	0.96	2.09	47.75
	(c) Forward Contracts for Exports	20.79	10.66	-

The details of foreign currency forward contracts outstanding at the end of the reporting period is given below:

Particulars	Foreign currency (in Lakhs)		Nominal Amount (₹ in Lakhs)	
	31-03-2024	31-03-2023	31-03-2024	31-03-2023
USD / INR buy forward	187.31	167.92	15,653.36	13,797.85
USD / INR sell forward	162.67	207.93	13,686.74	17,085.40
EURO / INR buy forward	19.83	20.94	1,815.71	1,872.93
EURO / INR sell forward	83.00	106.58	7,723.39	9,532.83
CHF / INR buy forward	0.60	NIL	56.40	NIL
JPY / INR buy forward	NIL	477.50	NIL	294.14

The above forward contracts are having maturity of less than 12 months.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS



Cash flow and fair value interest rate risk

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

Interest rate risk exposure	(₹ in Lakhs)	
Particulars	31-03-2024	31-03-2023
Variable rate borrowings	1,08,166.57	1,01,173.87
Fixed rate borrowings	-	9,685.50

The Company does not have any interest rate swap contracts.

Sensitivity on Interest rate fluctuation	(₹ in Lakhs)	
Incremental Interest Cost works out to	31-03-2024	31-03-2023
1% Increase in Interest Rate	1,081.67	1,011.74

NOTE NO. 54

DISCLOSURE AS REQUIRED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006:

The categorization of supplier as MSME registered under the Act under new definition, has been determined based on the information available with the Company as at the reporting date. The Company has also considered suppliers as MSME who possess the erstwhile MSME certificate for the period upto the reporting date, for the purpose of categorization and disclosures. The disclosures as required under Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	(₹ in Lakhs)	
Particulars	31-03-2024	31-03-2023
(a) (i) The Principal amount remaining unpaid to any supplier at the end of the financial year included in -		
Trade Payables	205.39	185.00
Other Current Financial Liabilities	13.46	17.37
(ii) The Interest due on the above	-	-
(b) The amount of interest paid by the buyer in terms of Section 16 of the Act	-	-
(c) The amount of the payment made to the supplier beyond the appointed day during the financial year	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the financial year	-	-
(e) The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under this Act	-	-



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 55

ADDITIONAL REGULATORY INFORMATION AS REQUIRED UNDER COMPANIES ACT, 2013 / INDIAN ACCOUNTING STANDARDS:

a) Trade Payables Ageing Schedule (₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	< 1 Year	1 – 2 Years	2 - 3 years	> 3 years	
As at 31-03-2024						
MSME	205.39	–	–	–	–	205.39
Others	1,571.97	569.53	4.78	0.06	–	2,146.34
Disputed Dues - MSME	–	–	–	–	–	–
Disputed Dues - Others	–	–	–	–	14.01	14.01
Unbilled dues	–	–	–	–	–	–
Total	1,777.36	569.53	4.78	0.06	14.01	2,365.74
As at 31-03-2023						
MSME	185.00	–	–	–	–	185.00
Others	1,065.25	218.52	0.95	0.11	–	1,284.83
Disputed Dues - MSME	–	–	–	–	–	–
Disputed Dues - Others	–	–	–	1.25	16.54	17.79
Unbilled dues	–	–	–	–	–	–
Total	1,250.25	218.52	0.95	1.36	16.54	1,487.62

b) Capital Work-in-Progress Ageing Schedule (₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	< 1 Year	1 – 2 Years	2 - 3 years	> 3 years	
As at 31-03-2024	1,479.34	11.16	–	–	1,490.50
As at 31-03-2023	26,022.63	143.16	–	–	26,165.79

Notes: (i) None of the capital-work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

(ii) The Company did not have any projects whose activity has been suspended.

(iii) The Company has no intangible assets under development.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

c) Trade Receivables Ageing Schedule

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	> 3 years	
As at 31-03-2024							
Undisputed Trade receivables - considered good	14,531.48	2,132.00	1.40	0.48	0.02	103.93	16,769.31
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Total	14,531.48	2,132.00	1.40	0.48	0.02	103.93	16,769.31
As at 31-03-2023							
Undisputed Trade receivables - considered good	14,656.18	1,158.78	0.13	0.04	0.86	103.51	15,919.50
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Total	14,656.18	1,158.78	0.13	0.04	0.86	103.51	15,919.50

d) Details of Loans Granted to Promoters, Directors, KMPs and related parties:

(₹ in Lakhs)

Type of the Borrower	Amount of Loan outstanding as on 31-03-2024	% to the Total Loans and advances in the nature of Loans
The Ramaraju Surgical Cotton Mills Limited (a related party refer to Note No. 50(b)(i))	950.00	100%

e) Undisclosed Income

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

f) Relationship with Struck off Companies

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



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

g) Details of Crypto Currency or Virtual Currency

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

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

- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or
- ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

i) Disclosures related to CSR activities

Particulars	Amount ₹ in Lakhs
Amount required to be spent by the company during the year	20.89
Amount of expenditure incurred (including set off of ₹ 13.58 Lakhs from the excess spending of previous years, available for set off)	20.89
Shortfall at the end of the year	NIL
Total of previous years shortfall	NIL
Reason for shortfall	NA
Nature of CSR activities	Please refer to Table-A below
Details of related party transactions	Please refer to Table-B below

Note : The Company has not made any provision related to CSR activities for the financial years 2023-24 and 2022-23.

Table - A Nature of CSR activities:

Nature	Amount ₹ in Lakhs
Eradication of Hunger and Promotion of Healthcare including Preventive Healthcare	2.46
Promotion of Education including Special Education and Livelihood Enhancement Projects	1.05
Restoration of Building and Sites of Historical Importance and Works of Art	3.80
Total	7.31

Table - B Details of related party transactions:

Name of the related party	Nature of CSR activities	Amount ₹ in Lakhs
P.A.C. Ramasamy Raja Education Charity Trust	Promotion of Education	1.05



NOTE NO. 56

EXCEPTIONAL ITEMS

a. Profit on Sale of Investment:

The Company has decided to sell some of the investments held in the Shares of one of its associates viz. The Ramco Cements Limited as a means of finance of margin money for the project of fabric expansion and establishment of new processing unit. The Company has sold 6,13,000 Shares of The Ramco Cements Limited during the FY 2023-24 for a sale consideration of ₹ 5,486.82 Lakhs. After adjusting cost of sale ₹ 15.44 Lakhs and carrying cost of investment ₹ 3,114.04 Lakhs, the net profit on sale of investment of ₹ 2,357.34 Lakhs (PY: NIL) has been presented in the Statement of Profit and Loss as "Profit on Sale of Investment" under Exceptional Item.

b. Profit on Sale of Property, Plant & Equipment and Investment Property:

The Company has sold 0.41 Acres of Land located at Dhanot Village, Gujarat for a sale consideration of ₹ 22.00 Lakhs and 16.16 Acres of Land located at Anuppapatty Village, Palladam, Tamilnadu for a sale consideration of ₹ 323.20 Lakhs after adjusting the cost of acquisition of land & land development expenses of ₹ 6.93 Lakhs, the net profit on sale of land was ₹ 338.27 Lakhs (PY: ₹ 803.80 Lakhs).

The Company has modernized the old textile machineries during FY 2023-24 and sold the old machineries for a sale consideration of ₹ 171.38 Lakhs. The WDV of old machineries was ₹ 128.82 Lakhs. The Company has incurred profit on sale of the above old machineries to the extent of ₹ 42.56 Lakhs (PY: Loss of ₹ 61.31 Lakhs).

The aggregate net profit of ₹ 2,738.17 Lakhs (PY: ₹ 742.49 Lakhs) of above transactions is shown as an Exceptional Items in the Statement of Profit and Loss.

NOTE NO. 57

EVENTS AFTER THE REPORTING PERIOD - DISTRIBUTION MADE AND PROPOSED		(₹ in Lakhs)	
Particulars	31-03-2024	31-03-2023	
Cash Dividends on Equity Shares declared and paid			
Final dividend for the year ended 31 st March, 2023 ₹ 1/- per share (PY: ₹ 1/- per share)	92.20	86.06	
Proposed Dividends on Equity Shares			
Final dividend for the year ended 31 st March, 2024: ₹ 0.60 per share (PY: ₹ 1/- per share)	55.32	92.20	

As per our report annexed

For N.A. JAYARAMAN & CO.
Chartered Accountants
Firm Registration No. 001310S

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration No. 015041S

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)

Smt. P.V. NIRMALA RAJU
Managing Director
(DIN: 00474960)

R. PALANIAPPAN
Partner
Membership No. 205112

P. SANTHANAM
Partner
Membership No. 018697

A. ARULPRANAVAM
Chief Financial Officer

K. MAHESWARAN
Secretary

Rajapalayam
29th May, 2024



ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 OF ENTERPRISES CONSOLIDATED AS ASSOCIATES FOR THE YEAR 2023-24

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in Profit / (Loss)		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of Consolidated net assets	₹ in Lakhs	As % of Consolidated profit / (loss)	₹ in Lakhs	As % of Consolidated OCI	₹ in Lakhs	As % of Consolidated TCI	₹ in Lakhs
Parent								
Rajapalayam Mills Limited	20.98%	48,282.19	(20.69%)	(917.81)	4.80%	78.98	(13.79%)	(838.83)
Associates (Investments as per the Equity Method)								
Indian								
The Ramco Cements Limited	71.08%	1,63,603.79	125.44%	5,564.91	51.71%	851.62	105.48%	6,416.53
Ramco Industries Limited	6.71%	15,443.19	6.54%	290.35	42.77%	704.48	16.35%	994.83
Ramco Systems Limited	1.23%	2,833.52	(11.29%)	(501.03)	0.72%	11.87	(8.04%)	(489.16)

As per our report annexed

For N.A. JAYARAMAN & CO.
Chartered Accountants
Firm Registration No. 001310S

For SRSV & ASSOCIATES
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Shri P.R. VENKETRAMA RAJA
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Partner
Membership No. 018697

A. ARULPRANAVAM
Chief Financial Officer

K. MAHESWARAN
Secretary



NOTES



A view of new Looms commissioned during the year at our Fabric Division.



A view of Stenter Machine installed at our newly established Fabric Processing Unit.



Customers from Italy visiting our Mercerization Plant.



Ramco Group being awarded " 3rd largest cotton importer in India from USA" by the Cotton Council International.



Our Chairman Shri P.R. Venketrama Raja, distributing National Level Quality Circle Excellence award to our Employees.



Mr. S. Anthony, OE Carding Sider receiving service award from Smt. P.V. Nirmala Raju, Managing Director for completion of 35 years of service in our Mills.

