



23<sup>rd</sup> ANNUAL REPORT

**2022 - 23**





THANGAMAYIL JEWELLERY LIMITED®



**54**

Showrooms



**25+**

Lakhs Customers

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23<sup>rd</sup> Annual General Meeting

Date : 05<sup>th</sup> July 2023

Time: 11.30 am

Through Video Conference / Other Audio Visual Means (VC/OAVM)

No.25/6 Palami Centre, New Natham Road, Madurai - 14.



## BOARD OF DIRECTORS

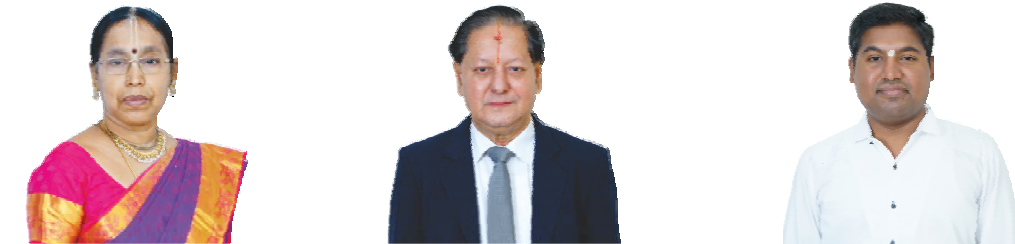


<b>N.B.Kumar</b> Joint Managing Director	<b>Balarama Govinda Das</b> Chairman and Managing Director	<b>Ba.Ramesh</b> Joint Managing Director
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## INDEPENDENT DIRECTORS



<b>S.Rethinavelu</b>	<b>Lalji Vora</b>	<b>V.R.Muthu</b>	<b>S.M.Chandrasekaran</b>	<b>Jeevagan Rajakumari</b>
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<b>Yamuna Vasini Deva Dasi</b> Non Executive Director	<b>CS.V.Vijayaraghavan</b> Company Secretary	<b>B.Rajeshkanna</b> Chief Financial Officer
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### REGISTRAR AND TRANSFER AGENT

S.K.D.C Consultants Limited  
Surya 35, Mayflower Avenue, Behind Senthil Nagar,  
Sowripalayam, Coimbatore-641 028.

### AUDITORS

**B.Thiagarajan & Co**  
Chartered Accountants  
Chennai.

### SECRETARIAL AUDITOR

S. Muthuraju, B.Sc., FCA., ACS.,  
Madurai - 625 001.

### BANKERS

HDFC Bank Limited	Yes Bank Limited
Axis Bank Limited	IDBI Bank Limited
Federal Bank Limited	Kotak Mahindra Bank Limited

### REGISTERED OFFICE

No.124, Nethaji Road  
Madurai - 625 001.

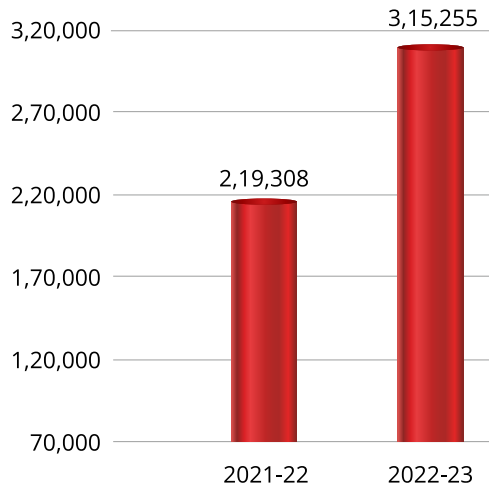
### CORPORATE OFFICE

No.25/6, Palami Centre,  
New Natham Main Road,  
Madurai - 625 014.  
CIN - L36911TN2000PLC044514

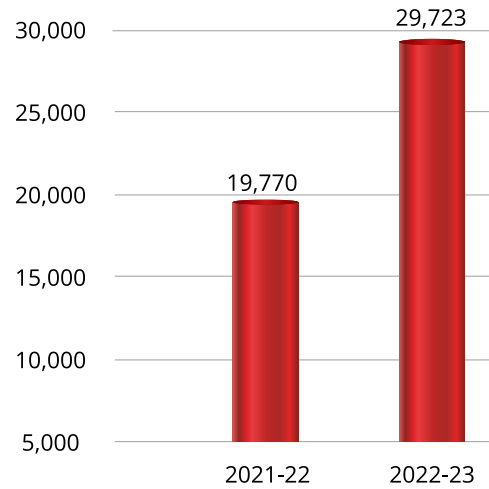


## Highlights of Financials

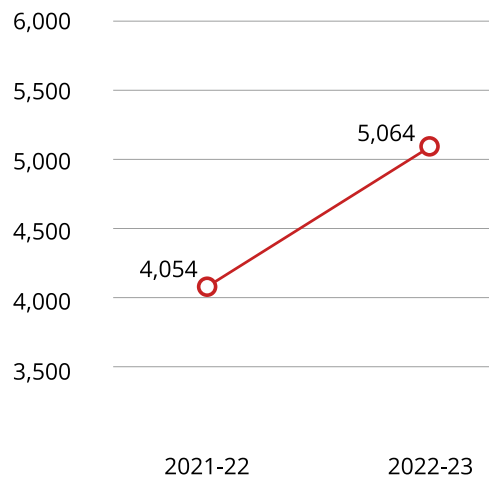
Revenue - ₹ in Lakhs



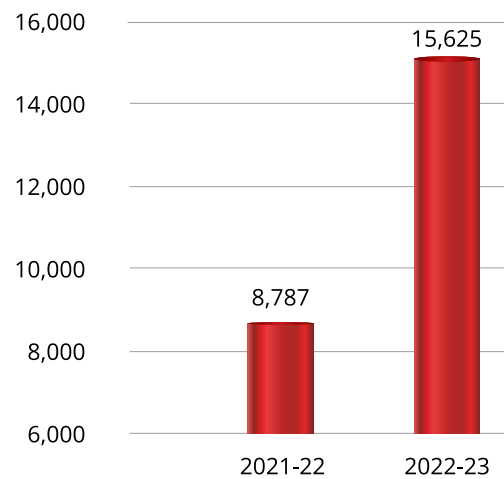
Gross Profit - ₹ in Lakhs



Gold Sales - Quantity in Kgs



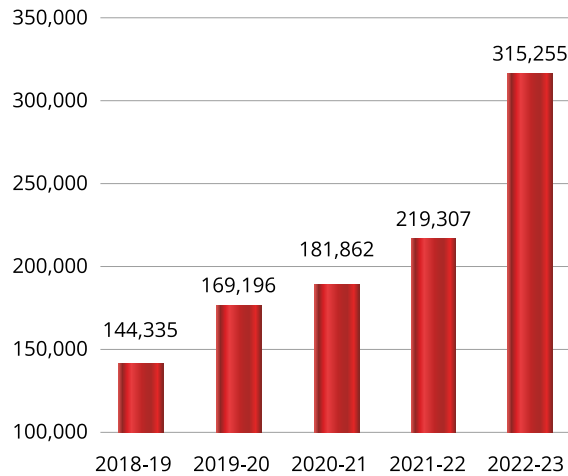
EBITDA - ₹ in Lakhs



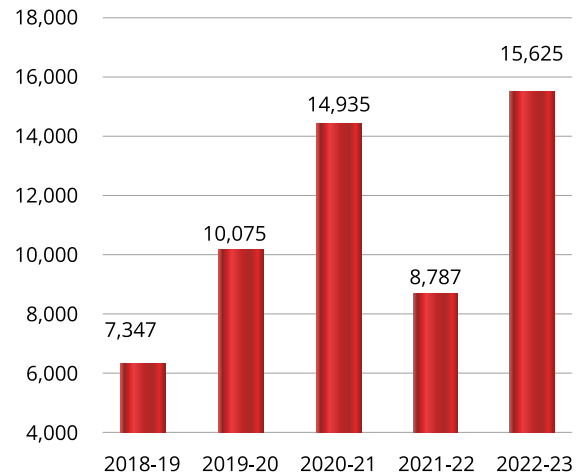
## Key Performance Indicators

Numbers that reflect steady growth

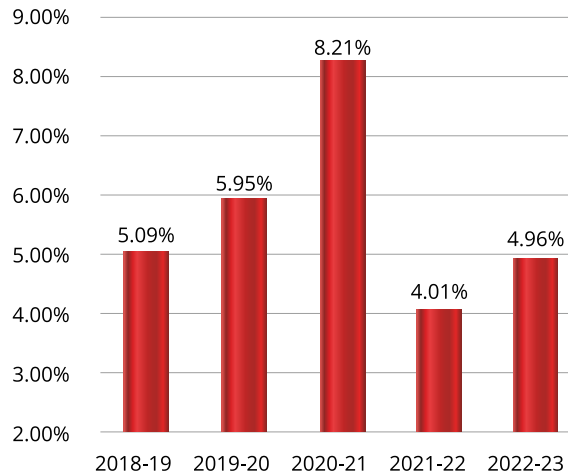
Revenue - ₹ in Lakhs



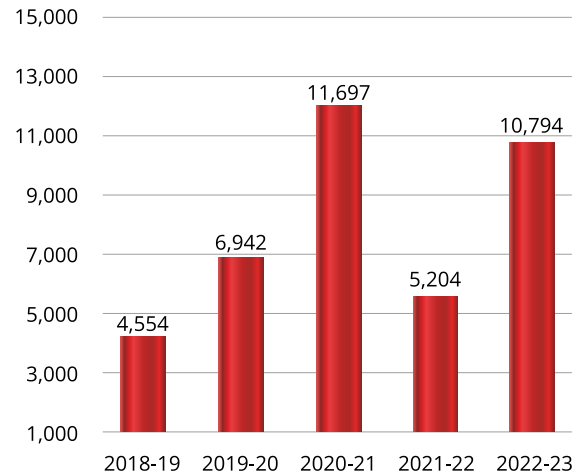
EBITDA - ₹ in Lakhs



EBITDA Margin (%)



Profit Before Tax (₹ in Lakhs)



## Five years review of Financials

₹ in lakhs

S.No	Year ended	2022-23	2021-22	2020-21	2019-20	2018-19
1	Revenue	3,15,255	2,19,307	1,81,862	1,69,196	1,44,335
2	Other income	335	168	232	303	287
3	Cost of materials	2,85,532	1,99,537	1,61,145	1,49,690	1,30,288
4	Employee benefits expenses	5,842	4,513	3,328	4,224	3,538
5	Other Expenses	8,591	6,638	2,686	5,509	3,450
6	Interest and financial expenses	3,492	2,618	2,291	2,115	2,034
7	Depreciation	1,339	965	947	1,019	759
8	Tax expenses	2,820	1,348	3,039	2,376	1,528
<b>9</b>	<b>Profit after Tax</b>	<b>7974</b>	<b>3,854</b>	<b>8,658</b>	<b>4,566</b>	<b>3,026</b>
10	Other comprehensive income ( Net)	(13)	15	(59)	(37)	(1)
11	Total comprehensive income for the year	7,961	3,870	8,600	4,529	3,025
12	Non Current Assets - Net Block	12,173	9,126	8,107	8,274	7,253
13	Deferred Tax Assets	238	111	85	39	-
14	Long Term Loans and Advances	1,258	1,352	1,073	1,011	1,070
15	Current Assets	110,987	79,921	68,227	62,206	56,926
<b>16</b>	<b>TOTAL ASSETS</b>	<b>124,656</b>	<b>90,510</b>	<b>77,493</b>	<b>71,530</b>	<b>65,249</b>
17	Share Capital	1,372	1,372	1,372	1,372	1,372
18	Other Equity	37,507	31,054	28,420	20,643	17,947
19	Long Term Borrowings	15,310	11,559	7,015	6,368	3,831
20	Deferred Tax Liability	-	-	-	-	107
21	Current Liabilities	70,467	46,525	40,686	43,147	41,992
<b>22</b>	<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>124,656</b>	<b>90,510</b>	<b>77,493</b>	<b>71,530</b>	<b>65,249</b>



## Five years review of Financials

Year ended	2022-23	2021-22	2020-21	2019-20	2018-19
Total Revenue from operations (including other income) (₹ in lakhs)	315,590	2,19,475	1,82,094	1,69,499	1,44,622
EBITDA Profits (₹ in lakhs)	15,625	8,786	14,935	10,075	7,347
Profit before tax (₹ in lakhs)	10,794	5,203	11,697	6,942	4,554
Total comprehensive Income after tax (₹ in lakhs)	7,961	3,870	8,600	4,529	3,025
Net worth Adjusted (₹ in lakhs)	38,879	32,426	29,792	22,015	19,319
Equity Capital (₹ in lakhs)	1,372	1,372	1,372	1,372	1,372
Book value per share (₹)	283	236	217	160	141
Dividend Paid (₹ in lakhs) (including DDT-As applicable)	1,509	1,235	823	1,654	579
Total outside Liabilities Adjusted (₹ in lakhs)	78,138	56,425	46,008	46,376	40,168
Number of Branches in Lease Property	47	45	42	42	30
Number of branches in Own Property	7	6	5	5	5

## Source & Utilisation of Funds

Year ended	2022-23	2021-22	2020-21	2019-20	2018-19
Source of Funds					
1. Funds Generated from operation					
(a) Profit after Taxes (net profit before tax minus tax outflow)	8,101	3,457	8,950	5,204	3,622
(b) Depreciation	1,339	965	947	1,019	759
(c) Other Income and Adjustments	123	-3	1	10	8
Total	9,563	4,419	9,898	6,233	4,389
2. Net Increase in Borrowings	13,385	13,594		6,592	-
3. Net Decrease in Working Capital #	-	-	-	-	293
Total	22,948	18,013	9,898	12,825	4,681
Utilisation of Funds					
4. Capital Expenditure	3,143	1,598	583	859	473
5. Dividends pay out including DDT	1,509	1,235	823	1,654	579
6. Net Increase in Working Capital #	18,296	15,180	5,517	10,312	-
7. Net Decrease in Borrowings	-	-	2,974	-	3,630
Total	22,948	18,013	9,898	12,825	4,681

# Inventories, Trade Receivable and Short Term Loans and Advance and other Current Assets less Trade payables and Provisions

## Financial Ratios

S.No	Financial Ratios	2022-23	2021-22	2020-21	2019-20	2018-19
1	Operating Profit Margin (in %)	9.43	9.01	11.39	11.53	9.73
2	EBITDA / Revenue (in %)	4.96	4.01	8.21	5.95	5.09
3	PBT/ Revenue (in %)	3.42	2.37	6.43	4.10	3.16
4	Return on Average Capital Employed	14.52	10.46	20.04	14.73	11.63
5	Average Return on Equity	22.37	12.39	33.43	22.09	16.72
6	Net Debt to Equity	2.01	1.74	1.54	2.11	2.10
7	Current Ratio	1.58	1.72	1.68	1.44	1.36
8	Net Worth Per Share	283	236.34	217.14	160.46	140.81
9	Earning Per Share	58.13	28.09	63.11	33.28	22.05
10	P/E Ratio (based 31st March quote)	17.29	38.80	9.27	7.12	15.10

1	Operating Profit Margin	Gross profit / Revenue
2	EBITDA / Revenue	Earnings Before Interest ,Depreciation, Tax and Amortisation/ Revenue
	EBITDA	PAT + Taxes +Depreciation+ Interest and Finance Charges
	Revenue	Total Sales
3	PBT/ Revenue	Profit Before Tax / Revenue
4	Return on Average Capital Employed	EBITDA/ Average Capital Employed
	Capital Employed	Total Funds Employed - Non Current Assets( Misc. Expenses not written off)
5	Return on Equity	PAT/ Average Equity
	Equity	Equity Share Capital + Reserve and Surplus - Miscellaneous Expenses not written off
6	Net Debt to Equity	Net Debt/ Equity
	Net Debt	Secured Loan+Unsecured Loan- Cash & Bank Balance
7	Current Ratio	Current Assets/ Current Liabilities
8	Net Worth per share	Net Worth/ Number of Equity Shares
9	Earning Per Share	Profit attributable to Ordinary Shareholders/ number of ordinary shares.
10	P/E Ratio	Market Price/Earnings per share (Basic)



## MESSAGE FROM THE CHAIRMAN

BALARAMA GOVINDA DAS

Dear Shareholders,

It gives me a great pleasure to place before you the financial results for the year ended 31st March 2023. The year went by was a normal year without any loss of working days as was witnessed in the earlier two years 20-21 & 21-22.

We could do a record turnover of ₹3,15,255 lakhs with an EBITDA profit of ₹15,625 lakhs in the year. A sustained increase in the price of gold and silver spread over the second half of 2022-23 mainly contributed by geo-political disturbances coupled with unprecedented inflation rate in western countries. Apart from the price increase recovery, we could see a retail volume growth by 27.75%. The existing same store sales increased by 25.23% together with the sales contribution from new stores in aggregate resulted nearly 13.81% top line retail sales registering a combined valued growth of 38.75% in the year went by.

The profit after tax was at ₹7,974 Lakhs as against ₹3,855 Lakhs in the previous year. The increase is mainly contributed by volume growth and positive shift in the composition of product mix. The year also witnessed wide fluctuations in gold price behaviour from as low as ₹4,580/- per gram to a high of ₹5,560/- per gram. Taking into consideration the uncertainties prevailed in the eco system, the performance was highly satisfactory.

The performance could have been better if gold price moved within a range instead of runaway rise of 21.40%. This behaviour of gold not only affected the potential

incremental sales but also resulted in adverse impact on the hedging strategy followed by the Company. The continued sagging demand from Rural sector from where we predominantly operate also affected the incremental revenue growth.

I am happy to report that your company in spite of constraints could make so many "First" in achievement like top line, diamond sales, MRP items, Same store sales, sustainable gross profit, etc.,

Going forward, in 23-24 I wish to state that the year began well. I hope the first quarter of 23-24 should be promising for multiple reasons namely addition of new outlets, "Akshaya Thrithiyai" & large number of wedding events.

This year Akshaya Thrithiyai resulted in retail sale of ₹108 Crores as against ₹79 Crores of previous year resulting in an increase by 37.01%. This augurs well for the company particularly in the background of escalating gold price witnessed currently.

In this background, your company is well placed to repeat and even better the performance in 23-24 for the following reasons:

- a) Due to better harvest, the rural income will improve so that the demand for gold that was deferred would fructify after a gap of 2 to 3 years in the rural areas

wherein we are a dominant player in the places we operate;

- b) All the new branches including major branches that were relaunched in 22-23 would contribute significantly to the revenue;
- c) All the remaining ten (small & medium sized) branches would be relaunched in 23-24 augurs well for incremental sales growth;
- d) Improved product mix resulting in expanded gross profit margin also will contribute to improve the bottom-line of the company;
- e) Improved visibility of the brand may bring in better "Footfall" and enquiries that may fructify for incremental sales;
- f) Polarization aspects of business will result in better overall performance;

At the same time, your company should find a workable solution to challenges faced by the retail trade:

- i) Persistent elevated gold price prevalence.
- ii) Shift in customers preferences for other discretionary spending.
- iii) Accelerated inflation trend noticed will compel the company to incur more on labour and interest outflow.
- iv) Unhealthy competition from both organized and unorganized players.

In this context, the management has taken the following pro-active steps to mitigate the adverse impact:

- a) Concentration on product mix composition
- b) Improvement in "stock rotation" with the help of technology.
- c) Better inventory stocking in major outlets to increase the "footfall".
- d) Highly competitive pricing for all products
- e) To act as source for design-oriented other active brands in our display.

Our financial position continues to be good. All our working capital requirements are tied up with banks. As of 20/05/2023, we have ₹118 crore of unutilized but eligible undrawn amount from banks.

As regards expansion plan, we intend to open in the first quarter of FY 24-25 our T.Nagar, Chennai branch which could be our largest branch post opening. We also intend to open at least three medium sized retail outlets in and around Chennai territory in the FY 24-25 besides the proposed large-sized Chennai branch.

You are aware that the company paid an interim dividend of ₹6/- per share in Financial year 22-23 for the face value of ₹10/- each. Your board after considering the requirement of funds for the enlarged operations has recommended a final dividend of ₹6/- per share of face value of ₹10/- aggregating to ₹12/- as total distribution of dividend for the financial year 22-23. This is in line with the dividend distribution policy of the company and in accordance with allocation of capital philosophy of the company.

I am happy to inform you that your Board also had recommended for issue of one bonus share for every share held by the shareholders of the company. The necessary approval resolutions together with explanatory statement seeking appropriation from reserves of the company to give effect to the resolution is enclosed as Notice to shareholders in 22-23 Annual report.

I am hopeful that the company in normal circumstances could service the expanded paid-up capital out of its future performance.

Before I conclude, I would like to place on record my heartfelt gratitude to all our employees. Thanks to our bankers under multiple banking system and to all our beloved shareholders who have extended "support and trust" to the management at all points of time.

Looking forward for yet another rewarding year 23-24.

With warm regards,  
For **Thangamayil Jewellery Limited**,

**BALARAMA GOVINDA DAS**  
Chairman Cum Managing Director

Place: Madurai  
Date : May 22, 2023



## ASCERTAINMENT OF INTRINSIC VALUE OF A COMPANY

It is a fact that all the quantitative factors and qualitative attributes are captured in the intrinsic value of a company over an extended period of performance.

The financial strengths, brand equity built over time, pricing power, premium product-mix portfolio's impact, quality of management, sustainability of performance are all measurements that are invariably reflected in the process of ascertainment of intrinsic value of a company as often resorted for valuation of an enterprise by global valuers.

Basically, the following parameters are applied in evaluating the valuation matrix for any company.

### a) Sustained Revenue Growth:

Your company has grown from ₹100 Crores in 2007 to ₹3,000 Crores in 2023. In fact, in the last five years it had grown at a rate of retail 18.82% CAGR (compounded annual growth rate)

### b) Sustainable gross profit:

Your company has grown in the last five years from ₹140 Crores to ₹297 Crores in gross profit with the help of premium product mix composition.

### c) Effective deployment of retained earnings for further growth:

In the last five years, your company invested in expansion in the same business as Capex & Working Capital cumulating upto ₹22,251 lakhs, but made an incremental retail top line growth of 18.82% and a profit after tax of 27.43% incrementally. It means, your company's IRR (internal rate of return) is much better than the market related returns.

### d) Continued growth in ROE

In the last five years, the ROE (Return on equity) improved to a level of 22.37% from 16.72% registering an incremental growth of 33.79%. It was made possible only due to successful navigation of competitive intensity of the gold retail market.

### e) Visibility of the brand equity:

Wherever a new outlet is opened, the remarkable manner in which the revenue generated over time establishes the fact that the brand is known in that local area even before our entry. This phenomenon we experienced in all our new outlets. Therefore, it could be easier to penetrate into Chennai and other northern

parts of Tamil Nadu as and when our geographical expansion fructifies.

In a commercial product segment of business, the major contribution could only be the "recall" brand and "connect" with the customer for mutual benefit.

### f) Discounting the future potentials based on current performance:

The real value is determined with reference to future cash accretions. In a growth model of business, the CAGR impact of cash accretion will determine the intrinsic value of a company. If the discounting factor is more than the current cost of capital the incremental value will be reflected in the NPV calculated. Your company's IRR is around three times more than the cost of capital incurred. Therefore, it is clear that the intrinsic value would be determined by the NPV method.

### g) The size of the business

The size of the business is one more criterion to determine the growth of business. The gold jewellery industry is at least ₹400,000 Crores and therefore when other things remaining same, probability of attaining greater heights is imminent in a scaling up business.

To conclude, all the measurable parameters are in favour of your company attaining a sustainable growth in future with all potentials to perform well. That, in turn will determine the intrinsic value of the company depending on the parameter's weightage in one's own workings / analytics.



## FACING THE UNCERTAINTY IN THE BUSINESS ECO SYSTEM

Issues associated with the management of risks could be measured & mitigated. However, uncertainty in managing business could not be ascertained.

- A lot of external factors determine the conduct of business. In gold retail business, movement of gold price, Government regulations & rules, human psychology, affecting the tastes and preferences. Structural changes in consumption patterns are all uncertainties with a degree of variance in adoption.
- No strategy or planning could help to mitigate the adverse effect of uncertainty. However, based on wisdom some corrective actions could be initiated in anticipation of happenings.
- The gold price movement, though not in our control, we can face the issue by inducting remedial measures to avoid adverse impact like hedging mechanism.
- To maintain the demand we introduced "Light weight item" so that in a rising gold price scenario customer affordability is not affected.
- Similarly, to cater to the high net worth individuals demand, a lot of value added new design driven product portfolio is generated. By adopting newer technology stock rotation on the dynamic inventory collections model improved year after year.
- Macro economic uncertainties like level of inflation, interest rate for cost of capital and GDP growth would have operational impact on the company. Higher wages requirement to meet inflation is met by incentivisation of staff based on their contributing performance. Similarly, interest rate adverse impact is compensated by better stock turnaround & retention of internal accruals.
- A lot of differentiation techniques are followed to reduce the impact of uncertainties associated with the business like better product-mix composition and effective overall cost management. In a dynamic environment a lot of course correction initiatives are required to sustain the business model for ultimate improvement in performance.

All these measures and actions could marginalize the adverse impact caused by the element of uncertainty.

## ELEMENTS OF GROWTH ENGINES

- Geographical expansion in the places where the brand visibility is seen.
- Upgrading TMJL plus branches based on performance to retail outlets.
- Improvements in high value product-mix in overall sales to 12%.
- Third party vendors' products displayed and sold to our customer base in relatively better proportion.
- Accelerate the sales momentum in well performing outlets by dynamically re-arranging the inventory both in volume and variety to optimize the local potential.
- Conduct of exhibition / melas in all branches to improve the "footfalls"
- Quantum increase in customer base by widening brand awareness with the help of satellite Televisions, media & periodicals.
- Well incentivized compensation package for front office staff to convert enquiry to sale.
- Fill the gap in dominant player status districts in Tamilnadu so that more number of places are covered.
- Competitive pricing in a crowded market.
- Improve the "cross selling" strategies.
- Use the technology to significantly increase the customer base with the help of collection Apps'.
- Wide based Pan India product sourcing to improve sales in all outlets.



## SCOT ANALYSIS

- Improved operative leverage due to better brand visibility.
- Significant improvement in product mix composition including third party brands.
- Cost effective deliverer of gold ornaments.
- In depth penetration in dominant areas
- Excellent customer loyalty established by repeats purchases.
- Sound financial backing by the system



- Extreme sensitivity to pricing in the context of ever-increasing gold price scenario
- To operate in an uncertain environment
- Difficulty in ensuring Risk weighted return on capital employed
- To work in a highly competitive intensity eco system
- Structural shifts taken place in the demand mind-set of customers.
- Extra ordinary Government regulations & micro monitoring

- Large size market empowers scope for penetration.
- Polarization impact will be rapidly felt going forward.
- Expandable retail outlet model by replication of strategies on a great scale
- Growing middle income augers well for cultural and aspiration vent.
- Technology supported “online” platform preferences by customers.
- Excellent scope for deployment of retained earnings in the business with exceptionally better IRR earnings.



- Unhealthy competition in the trade.
- High level attrition due to wage disparity
- Reduced margin of safety due to CAPEX compulsions.
- Frequent failures in the industry affects the credit flow to performing units
- Expected penetration by E-commerce platforms affects the growth of the organized players.
- Constraints noticed in the compliance requirements by the industry.

## Review of Major Goals Set and its Progressive Achievements (last 5 years)

	Goals Set	Progressive Achievements
1	To get more than 15% CAGR in revenue	18.82% retail sale basis
2	To get sustainable gross profit value	Increased from ₹14,047 lakhs to ₹29,723 lakhs
3	To improve high value added items to atleast 8% of the revenue. (items like Diamond, MRP, etc)	8.86% FY 2022-23 on retail basis
4	To re-visit customer advances sales to below 10% of revenue	Customer-advance redemption is 8.69% on the retail sales – FY 2022-23
5	To improve stock turnaround times with the help of technology	3.64 times
6	To bring down the overall cost of funds to 6%	5.30% for FY 2022-23
7	To maintain up to 10% of gross working capital in cash or un-drawn limit to get the benefits of opportunities	17.50% Available
8	Gold hedging policy atleast upto 75% of inventory held at any time	76.41% on 31.03.2023
9	Retained earnings deployed in future growth should earn (IRR) more than the cost of capital	3 years' simple average ROCE 15.02%
10	Same Stores Sales growth YOY based at least 10%.	Achieved 25.23%( in the year 2022-23) on 47 continuing outlets.
11	Consistent reduction in cost of manufacturing or sourcing the ornaments up to 50bps	Purchase cost has come down by 25 bps to 50 bps
12	All the retail outlets should get (on one full year performance basis) atleast EBITDA positive	All branches achieved.
13	Maintain a high level of margin of safety in excess of 30% of gross revenue	35.19% is the margin of safety for FY 2022-23
14	Composition of assets funding by 1/3rd own resources, 1/3rd bank borrowing and 1/3rd from customer advances & unsecured loans including vendor outstanding	Net worth ₹389 crore 31.19%
		Bank borrowing ₹431 crore 34.59%
		Customers, unsecured loan and deposits etc. ₹427 crore 34.21%
15	To get at the terminal year (22-23) at least ROE of above 20%	22.37%
16	Fixed asset less growth model. At least up to 85% of balance sheet size should consist of easy liquid asset portfolio i.e. working capital	89.05% for 31.03.2023
17	Continue to maintain the dominant player status in the places we operate in Madurai / Tirunelveli / Ramnad areas.	We are improving our performance year after year.
18	Do not divert or diversify into non-core areas.	No Diversion from Core Activities.



## Insight into the Performance of Retail Outlets at the Operating Level in 22-23

- The company has 53 ( as on 31st March 23) retail outlets spread over southern and western districts of Tamilnadu
- All the outlets are EBITDA positive
- There are as many 47 outlets existing upto 21-22 made a “same store sales” increase of 25.23%
- The new six branches opened in 22-23 & end of 21-22 contributed to 13.81% of total retail sales turnover.
- Madurai three branches put together has crossed ₹500 crores turnover for the first time & contributing to 17.99% of sales
- There are as many as 10 outlets either reached or nearing ₹100 crores turnover as per 22-23 reckoning.
- All the relaunched outlets so far undertaken are performing better than in the past.
- The small outlets also contributed to the top line well over ₹50 crores for the first time.

## Deployment of retained earnings in the system & its positive impact on performance in the last five years (Amounts in Crores)

Description	2018-19	2019-20	2020-21	2021-22	2022-23	Total
Profit before Tax	46	69	117	52	108	392
Less: Taxation	16	20	31	14	29	109
Dividend pay-out	8	8	14	14	16	60
Retained Earnings	22	41	72	24	63	223

- In the last five years, the company deployed as Capex & Working capital cumulating upto ₹223 crore as retained earnings to incrementally improve the performance.
- It has helped the company to improve the PBT currently. Though the exact quantification is difficult to make even as a proportion of aggregate working capital, the earning impact is significantly noteworthy. Based on relevant facts and results, the IRR (internal rate of return) is higher at 14.55% as against cost of funds of 5.30%.
- Therefore, capital allocation policy followed by the company is appropriate and ensures future growth.

Certain Key Operating Performance Indicators	2022-23	2021-22	Increase / Decrease
Same store sales	25.23%	9.78%	158%
New Outlets contribution to Sales	13.81%	4.42%	212%
Gross Profit growth in Value	₹297 Crores	₹198 Crores	50%
Per Sq.ft Sales on retail basis (Available Operating Area)	₹4 lakh	₹3 lakh	33%
Per Employee Sales (Number of employees)	₹175 Lakhs	₹130 Lakhs	35%
Non-gold Products sales %	8.86	8.79	1%
Expenses as % on Sales	5.11%	5.55%	8%
Networth	₹389 Crores	₹324 Crores	20%
Book Value per Share (Face value of ₹10 each)	₹283	₹236	20%
Stock Turnaround times	3.64	3.13	16%
Return on Equity	22.37%	12.39%	81%
Composition of Liquid Assets in the Balance Sheet	89.05%	88.30%	1%
Hedging of Inventory	76.41%	72.23%	6%
Average cost of borrowings	5.30%	5.63%	6%
Interest Cover in times	4.47	3.36	33%

## Effect of competitive Intensity

On the one hand, the retail gold ornaments market is dominated by unorganized sector on locality basis with loyal customer base to support. On the other hand, select larger retail chains with Pan India presence by virtue of share of business in a concentrated form more or less cartelize the market.

In a shrinking market, most of the firms operating do not have pricing power and in a crowded market, it is but natural that the competitive intensity escalates alarmingly.

The under utilization of capacities with a higher degree of operational expenses in a perfect market condition scenario restricts the margin of safety to larger formats. They do not have the pricing power also as they compete with localized unorganized players in almost all big towns & cities.

In order to get the share of cake, all players collectively spoil the game in not adopting reasonable / sustainable pricing strategy.

The ever increasing gold price also acts as a dampener in getting better price for products as the value addition undergoes a narrowing impact. The lack of expandable market share, scalability of business, gold price erratic movements etc., affects the core value of the retail business.

Going forward, the customer loyalty, services to customers policy and improved product-mix composition together with effective cost management techniques will ensure sustainability of the business. More so, the advantages, the unorganized sector units have over organized players in the areas of procurement & purity etc should be done away with better regulatory compliances enforcements by the Authorities. Then only, a fair play platform could be installed to abate the recurrence of unduly under cut in pricing in some quarters for the betterment of reliable industry players.

In this context, it is pertinent to note our company being aware of all challenges & threats, trained to navigate the uncertainty attached to the business environment tactfully and show year after year a sustainable growth associated with respectable ROE (Return on Equity) to the Shareholders.

### What we achieved in FY 2022-23

- Compelling competitive edge on price point favouring customer's requirements.
- Retail volume led growth by 27.75% over 2021-22.
- Significant improvement in brand visibility, so that even new geographical outlets started to perform effectively since opening.
- Sustained the operating profit margin in spite of steep escalation in the gold price.
- All time high retail sales at ₹2,877 crores by registering an increase by 39% over previous year.
- All time record level of inventory hedging at 76%
- Improved performance matrix of SSS ( same store sale) over last year by 25.23%
- ROE ( Return on Equity ) registered a healthy 22.37%
- Stock turnover significantly improved inspite of escalating gold price to 3.64 Times.

### What we planned for FY 2023-24

- Improve the sales contribution of non-gold items in a constant gold price environment.
- Further improve the stock turnover with the help of adoption to newer tech apps.
- Penetration driven volume improvement across product mix.
- Concentrate effectively on in-depth improvement in sales on the established retail outlets.
- Some more inroads into cost effectiveness on all categories of expenses.
- All these initiatives will deliver better quantitative results in the current year.
- Consistent improvement in customer base.
- New products introduction will improve the gross profit margin.
- Closer to opening of outlets in Chennai large scale format.

## Integration of Technology in Operations

Thangamayil Jewellery Limited has successfully integrated technology into its operations using GPP - Grams Plus Plus; an in-house developed Jewellery management Retail ERP system. GPP is hosted in the company's Tier 3 certified data center, providing it with secure and reliable access to its data.

The GPP system provides Thangamayil Jewellery Limited with a range of features that enable the company to manage its operations efficiently. These features include point of sale, schemes management, online and in-store collection, supply chain management, gold and silver melting and refining process, Jewellery manufacturing operations management, taxation, asset management, an online Ecom portal, and digital marketing.

The point-of-sale system enables the company to process transactions quickly and efficiently, reducing customer wait times. Schemes management allows the company to manage promotional offers and discounts across its product range. The system also enables the company to order online and in-store collections, improving the customer experience.

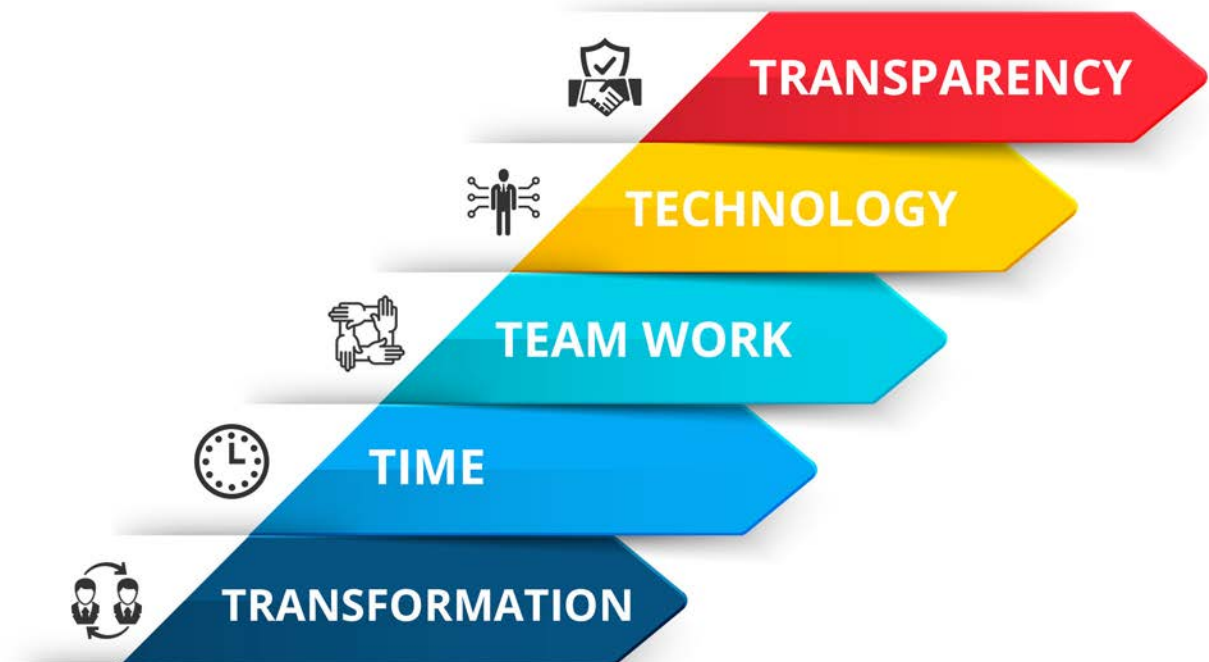
Supply chain management features allow the company to track inventory levels, optimize logistics, and manage

vendor relationships. The gold and silver melting and refining process features enable the company to manage its precious metals effectively, ensuring quality control and minimizing wastage.

The jewellery manufacturing operations management feature enables the company to manage the production process, from design to finished product, ensuring quality control and timely delivery to customers. Taxation and asset management features allow the company to manage its financial operations effectively.

The Ecom portal allows the company to sell its products online, providing customers with a convenient way to shop. Digital marketing features enable the company to reach customers through social media, email marketing, and search engine optimization.

Overall, Thangamayil Jewellery Limited's use of GPP has enabled the company to streamline operations, reduce costs, and provide better customer service. The company's investment in technology reflects its commitment to staying competitive and meeting the evolving needs of its customers.



## DIRECTORS' REPORT

To the Members of Thangamayil Jewellery Limited

The Directors are pleased to present the 23rd Annual Report and the Audited Statement of Accounts for the year ended 31st March 2023:

### 1) FINANCIAL RESULTS

Particulars	2022-23	2021-22
Sales	3,15,255	2,19,308
Gross Profit	29,723	19,770
Earnings before Interest, Depreciation and Taxation (EBITDA)	15,625	8,786
Finance Cost	3,516	2,618
Depreciation	1,339	965
Profit Before Tax (PBT)	10,794	5,203
Tax	2,820	1,348
<b>Profit After Tax (PAT)</b>	<b>7,974</b>	<b>3,855</b>
Other comprehensive income (net)	(13)	15
<b>Total comprehensive income for the year, net of tax</b>	<b>7,961</b>	<b>3,870</b>

This year started well with the inclusion of "Akshaya Trithiyai" sales in the first quarter and sturdily sustained the momentum gained in the entire year. Apart from the better realisation on account of gold price increase, the Company could do a record volume sale in gold ornaments & diamond.

The retail turnover was its highest level and all products portfolio performed well. It is heartening to note that in spite of increase in Gold and Silver prices good demand was noticed across retail outlets. It might be on account of pent-up demand emergence post Covid years but more than that a certain upward band is emerging for gold as an Asset class after a long spell.

The Company could manage to reach an all-time high with respect to turnover at ₹3,15,255 Lakhs as against ₹2,19,308 Lakhs as of last year at gross level even the retail sales to customers improved by 39%. The profit after Tax also increased by 107% from ₹3,855 lakhs to ₹7,974 lakhs.

The quantum jump in PAT is attributed to the following key factors that influenced the better performance in 2022-23.

- Better value addition on account of positive gold price movement.
- Retail volume - led growth by 27.75%
- Contribution to bottom line by new outlets.
- Significant improvement in SSS (Same store sales) in 2022-23
- Improved contribution from non-gold items with better value additions
- Better working capital management together with improved stock turnaround also contributed.

The cumulative impact on all the above items made the PAT operationally historic high of ₹7,974 lakhs. It is also pertinent to note that the company could sustain the gross profit margin at 9.43% on the significantly increased sales in a price sensitive environment.

### Expansion of outlet

During the year, the Company started outlet at Trichy (larger format), Erode & Kumbakonam (April 14, 2023) . All the branches started in FY 22-23 are doing well.

The Company has taken proactive steps to get into Chennai. All initial efforts are taken, it is likely that in the first quarter of 2024-25 our flagship Chennai Branch will be opened along with two or three medium sized in and around Chennai territory also would emerge.

The aggregate capital outlay mainly up to 95% on working capital requirements would be in the order of ₹22,500 Lakhs. The outlay will be funded partly by internal accruals as always and the balance could be sourced from commercial banks on a metal loan basis.

### Performance of existing outlets

Almost all retail outlets are EBITDA positive. Post amortisation of head office expenses 4 out of 53 outlets are marginally incurring losses. However, in the overall context those outlets are smaller ones and by and large makes no difference to the corporate performance.

### Future expansion

Apart from optimizing the operating leverage in all existing outlets, it is decided to slowly penetrate into other parts of state of Tamilnadu. We are continuously optimistic on



the success of such larger deeper penetration in a price sensitive business scenario for the following reasons:

- a) Same ethnic population and supported by more or less similar products profile.
- b) Largely competitive pricing policy operating in a highly competitive market.
- c) The positive impact in the polarization front.
- d) Appropriate staff incentive system supported by adequate stocking of moving inventories.
- e) To get the enlarged benefits from the Brand visibility and "Recall" factors.
- f) Above all, better absorption of fixed cost by way of broader amortization of cost.

Almost all branches performed well with an aggregate SSS (same store sales) sales in excess of 25.23% in FY 2022-23. It augurs well for the company in the medium term as such sales were supported by improved volume offtake.

The overall gold ornaments stock turnaround ratio increased to 3.64 as against 3.13 in previous year.

The other than gold ornaments product portfolio registered a sales growth of 8.86% as against 8.77% in previous year inspite of larger turnover emerged out of gold price escalation witnessed in the year.

However, the other than gold ornaments products portfolio registered a sales growth of ₹83 Crores from ₹233 Crores to ₹316 Crores registering value growth of 35.83%.

You may observe that our top line growth increased on a five-year period as a compounded annual growth rate (CAGR) of 18.82%. It could have been better but for the disturbance caused by Covid pandemic. Even after giving allowance for gold price rise, the growth performance is noteworthy.

It is heartening to note that small outlets TMJL-plus are performing well. Five of such outlets out of 13 outlets are in the process of up-gradation into a full-fledged retail outlets wherein normal gold ornaments sales would happen henceforth that would add to the top line marginally.

## 2) DIVIDEND

The Board of Directors at their meeting held on 22nd May, 2023, has recommended payment of ₹6 (Rupees six only) (60%) per equity share of the face value of ₹10 (Rupee ten only) each as final dividend for the financial year ended 31st March, 2023. The payment of final dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting (AGM) of the Company.

During the year under review, the Board of Directors of the Company at their meeting held on 23rd January, 2023, declared an Interim dividend of ₹6 (Rupees six only) (60%) per equity share of the face value of ₹10 (Rupee ten only) each. The interim dividend was paid to the shareholders on 27th January 2023.

The total dividend for the financial year 2022-23, including the proposed final dividend, amounts to ₹12 (Rupees Twelve only) 120% per equity share of the face value of ₹10 (Rupee ten only) each (total dividend payout for the FY 2022-23 amounting to ₹1,646 lakhs (Rupees one thousand six hundred forty six lakhs only) as against the dividend of ₹10 (Rupees Ten only) 100% per equity share of the face value of ₹10 (Rupee ten only) each paid for the previous financial year 2021-22. Refer Annexure 1 for Dividend Distribution Policy.

## 3) SHARE CAPITAL

The company is currently having authorised capital of ₹2,000 Lakhs. It is proposed to increase it to ₹3,500 Lakhs in order to facilitate increase in paid up capital for future business growth and also to accommodate the proposed bonus share at 1:1 basis that could double the paid-up capital to ₹2,744 Lakhs on approval by the shareholders in the Annual General Meeting.

## 4) ISSUE OF BONUS SHARES

The Board of Directors deem it fit to reward the shareholders with a bonus issue in the ratio of one bonus share for every one share held by the shareholders of the Company. The Company is confident of bettering its performance consistently over a period. The company went for a public issue in January 2010. Since then, this is the first bonus issue recommended by the board for approval by the AGM.

A sum of ₹1,372 Lakhs from Securities Premium will be transferred to Paid-up capital for this purpose. Necessary resolutions are proposed in the notice to AGM (Annual General Meeting) to be held on 05 July 2023. The shareholders whose name appear in the share register on the record date to be fixed for issue of bonus shares would be eligible for such bonus shares post approval of the same by the shareholders in the Annual General Meeting proposed to be held on 05 July 2023.

## 5) HEDGING

The company has got a well-defined operative "Hedging" mechanism in place. The metal loan availed from banks and the advances received from customers for future delivery objectives are covered under natural hedge against gold price fluctuations. A portion of other inventories is also hedged with MCX platform by paying margin and meeting day-to-day MTM (marked to market) obligations.

In aggregate, it is 76% (previous year 72%) as against the internal target fixed at 75:25. Based on our experience and the current extra ordinary gold price movement in UNI directions (upward) we are of the opinion that the ratio of 75:25 is appropriate in the overall operational interest of the company.

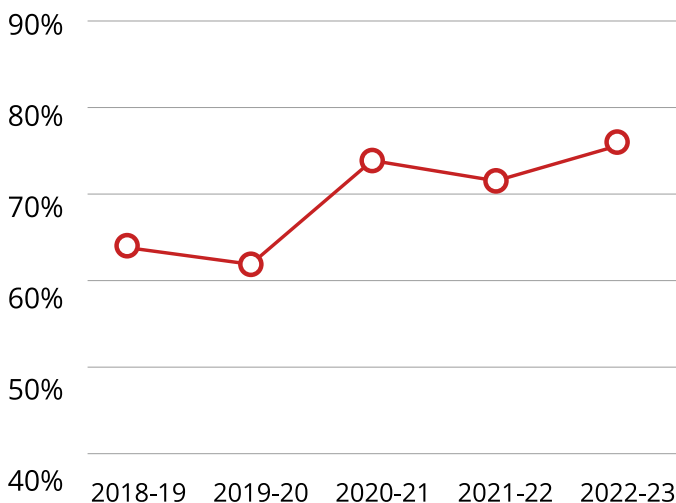
## 6) FINANCE

For the required working capital for the current year based on the estimates, the company is fully supported by various sources of finance.

The secured working capital outstanding borrowing of the company as at 31st March 2023 stood at ₹37,331 lakhs as against ₹25,376 lakhs of the previous year. The aggregate working capital facilities from member's bankers are at ₹41,100 lakhs.

The eligible fixed deposits limit from public & shareholders

### Gold Metal Hedging in inventory holding



is ₹11,349 lakhs. However, the company took only ₹6,328 lakhs as at 31st March 2023. Besides, the promoter's fixed unsecured loan of ₹3,759 lakhs at 6% interest continued to be in the company to support its long-term fund requirements. In all, the liquidity position is quite good and comfortable. Interest outgoes have increased marginally compared to previous year. This marginal increase is on account of increase in bank limit usage. However the per gram interest payment on sales works out to ₹66.39 as against ₹67.50 of previous year. Moreover, the average cost of funds in aggregate for borrowing has dropped from 5.63% to 5.30% in spite of steep increase in interest rate in the country by atleast 150bps.

## 7) CONTINUING CHALLENGES

- Ever increasing gold price that may affect volume growth.
- High level of competitive intensity in a price sensitive product
- Post tax increase may not be sufficient to meet the incremental working capital requirements.
- Other items having a leverageable potential will affect the flow of savings to jewellery trade.
- Compulsions to spend on promotional activities including Advertising & publicity is a cause of concern in protecting the margin of safety in the business model.

## 8) FUTURE PROSPECTS

- Gross profit margin will be maintained at the current level on elevated top line.
- Better amortization of head office expenses on larger retail outlets.
- Incremental "capex spending" on infra creation will be minimised.
- Continue to grow with "asset less model" on a calibrated scale.
- To constantly increase risk weighted ROE (Return on equity)
- The adverse impact on gold price behaviour to a larger extent is averted due to hedging policy.
- Optimum utilization of brand equity
- Liquidity is ensured as we invested only on Gold & Silver.
- Except for unforeseen circumstances, the management is confident of performing on the areas prioritized.

## 9) DEFERRED TAX ASSETS

The company as per Ind AS requirements has created deferred tax assets ₹238 lakhs as against deferred tax assets of ₹111 lakhs of previous year.

The company has recognised provision for Income tax for the year ended and measured its deferred tax basis the rate prescribed in the Act.

## 10) CONTRIBUTION TO EXCHEQUER

The Company is a regular payer of taxes and other duties to the Government. The Company has paid GST of ₹9,495 lakhs as compared to ₹6,628 lakhs paid in the previous year and the Income tax amounts to ₹2,692 lakhs was paid as against ₹1,746 lakhs for financial year 2021-22.

## 11) CAPITAL EXPENDITURE

During the year, we capitalized ₹3,703 Lakhs to our gross block comprising ₹3,504 lakhs for Plant & Machinery, Building, Furniture & Fittings and other assets and balance of ₹199 lakhs for Computer Equipment's including Software.

The capital work in progress amount outstanding as on 31st March 2023 is ₹160 lakhs (previous year ₹684 lakhs). This comprises of interiors and other assets still to be put in use and are yet to be capitalised.

For the previous year, we capitalized ₹1,147 lakhs to our gross block comprising ₹920 lakhs for Plant & Machinery and Furniture & Fittings and others and the balance of ₹227 lakhs for Computer Equipment's including Software.

## 12) DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force).

## 13) DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(5) of the Companies Act, 2013:

- In the preparation of the annual accounts, the applicable accounting standards had been followed and there is no material departure.
- The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for the year;
- The directors have 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;
- The directors have prepared the annual accounts on a 'going concern' basis;

- The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively. Internal financial control means the policies and procedures adopted by the Company 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; and
- The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 14) MANUFACTURING FACILITIES

Utilisation of own manufacturing facilities including on job work basis is around 71% as against 92% of the earlier years. The overall cost of production has come down due to attainment of scale of economies in the manufacturing facilities. It is expected to improve the own manufacturing capacity utilisation in forthcoming years. On a need basis, at short notice, handmade items capacity could be enlarged.

## 15) DEPOSITORY SYSTEM

The trading in the Equity Shares of your Company is under compulsory dematerialization mode. As on March 31, 2023, Equity Shares representing 100% of the equity share capital are in dematerialized form. As the depository system offers numerous advantages, members are requested to take advantage of the same and avail of the facility of dematerialization of the Company's shares.

## 16) CORPORATE GOVERNANCE

Your Company has been practising the principles of good corporate governance over the years and lays strong emphasis on transparency, accountability and integrity.

A separate section on Corporate Governance and a certificate from the statutory auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Regulation 27 of SEBI (LODR) 2015 of the Listing Agreement(s) with the Stock Exchange(s) forms part of this report.

The Chairman and Managing Director and Joint Managing Directors of the Company have certified to the Board on financial statements and other matters in accordance with Regulation 17 (8) of SEBI (LODR) 2015 of the listing agreement pertaining to CEO certification for the financial year ended 31st March 2023.

## 17) DISCLOSURE REQUIREMENTS

As per SEBI Listing Regulations, the Corporate Governance Report with the Auditors' Certificate thereon, and the integrated Management Discussion and Analysis including the Business Responsibility Report are attached, which forms part of this report.

## 18) LISTING OF SHARES

The Equity Shares of your Company continue to remain listed with Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The listing fees for the year 2023-24 have been paid to these Stock Exchanges. The Shares of the companies are compulsorily tradable in dematerialized form.

## 19) INSURANCE

The assets of the Company are adequately insured against fire and such other risks, as are considered necessary by the Management.

## 20) HUMAN RESOURCE DEVELOPMENT

Many initiatives have been taken to support business through organizational efficiency, development, resourcing, performance & compensation management, competency-based development, career & succession planning and organization building. Leadership development is one of the primary key initiatives of the Company. Primary personal development program has been taken up as long term strategy of the Company. A significant effort has also been undertaken to develop leadership as well as administrative / functional capabilities in order to meet future talent requirement.

The Company continues to maintain pleasant relations without any interruption in work. As on 31st March 2023 the Company has 1,799 employees on its rolls as against 1,688 employees in the previous year.

## 21) PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provision of Section 197(12) of Act read with rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in the Annual Report.

Disclosures pertaining to remuneration and other details as required under section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annexure -2.

Having regard to the provision of the first proviso to Section 136(1) of the Act and as advised, the Annual Report, excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the corporate office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request. The full Annual Report including the aforesaid information is being sent electronically to all those members who have registered their main addresses and is available on the Company's website.

## 22) STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

Pursuant to section 134 (3) (n) of the Companies Act, 2013 & under regulation 21 of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015, the company has adopted risk management policies to monitor the business.

Business Risk Evaluation and Management (BRM) is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Risk Management Committee broadly reviews:

1. Overseeing of risk management performed by the executive management;
2. The BRM policy and framework formulated in line with local legal requirements and SEBI guidelines;
3. Risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle;
4. Defining framework for identification, assessment, monitoring, and mitigation and reporting of risks.
5. Within its overall scope as aforesaid, the Company shall review risks trends, exposure, and potential impact analysis and mitigation plan.

## 23) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

INFORMATION IN ACCORDANCE WITH THE PROVISIONS OF SECTION 134 (3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES RULES, 2014.

### a) Conservation of Energy

The disclosure of particulars with respect to conservation of energy pursuant to Section 134 (3) (m) of the Companies Act, 2013 read with rule 8(3) of the companies (accounts) rules, 2014 are not applicable as our business is not specified in the Schedule. However, the company makes its best efforts to conserve energy in a more efficient and effective manner.

### b) Technology Absorption, Adaptation and Innovation

The company has not carried out any specific research and development activities. The company uses indigenous technology for its operations. Accordingly, the information related to technology absorption, adaptation and innovation is reported to be NIL.

### c) Foreign Exchange Earning and Outgo

Foreign Exchange Earning (₹ in lakhs)

Particulars	2022 -23	2021-22
Export Sales	-	-

Foreign Exchange Outgo (₹ in lakhs)

Particulars	2022 -23	2021-22
Travelling Expenses	1	3
Consultancy Charges	88	111

## 24) ESTABLISHED PROCESS OF MITIGATING RISKS IN TMJL

The Risk management process at TMJL revolves around identification of all risks of internal and external and undertaking risk mitigation measures so that monitoring their impact would be process driven with a view to take corrective course of actions.

### Industry Risk

Jewellery industry dominated by gold metal in India and is going through a shrinking phase in the discretionary context of customers priorities for purchases together with wide gold price movements. Business is shifting from unorganized sector to corporates with deep pockets of resources to sustain the cyclical risk impact.

Your company enlarged its wings in semi and rural areas where the existing business is shifting to organized players like us. The shrinking size risk is mitigated by adding value added products in the portfolio and also by selling other popular brands under our umbrella.

### Regulatory Risk

The Government has implemented stringent regulatory measures in all aspects of the trade starting from compliances under various acts and customer friendly Hallmarking, etc., in a speedier manner.

Your company has already adapted to the changes in the trade requirements and in fact would be a beneficiary under GST regulations.

### Commodity Risk

Gold being a commodity, price is influenced by various factors including demand and supply. Even though we buy gold whenever we sell on the same day, in order not to carry the risk of price fluctuations, the underlying stock on a given date certainly affected by the price movement. The impact of it either positive or negative often shadowed the real operating capabilities of the company. Your company has an inbuilt hedging mechanism to mitigate the extreme fluctuations in gold price movement. Currently we maintain 76:24 ratio between hedged and un-hedged closing stock inventory in any given date. This strategy helped us to maintain our performance, besides ensuring liquidity in the system.

Every aspect, of the risks components mentioned in the earlier paras, were carefully evaluated by the respective teams and reported to Board at intervals to reset the strategies and policies that may tend to be appropriate and re-assuring in the changed realities.

### Cost Risk

The brand building and establishment cost increased in recent years due to growth aspirations. New business can be identified by enhancing the visibility of the Brand. It involves a huge cost on a recurring basis even though the positive impact could be seen in later years.

Your Company by taking into advantages of low cost retailer tag has already spent larger sums for advertisement and publicity. This will go a long way in expanding the retail outlets in larger parts of Tamilnadu and the cost currently incurred would be amortized among larger number of retail outlets in the days to come.

### Growth Risk

The industry suffers from the introduction of sovereign gold bond and also by the penetration of "E-commerce" activity in the trade. New territorial expansion often results in burning cash in the form of excessive fixed cost in the earlier years anticipating a sustainable business later that is not guaranteed.



Your Company though strategically decided to grow but restricted its inroads into current territorial places in a deeper and concentrated manner so that fixed cost impact will not be felt by the company as an adverse factor. We opt for Asset less model and therefore the risk of growth in unknown places is mitigated to that extent.

### Financial risk

Stretched financials could hamper business sustainability. The Company's gearing as at 31/03/23 stood at 2.01 times which is among one of the best in the target corporates of the industry.

The company is consistently reducing its high-cost debts and leverage only when it is self liquidating in nature. All the financial indicators are improving including risk weighted Return on Equity.

However, all our retails outlets expansion plan is going forward smoothly. Our learning out of first wave has helped us to rearrange resources and improve our operating efficiencies.

## 25) INTERNAL CONTROL SYSTEMS

The Board of Directors is responsible for ensuring that internal financial controls have been laid down in the Company and that such controls are adequate and is functioning effectively. TMJL has policies, procedures, control frameworks and management systems in place that map into the definition of Internal Financial Controls as detailed in the Companies Act, 2013. These have been established at the entity and process levels and are designed to ensure compliance to internal control requirements, regulatory compliance, and appropriate recording of financial and operational information.

Internal Financial Controls that encompass the policies, processes, and monitoring systems for assessing and mitigating operational, financial and compliance risks and controls over related party transactions, substantially exist. The management reviews and certifies the effectiveness of the internal control mechanism over financial reporting, adherence to the code of conduct and Company's policies for which they are responsible and also the compliance to established procedures relating to financial or commercial transactions, where they have a personal interest or potential conflict of interest, if any.

The Audit Division continuously monitors the efficacy of Internal Financial Controls with the objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organisation's risk management, control and governance processes. The audit

plan is approved by the Audit Committee, which reviews compliance to the plan.

During the year, the Audit Committee met regularly to review reports submitted by the Audit Division. All significant audit observations and follow-up actions thereon were reported to the Audit Committee.

The Audit Committee also met the Company's Statutory Auditors to ascertain their views on financial statements, including the financial reporting system, compliance to accounting policies and procedures, the adequacy and effectiveness of the internal controls and systems followed by the Company. The Management acted upon the observations and suggestions of the Audit Committee.

## 26) Details Of Policy Developed And Implemented By The Company On Its Corporate Social Responsibility Initiatives (CSR)

During the financial year ended 31st March, 2023, the Company incurred CSR Expenditure of ₹159 Lakhs (Rupees One Hundred Fifty Nine lakhs Only). The CSR initiatives of the Company were under the thrust area of health & hygiene, education, water management and vocational training. The CSR Policy of the Company is available on the website of the Company.

The Company's CSR Policy statement and annual report on the CSR activities undertaken during the financial year ended 31st March, 2023, in accordance with Section 135 of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out in Annexure 3 to this report.

## CORPORATE GOVERNANCE REPORT AND BUSINESS RESPONSIBILITY REPORT

In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance along with a certificate from the Auditors on its compliance and a Business Responsibility Report as per Regulation 34 of the Listing Regulations, detailing the various initiatives taken by the Company on the environmental, social and Governance front forms part of this Annual Report.

## 27) PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans & guarantees given or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review.

Particulars of contracts or arrangements with related parties referred to in Section 188(1)

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel, or other designated persons which may have a potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee as also in the Board for approval. Prior omnibus approval of the Audit Committee is obtained on a quarterly basis for the transactions which are foreseen and repetitive in nature. The transactions entered pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis.

The Annual Report on related party is annexed herewith as "Annexure 4".

### 28) COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in Annexure -5 and is attached to this report.

### 29) ANNUAL RETURN

The Annual Return of the Company as on 31st March, 2023 in Form MGT - 7 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, is available on the Company's website- [www.thangamayil.com](http://www.thangamayil.com).

### 30) NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

During the year, seven Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

### 31) SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

### 32) DEPOSITS

The details of deposits remain unpaid during the year under review are furnished hereunder:

Sl.No	Particulars	₹ in Lakhs
1	Amount remained unpaid or un-claimed as at the end of the year	22
2	Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved	Nil

### 33) DIRECTORS

Smt. Yamuna Vasini Deva Dasi Non – executive and Non – Independent Director of the Company retires by rotation and being eligible seeks reappointment. Your Board recommends her re-appointment.

### 34) DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfil all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

The Details of familiarisation programme arranged for independent directors have been disclosed on website of the company and are available at [www.thangamayil.com](http://www.thangamayil.com).

### 35) CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviours of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as "code of business conduct" which forms an Appendix to the Code. The Code has been posted on the Company's website [www.thangamayil.com](http://www.thangamayil.com). The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behaviour from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

### 36) STATUTORY AUDITORS

M/s. B.Thiagarajan & Co, Chartered Accountants (ICAI Registration No.: 004371S) ("M/s. BT&Co ") were appointed as Statutory Auditors of the Company, at the 22nd AGM held on 4th August 2022 to hold office till the conclusion of the 27th AGM. BT & Co has confirmed that they are not disqualified from continuing as Auditors of the Company.

The Report given by M/s. B.Thiagarajan & Co Chartered Accountants on the financial statement of the Company for the financial year 2022-2023 is part of the Annual Report. The Notes on financial statement referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation, adverse remark or disclaimer. During the year under review, the Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

### 37) SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr.S .Muthuraju, a Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Auditor is annexed herewith as "Annexure 6".

### 38) COMMENTS ON AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks or disclaimers made by B. Thiagarajan & Co, Statutory Auditors, in their report and by Mr. S. Muthuraju , Company Secretary in Practice, in his secretarial audit report.

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

### 39) INTERNAL AUDIT AND CONTROL SYSTEMS

The company has an effective in-house internal audit system. The persons are well trained to cover various areas of verification inspection and system evaluation. All the mandatory compliances required to be followed under various statutes are exhaustively covered in their scope. We have effective and adequate internal audit and control systems, commensurate with our business size. Regular internal audit visits to the operations are

undertaken to ensure that high standards of internal controls are maintained at each level. Independence of the audit and compliance function is ensured by the auditors' direct reporting to the Audit Committee. Details on the composition and functions of the Audit Committee can be found in the chapter on Corporate Governance of the Annual Report.

### 40) SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

### 41) ENHANCING STAKEHOLDERS VALUE

Your Company believes that its Members are among its most important stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to create value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

### 42) PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has a Policy on Prohibition, Prevention and Redressal of Sexual Harassment of women at workplace and matters connected therewith or incidental thereto covering all the aspects as required under the "The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013. There were no such complaints received under the policy during the year.

### 43) DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

Pursuant to the provisions of the Companies Act, 2013 and under regulation 25 of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

The Audit Committee consists of the following members

- a. Mr.S.Rethinavelu - Chairman
- b. Mr.V.R.Muthu - Member
- c. Mr.Ba.Ramesh - Member

The above composition of the Audit Committee consists of independent Directors viz., Mr. S.Rethinavelu and Mr.V.R.Muthu who form the majority.

The Company has established a vigil mechanism and overseas through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of Company employees and the Company.

#### 44) ANNUAL EVALUATION BY THE BOARD

The evaluation framework for assessing the performance of Directors Comprises the following key areas:

1. Attendance of Board Meeting and Board Committee Meetings
2. Quality of Contribution to Board deliberations
3. Strategic perspectives or inputs regarding future growth of Company and its performance
4. Providing perspectives and feedback going beyond information provided by the management
5. Commitment to shareholders and other stakeholder interests

The evaluation involves self-evaluation by the Board Members and subsequently assessment by the Board of Directors. A member of the Board will not participate in the discussion of his/ her evaluation.

#### 45) PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Directors and the designated employees have confirmed compliance with the Code. The same has been displayed at the company's website at [www.thangamayil.com](http://www.thangamayil.com).

#### 46) SHARES

- a. Buy Back of Securities

The Company has not bought back any of its securities during the year under review.

- b. Sweat equity

The Company has not issued any Sweat Equity Shares during the year under review.

- c. Bonus shares

No Bonus Shares were issued during the year under review.

- d. Employees Stock Option Plan

The Company has not provided any Stock Option Scheme to the employees.

#### 47) FORWARD-LOOKING STATEMENTS

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include domestic demand and demand and supply conditions affecting selling prices, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

#### 48) ACKNOWLEDGEMENTS

The Board of Directors place on record sincere gratitude and appreciation for all the employees at all levels for their hard work, team spirit, cooperation and dedication during the year.

Your Directors place on record their sincere thanks to bankers, suppliers, business associates, consultants, and various Government Authorities for their continued support extended to your Company's activities during the year under review. Your Directors also acknowledge gratefully the shareholders for their support and confidence reposed on the Company.

BY ORDER OF THE BOARD

For Thangamayil Jewellery Limited

BALARAMA GOVINDA DAS      Ba. RAMESH      N.B. KUMAR  
 Managing Director              Joint Managing Directors

Place: Madurai

Date : May 22, 2023

# Annexure 1 to Director's Report - Dividend Distribution Policy

## Objective

The objective of this Policy document is to articulate Thangamayil Jewellery Limited's Dividend Distribution Policy. This Policy applies to all types of Dividend declared or recommended by the Board of Directors of the Company and seeks to conform to the requirements of Section 123 of the Companies Act, 2013, the notified rules thereof and other such provisions.

### 1. Philosophy

At Thangamayil Jewellery Limited we respect, and are committed to, our role towards shareholders and meeting our obligations to the communities in which we do business. We believe that sustainable growth can be achieved by creating wealth and jobs, developing useful skills, and investing time and money in people. Thangamayil Jewellery Limited aims to share its prosperity with the shareholders by way of declaring dividend subject to liquidity and growth requirement.

### 2. The Regulatory Framework

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, top 1000 Listed Companies in India as per Market Capitalisation as in the preceding Financial Year shall formulate a dividend distribution policy. Thangamayil Jewellery Limited falls within the list of Top 1000 Listed Companies.

### 3. Definitions

Unless repugnant to the context:

- 3.1. "Act" shall mean the Companies Act, 2013 including the Rules made thereunder.
- 3.2. "Company or Thangamayil Jewellery" shall mean Thangamayil Jewellery Limited
- 3.3. "Chairman" shall mean the Chairman of the Board of Directors of the Company.
- 3.4. "Board" or "Board of Directors" shall mean Board of Directors of the Company.
- 3.5. "Dividend" shall mean Dividend as defined under Companies Act, 2013 or SEBI Regulations.
- 3.6. "SEBI Regulations" shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the circulars issued there under, including any

statutory modifications or re-enactments thereof for the time being in force.

### 4. Policy

#### 4.1. Frequency of payment of dividend:

4.1.1. Thangamayil Jewellery Limited believes in rewarding its shareholders as and when the funds are available for distribution as dividend and generally strive to recommend Final Dividend to the Members at the Annual General Meeting of the Company.

#### 4.2. Internal and external factors that would be considered for declaration of dividend:

4.2.1. Thangamayil Jewellery Limited considers several Internal and External Factors before deciding declaration or recommendation of dividend.

4.2.2. The Internal Factors are adequacy of profits for last three years and likely profits for next year, allocation of funds towards capital expenditure and working capital requirements.

4.2.3. The External Factors that would impact dividend pay out are alternative investment opportunities, interest rate on surplus funds, taxation on distribution of dividend and dividend pay out ratios of comparable companies.

#### 4.3. The financial parameters that will be considered while declaring dividends:

4.3.1. In order to maximise corporate value over the long term, internal capital resources will be secured for measures that will increase corporate value. These measures include investments in R&D and Capital Investments, which are vital to future business expansion.

4.3.2. After taking into consideration the required investments for future growth and the level of free cash flow, surplus will be distributed to the shareholders to the maximum extent possible.

#### 4.4. The circumstances under which the shareholders can or cannot expect dividend:

In an event where Company has undertaken a significant project requiring higher allocation of capital or in event where the company's profits are



inadequate or company makes losses, the Company would like to use the Company's reserves judiciously and not declare dividend or declare dividend lower than its normal rate of dividend.

#### 4.5. Policy as to how the retained earnings will be utilized:

4.5.1. The Company would like to retain the balances in Reserves and Surplus to give the required strength to the balance sheet for exploring leverage options for supporting growth.

4.5.2. The Company would be very cautious in declaring dividend out of past profits and reserves.

#### 4.6. Transfer of Profits to Reserves:

The Company will not transfer any amount to reserves unless there is statutory requirement.

#### 4.7. Provisions regarding class of shares:

Currently, the Company has issued only Equity Shares and this Policy shall be applicable to Equity Shares. As and when the Company issues other kind of shares, the Board shall amend this Policy along with Rationale at the time or before issue of other class of shares.

## 5. Procedure

- 5.1. The Board of Directors of the Company will analyze all the parameters and recommend appropriate dividend.
- 5.2. The Company Secretary & Compliance Officer of the Company shall ensure compliance of Insider Trading Rules of the Company and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 5.3. The Board of Directors shall approve the declaration or recommendation of Dividend after ensuring compliance of Act, SEBI Regulations and this Policy.
- 5.4. The Company shall ensure compliance of provisions of Act, SEBI Regulations and this Policy in relation to dividend.

## 6. Distribution of Dividend

### 6.1. Periodicity:

On Completion of Financial Year The Board of Directors of the Company may recommend a Dividend for respective financial year and may be declared in the Annual General Meeting. On some occasion board may declare interim dividend also based on the performance of the company from time to time and the same to be ratified in subsequently in the AGM to be held on 05th July 2023.

### 6.2. Dividend Entitlement

The members, whose names appear in the register of members as on the record date / Book Closure, shall be entitled for the dividend.

### 6.3. Mode of Payment

The payment of the dividend would be in cash:

- i. Through electronic clearing services (local, regional or national), direct credit, real time gross settlement, national electronic funds transfer etc. for making payment of dividend. OR
- ii. Through issuance of 'payable-at-par' warrants/cheques, in case where bank details are not available or the electronic payment instructions have failed or have been rejected by the bank,

### 6.4. Transfer to IEPF

The dividend remained unpaid and unclaimed for a period of 7 years (as per the provisions of Sections 124(5) of the Companies Act, 2013) shall be transferred to Investors Education and Protection Fund set up by the Government in that regard.

## 7. General

- 7.1. This Policy would be subject to revision/ amendment in accordance with the guidelines as may be issued by Ministry of Corporate Affairs and/or Securities Exchange Board of India from time to time, on the subject matter.
- 7.2. The Company reserves its right to alter, modify, add, delete or amend any of the provisions of this Policy.
- 7.3. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

## ANNEXURE 2 - TO DIRECTORS REPORT FOR THE YEAR ENDED 31ST MARCH, 2023

INFORMATION PURSUANT TO SECTION 197(12) READ WITH RULE 5 OF THE  
COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

S.No.	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1	Balarama Govinda Das	35:1
2	Ba. Ramesh	35:1
3	N.B.Kumar	35:1

2. The percentage increase in the remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year.

S.No.	Name of the Director	Percentage Increase in the remuneration
1	Balarama Govinda Das	-
2	Ba. Ramesh	-
3	N.B.Kumar	-
4	CS.V. Vijayaraghavan (Company Secretary)	-
5	B. Rajeshkanna – Chief Financial Officer	25%

3. The percentage increase in the median of remuneration of employees in the financial year. 8%
4. The number of permanent employees on the rolls of Company – 1,799.
5. The explanation on the relationship between average increase in remuneration and Company Performance. During the year company achieved total comprehensive profit of ₹7,961 lakhs as against total comprehensive profit of ₹3,870 lakhs in the previous year.
6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company.

S.No.	Name of the Director	Designation	Remuneration of Key Managerial Personnel ₹ in lakhs	Performance of the Company for the year ended 31st March, 2023
1	Balarama Govinda Das	Managing Director	72	During the year company achieved total comprehensive profit of ₹7,961 lakhs as against total comprehensive profit of ₹3,870 lakhs in the previous year.
2	Ba. Ramesh	Joint Managing Director	72	
3	N.B.Kumar	Joint Managing Director	72	
4	CS.V. Vijayaraghavan	Company Secretary	19	
5	B. Rajeshkanna	Chief Financial Officer	36	

7. Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer.

S.No	Particulars	As at 31st March, 2023	As at 31st March, 2022	% performance
1	Market Price in ₹	1,005.10	1,090.00	
2	Market Capitalization in ₹lakhs	1,37,896	1,49,543	7.79% decreased
3	Earning Per share	58.13	28.09	Increased by 107%
4	Price Earnings Ratio	17.29	38.86	

Percentage increase over the last public offer price is not relevant and appropriate as there has never been any public offer by the Company in the last ten years.

8. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.
- Average increase in the remuneration of all employees excluding KMPs: 7%
  - Average increase in the remuneration of KMPs : 23%
  - Justification: KMP salary increases are decided based on the Company's performance, Individual performance, inflation, prevailing industry trends and benchmarks.
9. Comparison of the remuneration of each Key Managerial Personnel against the performance of the Company
- Each KMP is granted salary based on his qualification, experience, nature of job, industry benchmark, earlier salary and many other factors, comparison of one against the other is not feasible. Performance of the Company has been quite satisfactory this year.
10. The Key parameters for any variable components of remuneration availed by the directors - Nil
11. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year - Nil.
12. We affirm that the remuneration is as per the remuneration policy of the Company - Yes

### ANNEXURE TO DIRECTORS REPORT FOR THE YEAR ENDED 31ST MARCH, 2023

1. Statement u/s.197 (12) of the Companies Act, 2013 read with the Companies (Appointment and remuneration of Managerial Personnel) rules, 2014 and forming part of the Directors report for the year ended 31st March, 2023.
- a. Employed throughout the year and were in receipt of remuneration at the rate of not less than ₹60, 00,000/- per annum.

Sl. No	Name of the employee	Date of Joining	Designation	Qualification	Age	Experience	Remuneration in Lakhs	Last Employment
1	Balarama Govinda Das	24.3.2000	MD	B.Com	67	41	72	Promoter Director
2	Ba.Ramesh	24.3.2000	JMD	SSLC	63	29	72	
3	N.B.Kumar	24.3.2000	JMD	SSLC	57	23	72	

- b. Employed for part of the year and were in receipt of remuneration at the rate of not less than ₹5.00 lakhs - per month : None

Notes:

1. Remuneration shown above includes Salary, House Rent Allowance, Companies contribution to provident fund, LTA and other perquisites.
2. Nature of Employment is contractual.
3. The above Directors are related to each other as brothers.

On behalf of the Board of Directors

Balarama Govinda Das

Managing Director

### ANNEXURE 3 - Annual Report on the CSR activities pursuant to the Companies (Corporate Social Responsibility Policy) Rules 2014

1. Brief outline on CSR Policy of the Company:

The terms of reference of the Corporate Social Responsibility Committee (CSR) broadly comprises:

To review the CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013; To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

2. Composition of CSR Committee

Sl. No.	Name of Director	Designation/ Nature of Directorship	No. of Meetings of CSR Committee held during the year	No. of Meetings of CSR Committee attended during the year
1	Mr. Balarama Govinda Das	Chairman	4	4
2	Mr. Lalji Vora	Member / Independent Director	4	4
3	Mr. Ba. Ramesh	Member	4	4
4	Mr. N.B. Kumar	Member	4	4

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.thangamayil.com/corporate/mission-vision/csr/>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). **Not Applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Lakhs)	Amount required to be set-off for the financial year, if any (in Lakhs)
1	2022-23	-	-
	TOTAL	-	-

6. Average net profit of the company as per section 135(5) 7950.00

7. a) Two percent of average net profit of the company as per section 135(5) 159.00

b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. -

c) Amount required to be set off for the financial year, if any -

d) Total CSR obligation for the financial year (7a+7b- 7c). 159.00

8. a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Lakhs)	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of Fund	Amount.	Date of Transfer
159	-	-	-	-	-

## b) Details of CSR amount spent against ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Location of the project.		Project duration	Amount allocated for the project (in Lakhs)	Amount spent in the current financial year (in Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Lakhs).	Mode of Implementation Direct (Yes/No).	Mode of Implementation through Implementing Agency	
			Local area (Yes/No).	District.						Name	Registration number
-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>											

## c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Amount spent for the project (in Lakhs)	Mode of implementation Direct (Yes/No)	Mode of implementation through implementing agency	
				State	District			Name.	CSR registration number
1	Health Care & wellness	(i) Promoting Health	Yes	Tamilnadu	Madurai	2	Yes	-	-
2	Food Assistance	(i) Eradicating hunger, poverty and malnutrition	Yes	Tamilnadu	Madurai	39	Yes	-	-
3	Education Assistance	(ii) promoting education	Yes	Tamilnadu	Madurai	6	Yes	-	-
4	Gaushala Funding	(iv) Animal welfare	Yes	Tamilnadu	Madurai	102	Yes	-	-
6	Eye Camp	(i) Promoting Health	Yes	Tamilnadu	Madurai	10	Yes	-	-
<b>TOTAL</b>						<b>159</b>			

## (d) Amount spent in Administrative Overheads

Nil

## (e) Amount spent on Impact Assessment, if applicable

Nil

## (f) Total amount spent for the Financial Year (8b+8c+8d+8e)

159.00

## (g) Excess amount for set off, if any

-

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	159
(ii)	Total amount spent for the Financial Year	159
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-



## 9. a. 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)	Amount spent in the reporting Financial Year (in Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Lakhs)
				Name of the Fund	Amount	Date of Transfer	
1	-	-	-	-	-	-	
Total	-	-	-	-	-	-	

## b. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Lakhs)	Amount spent on the project in the reporting Financial Year (in Lakhs)	Cumulative amount spent at the end of reporting Financial Year. (in Lakhs)	Status of the project -Completed / Ongoing.
1	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

## 10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year - (asset-wise details).

Date of creation or acquisition of the capital asset(s).	NA
Amount of CSR spent for creation or acquisition of capital asset.	NA
Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	NA
Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	NA
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).	NA

**Balarama Govinda Das**  
Chairman (CSR Committee)

**LaljiVora**  
Member (CSR Committee) Independent Director

Place – Madurai  
Date – May 22, 2023

## ANNEXURE 4 TO DIRECTORS' REPORT

FORM NO. AOC - 2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

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

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

Sl. No	Name of the related party and nature of relationship (a)	Nature of contracts / arrangements / transactions (b)	Duration of contracts / arrangements / transactions (c)	Salient features of contracts / arrangements / transactions, including value, if any (d)	Justification for entering into such contracts / arrangements / transactions (e)	Date(s) of approval by the Board (f)	Amount paid as advances, if any (g)	Date on which special resolution was passed in General meeting u/s 188(1) (h)
Not Applicable								

### 2. Details of material contracts or arrangements or transactions at arm's length basis:

Sl. No	Name of the related party and nature of relationship (a)	Nature of contracts / arrangements / transactions (b)	Duration of contracts / arrangements / transactions (c)	Salient features of contracts / arrangements / transactions, including value, if any (d)	Justification for entering into such contracts / arrangements / transactions (e)	Date(s) of approval by the Board / Audit Committee (f)	Amount paid as advances, if any (g)	Date on which special resolution was passed in General meeting u/s 188(1) (h)
Not Applicable								

## ANNEXURE 5 TO DIRECTORS' REPORT - I

### ***Policy for Selection of Directors and determining Directors' independence.***

#### 1. Introduction

- 1.1. Thangamayil Jewellery Ltd (TMJL) believes that an enlightened Board consciously creates a culture of leadership to provide a long - term vision and policy approach to improve the quality of governance. Towards this, TMJL ensures constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.
- 1.2. TMJL recognizes the importance of Independent Directors in achieving the effectiveness of the board. TMJL aims to have an optimum combination of Executive, Non-Executive and Independent Directors.

#### 2. Scope and Exclusion:

This policy sets out the guiding principles for the Nomination and Remuneration committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company.

#### 3. Terms and References:

In this policy, the following terms shall have the following meanings:

- 3.1. "Director" means a director appointed to the Board of the Company.
- 3.2. "Nominations and Remuneration Committee" means the committee constituted by TMJL's Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Securities and Exchange

Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- 3.3. "Independent Director" means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 4. Policy:

### 4.1. Qualification and criteria

4.1.1. The Nomination and Remuneration (NR) Committee, and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company's operations.

4.1.2. In evaluation the suitability of individual Board members, the NR committee may take into account factors, such as:

- General understanding of the Company's business dynamics, global business and social perspective;
- Educational and professional background
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

4.1.3. The proposed appointee shall also fulfil the following requirements:

- Shall possess a Director Identification Number;
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his written consent to act as a Director;
- Shall Endeavour to attend all Board meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
- Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;
- Shall disclose his concern or interest in any

company or companies or bodies corporate, firms, or others association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;

- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, Equity Listing Agreements and other relevant laws.

4.1.4. The NR committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

### 4.2. Criteria of Independence

4.2.1. The NR committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

4.2.2. The criteria of independence, as laid down in Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is as below;

An independent director in relation to a company, means a director other than a managing director or a whole time director or a nominee director –

- a) Who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- b)
  - i) who is or was not a promoter of the company or its holding, subsidiary or associate company;
  - ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- c) who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;

- d) none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- e) who, neither himself nor any of his relatives
- i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
  - ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of –
    - A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
    - B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
  - iii) holds together with his relatives two per cent or more of the total voting power of the company; or
  - iv) is a Chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or
  - v) is a material supplier, service provider or customer or a lessor or lessee of the company.
- f) Shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, corporate social responsibility or other disciplines related to the Company's business.
- g) Shall possess such other qualifications as may be prescribed from time to time, under the Companies Act, 2013.
- h) Who is not less than 21 years of age.
- 4.2.3. The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.
- 4.3. Other directorships / committee memberships
- 4.3.1. The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The NR Committees shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.
- 4.3.2. A Director shall not serve as Director in more than 20 Companies of which not more than 10 shall be Public Limited Companies.
- 4.3.3. A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.
- 4.3.4. A Director shall not be a member in more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which he holds directorships.
- For the purpose of considering the limit of the Committees, Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

## ANNEXURE 5 TO DIRECTORS' REPORT - II

### **Remuneration Policy for Directors, Key Managerial Personnel and other employees**

#### 1. Introduction

1.1. Thangamayil Jewellery Limited (TMJL) recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

- 1.1.1. Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.
- 1.1.2. Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- 1.1.3. Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

#### 2. Scope and Exclusion:

2.1. This Policy sets out the guiding principles for the Human Resources, Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

#### 3. Terms and Reference:

In this Policy, the following terms shall have the following meanings:

- 3.1. "Director" means a director appointed to the Board of the Company.
- 3.2. "Key Managerial Personnel" means
  - i. The Chief Executive Officer or the managing director or the manager;
  - ii. The company secretary;
  - iii. The whole-time director;
  - iv. The Chief Financial Officer; and
  - v. Such other officer as may be prescribed under the Companies Act, 2013

3.3. "Nomination and Remuneration Committee: means the committee constituted by TMJL's Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### 4. Policy:

4.1. Remuneration to Executive Directors and Key Managerial Personnel

4.1.1. The Board, on the recommendations of the Nomination and Remuneration (NR) Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

4.1.2. The Board, on the recommendations of the NR Committees, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.

4.1.3. The remuneration structure to the Executive Directors and Key Managerial Personnel shall include the following components:

- i. Basic Pay
- ii. Perquisites and Allowances
- iii. Stock Options
- iv. Commission (Applicable in case of Executive Directors)
- v. Annual Performance Bonus

4.1.4. The Annual Plan and objectives for Executive Directors and Senior Executives (Executives Committee) shall be reviewed by the NR Committee and Annual Performance Bonus will be approved by the Committee based on the achievements against the Annual Plan and objectives.

4.2. Remuneration to Non-Executive Directors

4.2.1. The Board, on the recommendations of the NR Committee, shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders.

4.2.2. Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. The Non-Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.



## 5. Remuneration to other employees

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skills, seniority, experience and prevailing remuneration levels for equivalent jobs.

### ANNEXURE 6

#### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[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,  
THANGAMAYIL JEWELLERY LIMITED,  
MADURAI

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by THANGAMAYIL JEWELLERY LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of;

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956(SCRA) and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act');
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f. The Securities and Exchange Board of India (Registration to an Issue and Share Transfers Agents) Regulations, 1993;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
6. Other Laws applicable to the Company;
  1. Employees' Provident Fund Act, 1952 and misc provisions Act, 1952
  2. Professional Tax Act, 1975 and Rules
  3. Payment of Gratuity Act, 1972
  4. Employees State Insurance Act, 1948
  5. Minimum Wages Act, 1948
  6. Payment of Bonus Act, 1965
  7. Shop and Establishment Act, 1948
  8. Labour Welfare Fund Act, 1953
  9. Maternity Benefit Act, 1961
  10. Factories Act, 1948
  11. Industrial Dispute Act, 1947
  12. The Workmen's Compensation Act, 1923
  13. The Payment of Wages Act, 1936

**“ANNEXURE A”**

14. Competition Act, 2002
15. Central Excise Act, 1944
16. Standard Weights & Measures Act
17. Bureau of Indian Standard (BIS) (Hallmarking)
18. Income Tax Act, 1961
19. Finance Act, 1994
20. Customs Act, 1962

We have also examined compliance with the applicable clause of the following;

The Secretarial Standards issued by the Institute of Company Secretaries of India.

The Listing Agreements entered into by the Company with Bombay Stock Exchange and National stock exchange limited including the New Listing Agreement under SEBI (LODR) Regulations, 2015.

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All decisions at Board Meetings and Committee Meetings are carried unanimously as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

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

S.MUTHURAJU  
(Practicing Company Secretary)

Proprietor  
ACS: 8825  
CP: 4181  
UDIN: A008825D000345689

Place: Madurai  
Date: 12.05.2023

Note: This report is to be read with our letter of even date which is annexed as “ANNEXURE A” and forms an integral part of this report.

To,  
The Member,  
THANGAMAYIL JEWELLERY LIMITED  
MADURAI

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

S.MUTHURAJU  
(Practicing Company Secretary)

Proprietor  
ACS: 8825  
CP: 4181

UDIN: A008825D000345689

Place: Madurai  
Date: 12.05.2023

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To  
The Members of Thangamayil Jewellery Limited,  
124 Nethaji Road,  
Madurai 625 001.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of THANGAMAYIL JEWELLERY LIMITED having CIN L36911TN2000PLC044514 and having registered office at 124 NETHAJI ROAD, MADURAI 625001 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr.No.	Name of Director	Designation	DIN	Date of appointment
1	Balarama Govinda Das	Managing Director	00266424	03.05.2001
2	Balusamy Ramesh	Wholetime Director	00266368	03.05.2001
3	Narayanan Balusamy Kumar	Wholetime Director	01511576	20.04.2001
4	Subbiah Nadar Re-thinavelu	Director	00935338	26.09.2007
5	Lalji Gangji Vora	Director	01899070	26.09.2007
6	Rajendran Muthu	Director	01908841	30.11.2007
7	Yamunavasini devadasi	Director	01388187	04.02.2015
8	Sivanandi Chandra-sekaran	Director	08719332	14.03.2020
9	Jeevagan Rajakumari	Director	08860956	21.09.2020

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

Name : S.MUTHURAJU

Membership No. : 8825

C.P No. : 4181

UDIN : A008825D000345656

Place : Madurai

Date : 12.05.2023

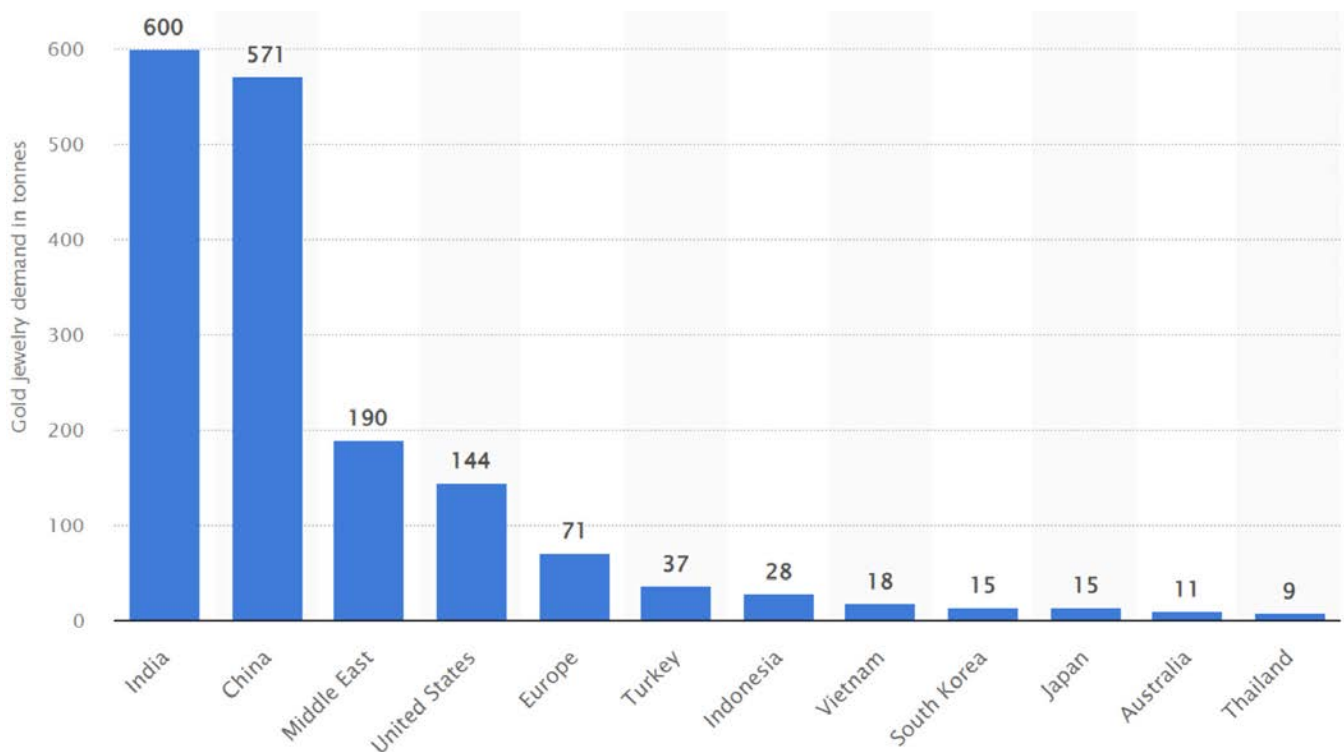
## MANAGEMENT DISCUSSION AND ANALYSIS

The gems and jewellery industry plays a vital role in the Indian economy. It contributes about 6-7 percent of the GDP and employs over 2.5 million workers, according to FICCI. The Government of India recently declared the gems and jewellery industry as a focal point for exports. India is considered a global hub for low costs and inexpensive skilled labour. Government policies support the polishing and gem cutting industry, making it the world's largest.

During the pandemic and after, the Government has continued to support the industry. The gold prices soared during the lockdown period and saw a rise in sales. Gold picked up momentum in the festive season and continued to show promise. The gradual growth in the gold market is testimony that the industry is making a steady recovery.

Jewellery retail takes the big spot after food with a combined 72 billion dollars in value, only to grow more than double this size in the next ten years. In 2032, modern and traditional retail will be 50% with each segment worth 95 million dollars.

In 2022, the global demand for gold jewellery totalled 2,086 tonnes. India was the country with the highest demand, at roughly 600 tonnes, followed by China. Together the two countries accounted for over one half of the world's gold jewellery demand.



The Indian e-commerce market is expected to grow to \$200 billion by 2026 from US\$ 48.5 billion as of 2018. This growth has been triggered as a result of increasing internet and smartphone penetration. The remarkable growth of Indian e-commerce has undeniably aided several industries.

According to a study by McKinsey and Company, the share of the online jewellery market in Asia is set to double, from 6% to 12% by 2020. About 18% of the sales are expected to be made online by 2025 taking its worth to about \$79 billion annually. Customers were buying a small ticket size of jewellery online. With the proliferation of e-commerce this ticket size has increased in the last 2 - 3 years and is expected to grow as the customer's journey matures.

According to a recent report, the Indian Online Jewellery market is projected to grow to \$3.7 Billion by 2025, at a CAGR of 28%. Online retailers offer unmatched pricing, wider variety, trendy patterns or designs, lab certification reports of their products, and easy payment methods (like EMI) to gain the trust of a larger indigenous audience base. Even though the real jewellery segment involves greater consultation and larger average transactions, both established and emerging players are helping the segment to catch up with reliable and transparent services.

Considering the significance of e-commerce, we enable customers to browse through our designs and enable purchase of jewellery from anywhere and anytime at their convenience. Various savings schemes and “Thangamayil DigiGold” App for easy, convenient, flexible and instant savings in gold encouraging saving and investment amongst the people.

### ECONOMIC OVERVIEW:

Strong economic growth in the first quarter of FY 2022-23 helped India overcome the UK to become the fifth-largest economy after it recovered from repeated waves of COVID-19 pandemic shock. Real GDP in the first quarter of 2022-23 is currently about 4% higher than its corresponding 2019-20, indicating a strong start for India's recovery from the pandemic.

Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

The Union Minister for Finance & Corporate Affairs Smt. Nirmala Sitharaman tabled the Economic Survey 2022-23 in Parliament, which projects a baseline GDP growth of 6.5 per cent in real terms in FY24. The projection is broadly comparable to the estimates provided by multilateral agencies such as the World Bank, the IMF, and the ADB and by RBI, domestically.

It says, growth is expected to be brisk in FY24 as a vigorous credit disbursement, and capital investment cycle is expected to unfold in India with the strengthening of the balance sheets of the corporate and banking sectors. Further support to economic growth will come from the expansion of public digital platforms and path-breaking measures such as PM GatiShakti, the National Logistics Policy, and the Production-Linked Incentive schemes to boost manufacturing output.

Despite the three shocks of COVID-19, Russian-Ukraine conflict and the Central Banks across economies led by Federal Reserve responding with synchronized policy rate hikes to curb inflation, leading to appreciation of US Dollar and the widening of the Current Account Deficits (CAD) in net importing economies, agencies worldwide continue to

project India as the fastest-growing major economy at 6.5-7.0 per cent in FY23.

The Survey says, the credit growth to the Micro, Small, and Medium Enterprises (MSME) sector has been remarkably high, over 30.6 per cent, on average during Jan-Nov 2022, supported by the extended Emergency Credit Line Guarantee Scheme (ECLGS) of the Union government. It adds that the recovery of MSMEs is proceeding apace, as is evident in the amounts of Goods and Services Tax (GST) they pay, while the Emergency Credit Line Guarantee Scheme (ECLGS) is easing their debt servicing concerns. The Capital Expenditure (Capex) of the central government, which increased by 63.4 per cent in the first eight months of FY23, was another growth driver of the Indian economy in the current year, crowding in the private Capex since the January-March quarter of 2022.

The Economic Survey FY 23 notes with optimism that Indian economy appears to have moved on after its encounter with the pandemic, staging a full recovery in FY22 ahead of many nations and positioning itself to ascend to the pre-pandemic growth path in FY23. Yet in the current year, India has also faced the challenge of reining in inflation that the European strife accentuated. Measures taken by the government and RBI, along with the easing of global commodity prices, have finally managed to bring retail inflation below the RBI upper tolerance target in November 2022.

The Indian jewellery business saw a 60% increase in the second quarter of this fiscal year compared to the same period in FY20, the year the coronavirus hit the nation. Demand decreased 2% on a YoY basis, according to rating agency ICRA.

Due to a high base, the decline was attributed to a 70% increase in jewellery demand in India in the second quarter of FY22. After the restrictions brought on by the pandemic were lifted, demand skyrocketed.

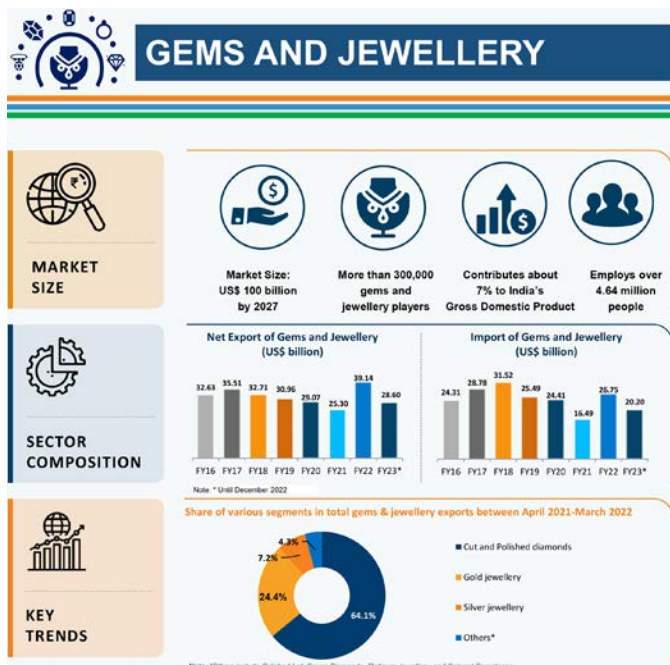
### GOVERNMENT POLICIES AND SUPPORT:

India's gold demand stood at 774 tonnes in 2022. In the fourth quarter of 2022 demand for gold stood at 219.7 tonnes. The Government has permitted 100% FDI under the automatic route in this sector. The Government has reduced custom duty on cut and polished diamond and coloured gemstones from 7.5% to 5% and NIL. The Government has made hallmarking mandatory for gold jewellery and artefacts thereby promoting organized retail jewellery and thus enabling in fostering our growth.



## MARKET SEGMENTATION:

In fiscal year 2020, the market size of jewellery and watches in the organized retail sector amounted to 20.2 billion U.S. dollars in India. The market size is likely to increase to 38 billion U.S. dollars in the fiscal year 2025. The India gems and jewellery market is segmented based on type, distribution channel, region, and competition landscape. Based on type, the market is further fragmented into gold, diamond, silver, gemstones, others (pearl, platinum, etc.). Based on the distribution channel, the market is segmented into offline and online. The market analysis also studies the regional segmentation to devise regional market segmentation, divided among north, south, west & east.



In terms of value, the market is segmented into five categories, namely necklaces, rings, earrings, bracelets, and others. Rings emerged as the largest segment in 2022, with a market share of 33.7%. This segment is likely to retain its pole position throughout the forecast period to claim a market share of 34.5% by 2030.



## CHALLENGES IN MARKET POSITIONING:

India is one of the first countries to make the finest jewellery from minerals and metals, and even today, most of the jewellery made in India are handmade and hand-polished. The industry is dominated by family jewellers who constitute nearly 96% of the market. Due to stiff competition in the retail trade, there is a possibility that our market share from a particular place of operation or region may decline.

A lot of new entrants to the retail trade suffer from lack of knowledge of customer's preference and on quality parameters and price war. Therefore, your company with its fuller penetration to rural market is well placed to participate in the rural success story of the country. In order to maintain/improve market share in the areas we operate in the light of sagging regressive demand trends, we have cautiously brought down the mark up value for our products moderately and also improved customer service through online and offline mode. Providing product knowledge, the customers to buy a quality product in the market.

## MONSOON:

India will likely see below-normal monsoon rain this year, according to a private forecaster, a prospect that could hurt its vast agriculture sector and stoke inflation in Asia's third-biggest economy. The coming season may bring only 94% of the rain India usually gets from June to September as per Skymet predictions.

Monsoon failure has the potential to adversely affect the company's business and earnings particularly in south Tamil Nadu, where agricultural activities are dependent on monsoon. Rising inflation and high interest rates are other areas of concern that would deplete the residual income of the people to be spent on discretionary items like gold ornaments.

## CHANGE IN LIFESTYLE:

The global jewellery market size was valued at USD 340.69 billion in 2022 and is expected to expand at a compound annual growth rate (CAGR) of 4.6% from 2023 to 2030. Increasing disposable income and innovative jewellery designs offered by manufacturers are expected to drive product demand. Changing lifestyles and perceptions of jewellery as a status symbol are expected to boost growth. COVID-19 has had a positive effect on jewellery sales, with 30% of consumers in a recent poll reporting they purchased more jewellery during the pandemic, according to a study from the supplier group the Plumb Club. The increasing acceptance of jewellery among men is also propelling the market. Products such as cufflinks, plain gold chains, tie bars, cartography necklaces, and signet rings are some of the products commonly in demand among men. The change

in people's taste and preferences are ascertained through various sources and accordingly change in our product mix were done by well equipped team.

### **Economic risk**

Economic slowdown can affect the demand and the sales for the company.

Mitigation: The Company has a diversified product portfolio that generates robust sales from either of the category to balance any uncertain circumstances. The present Indian economy is quite strong as commodity prices have been stable. Since jewellery industry is always associated with wedding and other traditional occasions and demand for jewellery remain constant.

### **Competition risk**

Increasing competition from new entrants as well as existing ones.

Mitigation: The Company manufactures quality products and better services and offers that at a reasonable price to reach people through communications via different media. It undertakes extensive promotion and advertising to create value, positioning and recall for the power brands.

### **Margin risk**

Lack of control over the cost, may lead to lower profitability and can impact future growth prospects.

The centralised procurement policy, by which our team anticipates stock requirement and make bulk purchases at the time when gold price is low. The economies of scale and correct procurement timing enable the company to significantly reduce the cost of the raw material. The company procures a certain quantum of gold on lease from banks and purchases gold on daily basis on the actual sale made by it. This strategy safeguards the company from gold price fluctuation.

### **Gold price fluctuation risks**

Gold price fluctuation risk could arise on account of frequent changes in gold prices either up or downside momentum. It could have adverse impact on earnings. We are maintaining our inventory price hedging around 76:24 basis. This will help the company with any gold price fluctuation. Your Board will take appropriate action in managing the fluctuation impact in gold price movement from time to time to increase to 75:25 basis.

### **Change in Government Policies**

New government regulations pertaining to taxation and banking stringent norms will affect the demand and supply chain.

Your company with help of well-experienced IT and managerial personnel, the implications of all these regulations are clearly analysed, interpreted and necessary compliance measures are undertaken.

### **Human Resources**

Employee attrition may affect the operation of the Company.

Mitigation: The Company encourages new talent and provides specialised training to the sales force to ensure the roots are grounded well, improving the performance standards, improving incentive scheme to the employees and positively contribute towards growth of the company.

### **Seasonal Risk:**

Sluggish sales of products due to seasonal changes may affect profitability of the Company.

Mitigation: The wide ranged designed product profile and customer needs product will help against the seasonal ups and downs.

### **Compliance risk**

Non-compliance of regulations may raise the operation risk for the Company.

Mitigation: The Company has a structured internal control system in place to ensure all statutory rules and regulations are met including changes in taxation and other regulatory framework.

### **Cost management:**

The Company is improving meticulously its focus on cost through a resourceful operating system, increase in the production Capacity and strengthening of manufacturing units and various sourcing points are being pursued to reduce manufacturing costs and also delivering quality product at lower price. Logistics facilities are strengthened. Synergy optimization in various cost components is achieved.

### **Internal control systems and their adequacy**

The Company has in place adequate system of internal control. It has documented procedures covering all financial and operating functions. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, compliances with regulations and for ensuring reliability of financial reporting. The Company has continued its efforts to align all its processes and controls with global best practices in these areas as well.

Some significant features of the internal control systems are:

- Documenting Major Business Process including financial reporting, Computer Controlling, Security Checks and Top Committee level Plans
- A comprehensive information security policy and continuous upgrades to IT system
- Audit Committee of the Board of Directors, comprising independent directors, which is functional since October 2007, regularly reviews the audit plans, significant audit findings, adequacy of internal controls, compliance with Accounting Standards, as well as, reasons for changes in accounting policies and practices, if any.
- A well established multi-disciplinary Internal Audit team, which reviews and reports to management and the Audit Committee about the compliance with internal controls and the efficiency and effectiveness of operations and the key process risks
- Monthly meeting of the top management committee to review operations and plans in key business areas
- Corporate policies on accounting and major processes.
- Well-defined processes for formulating and reviewing annual and long term business plans.
- Preparation and monitoring of annual budgets for all trading activities.
- Having introduced and continually upgraded, improved and fine tuned state of the art Enterprise Resource Planning (ERP) since August 2008, supplier Relations Management and Customer Relations Management, to connect its different locations, dealers and vendors.

### Anti-fraud programme.

The Board takes responsibility for the total process of risk management in the organization. The Audit Committee reviews reports covering operational, financial and other business risk areas. Taking into Consideration the high risk associated with this business, the organization and management have taken necessary measures towards achieving an environment free of fraud. This is also facilitated by internal audit. The business risks are managed through cross functional involvement and intense communication across businesses. Results of the risk assessment and residual risks are presented to the senior management.

### INFORMATION TECHNOLOGY

Thangamayil Jewellery Limited has a jewellery retail based information technology savvy department deploying the best retail solutions in the market to enhance, develop,

support and maintain our retail business activity across all our showrooms

Thangamayil has developed an information technology team to test and maintain our own solutions across the showrooms. As a base platform for our ERP we used SAP Business One solution across the showrooms. End to end application to meet the requirements of Jewellery retail business needs, right from purchase of ornament to sale of it, customer management and inventory handling.

Thangamayil jewellery E-commerce is a first of its kind in online jewellery retail segment with an in-store experience of selling 22kt gold ornaments, silver articles, diamond and platinum jewels. The in-store experience to a customer is to view more variety ornaments on every online visit (not a confined catalogue) with the store price. The ornaments are real photographed pictures with exact product details and real time priced based on the market rate of gold and silver.

### HUMAN RESOURCES & INDUSTRIAL RELATIONS

The Company's Human Resources philosophy is to establish and build a strong performance and competency driven culture with greater sense of accountability and responsibility. The Company has taken pragmatic steps for strengthening organizational competency through involvement and development of employees as well as installing effective systems for improving the productivity, equality and accountability at functional levels.

With the changing and turbulent business scenario, the Company's basic focus is to upgrade the skill and knowledge level of the existing human assets to the required level by providing appropriate leadership at all levels motivating them to face the hard facts of business, inculcating the attitude for speed of action and taking responsibilities.

In order to keep the employees skill, knowledge and business facilities updated, ongoing in house and external training is provided to the employees at all levels. The effort to rationalize and streamline the work force is a continuous process. The industrial relations scenario remained harmonious throughout the year.

Note: Forward looking statements embedded in the Management Discussion and Analysis above is based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

## FINANCIAL OPERATIONS

### RESULTS OF OPERATIONS

#### 1) Net Revenue from Operations (₹ in lakhs)

Particulars	FY 2022 -23	FY 2021 - 22	Change	% of Change
Sale of Products	3,15,255	2,19,308	95,947	43.75%

Sales for the financial year 22-23 have increased by 43.75% when compared to the previous year.

#### 2) Other Income (₹ in lakhs)

Particulars	FY 2022 -23	FY 2021 - 22	Change	% of Change
Other Operating In-come	335	167	168	100.60%

The other operating income represents interest on fixed deposits and other operating income for the year.

#### 3) Gross Profit (₹ in lakhs)

Particulars	FY 2022 -23	FY 2021 - 22	Change	% of Change
Revenue from Operations	3,15,255	2,19,308	95,947	43.75%
Less: Cost of Consumption	2,85,532	1,99,538	85,994	43.10%
Gross Profit	29,723	19,770	9,953	50.34%

#### 4) Profit Before Tax (₹ in lakhs)

Particulars	FY 2022 -23	FY 2021 - 22	Change	% of Change
Profit before Taxation	10,794	5,203	5,591	107.46%

During the year, the company earned profit before tax is ₹10,794 lakhs as against net profit of ₹5,203 lakhs due to higher gold price realisation.

#### 5) Total Comprehensive Income (₹ in lakhs)

Particulars	FY 2022 -23	FY 2021 - 22	Change	% of Change
Total Comprehensive Income After taxation	7,961	3,870	4,091	105.71%

For the year company earned net profit after tax of ₹7,961 lakhs and a comprehensive loss of ₹13 Lakhs. This increase is on account of higher gross profit margin and increased operations.

## Financial Condition

### Overview

#### 1. Equity Share Capital

The issued, subscribed and paid-up capital as at March 31, 2023 stood at ₹1,372 lakhs. There was no fresh infusion of capital during the year.

#### 2. Other Equity

Other Equity stood at ₹37,507 lakhs as against ₹31,055 lakhs in the previous year.

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

During the year, we capitalized ₹3,703 Lakhs to our gross block comprising of ₹3,504 lakhs for Plant & Machinery and Furniture & Fittings and other assets and balance of ₹199 lakhs for Computer Equipment's including Software. Company having net block of Property plant and equipment for the year ended 31st March 2023 is ₹9,902 lakhs as against ₹7,290 lakhs in the previous year.

#### 4. Inventories

Inventories amounted to ₹98,234 lakhs as at 31st March 2023 as against ₹75,002 lakhs as at the previous year end.

#### 5. Trade Receivables

Trade Receivables amounted to ₹317 lakhs as at 31st March 2023 as against ₹262 lakhs as at 31st March 2022.

#### 6. Cash and Cash equivalents

Cash and bank balances with banks amounts to ₹566 lakhs as against ₹365 lakhs in the previous year.

#### 7. Bank Balance other than cash and cash equivalents

Bank balance other than Cash and cash equivalents with banks amounts to ₹7,073 lakhs as against ₹1,294 lakhs in the previous year. The increase is on account of gold metal loan facilities against fixed deposits.

#### 8. Other Current Assets

Other Current assets including advance of suppliers and margin money paid to hedging purpose amounting to ₹4,719 lakhs as against ₹2,932 lakhs in the previous year.

#### 9. Current Liabilities

Current liabilities excluding provisions amounting to ₹70,467 lakhs (previous year ₹46,527 lakhs) includes secured loan from banks, current maturities on long term loans and trade creditors for raw materials and creditors for advertising and promotion spends, packing materials, advance received from customers and creditors for capital purchases.

#### 10. Working Capital

The Company has a Working Capital (including cash and bank balances) of ₹40,520 lakhs as at 31st March 2023 as against ₹33,394 lakhs as at 31st March 2022. The increase in working capital is on account of internal accruals and borrowings.

#### 11. Debt Equity Ratio

Your Company has got Average Net Debt Equity ratio of 2.01 as at 31.3.2023 as against 1.74 as at 31.03.2022.

#### 12. Current Ratio

Your Company having current ratio 1:1.58 as at 31.3.2023 as against 1:1.72 as at 31.03.2022

#### 13. Interest Coverage Ratio

Your Company having interest coverage of 4.47 times as at 31.3.2023 as against 3.36 times as on 31.03.2022.

#### 14. Inventory Turnover Ratio

Your Company has got inventory turnover ratio of 3.64 times as at 31.3.2023 as against 3.13 times as at 31.03.2022.



# BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

[Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015]

The present report has been compiled in accordance with the guidelines set forth by the Securities and Exchange Board of India (SEBI) for Business Responsibility and Sustainability Reporting (BRSR). Its principal aim is to demonstrate enhanced transparency regarding the ways in which enterprises generate value by actively contributing to a sustainable economy. The report highlights our unwavering dedication to creating long-term value for our stakeholders while simultaneously promoting sustainable development.

## SECTION A: General Disclosures

### 1. Details of the Entity

Sl no.	Particulars	Response
1.	<b>Corporate Identity Number (CIN) of the Entity</b>	L36911TN2000PLC044514
2.	<b>Name of the Entity</b>	Thangamayil Jewellery Limited
3.	<b>Year of incorporation</b>	2000
4.	<b>Registered office address</b>	124 Nethaji Road, Madurai, Tamil Nadu -625001
5.	<b>Corporate office address</b>	25/6, Palamcenter, 2nd & 3rd Floor, Near Ramakrishna Mutt, New Natham Road, Narayanapuram, Madurai, Tamil Nadu 625014
6.	<b>E-mail</b>	companysecretary@thangamayil.com
7.	<b>Telephone</b>	0452 2565553
8.	<b>Website</b>	www.thangamayil.com
9.	<b>Financial year for which reporting is being done</b>	2022-23
10.	<b>Name of the Stock Exchange(s) where shares are listed</b>	BSE Limited (BSE), National Stock Exchange of India Limited (NSE)
11.	<b>Paid-up Capital</b>	INR13,71,95,820 (Divided into 1,37,19,582 equity shares of Rs. 10/- each)
12.	<b>Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report</b>	Mr. V. Vijayaraghavan, Company Secretary, Mobile number: +91 98941-49200, Email ID:companysecretary@thangamayil.com
13.	<b>Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).</b>	The disclosures under this report are made on standalone basis for Thangamayil Jewellery Limited, unless otherwise specified

## 2. PRODUCTS/SERVICES

### 14. Details of business activities (accounting for 90% of the turnover):

S.No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Trade	Retail Sales	100%

### 15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Product/Service	NIC Code	% of total Turnover contributed
Gold jewellery	32111	89.97%
Silver articles	32111	6.17%
Diamond, Stones & Others	32111	3.86%

## 3. OPERATIONS

### 16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	0	We currently maintain a total of three offices, with two of them situated in Madurai and one office located in Mumbai. Additionally, our operational network encompasses a comprehensive count of 53 showrooms, (as on 31st March 2023) encompassing both our registered office and various other locations	56
International	0	0	0

### 17. Markets served by the entity:

#### a) Number of locations

Locations	Number
National (No. of States)	1
International (No. of Countries)	0

#### b) Contribution of exports:

##### What is the contribution of exports as a percentage of the total turnover of the entity?

Considering that our company does not engage in any international market operations, this specific section is not applicable.

#### c) Type of Customers

**A brief on types of customers :** Our Company operates in the jewellery industry, employing a Business-to-Consumer (B2C) retail model. The company's core business involves sourcing jewellery from reputable suppliers and jewellers. These carefully curated jewellery pieces are then made available directly to end consumers, who purchase them for personal use.

In addition to being a retailer, Our Company also undertakes jewellery manufacturing and design services on a need basis. This allows customers to have bespoke pieces created according to their preferences and requirements.

We primarily cater to individual customers, referred to as end consumers, who seek to acquire jewellery items for personal adornment and self-expression. These customers are distinct from resellers or distributors who purchase jewellery for the purpose of further distribution or resale.

To provide a seamless shopping experience, Thangamayil operates through its own network of retail stores where customers can physically explore and select jewellery. Furthermore, our Company has embraced the digital realm by establishing an online e-commerce platform. This platform allows customers to conveniently browse and purchase a wide range of jewellery products from the comfort of their homes, expanding accessibility and convenience for potential buyers.

#### 4. EMPLOYEES

##### 18. Details at the end of the year of financial year:

###### a) Employees and workers (including differently abled):

S.No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
1.	Permanent (D)	1799	1081	60%	718	40%
2.	Other than Permanent (E)	Nil	Nil	-	Nil	-
3.	Total employees (D + E)	1799	1081	60%	718	40%
Workers						
1.	Permanent (F)	Nil	Nil	-	Nil	-
2.	Other than Permanent (G)	Nil	Nil	-	Nil	-
3.	Total workers (F + G)	Nil	Nil	-	Nil	-

###### b) Differently abled Employees and workers:

S.No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently Abled Employees						
1.	Permanent (D)	4	3	75%	1	25%
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total employees (D + E)	4	3	75%	1	25%
Differently Abled Workers						
1.	Permanent (F)	Nil	Nil	-	Nil	-
2.	Other than Permanent (G)	Nil	Nil	-	Nil	-
3.	Total workers (F + G)	Nil	Nil	-	Nil	-

##### 19. Participation/Inclusion/Representation of women:

Category	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	2	22.22
Key Management Personnel	5*	0	-

\*Key Management Personnel includes:

1 – Managing Director, 2- Whole time Director, 1-Company Secretary, 1- Chief Financial Officer

**20. Turnover rate for permanent employees and workers:**

	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	47%	53%	32%	48%	52%	42%	42%	58%	32%
Permanent Workers	-	-	-	-	-	-	-	-	-

**5. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)**
**21. Names of holding / subsidiary / associate companies / joint ventures:**

S. No.	Name of the holding/ subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Nil	Nil	Nil	Nil

**6. CORPORATE SOCIAL RESPONSIBILITY (CSR) DETAILS**
**22. CSR Details**

S. No.	Requirement	Response	
1.	Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes	
		2022-23 (Rs. In lacs)	2021-22 (Rs. In lacs)
2.	Turnover	3,15,255	2,19,307
3.	Net worth	38,878	32,426

**7. TRANSPARENCY AND DISCLOSURES COMPLIANCES**
**23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stake holder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide weblink for grievance redress policy)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	Nil	Nil	-	Nil	Nil	-
Investors							
(Other than shareholders)	Yes	Nil	Nil	-	Nil	Nil	-
Shareholders	Yes	Nil	Nil	-	Nil	Nil	-

Stake holder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide weblink for grievance redress policy)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and workers	Yes	Nil	Nil	-	Nil	Nil	-
Customers	Yes	Nil	Nil	-	Nil	Nil	-
Value Chain Partners	Yes	Nil	Nil	-	Nil	Nil	-

Our Company has developed an all-encompassing Stakeholder Management Policy aimed at establishing a structured framework for addressing concerns and grievances expressed by both internal and external stakeholders. This policy has been designed to proactively mitigate any potential social risks that could have a negative impact on the company's operations.

Adhering to the policy, our Company places significant emphasis on upholding the utmost level of confidentiality while handling grievances, thereby reducing conflicts and fostering strong stakeholder relationships. Stakeholders are strongly encouraged to utilize the dedicated channel for addressing grievances as outlined in the policy, particularly when alternative mechanisms are not readily accessible to them.

For more detailed information, please refer to the Stakeholder Management Policy, accessible through the following web link: <https://www.thangamayil.com/corporate/wp-content/uploads/2023/05/Stakeholder-Management-Policy.pdf>.

We are proud to report that the Company has not received any complaints from any of its stakeholders. Our Company places great importance on its stakeholders and their satisfaction, and remains dedicated to upholding ethical standards and addressing any concerns promptly and transparently.

#### 24. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S.No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Energy Management	Opportunity	The retail sector of the jewellery industry presents an opportunity for energy management. Retail stores necessitate energy for their functioning, including lighting, heating, cooling systems, and electronic devices like computers and cash registers. By employing energy management, retail stores can effectively curtail their energy consumption and associated expenses.	-	<b>Positive</b> - By effectively managing energy, retail stores can decrease their energy bills and operational expenses, leading to an enhancement in their profitability.



S.No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2.	Customer privacy and data security	Risk & Opportunity	<p><b>Risk</b> Our Company faces a substantial peril regarding customer confidentiality since any unauthorized access or security breach to critical information can result in severe outcomes, such as financial losses, identity theft, and a loss of customer confidence. Such an eventuality can eventually cause harm to the company's reputation.</p> <p><b>Opportunity</b> The Company recognizes data security as a chance to safeguard their valuable trade secrets that encompass their designs, manufacturing processes, and supply chain. By integrating appropriate data security measures, it will mitigate the possibility of cyber-attacks, ultimately safeguarding their reputation and assets.</p>	Our Company has implemented robust measures to mitigate risks by upholding stringent data privacy policies, restricting access, utilizing password protection, employing firewalls, and employing NetCom Tier-3 certified software. Moreover, the company has set up dedicated server rooms to prevent any potential data leaks, and they consistently update and evaluate their IT security protocols to align with industry standards.	<p><b>Negative</b> If it fails to adequately protect the privacy of its customers, it will result in legal penalties and fines.</p> <p><b>Positive</b> The implementation of advanced cyber security solutions has reduced cyber security risks for both the company and its customers.</p>
3.	Access and Affordability	Risk	In the jewellery industry, it is crucial for companies to find a delicate equilibrium between providing affordable options and upholding the perceived value of their products and services. Additionally, they must consider the enduring consequences of their pricing strategy and refrain from engaging in a race to the bottom.	Our Company has implemented measures to minimize potential risks by expanding their reach through the establishment of new physical stores and online platforms, capitalizing on economies of scale, and adopting a strategic approach to material procurement to curtail costs and provide affordable options for their customers. Moreover, they take a customer centric approach to pricing and product offerings, with the aim of enhancing their competitiveness and minimizing potential hazards.	<b>Negative</b> – There is a potential risk of impacting sales as the balance between affordability and maintaining profit margins.

S.No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4.	Product Quality & safety	Opportunity	In the jewellery industry, a company's brand reputation hinges on the quality and safety of its products. To uphold their brand reputation, Our Company takes measures to ensure that their products meet high standards of quality and safety. This, in turn, fosters customer loyalty and helps to build a positive brand image.	-	<b>Positive</b> - By ensuring product quality and safety, Our Company can generate higher sales and revenue, decrease costs, and unlock opportunities for market expansion.
5.	Selling practices and product labelling	Opportunity	Our Company is enhancing its credibility and foster consumer trust by implementing fair trade practices and providing comprehensive product labelling. These ethical selling practices have the potential to increase sales for the company. Additionally, Our Company ensures compliance with Hallmarking Unique ID (HUID) for its jewellery products.	-	<b>Positive</b> - Implementing these measures has the potential to drive up consumer demand for our Company's products and enhance their brand reputation.
6.	Employee Engagement, Diversity	Opportunity	Engaging employees has led to increased productivity, innovation, and commitment to our Company's success. An inclusive work culture can also attract and retain top talent from diverse backgrounds, providing a competitive advantage for our Company. Measures such as feedback, recognition programs, and fostering a sense of belonging can enhance engagement. Diverse hiring practices can further foster diversity in the workforce.	-	<b>Positive</b> - The expenses related to acquiring and fostering human resources may be reduced.

S.No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7.	Supply Chain management	Risk & opportunity	<p><b>Risk</b> - Supply chain management can pose risks to our Company due to potential disruptions and ethical sourcing challenges, leading to delays in delivery, loss of sales, and reputation damage.</p> <p><b>Opportunity</b> - our Company will benefit from an optimized supply chain, reducing costs and accessing new ideas and technologies through collaboration with suppliers. An efficient supply chain will enable quick responses to changes in demand or market conditions, leading to increased profitability.</p>	<p>To mitigate supply chain risks, our Company carefully selects ethical suppliers with a proven track record.</p> <p>Our Company maintains regular communication with its suppliers to ensure that they meet quality, pricing, lead time, and social responsibility standards.</p>	<p><b>Negative</b>- Supply chain disruption will result in higher production costs for the product.</p> <p><b>Positive</b> - Reduction in costs, improving efficiency, and enhancing customer satisfaction.</p>
8.	Product Design & Life Cycle Management	Opportunity	<p>Product design and life cycle management will provide several opportunities for our Company. By developing innovative and aesthetically appealing designs, it will attract customers. Furthermore, by managing the life cycle of its products, company will optimize its supply chain, reduce waste, and minimize environmental impact.</p>	-	<p><b>Positive</b>- It can result in increased sales, lower production costs, and higher profitability for our Company</p>
9.	Business Ethics	Opportunity	<p>By prioritizing business ethics, our Company shall build trust, attract new customers, enhance its brand image, and increase its credibility with customers and stakeholders. Ethical practices shall have a positive impact on employee engagement.</p>	-	<p><b>Positive</b> - Increased customer loyalty translates into higher sales, improved customer retention, and ultimately, better financial performance.</p>

S.No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
10.	Competitive Behaviour	Risk & opportunity	<p><b>Risk-</b> Competitor behaviour can be a risk to the company through aggressive competition resulting in price wars that impact profitability, loss of market share if they fail to match innovation, and harm to reputation.</p> <p><b>Opportunity</b> - Competitive behaviour aids monitoring market trends and identifying gaps, leading to product, and marketing campaign designs. This helps attract new and retain existing customers.</p>	To reduce risk, our Company is focusing on excelling in rural markets and introducing new and unique products to gain a competitive advantage. The company is prioritizing the improvement of customer service through both online and offline channels and maintaining a strong brand image to increase its market share.	<p><b>Negative-</b> It may lead to legal actions and fines that may result in higher legal costs and decrease in sales.</p> <p><b>Positive</b> - Healthy competition may lead to increase in sales and its profitability. Companies may invest in research and development, leading to new products or services that can increase revenue.</p>
11.	Critical Incident Risk Management	Opportunity	Critical Incident Risk Management (CIRM) will help our Company to avoid financial losses and reputational damage by proactively identifying and mitigating potential risks and incidents that could affect their operations, reputation, or financial performance, such as product quality issues, supply chain disruptions, or security incidents like theft or fraud.	-	<b>Positive-</b> It helps to minimize financial losses resulting from critical incidents, lower its insurance premiums, and safeguard its reputation.

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

### Table of Policies

P1	Anti-corruption or anti-bribery policy, Ethical Policy
P2	Supplier Code of conduct
P3	Health and Safety Policy
P4	Stakeholder Management Policy
P5	Human Rights Policy
P6	Environmental Policy
P7	Policy on Responsible Advocacy
P8	Corporate Social Responsibility Policy
P9	Cyber Security and Data Privacy policy

S. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>										
1	a) Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b) Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c) Weblink of Policies, if available	<a href="https://www.thangamayil.com/corporate/brsr-policies/">https://www.thangamayil.com/corporate/brsr-policies/</a> <a href="https://www.thangamayil.com/corporate/investor-informations/">https://www.thangamayil.com/corporate/investor-informations/</a>								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

3. **Do the enlisted policies extend to your value chain partners?** (Yes/No)

These extend to value chain partners wherever it is relevant and to the extent applicable.

4. **Name of the national and international codes /certifications/ labels / standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.**

Our Company has incorporated the Bureau of Indian Standards (BIS) across its entire range of jewellery products, thereby guaranteeing the quality and dependability of its offerings.

Moreover, our Company's operations adhere to the National Guidelines on Responsible Business Conduct (NGBC), underscoring its unwavering dedication to ethical business practices.

5. **Specific commitments, goals and targets set by the entity with defined timelines, if any.**

During the financial year 2022-23, our Company has established a range of objectives to strengthen its sustainability endeavours and overall corporate social responsibility. These goals encompass the following:



- i) Our Company aims to expand its training division to educate all employees and workers on Environmental, Social, and Governance (E, S & G) practices. The training program will comprehensively cover the company's actions and initiatives aimed at effectively addressing these issues.
  - ii) Our company strives to conduct due diligence on suppliers to ensure their alignment with the company's governance values and standards.
  - iii) A major focus is placed on designing 100% recyclable and reusable products, in line with the company's sustainable practices.
  - iv) Our company targets an annual average reduction in electricity consumption of at least 1% to contribute to environmental sustainability. By fiscal year 2035, the company aims for a substantial reduction of at least 20% in electricity consumption compared to the base year of fiscal year 2025.
  - v) Our company is committed to reducing water withdrawal and actively promotes responsible water management practices by aiming for an average annual reduction in water usage.
  - vi) Stakeholder engagement holds significant value for Thangamayil, and the company plans to conduct periodic assessments through formal means to actively involve stakeholders in the decision-making process.
  - vii) Our company's commitment to reducing water withdrawal aligns with its environmental sustainability goals. By striving for an average annual reduction in water usage, it actively promotes responsible water management practices.
6. **Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met**

Our Company has set the specific commitment goals during the financial year 2022-23, the performance against these targets mentioned above shall be measured in the subsequent financial year and thus, the same shall be reported accordingly.

### **Governance, leadership and oversight**

7. **Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements**

I am pleased to present our organization's Business Responsibility and Sustainability Report, highlighting our commitment and progress in addressing ESG challenges. Throughout the reporting period, we have actively tackled environmental, social, and governance issues.

Our targets focused on reducing our carbon footprint, promoting social inclusivity, and enhancing governance practices. By implementing sustainable measures and optimizing resource consumption, we have made significant strides in achieving our environmental goals.

Furthermore, we have fostered a culture of diversity and inclusivity, provided equal opportunities and supporting employee well-being. Our commitment to ethical labour practices has contributed to a positive social impact in the communities where we operate.

To ensure robust governance, we have strengthened internal controls, transparency, and accountability mechanisms. We align our operations with global best practices and adhere to relevant regulations and standards, fostering integrity and trust among our stakeholders.

I am proud to highlight our achievements, including sustainable practices across our supply chain, strategic partnerships to address social challenges, and recognition for our corporate governance practices.

While we celebrate these accomplishments, we recognize that our journey towards sustainable development is ongoing. We remain committed to continuously improving our ESG performance, setting ambitious targets, and collaborating with stakeholders to tackle complex challenges.

Together, we aim to create a future where our business not only thrives economically but also acts as a catalyst for positive change, ensuring a more sustainable and equitable world."

**Ba. Ramesh, Joint Managing Director**

**8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).**

The Risk Management Committee has been entrusted with the highest authority to oversee and implement the Business Responsibility Policies. This committee bears the responsibility of ensuring the policies' compliance with relevant laws and regulations, as well as their alignment with the company's objectives and mission.

**9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details**

The Risk Management Committee has been assigned the authority to make decisions regarding all matters pertaining to sustainability issues. The Committee's responsibilities encompass supervising the formulation and execution of policies, procedures, and programs pertaining to sustainability. These responsibilities extend to managing the company's environmental impact, social responsibility, and governance practices, among other related areas.

The Company's Risk Management Committee comprises of:

Name	Position on the Committee	Designation
Balrama Govinda Das	Chairman	Managing Director
Ba. Ramesh	Member	Joint Managing Director
N.B. Kumar	Member	Joint Managing Director
Lalji Vora	Member	Independent Director
S. M. Chandrasekaran	Member	Independent Director

**10. Details of Review of NGRBCs by the Company:**

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	The Risk and Management Committee duly reviews the performance against enlisted policies and ensures that necessary followup actions are taken accordingly.									Quarterly								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Our Company has diligently adhered to all statutory obligations, demonstrating full compliance. The Board has thoroughly reviewed the company's operations and found no instances of non-compliance.									Quarterly								

**11. Independent assessment/ evaluation of the working of its policies by an external agency:**

Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	Yes, all the policies of the Company are internally evaluated. Further, J.Sundharesan & Associates, specialising in Compliance, Governance and Sustainability advisory has provided a 'limited assurance' on certain Identified Sustainability Indicators based on NGBRC.								

**12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:**

Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
It is planned to be done in the next financial year (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

This section does not apply to the Company since it has already implemented comprehensive policies that encompass all the necessary aspects outlined in each of the 9 principles.

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

The purpose of this section is to assist organizations in showcasing their proficiency in integrating principles and core elements into critical processes and decisions. The Company has duly provided all mandatory disclosures as per the BSR framework. Efforts are underway to disclose leadership indicators for forthcoming fiscal years.

**PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE**

**A) ESSENTIAL INDICATORS:**
**1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	3	<ul style="list-style-type: none"> <li>Code of Conduct and Director's Independence criterion</li> <li>Insider Trading Regulations</li> <li>Inclusive Growth and Equitable Development through CSR Initiatives</li> </ul>	100%

Key Managerial Personnel	5	<ul style="list-style-type: none"> <li>• Prevention of Sexual Harassment</li> <li>• Discipline at workplace</li> <li>• Insider Trading Regulations</li> <li>• Company Code of Conduct</li> <li>• Board Governance Training</li> </ul>	100%
Employees other than BOD and KMPs	7	<ul style="list-style-type: none"> <li>• Human rights training</li> <li>• Prevention of Sexual Harassment</li> <li>• Code of Conduct</li> <li>• Discipline at workplace</li> <li>• Induction Trainings</li> <li>• Insider Trading regulations</li> <li>• Privacy Awareness</li> </ul>	100%

The company acknowledges the significance of employee training as a catalyst for their personal and professional advancement, as well as for the overall prosperity of the business. We firmly believe that training constitutes a strategic investment that reaps long-term benefits for both individuals and the organization.

To ensure the utmost safety and quality in all our operations, the company implements comprehensive training programs for the Board of Directors, Key Management Personnel, Employees, and Workers. Our objective is to foster a culture of perpetual learning and enhancement, wherein each individual possesses the knowledge and skills necessary to perform their duties proficiently and securely.

We recognize that training is an ongoing endeavour, and we are steadfast in providing our employees with unwavering support and ample resources to realize their full potential. We firmly uphold that investing in our employees is integral to our triumph, and we will persistently prioritize their growth and development.

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format:**

MONETARY					
Particulars	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	None	NA	NA	NA	None
Settlement	None	NA	NA	NA	None
Compounding fee	None	NA	NA	NA	None

NON-MONETARY				
Particulars	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	None	NA	NA	NA
Punishment	None	NA	NA	NA

The company maintains a strong commitment to ethical and legal conduct in all operations, resulting in no instances of fines, penalties, or legal repercussions for the company, directors, or key managerial personnel.

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
<b>This particular section is not applicable to the Company</b>	

4. **Anti-corruption or Anti-bribery policy:** Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy

Our Company has implemented a comprehensive anti-corruption and anti-bribery policy that includes detailed guidelines and procedures to prevent and address instances of corruption and bribery within the organization.

Our Company ensures effective communication of the policy to all stakeholders and employees, promoting awareness and understanding of its principles. Regular training sessions and monitoring mechanisms are in place to ensure strict adherence to the policy across the organization.

Furthermore, the policy incorporates measures for reporting any suspected incidents of corruption or bribery. The Company has established a robust reporting and investigation framework to address such concerns promptly and thoroughly. The policy also outlines the consequences that individuals may face in the event of non-compliance with the policy, thereby reinforcing the importance of ethical conduct and accountability within Company.

For detailed information and access to the policy, kindly visit the following web link: <https://www.thangamayil.com/corporate/wp-content/uploads/2023/05/Anti-Corruption-and-Anti-Bribery-Policy.pdf>

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors	None	None
KMPs	None	None
Employees	None	None
Workers	-	-

- There was no disciplinary action that has been taken against any director, KMP, employees or workers of our Company by any law enforcement agency for charges of bribery or corruption.
- Our Company strictly adheres to a policy of zero-tolerance towards corruption, and we are dedicated to upholding the highest ethical standards and promoting transparency in our dealings. We acknowledge the importance of accountability and honesty in building trust with our stakeholders, and we strive to promote a culture of openness throughout our operations.

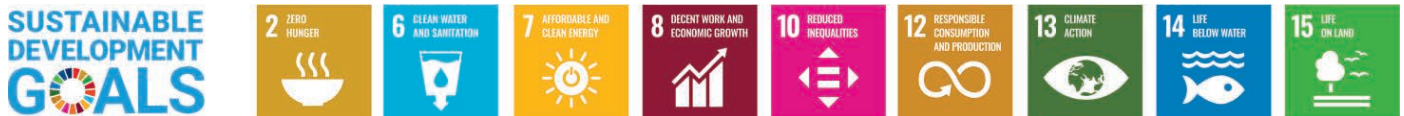


**6. Details of complaints with regard to conflict of interest:**

	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	Nil	NA

**7. Corrective Actions:** Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest

There have been no fines, penalties or actions taken by regulators, law enforcement agencies, or judicial institutions related to cases of corruption and conflicts of interest, hence this section is not applicable to the Company.

**PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE**

**A) ESSENTIAL INDICATORS:**
**1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively:**

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	Nil	Nil	NA
Capex	Nil	Nil	NA

**2. Sustainable sourcing: Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

In our company, Sustainable Sourcing entails ensuring that suppliers adhere to the utilization of ethically and responsibly sourced raw materials to manufacture high-quality products. The Company has adopted the following procedures for sustainable sourcing:

- Implementation of a traceability system:** The Company has implemented a traceability system to meticulously track the origin of raw materials utilized in the production process. This system ensures that there are no infringements upon human rights or environmental degradation.
- Development of policies and guidelines:** The Company has formulated comprehensive policies and guidelines that explicitly outline its unwavering commitment to ethical practices. These policies emphasize the sourcing of materials exclusively from certified and responsible suppliers.
- Establishment of long-term relationships with suppliers:** The Company actively engages in establishing enduring relationships with its suppliers. Through close collaboration, the Company works in conjunction with its suppliers to enhance their social and environmental performance.

- 4) **Regular assessment of supplier performance:** As part of the Company's dedication to sustainable sourcing, it consistently evaluates the performance of its suppliers. Priority is given to sourcing materials from certified sources that align with the Company's sustainability standards.
- 5) **Active collaboration with stakeholders:** The Company actively collaborates with various stakeholders to promote and advocate for sustainable sourcing practice

By implementing these measures, the Company ensures that its Sustainable Sourcing practices are effective in upholding ethical standards, environmental responsibility, and the production of superior quality products.

**If yes, what percentage of inputs were sourced sustainably?**

**100%**

3. **Processes in place to reclaim products for reuse, recycle and safe disposal of products at the end of life:**

Our Company, with a proactive stance towards responsible waste management, collaborates with certified recycling and disposal partners and adheres to stringent regulations and guidelines for the secure and responsible disposal of diverse forms of waste. Additionally, the Company undertakes efforts to educate its customers and stakeholders on the significance of responsible waste management to promote environmental considerations.

- (a) **Plastic:** Our Company has established a comprehensive process to ensure the safe reclamation of plastic materials, including packaging. Within its operations, the Company actively promotes the reuse of plastic materials whenever feasible to minimize waste generation.
- (b) **E-waste:** The Company has implemented a systematic approach to the safe disposal of electronic waste (e-waste).
- (c) **Hazardous Waste:** While the Company itself does not generate any hazardous waste; it acknowledges the potential exposure to such waste. Hence, the Company has robust procedures in place to guarantee the safe handling and disposal of hazardous waste in compliance with relevant regulations.
- (d) **Other waste:** The Company has introduced a waste reduction and recycling program aimed at minimizing waste generation and fostering responsible waste management. Furthermore, the Company collaborates with suppliers to proactively minimize waste generation at its source by encouraging the use of sustainable materials and packaging.

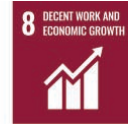
Through these measures, the Company demonstrates its commitment to responsible waste management by prioritizing safe disposal practices, promoting recycling initiatives, and encouraging the adoption of sustainable materials across its operations and supply chain.

4. **Extended Producer Responsibility (EPR) Plan:** Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, Extended Producer Responsibility is applicable to our company. We recognize our role in managing the environmental impact of our products throughout their life cycle. As part of our commitment to sustainability, we are actively exploring and evaluating alternative materials to replace the limited usage of plastic within our operations.

The Company is currently in the process of obtaining the necessary EPR certificate from the Centralized Extended Producers Responsibility Portal for Plastic Packaging.

**PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS**



**A) ESSENTIAL INDICATORS:**

**1. A) Details of measures for the well-being of employees:**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent employees</b>											
Male	1,081	1,081	100%	1,081	100%	0	0	1,081	100%	1,081	100%
Female	718	718	100%	718	100%	718	100%	0	0	718	100%
Total	1,799	1,799	100%	1,799	100%	718	100%	1081	100%	1,799	100%
<b>Other than Permanent employees</b>											
Male	Nil	-	-	-	-	-	-	-	-	-	-
Female	Nil	-	-	-	-	-	-	-	-	-	-
Total	Nil	-	-	-	-	-	-	-	-	-	-

**B) Details of measures for the well-being of workers:**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent Workers</b>											
Male	Nil	-	-	-	-	-	-	-	-	-	-
Female	Nil	-	-	-	-	-	-	-	-	-	-
Total	Nil	-	-	-	-	-	-	-	-	-	-
<b>Other than Permanent Workers</b>											
Male	Nil	-	-	-	-	-	-	-	-	-	-
Female	Nil	-	-	-	-	-	-	-	-	-	-
Total	Nil	-	-	-	-	-	-	-	-	-	-

The company has chosen to enlist the services of workers on an as-needed basis by utilizing third-party contractors. In this arrangement, payments are channelled and handled by the agency responsible for recruiting and engaging these individuals.

**2. Details of retirement benefits, for Current FY and Previous Financial Year:**

Benefits	FY 2022-23(Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	94%	-	Yes	99%	-	Yes
Gratuity	95%	-	Yes	0	-	NA
ESI	83%	-	Yes	85%	-	Yes
Others, please specify	94%	-	Yes	99%	-	Yes
Workers	-	-	-	-	-	-

**3. Accessibility of workplaces:**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

We prioritize accessibility for differently abled employees, ensuring equal opportunities and a welcoming workplace. Through measures like ramps and elevators, we enable smooth and convenient access throughout our premises. Our commitment extends beyond legal requirements, fostering an inclusive environment where every individual can fully participate.

We regularly assess and enhance our accessibility provisions, considering feedback and following best practices. By promoting accessibility, we create a diverse and respectful workplace.

**4. Equal Opportunity Policy:**

Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, our Company upholds an Equal Opportunity Policy, which is aligned with our Human Rights Policy, to ensure fairness and eliminate discrimination. We have strict prohibitions against any form of discrimination based on factors such as race, sex, religion, age, disability, and more. Our commitment to equal opportunities is demonstrated through proactive measures aimed at preventing and addressing discrimination or harassment incidents.

To create an inclusive environment, we enforce policies that foster diversity and promote a workplace culture where all individuals can flourish. We prioritize providing equal opportunities to every employee, regardless of their background. We actively promote diversity and inclusion through training initiatives and awareness programs, reinforcing our dedication to equality.

Our overarching objective is to establish a workplace that is free from bias and prejudice, where every employee feels valued and supported. By setting a positive example within our organization, we contribute to the broader goal of building a more equitable society.

For detailed information and access to the policy, kindly visit the following web link: <https://www.thangamayil.com/corporate/wp-content/uploads/2023/05/Human-Rights-Policy.pdf>

## 5. Return to work and Retention rates of permanent employees and workers that took parental leave:

Gender	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	Nil	Nil	Nil	Nil
Female	29%	97%	Nil	Nil
<b>Total</b>	<b>29%</b>	<b>97%</b>	<b>Nil</b>	<b>Nil</b>

## 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief:

**Permanent Workers / Other than Permanent Workers**

The company does not employ any permanent workers; instead, all workers are engaged on an as-needed basis with the assistance of third-party vendors.

However, all received complaints are promptly brought to the attention of the process manager. The process manager assumes a crucial responsibility by thoroughly examining the particulars of the matter and identifying the appropriate course of action.

In the event that the complaint is deemed to be of a severe nature, it may be necessary to escalate the issue to higher levels of management. In such instances, the process manager may refer the complaint to the branch manager, who can further review the particulars and determine the subsequent actions.

If the complaint remains unresolved, the organization involves the group Human Resource Manager, who can offer supplementary assistance and direction in addressing the matter.

**Permanent Employees / Other than Permanent Employees**

Our Company prioritizes a fair and respectful work environment, ensuring every employee is treated with dignity. A comprehensive Whistle Blower and Protection policy is in place, providing clear instructions for reporting complaints and protecting employees from retaliation. Communication and training programs promote fairness, respect, and dignity. Open dialogue is valued, fostering a supportive and inclusive culture. Upholding the highest ethical standards, the Company creates a safe and motivated workplace for personal and professional growth. Long-term success is driven by a commitment to fairness and equity.

## 7. Membership of employees and worker in association(s) or Unions recognised by the entity:

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	1799	Nil	-	1718	Nil	-
Male	1081	Nil	-	1049	Nil	-
Female	718	Nil	-	669	Nil	-
Total Permanent Workers	Nil	-	-	-	-	-
Male	Nil	-	-	-	-	-
Female	Nil	-	-	-	-	-



**8. Details of training given to employees and workers:**

	(Current Financial Year)					(Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (B)	% (B / A)	No. (C)	% (C / A)
Employees										
Male	1081	374	35%	540	49%	1049	340	32%	590	56%
Female	718	210	29%	345	48%	669	230	34%	264	39%
Total	1799	584	33%	885	49%	1718	570	33%	854	50%
Workers										
Male	Nil	-	-	-	-	-	-	-	-	-
Female	Nil	-	-	-	-	-	-	-	-	-
Total	Nil	-	-	-	-	-	-	-	-	-

**9. Details of performance and career development reviews of employees and workers:**

Category	FY 2022-23(Current Financial Year)			FY 2021-22(Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	1081	1081	100%	1049	1049	100%
Female	718	718	100%	669	669	100%
Total	1799	1799	100%	1718	1718	100%
Workers						
Male	Nil	-	-	-	-	-
Female	Nil	-	-	-	-	-
Total	Nil	-	-	-	-	-

**10. Health and safety management system:**

- a) **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?**

Yes, Our Company has implemented an occupational health and safety management system.

The system encompasses the entirety of the company's operations, encompassing crucial areas such as comprehensive training in employee and worker health and safety, rigorous hazard identification and risk assessment, meticulous incident reporting and investigation, and continuous monitoring and enhancement. Its purpose is to establish a work environment that prioritizes the safety and well-being of all employees while ensuring strict adherence to pertinent health and safety regulations and standards.

- b) **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

The company proactively conducts regular inspections to identify workplace hazards and assess associated risks. Through these inspections, every task performed is carefully analysed to determine appropriate control measures, ensuring the safety of workers and employees.

To foster a culture of safety, workers and employees are actively encouraged to report any incidents or potential hazards they encounter. Their input is valuable in identifying and addressing potential risks promptly, further enhancing workplace safety.

The Company places significant emphasis on training programs aimed at equipping workers and employees with the necessary knowledge and skills to mitigate risks. These training programs are conducted regularly to ensure that individuals are well-prepared to handle potential hazards and take preventive measures effectively.

When hazards are identified, the company takes immediate action to implement preventive measures. Prompt implementation of these measures plays a crucial role in mitigating risks and safeguarding the well-being of workers and employees.

By conducting regular inspections, encouraging incident reporting, providing comprehensive training, and promptly implementing preventive measures, the company demonstrates its commitment to prioritizing workplace safety. These proactive measures contribute to creating a secure work environment and reducing the potential for accidents or injuries.

**c) Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

Our company places great emphasis on maintaining transparency in reporting work-related hazards by implementing clear and confidential channels. Workers receive regular training to enhance their ability to identify and report hazards effectively, fostering a proactive safety culture within the organization.

To ensure the prompt response to immediate risks, the company has established clear emergency procedures. These procedures equip workers with the necessary knowledge and guidance to respond swiftly and appropriately in emergency situations. By providing workers with a structured framework for action, the company prioritizes their safety and minimizes potential harm.

By maintaining transparent reporting channels and empowering workers through training and emergency procedures, the company demonstrates its commitment to creating a safe work environment. These measures enable the identification and mitigation of hazards, allowing for proactive risk management and the continuous improvement of workplace safety practices.

**d) Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

The company extends non-occupational medical and healthcare services to all employees, encompassing preventive care, medical check-ups, vaccinations, insurance coverage, and health education programs. These comprehensive services foster a culture of well-being within the workplace, promoting the overall health and welfare of employees.

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

12. **Measures to ensure a safe and healthy workplace:** Describe the measures taken by the entity to ensure a safe and healthy workplace.

The company prioritizes the establishment of a safe and healthy work environment for all employees on its premises. To achieve this, the following measures have been implemented:

- Employees are provided with suitable chairs for comfortable seating, promoting good posture and reducing the risk of musculoskeletal issues.
- A readily accessible and well-stocked first aid box is available, ensuring that immediate medical assistance can be provided if needed. Ample amenities are also provided to cater to the diverse needs of all staff members.
- Work areas are maintained in a clean, uncluttered, and well-lit condition, minimizing potential hazards and ensuring a safe working environment. Attention is given to ensuring that employees wear appropriate footwear to prevent accidents and injuries.
- Fire safety measures are in place, including the installation, regular maintenance, and clear labelling of fire extinguishers according to their specific fire types. This ensures prompt response and effective fire control in case of emergencies.
- Adequate air conditioning systems are provided to maintain a comfortable temperature within the work area, promoting productivity and employee well-being. Access to clean drinking water is also ensured, contributing to employee health and hydration.
- Regular and comprehensive assessments are conducted to identify and address potential hazards and risks that may be present within the workplace. These assessments enable proactive measures to be taken, ensuring the implementation of appropriate safety protocols and minimizing potential risks.

By implementing these measures, the company demonstrates its commitment to safeguarding the well-being of its employees and providing a secure work environment. These initiatives contribute to a positive work culture and enable employees to perform their duties with peace of mind, knowing that their safety and health are prioritized.

13. **Number of Complaints on the following made by employees and workers:**

	FY (2022-23) Current Financial Year			FY (2021-22) Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	NA	Nil	Nil	NA
Health & Safety	Nil	Nil	NA	Nil	Nil	NA

14. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. **Corrective Actions:** Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

The Company diligently followed safety protocols in compliance with state and local regulations, ensuring the maintenance of high hygiene standards. As a testament to these efforts, there were no reported safety incidents throughout the year.

## PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS



### A) ESSENTIAL INDICATORS:

#### 1. Identification of stakeholder group: Describe the processes for identifying key stakeholder groups of the entity

The Company has formulated a stakeholder engagement framework to enhance stakeholder identification, aiming to improve engagement effectiveness and uphold the company's reputation, trust-building, and value creation for all stakeholders. The framework includes:

**Two dimensions:** The framework incorporates two crucial dimensions for stakeholder identification their interests and their level of influence. Considering both dimensions helps the organization identify stakeholders and determine appropriate modes and levels of engagement for each group.

**Criteria for identification:** In addition to the dimensions, the company considers several criteria when identifying stakeholder groups, including their level of dependency on the organization, the level of responsibility they hold towards the organization, the attention they receive from the organization, and their level of influence over it.

By utilizing this stakeholder engagement framework and taking into account these criteria, the company can effectively identify key stakeholders essential to its success and develop tailored engagement strategies that align with their needs and interests. This approach is critical for maintaining positive stakeholder relationships and achieving strategic objectives.

#### 2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly /others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders & Investors	No	<ul style="list-style-type: none"> <li>Annual General Meeting</li> <li>Shareholder Meets</li> <li>Email,</li> <li>Stock Exchange (SE) intimations investor/ analysts meet/</li> <li>Conference calls</li> <li>Annual report</li> <li>Quarterly results</li> <li>Media releases</li> <li>Company/SE website</li> </ul>	Quarterly, Half yearly and annually	Share price appreciation, dividends, Profitability and financial stability, Robust ESG practices, Climate change risks, cyber risks, Growth prospects

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly /others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government/ Regulatory authorities	No	<ul style="list-style-type: none"> <li>Reporting / Filings.</li> <li>Submissions/ Applications.</li> <li>Conclusion of assessments.</li> <li>Representations in person</li> <li>Attending Workshops conducted by the authorities</li> </ul>	On periodical basis as provided under relevant legislations	Discussions with regulatory bodies with respect to regulations, amendments, approvals and assessments.
Customer	No	<ul style="list-style-type: none"> <li>Events, Mails, SMS,</li> <li>Brochures,</li> <li>Website</li> </ul>	On periodical basis	To understand customer preferences, feedback and resolve their grievances.
Employees	No	<ul style="list-style-type: none"> <li>Counselling sessions, Interactive meetings,</li> <li>Internal management development programmes,</li> <li>Webinar.</li> </ul>	On regular basis	To keep employees updated and address their concerns.
Local Communities	No	<ul style="list-style-type: none"> <li>Meetings and briefings,</li> <li>Partnership in community development projects,</li> <li>Training and Workshops,</li> <li>Impact Assessments,</li> <li>Website</li> <li>Social Media.</li> </ul>	Need basis	Need assessment for CSR, Reviews and Addressing Grievances, if any
Board of Directors	No	<ul style="list-style-type: none"> <li>Board Meeting,</li> <li>Committee Meetings and briefings / familiarity programmes</li> </ul>	On regular basis	To review the performance of the company
Competitors	No	<ul style="list-style-type: none"> <li>Conferences,</li> <li>Events</li> </ul>	Need basis	To understand the market size and developments
Media	No	<ul style="list-style-type: none"> <li>Press Releases,</li> <li>Events</li> </ul>	On periodical basis	To create awareness about products and services
Professional & Consultants	No	<ul style="list-style-type: none"> <li>Reports</li> <li>Legal Opinions</li> </ul>	On periodical basis	Compliance to legal requirements, advice on business, legal, tax and environment etc related issues.



Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly /others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Industry associations	No	<ul style="list-style-type: none"> <li>Trade events</li> <li>Conferences</li> <li>Newsletter</li> <li>Publications</li> </ul>	Need basis	For networking opportunities and to stay updated on industry news and trends.
Suppliers	No	<ul style="list-style-type: none"> <li>Assessment, Review,</li> <li>Meetings, calls, training, workshop and webinar</li> <li>Website</li> <li>social media</li> </ul>	Need basis	Queries/suggestions/assurance/ complaints etc.  Raising our concerns with suppliers
Designers/ Artists	No	<ul style="list-style-type: none"> <li>Email</li> <li>Telephone</li> </ul>	On periodical basis	To understand new trends in market

**PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS**

**A) ESSENTIAL INDICATORS:**

- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
<b>Employee</b>						
Permanent	1799	1799	100%	1718	1718	100%
Other than permanent	Nil	-	-	-	-	-
<b>Total Employees</b>	<b>1799</b>	<b>1799</b>	<b>100%</b>	<b>1718</b>	<b>1718</b>	<b>100%</b>
<b>Worker</b>						
Permanent	Nil	-	-	-	-	-
Other than permanent	Nil	-	-	-	-	-
<b>Total Workers</b>	<b>Nil</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**2. Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Permanent	1799	138	7.67%	1661	92.33%	1718	119	6.93%	1599	93.07%
Male	1081	39	3.60%	1042	96.40%	1049	47	4.48%	1002	95.52%
Female	718	99	13.78%	619	86.22%	669	72	10.76%	597	89.24%
Other than permanent	Nil	-	-	-	-	-	-	-	-	-
Male	Nil	-	-	-	-	-	-	-	-	-
Female	Nil	-	-	-	-	-	-	-	-	-
<b>Workers</b>										
Permanent	Nil	-	-	-	-	-	-	-	-	-
Male	Nil	-	-	-	-	-	-	-	-	-
Female	Nil	-	-	-	-	-	-	-	-	-
Other than permanent	Nil	-	-	-	-	-	-	-	-	-
Male	Nil	-	-	-	-	-	-	-	-	-
Female	Nil	-	-	-	-	-	-	-	-	-

\*All workers of the Company are exclusively engaged through third-party contractors, and payments for their services are directly sent to the respective agency responsible for their engagement.

**3. Details of remuneration/salary/wages, in the following format: (Amount in INR)**

Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BOD)*	7	2,17,00,000 (Inclusive of 1 lac sitting fee)	2	35,000 (Only sitting fees)
Key Managerial Personnel **	2	55,60,848	0	0
Employees other than BOD and KMP	1076	33,00,30,089	718	13,83,40,287

\* The Board of Directors comprises all Directors, including five Independent Directors and one Non-Executive Director, who are not on the company's payroll as employees.

\*\* Key Managerial Personnel includes Company Secretary and Chief Financial Officer.

**4. Focal point for addressing human rights:** Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

The Human Resource Manager plays a vital role in addressing human rights impacts within the organization. Through their efforts, including addressing issues, conducting assessments, collaborating with stakeholders and external organizations, we are dedicated to identifying and mitigating any negative human rights impacts while striving to uphold the highest standards across all our operations.

Throughout the organization, our unwavering commitment to upholding the highest standards of human rights protection remains steadfast. The Human Resource Manager, supported by a dedicated committee, works diligently to identify, assess, and address any potential human rights risks or violations. This proactive approach demonstrates our commitment to ensuring a safe, inclusive, and respectful working environment for all employees.

5. **Internal mechanisms in place to redress grievances related to human rights issues:** Describe the internal mechanisms in place to redress grievances related to human rights issues.

The company has established effective internal mechanisms to address grievances related to human rights issues. These internal mechanism plays a vital role in addressing grievance redressal on human rights issues within organizations. By establishing clear policies, providing accessible channels for reporting, conducting thorough investigations, and promoting awareness and training, organizations can create a culture of respect and accountability. Through these efforts, organizations can demonstrate their commitment to upholding human rights and contribute to a safer and more equitable workplace for all.

6. **Number of Complaints on the following made by employees and workers:**

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	None	Nil	Nil	None
Discrimination at workplace	Nil	Nil	None	Nil	Nil	None
Child Labour	Nil	Nil	None	Nil	Nil	None
Forced Labour/ Involuntary Labour	Nil	Nil	None	Nil	Nil	None
Wages	Nil	Nil	None	Nil	Nil	None
Other human rights related issues	Nil	Nil	None	Nil	Nil	None

7. **Prevention of discrimination and harassment cases:** Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

The Company has implemented a comprehensive whistle blower policy and Prevention of Sexual Harassment (POSH) policy. These policies establish a framework that empowers employees to report any unethical or illegal behaviour and raise concerns about wrongdoing without the fear of facing retaliation. The company places a strong emphasis on maintaining the confidentiality of the complainant's details.

In cases involving sexual harassment, the company handles them with utmost sensitivity and confidentiality. Protecting the complainant and preventing any further victimization are of paramount importance. The company ensures that all such cases are treated with the necessary care and attention they deserve, creating a safe and supportive environment for everyone.

8. **Human rights requirements forming part of your business agreements and contracts: Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Our primary focus is to collaborate with suppliers who demonstrate a steadfast commitment to upholding human rights without any infringements. This commitment encompasses unwavering compliance with relevant laws and regulations, while fostering a culture of ethics, integrity, and profound respect for human rights across all dimensions of our operations.

9. **Assessments for the year:**

Category	% of your plants and offices that were assessed (By entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	-

10. **Corrective Actions to address significant risks / concerns arising from the assessments:** Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

There were no significant risk/concern that arose on its self-assessment and from the diligence of customers. The company has a robust policy to address human right issues such as child labour, forced labour, sexual harassment, discrimination, and wages. Regular assessments and training are conducted to prevent violations. The company takes prompt and effective corrective action, including legal action, if necessary, in the event of any violations. Policies and procedures are continuously reviewed and strengthened to ensure human rights are upheld across all operations.

**PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT**



A) **ESSENTIAL INDICATORS:**

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 22-23 (Current Financial Year)	FY 21-22 (Previous Financial Year)
Total electricity consumption (A)	20826.0612	10938.2328
Total fuel consumption (B)	0.0000154976	0.0000239292
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	20826.0612154	10938.232839
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.0000661	0.0000499

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The Company has not conducted any independent assessment, evaluation or assurance by an external agency.

**2. Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India:**

This particular section is not applicable, as the Company has not been identified as designated consumer under Performance, Achieve and Trade (PAT) Scheme of the Government of India.

**3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	Nil	Nil
(ii) Groundwater	39398.10	37624.20
(iii) Third party water	3283.175	3135.350
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	42681.275	40759.550
Total volume of water consumption (in kilolitres)	42681.275	40759.550
Water intensity per rupee of turnover (Water consumed / turnover)	0.000135	0.000185
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The Company has not conducted any independent assessment, evaluation or assurance by an external agency.

**4. Mechanism for Zero Liquid Discharge:** Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Our company operates in the retail sector, does not generate any wastewater as part of its business operations. The primary use of water in our company is for non- industrial purpose such as sanitation, cleaning, and other similar activities, resulting in minimal wastewater production. As a result, we do not generate wastewater in quantities that necessitate the implementation of a Zero Liquid Discharge System.

**5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	NA	Nil	Nil
SOx	NA	Nil	Nil
Particulate matter (PM)	NA	Nil	Nil
Persistent organic pollutants (POP)	NA	Nil	Nil
Volatile organic compounds (VOC)	NA	Nil	Nil
Hazardous air pollutants (HAP)	NA	Nil	Nil
Others – please specify	NA	Nil	Nil



**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency.

The Company has not conducted any independent assessment, evaluation or assurance by an external agency

6. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	Nil*	Nil
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	Nil	Nil
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO <sub>2</sub> equivalent	Nil	Nil
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO <sub>2</sub> equivalent	Nil	Nil

\*The company is into retail operations, the likelihood of emitting greenhouse gas (GHG) into the atmosphere is minimal or non-existent.

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency.

The Company has not conducted any independent assessment, evaluation or assurance by an external agency.

7. **Project related to reducing Green House Gas emission:** Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Planting trees is indeed an effective way to combat climate change and promote environmental sustainability. Trees play a crucial role in mitigating the effects of climate change by absorbing carbon dioxide and releasing oxygen through the process of photosynthesis. They also provide numerous other benefits such as reducing air pollution, improving water quality, supporting biodiversity, and preventing soil erosion.

The Company's initiative to plant 1 crore seedballs and provide seed balls to our customers not only helps in offsetting carbon emissions but also raises awareness about the importance of environmental conservation. By involving our customers in this initiative, we are encouraging them to be actively engaged in creating a healthier planet.

Reducing carbon footprints is crucial for mitigating climate change, and planting trees is a tangible step towards achieving that goal. Trees act as carbon sinks, absorbing CO<sub>2</sub> from the atmosphere and storing it in their biomass.

Furthermore, our initiative can inspire others to take action and demonstrate the power of collective efforts in creating a better future. By highlighting the benefits of planting trees and involving our customers, we are spreading awareness and encouraging a broader movement towards environmental sustainability.

**8. Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	Given the nature of the Company's business, which primarily revolves around jewellery retail operations, plastic is solely employed in packaging materials. Additionally, miscellaneous items such as water bottles made of plastic are used within the company as part of regular consumption.  These specific instances encompass the potential generation of plastic waste. However, considering the Company's retail operations, the volume of plastic waste produced is minimal. Moreover, the Company is currently undertaking an evaluation to quantify the overall plastic waste generated within its operations.	
E-waste (B)	The Company generates a negligible amount of e-waste and is taking necessary measures to ensure that it is disposed of in an environmentally sound manner whenever required.	
Bio-medical waste (C)	Nil	Nil
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	Nil	Nil
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. Please specify, if any. (G)	Nil	Nil
Total (A+B+C+D+E+F+G+H)	Nil	Nil
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	The company produces a negligible amount of waste due to its operations within the service industry. Currently, it is in the process of implementing a data collection, tracking, and monitoring system to ensure compliance with reporting obligations.	
(ii) Reused		
(iii) Other recovery operations		
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	The Company abstains from engaging in practices such as incineration or landfilling for waste disposal. Instead, it adheres to a stringent protocol of channelling waste disposal through an authorized vendor specifically designated by the Madurai Municipal Corporation.	
(ii) Landfilling		
(iii) Other disposal operations		
Total		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

**9. Waste management practices adopted in the establishment:** Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The company consistently evaluates and enhances the waste management practices aligning with the latest industry standards and best practices. By regularly reviewing these practices, we strive to optimize our waste management processes and minimize environmental impact.

In addition to our internal efforts, we place great importance on the environmental compliance of our suppliers. We ensure that all our suppliers adhere to the relevant environmental regulations, fostering a collective commitment to sustainable practices throughout our supply.

10. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

S. No	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
	The Company does not have any offices or operational sites in the vicinity of any ecologically sensitive area.		

11. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Environmental Impact Assessment is not applicable to the Company.

12. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Yes, the Company is fully compliant with all the applicable environmental laws/regulations/guidelines in India including but not limited to Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules.

## PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT



### A) ESSENTIAL INDICATORS:

1. A) **Affiliations with trade and industry chambers/ associations:** Number of affiliations with trade and industry chambers/ associations.

Thangamayil Jewellery Limited has affiliations with 4 trade and industry chambers/associations.

- B) **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	Federation of Tamil Nadu Chambers of Commerce & Industry (FTCCI)	State
2.	Madurai Jewellery Retailers Associations	State
3.	Gem and Jewellery exports promotion Council	National
4.	Indian Bullion Merchant Associations	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities:

Name of authority	Brief of the case	Corrective action taken
The Company has not engaged in any anti-competitive conduct.		

## PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT



The Company prioritizes its Social Policy, which encompasses diverse objectives including healthcare and wellness, public benefit through plant sapling, food assistance, education assistance, Gaushala funding, eye camps, and more.

Additionally, the Company actively engages in fostering the social and economic progress of the communities in which it operates. This commitment is reflected in its comprehensive Corporate Social Responsibility (CSR) policy, encompassing the formulation, implementation, monitoring, evaluation, documentation, and reporting of CSR activities.

Through its social investments, the Company addresses various community needs near its outlets and offices. These initiatives aim to create a positive and enduring impact on the well-being and development of the local communities it serves.

### A) ESSENTIAL INDICATORS:

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief de-tails of project	SIA Notifi-cation No.	Date of noti-fication	Whether conducted by inde-pendent ex-ternal agen-cy (Yes / No)	Results com-municated in public domain (Yes / No)	Relevant Web link
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This section is not applicable to the Company as there were no projects that required Social Impact Assessment (SIA) to be undertaken under the law

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S. No.	Name of Pro-ject for which R&R is ongo-ing	State	District	No. of Pro-ject Affect-ed Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)	Relevant Web link
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This section is not applicable to the Company as there were no projects that required Rehabilitation and Resettlement (R&R).

3. **Community redressal mechanism:** Describe the mechanisms to receive and redress grievances of the community.

The Branch Manager plays a pivotal role in handling community grievances by acting as a bridge between the business and the community. Their involvement facilitates effective communication and prompt resolution of concerns.

To streamline the process, the Company provides a toll-free number and email address dedicated to receiving community grievances. These accessible channels of communication make it convenient for community members to report any issues they may have.

By actively addressing and resolving community grievances, the Company demonstrates its commitment to building trust and fostering a strong relationship with external stakeholders. Open lines of communication and a proactive approach to addressing concerns contribute to a positive and mutually beneficial engagement between the business and the community.

#### 4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Category	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	NIL	NIL
Sourced directly from within the district and neighbouring districts	100%	100%

### PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER



The Company places great importance on responsibly engaging with and providing value to its consumers as a fundamental aspect of its business strategy. This not only builds trust and loyalty but also contributes to a sustainable future for all stakeholders.

The Company acknowledges the significance of engaging with consumers in a responsible manner, striving to meet their needs while minimizing adverse effects on society and the environment. It actively seeks to understand customer preferences and maintains transparent communication channels. By adopting a customer-centric approach, the Company aims to foster long-lasting relationships while upholding its commitment to social and environmental responsibility, thus contributing to a sustainable future.

#### A) ESSENTIAL INDICATORS:

- Consumer Complaints and feedback:** Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company offers a toll-free number and email address provided by the concerned authority, enabling consumers to express their concerns. This facility establishes a direct line of communication between consumers and the company, facilitating swift resolution of any issues that may arise.

Furthermore, the Company appoints a Branch Manager who is responsible for effectively addressing consumer concerns. Acting as a liaison between the consumer and the company, the Branch Manager ensures prompt resolution of any issues that may arise.

In summary, the provision of multiple communication channels for expressing grievances cultivates trust and goodwill between the company and external stakeholders. The prompt and effective addressing of concerns demonstrates the company's commitment to responsible corporate citizenship, fostering enduring relationships with the community.

- Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

Category	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	100% (Bureau of International Standards)
Recycling and/or safe disposal	Not Applicable

**3. Number of consumer complaints in respect of the following:**

Category	FY 2022-23 (Current Financial Year)		Remarks	FY 2021-22 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	-	Nil	Nil	-
Advertising	Nil	Nil	-	Nil	Nil	-
Cyber security	Nil	Nil	-	Nil	Nil	-
Delivery of essential services	Nil	Nil	-	Nil	Nil	-
Restrictive Trade Practices	Nil	Nil	-	Nil	Nil	-
Unfair Trade Practices	Nil	Nil	-	Nil	Nil	-
Other	Nil	Nil	-	Nil	Nil	-

**4. Details of instances of product recalls on account of safety issues:**

Particulars	Number	Reasons for recall
Voluntary recalls	-	Not Applicable
Forced recalls	-	Not Applicable

**5. Cyber security policy:** Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the company has implemented comprehensive policies regarding cybersecurity and data privacy to safeguard sensitive information. A dedicated IT team ensures the enforcement of rigorous data privacy measures, thereby ensuring the highest level of security.

The preservation of customer privacy holds paramount importance, and all customer complaints are addressed in a proactive manner. The company maintains a constant review and update of its IT security protocols to align with industry standards and best practices, thereby guaranteeing the continued protection of data.

Through these robust measures and continuous vigilance, the company consistently prioritizes the security of its systems and data, fostering trust among customers and stakeholders. For more details on the policy, please refer to the provided link: <https://www.thangamayil.com/corporate/wp-content/uploads/2023/05/Privacy-Policy.pdf>

**6. Corrective Actions:**

Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services

This section is not applicable to the Company as there have been no reported incidents of such issues till date.



# REPORT ON CORPORATE GOVERNANCE

(Pursuant to Regulation 27 of SEBI (LODR) 2015 of the Listing Agreement)

The following is a report on Corporate Governance code as implemented by your company.

## MANDATORY REQUIREMENT

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes in transparency, professionalism and accountability, which are the basic principles of corporate governance. The Company would constantly endeavor to improve on these aspects. The Company's corporate governance philosophy has been further strengthened by adopting a Code of Business Conduct and Ethics and the Code of Conduct for Prevention of Insider Trading for board and senior management personnel.

The basic philosophy of corporate governance at TMJL is to achieve business excellence by creating and enhancing value for its stakeholders.

- a) The Board of Directors and the Management of TMJL commit themselves to:
- Strive towards enhancement of Shareholder value through;
    - i) Sound business decisions
    - ii) Prudent financial management and
    - iii) High standards of ethics throughout the organization.
  - Ensure transparency and professionalism in all decisions and transactions of the company.
  - Achieve excellence in Corporate Governance by
    - i) Conforming to and exceeding wherever possible, the prevalent mandatory guidelines on Corporate Governance.
    - ii) Regularly reviewing the Board processes and the management systems for further improvement.

Thus, in TMJL we are committed to conduct our business in a manner which will ensure long-Term growth thereby maximizing value to shareholders, Customers, Employees and Society at large. The company recognizes that good corporate governance is essential to build and retain the confidence of its shareholders. Therefore, the company ensures that various disclosure requirement are complied with for effective corporate governance. To this end, the

company's philosophy on corporate governance is to endeavor to ensure:

1. That system procedure which monitors compliance with laws, rules and regulations are in place in each area of its Business.
2. That relevant information regarding the company and its operations is disclosed, disseminated and easily available to its shareholders and
3. That the Board of Directors is kept fully informed of all material developments in the company, the risks in its business and its operations and the rationale for management's decisions and recommendations, so that the Board of Directors can effectively discharge their responsibilities to our shareholders.

The Company continues to undertake an Audit of its secretarial records and documents by a Practicing Company Secretary in respect of compliance with the applicable provisions of the Act, Listing Agreement with the Indian Stock Exchanges and the applicable regulations and guidelines issued by Securities and Exchange Board of India. A copy of the Secretarial Audit Report for the period under review is a part of the Annual Report.

### CORPORATE CODE OF CONDUCT

The activities and conduct of the company and its employees are governed by the code of conduct of the company. The major salutary principles prescribed by the code of conduct are:

1. Conduct of business in consonance with National interest.
2. Fair and accurate presentation of Financial Statements.
3. Practicing politically non- alignment.
4. Maintaining quality of product and services.
5. Being a good corporate citizen.
6. Ethical conduct.
7. Commitment to enhance shareholder value and statutory compliance.

## BOARD OF DIRECTORS

### Composition of the Board

The Company has adopted the corporate governance principles to ensure that the Board functions with utmost transparency, is independent and enables the stakeholders to take informed decisions. To this effect, steps have been taken to ensure that the Board consists of distinguished members with expertise in various fields. The Board at TMJL is fully aware of its responsibilities to the company, to the stake holders and to the regulatory authorities and is working towards achieving utmost transparency.

The Company is managed and controlled by a professional Board comprising a blend of Executive and Non-executive Directors. As at March 31, 2023, the Company's Board consists of 9 directors and is headed by its Chairman and Managing Director, Mr. Balarama Govinda Das, out of which, 5 are Non- executive Independent Directors. None of the Directors on the Company's Board is a Director in more than 15 Companies, neither a Chairman of more than five Committees nor a member of more than 10 Committees. All the Directors have made necessary disclosures regarding their Directorship and Chairmanship/Committee Membership in other Companies.

The appointment of the Chairman and Managing Director and Joint Managing Directors including the tenure and terms of remuneration, are approved by the members at their general meetings.

Seven Board meetings were held during 2022-2023 and the gap between two meetings did not exceed four months. The dates, on which the Board meetings were held, are as follows:

21st April 2022, 19th May 2022, 14th June 2022, 27th July, 17th October 2022, 23rd January 2023 and 23rd March 2023.

The independent directors of the Board are experienced, competent and highly renowned in their respective fields. The independent directors take active part at the Board and committee Meetings which brings value to the decision-making process of the board.

### Non-executive directors- compensation

The Non-executive directors are paid a sitting fee for attending the board meetings and are not paid any other compensation in any other form.

The previous Annual General Meeting was held on 4th August 2022. Composition, Status, Attendance at the Board Meetings, and the last Annual General Meeting (AGM):

Name of Director	Status	No. Of Board Meetings		Attendance At the last AGM	No. Of other Companies on which Director *(other than Pvt. Ltd. Companies)	No. of committees** other than Thangamayil Jewellery Ltd in which member
		Held during the year	Attended during the year			
Mr. Balarama Govinda Das (Chairman, Managing Director)	Promoter and Executive	7	7	Yes	-	-
Mr. Ba.Ramesh (Joint Managing Director)	Promoter and Executive	7	7	Yes	-	-
Mr. N. B. Kumar (Joint Managing Director)	Promoter and Executive	7	7	Yes	-	-
Mr. S. Rethinavelu	Independent Non-executive	7	5	Yes	-	-
Mr. LaljiVora	Independent Non-executive	7	6	Yes	-	-
Mr. V.R. Muthu	Independent Non-executive	7	2	Yes	1	-
Mrs. Yamuna Vasini deva dasi	Promoter and Non-executive	7	4	Yes	-	-
Mr. V. Ramasamy#	Independent Non-executive	7	-	Yes	-	-
Mr.S.M. Chandrasekaran	Independent Non-executive	7	7	Yes	-	-
Rajakumari Jeevagan	Independent Non-executive	7	3	No	-	-

\* Excludes Directorship in private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

\*\* Audit Committee, Remuneration Committee and Shareholders'/Investors' Grievance Committee

# Resigned on 31st May 2022

### Adoption of Code of Conduct

The Company has adopted Codes of Conduct for Executive Directors and Senior Management and Non-Executive Directors separately. The Managing Director has given a declaration to the effect that all the Directors and Senior Management personnel of the Company have affirmed compliance with the Code.

### Access to information and Updation to directors:

The board reviews all information provided periodically for discussion and consideration at its meetings in terms of SEBI (Listing obligations and disclosure requirements) Regulation, 2015 of the Listing Agreement. Functional heads are present whenever necessary and apprise all the directors about the developments. They also make presentations to the board and audit committee of directors.

Apart from this, the observations of audit carried out by the internal auditors and report submitted by the statutory auditors of the Company are placed and discussed with respective heads. The board also reviews the declarations made by the chairman and Managing director and secretary of the Company regarding compliance of all applicable laws on quarterly basis.

Decisions taken at the board / committee meetings are communicated to the respective divisions. Action taken report on decisions of previous meetings is placed at every succeeding meeting of the board / committee for reporting the compliance.

### Appointment / Re-appointment of directors:

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 of the Listing Agreement with the Stock Exchanges, a brief resume of directors, proposed to be re-appointed, nature of their expertise in specific areas, their other directorships and committee memberships, their shareholdings and their relationships, if any, with other directors are provided in the notice convening the ensuing annual general meeting of the Company.

### AUDIT COMMITTEE

During the year, four meetings of the Audit Committee were held on 19th May, 27th July, 17th October 2022 and 23rd January 2023.

The Chairman of the Audit Committee also attended the Company's last Annual General Meeting.

The following table summarizes attendance of Audit Committee members during the year under review:

Name of the person	Designation	No. Of meetings held during the tenure	No. Of Meetings Attended
Sri. S. Rethinavelu	Chairman	4	4
Sri. Ba.Ramesh	Member	4	4
Sri. V.R.Muthu	Member	4	2
Sri. SM Chandrasekaran	Member	4	4

The Company Secretary acts as the Secretary to the Committee.

The role of the Committee shall be as under:

1. Overseeing of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
3. Reviewing with management the annual financial statements before submission to the board, focusing primarily on;
  - i. Any changes in accounting policies and practices.
  - ii. Matter included in the Director's responsibility Statement.
  - iii. Major accounting entries based on exercise of judgment by management.
  - iv. Qualifications in draft audit report.
  - v. Significant adjustments arising out of audit.
  - vi. The going concern assumption.
  - vii. Compliance with accounting standards.
  - viii. Compliance with stock exchange and legal requirements concerning financial Statements.
  - ix. Any related party transactions i.e. Transaction of the company of material nature, with promoters or the management, their subsidiaries or relatives etc, that may have potential conflict with the interests of company at large.
4. Reviewing with the management, external and internal auditor, on adequacy of internal control systems.
5. Reviewing the adequacy of internal audit function, including the structure of the internal audit

department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

6. Discussion with internal auditors on any significant findings and follow up there on.
7. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
8. Discussions with external auditors before the audit commencement about the nature and scope of audit as well as have post-audit discussions to ascertain any area of concern.
9. Reviewing the company's financial and risk management policies.
10. Reviewing the Management Discussion and Analysis of financial condition and results of operation;
11. Recommending to the Board, the appointment and fixation of remuneration of Cost and Secretarial Auditors;
12. Reviewing reports of Cost audit, Secretarial audit and discussion with Secretarial Auditors on any significant findings by them;
13. Reviewing the Management letters/letters of internal control weaknesses issued by the Statutory Auditors.
14. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any.

In addition to the above, the Audit committee shall also mandatorily review the following:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee.

## NOMINATION AND REMUNERATION COMMITTEE

The Remuneration Committee of the Company is empowered to review the remuneration of the Managing Director and the Executive Directors.

The Remuneration Committee consists of 3 Independent Directors (including the Chairman of the Committee. The composition of the Remuneration Committee and attendance at its meeting is as follows:

Name of the person	Designation	Meeting Attended
Sri. S. Rethinavelu	Chairman	4
Sri. LaljiVora	Member	4
Sri. V. R. Muthu	Member	2
Sri. Balarama Govinda Das	Member	4
Sri.V.Ramasamy*	Member	-

\*Sri.V.Ramasamy resigned with effect from 31.05.2022

Sri. V. Vijayaraghavan, Company Secretary is the Secretary of the Committee.

The terms of reference of the Remuneration Committee are:

- The Remuneration Committee recommends to the board the compensation terms of the executive directors.
- Framing and implementing on behalf of the Board and on behalf of the shareholders, a credible and transparent policy on remuneration of executive directors including ESOP, Pension Rights and any compensation payment.
- Considering approving and recommending to the Board the changes in designation and increase in salary of the executive directors.
- Ensuring the remuneration policy is good enough to attract, retain and motivate directors.
- Bringing about objectivity in deeming the remuneration package while striking a balance between the interest of the company and the shareholders.

### Remuneration Policy

The remuneration of the Managing Director and Joint Managing Directors is recommended by the Remuneration Committee based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record, macroeconomic review on remuneration packages of heads of other organisations and is decided by committee members.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component), incentive

remuneration and/or commission (variable components) to its Managing and Joint Managing Directors. The remuneration package of whole time Directors has been calculated in accordance with the requirements of schedule V of the Companies Act, 2013. Annual increments are decided by the Remuneration Committee within the salary scale approved by the Members and are effective April 1, annually.

A sitting fee of ₹ 5,000/- for attendance at each meeting of the Board and committee, is paid to its Members (excluding Whole-time Directors).

### Remuneration of Non-Executive Directors

The Non-Executive Directors do not receive any remuneration from the Company, apart from the sitting fees. No significant material transactions have been made with the Non-Executive Directors vis-à-vis the Company.

The components of the total remuneration vary for different grades of employees and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by him, his individual performances, etc. The annual variable pay of senior managers is linked to the Company's performance in general and their individual performance for the relevant year is measured against specific major performance areas which are closely aligned to the Company's objectives.

Remuneration of employees largely consists of basic remuneration, perquisites, allowances, and performance incentives.

The Directors' remuneration in respect of the Financial Year 2022-2023, is given below:-

₹ in Lakhs

Name	Designation	Remuneration Salary up to a Maximum
Balarama Govinda Das	Managing Director	72
Ba.Ramesh	Joint Managing Director	72
N.B.Kumar	Joint Managing Director	72

The Company has not issued any stock option to its Directors / Employees.

All decisions relating to the remuneration of Directors are taken by the Remuneration Committee with the approval received from Board as well as the members of the Company.

The Directors' remuneration as mentioned above consists of fixed salary component payable to them.

Particulars of Sitting Fees paid and Details of Shareholding of independent directors during the financial year 2022-23.

Name of the Directors	Sitting Fees (in ₹)	No of Equity Shares Held
Mr. S. Rethinavelu	25,000	-
Mr. LaljiVora	30,000	100
Mr. V.R. Muthu	10,000	-
Mrs.YamunaVasiniDevadasi	20,000	30,895
Mr.S.M. Chandrasekaran	35,000	-
Smt Rajakumari Jeevagan	15,000	
<b>Total</b>	<b>135,000</b>	<b>30,995</b>

### STAKEHOLDERS' GRIEVANCE AND RELATIONSHIP COMMITTEE

The primary role of the investor grievance committee is:

- To specifically look into the Redressal of Investors' Grievances pertaining to:
  - Transfer of shares
  - Dividends
  - Non-receipt of declared dividend.
  - Non-Receipt of Annual Report
  - Complaints with respect to dematerialization of Shares,
  - To look into other related issues towards strengthening investors' relations.

The committee has the following members:

Name of the person	Designation	Meetings Attended
Sri. LaljiVora	Chairman	4
Sri. Balarama Govinda Das	Member	4
Sri. Ba. Ramesh	Member	4
Sri N.B.Kumar	Member	4
Sri.V.Vijayaraghavan	Compliance Officer	4

All the investors' complaints were resolved as on 31st March 2023 and no complaints were pending at the year end.

## CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The terms of reference of the Corporate Social Responsibility Committee (CSR) broadly comprises,

To review the CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013; To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

The composition of the Corporate Social Responsibility Committee as at March 31, 2023 and the details of Members' participation at the Meetings of the Committee are as under:

Name of the person	Designation	Meeting held and Attended
Sri. Balarama Govinda Das	Chairman	4
Sri. LaljiVora	Member	4
Sri. Ba. Ramesh	Member	4
Sri.N.B. Kumar	Member	4

Sri. V. Vijayaraghavan, Company Secretary will be the Secretary of the Committee.

The balance that was available and carried over for the financial year 2022-23 of ₹159 lakhs towards CSR activities as mentioned in point No.26 of Board of Directors report and also at annexure 3 of the report which may kindly be referred to for more details.

The company has spent a sum of ₹159 lakhs towards the following activities in the financial year ended 31.03.2022

S.No	Details	Rs. In lakhs
1	Health Care & wellness	2
2	Food Assistance	39
3	Education Assistance	6
4	Gaushala Funding	102
5	Eye Camp	10
	<b>Total</b>	<b>159</b>

As against ₹158 lakhs to be spent, the company has spent a sum of ₹159 lakhs.

## RISK MANAGEMENT COMMITTEE

In terms of reference following are the brief responsibilities of the committee

1. Overseeing of risk management performed by the executive management.
2. The BRM policy and framework formulated in line with local legal requirements and SEBI guidelines
3. Risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle;
4. Defining framework for identification, assessment, monitoring, and mitigation and reporting of risks.
5. Within its overall scope as aforesaid, the Company shall review risks trends, exposure, and potential impact analysis and mitigation plan.

The committee has the following members

Name of the person	Designation	Meeting held and Attended
Sri. Balarama Govinda Das	Chairman	4
Sri. Ba. Ramesh	Member	4
Sri.N.B. Kumar	Member	4
Sri. LaljiVora	Member	4
Sri. S.M. Chandrasekar	Member	4

Sri. V. Vijayaraghavan, Company Secretary will be the Secretary of the Committee.

## INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on 19th January 2023, inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

## CAPEX COMMITTEE

The Capex Committee was constituted to review the technical and financial viability of the showroom and manufacturing units. The board has approved Capex on manufacturing units and new showroom modernisation and other developmental activities.



## RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and SEBI (Listing obligations and disclosure requirements) Regulation, 2015 of the Listing Agreement during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

To the extent the provisions of section 188 is applicable, we have obtained necessary approvals from the Audit Committee as well as Board as required under the Act and the details of such transactions have been attached in the Directors report at appropriate place.

There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (Ind AS 24) has been made in the notes to the Financial Statements.

## DISCLOSURES

### Disclosures on materially significant related party transactions that may have potential conflict with the interest of Company at large

Details of transactions of a material nature with any of the related parties as specified in Indian Accounting Standard (Ind AS)24 issued by the Institute of Chartered Accountants of India has been reported in the Notes to the Accounts. There is no transaction of a material nature with any of the related parties which is in conflict with the interests of the Company.

### Proceeds from public issues, right issues, preferential issues

During the year, the Company did not raise capital through public, rights and/or preferential issue.

### Details of non-compliance by the Company, penalties imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

There was no such instance of non-compliance during the last three years.

## Management

i) The Management Discussion and Analysis Report forms a part of the Annual Report and is in accordance with the requirements laid down in SEBI (Listing obligations and disclosure requirements) Regulation, 2015.

ii) No material transaction was entered into by the Company with the Promoters, Directors or the Senior Management that may have a potential conflict with the Company's interests.

**All mandatory requirements have been appropriately complied with and the non-mandatory requirements are dealt with at the end of the report.**

## Code of Conduct

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviours of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as "code of business conduct" which forms an Appendix to the Code. The Code has been posted on the Company's website [www.thangamayil.com](http://www.thangamayil.com). The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behaviour from an employee in a given situation and the reporting structure.

All the Board Members & the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

## Postal ballots

For the year ended March 31, 2023, there were no ordinary or special resolutions that need to be passed by our shareholders through a postal ballot.

## Means of communication to shareholders

The board believes that effective communication of information is an essential component of corporate governance. The Company has started regularly interacting with shareholders through multiple channels of communication such as results announcement, annual report, media releases, Company's website and subject specific communications.

## Quarterly results:

The unaudited quarterly financial results of the Company will be published in English and vernacular newspapers. These are not sent individually to the shareholders.

### Newspapers wherein results are normally published

The results are normally published in any one of the English newspapers viz. Business Line, The Hindu, Indian Express, and in a Tamil viz., Dinamalar, DinaThanthi and DinaMani.

### Website:

The company has in place a web site addressed as [www.thangamayil.com](http://www.thangamayil.com). In terms of the Listing Agreement pertaining to electronic data information filing and retrieval, the financial results and the quarterly distribution schedules as filed with the Stock Exchanges. These details are also published in the Company's website. The Company makes use of its website for publishing official news releases and presentations, if any, made to institutional investors / analysts.

### Share Transfer Agent (STA) & share transfer system:

With a view to rendering prompt and efficient service to the shareholders, M/s. SKDC Consultants Limited, Coimbatore which has been registered with SEBI as share transfer agents in Category I, has been appointed as the share transfer agent of the Company (STA). The shareholders have also been advised about this appointment of STA to handle share registry work pertaining to both physical and electronic segments.

All matters connected with the share transfer both physical and electronic, dividends and other matters are handled by the STA located at the address mentioned elsewhere in this report.

Pursuant to SEBI (Depositories and Participants) Regulations, certificates have also been received from a statutory auditor of the company for timely dematerialization of the shares of the Company and for conducting a secretarial audit on a quarterly basis for reconciliation of the share capital of the Company.

The Company, as required under Listing Agreement, has designated the following e-mail ID, namely [companysecretary@thangamayil.com](mailto:companysecretary@thangamayil.com) for the purpose of registering complaints, if any, by the shareholders and expeditious redressal of their grievances.

Shareholders are, therefore, requested to correspond with the STA for transfer / transmission of shares, change of address and queries pertaining to their shareholding, dividend etc. at their address given in this report.

### Dematerialisation of shares and liquidity:

TMJL shares are tradable compulsorily in electronic form and, through M/s. SKDC Consultants Limited, Registrars and Share Transfer Agents; we have established connectivity with both the depositories, that is, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As at March 31, 2023, 100% of our shares were held in dematerialized form.

Category	Number of Shares	% of Total Equity
NSDL	1,25,03,825	91.14%
CDSL	12,15,757	8.86%
Total	1,37,19,582	100.00%

Company has not issued any Global Depository Receipt / American Depository Receipt / Warrant or any convertible instrument, which is likely to have impact on the Company's equity.

### Address for investor correspondence:

- i. For transfer / dematerialisation of shares Payment of dividend on shares and any other relating to the shares of the Company  
 S.K.D.C. Consultants Limited  
 "Surya" 35, Mayflower Avenue,  
 Behind Senthil Nagar, Sowripalayam Road,  
 Coimbatore -641 028.  
 Tel: 0422 -4958995  
 Fax: 0422 -2539835/836
- ii. For any query on annual report  
 Shri. V. Vijayaraghavan  
 Company Secretary  
 Mobile :9894149200
- iii. For investors grievance & general correspondence  
[companysecretary@thangamayil.com](mailto:companysecretary@thangamayil.com)

## GENERAL SHAREHOLDER INFORMATION

### Request to Shareholders

Shareholders are requested to follow the general safeguards / procedures as detailed hereunder in order to serve them efficiently and avoid risks while dealing in shares of the Company.

### Demat of Shares:

Shareholders are requested to convert their physical holding to demat/ electronic form through any of the depository participants (DPs) to avoid any possibility of loss, mutilation etc. of physical share certificates and also to ensure safe and speedy transaction in securities.

### Registration of Electronic Clearing Service (ECS) Mandate:

ECS helps in quick remittance of dividend without possible loss/delay in postal transit. Shareholders, who have not earlier availed this facility, are requested to register their ECS details with the STA or their respective DPs.

Shareholders, whose signatures have undergone any change over a period of time, are requested to lodge their new specimen signature, duly attested, by a bank to the STA.

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' taken by the Ministry of Corporate Affairs, Government of India (MCA), enabling electronic delivery of documents including the Annual Report / Notices etc. to shareholders at their e-mail address previously registered with the Depository Participants (DPs)/Company/Registrars & Share Transfer Agents.

Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses. Those holding shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with M/s. SKDC Consultant at Coimbatore, by sending a letter, duly signed by the first/sole holder quoting details of Folio No.

### Consolidation of Multiple Folios:

Shareholders, who have multiple folios in identical names, are requested to apply for consolidation of such folios and send the relevant share certificates to the Company.

### Registration of Nominations:

Nomination in respect of shares-Section 72 (1) of the Companies Act, 2013 provides facility for making

nominations by shareholders in respect of their holding of shares. Such nomination greatly facilitates transmission of shares from the deceased shareholder to his / her nominee without having to go through the process of obtaining succession certificate / probate of the Will etc.

It would, therefore, be in the best interests of the shareholders holding shares in physical form registered as a sole holder to make such nominations. Shareholders, who have not availed nomination facility, are requested to avail the same by submitting the nomination in form 2B. This form will be made available on request. Shareholders holding shares in demat form are advised to contact their DP's for making nominations.

### Updating of address:

Shareholders are requested to update their address registered with the Company, directly through the STA located at the address mentioned above, to receive all Communications promptly.

Shareholders, holding shares in electronic form, are requested to deal only with their depository participant (DP) in respect of change of address and furnishing bank account number, etc.

### SMS Alerts:

Investors are requested to note that National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) have announced the launch of SMS alert facility for demat account holders whereby Shareholders will receive alerts for debits / credits (transfers) to their demat accounts a day after the transaction. These alerts will be sent to those account holders who have provided their mobile numbers to their Depository Participants (DPs). No charge will be levied by NSDL / CDSL on DPs providing this facility to investors. This facility will be available to investors who request for the same and provide their mobile numbers to the DPs. Further information is available on the website of NSDL and CDSL namely [www.nsdl.co.in](http://www.nsdl.co.in) and [www.cdslindia.com](http://www.cdslindia.com), respectively.

### Timely encashment of dividends:

Member can claim unpaid dividend from the company before transfer to the Investor Education and Protection Fund. As required by SEBI, Shareholders are requested to furnish details of their bank account number and name and address of the bank for incorporating the same in the warrants. This would avoid wrong credits being obtained by unauthorized persons.

**Annual General Meeting:**

Date	Time	Venue
05th July 2023	11.30 AM	Through Video conferencing & Other Audio Visual means (VC/OAVM)

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

Financial calendar (Tentative and subject to change):

Financial reporting for the quarter ending:	
30th June 2023	Before 14th August 2023
30th September 2023	Before 14th November 2023
31st December 2023	Before 14th February 2024
31st March 2024	between 5th May and 28th May 2024

Date of Book Closure 29th June 2023 to 05th July 2023

(both days inclusive)

**Particulars of Dividend payment:**

The Board of Directors, at their meetings held on 23rd January 2023 declared an interim dividend of ₹6 (i.e. 60%) per equity share of the face value of ₹10 each. The Board of Directors at its meeting held on 22nd May, 2023 have recommended a payment of final dividend of ₹6 (i.e. 60%) per equity share of the face value of ₹10 each for the financial year ended 31st March, 2023. If approved, the total dividend (interim and final dividend) for the financial year 2022-2023 will be ₹12 (i.e. 120%) per equity share of the face value of ₹10 each.

Total dividend pay out for the FY 2022-23 amounting to ₹1,646 lakhs ) as against the total dividend of ₹10 (i.e. 100%) per equity share in the previous year ( total dividend pay out for the year FY 2021-22 amounting to ₹1372 lakhs )

**The particulars of payment Statutory Auditors fees on consolidated basis are given below:**

Particulars	Amount in ₹ Lakhs
For Statutory Audit	18.00
For Tax Audit	7.00
For Limited Review	8.50
For Certification work, tax representation work etc.,	14.00
<b>Total</b>	<b>47.50</b>

**Manufacturing & Show Room Locations**

- Madurai (Show Room, Registered Office and Manufacturing)

**Branches List**

- Madurai - Nethaji Road
- Madurai - Annanagar
- Madurai - Kalavasal
- Rajapalayam
- Sivakasi
- Aruppukottai
- Virudhunagar
- Dindigul
- Palani
- Ottanchatram
- Batlagundu
- Theni
- Cumbum
- Karaikudi
- Sivagangai
- Ramnad
- Tirunelveli
- Tenkasi
- Valliyoor
- Sankarankovil
- Thisayanvilai
- Surandai
- Tuticorin
- Kovilpatti
- Eral
- Coimbatore
- Pollachi
- Tiruppur
- Dharapuram
- Udumalpet
- Gobichettipalayam
- Salem
- Namakkal
- Dharmapuri
- Krishnagiri
- Villupuram
- Nagarkovil
- Pudukottai
- Trichy
- Erode
- Kumbakonam

**Exclusive Showroom for Silver**

- Tiruppuvanam
- Devakottai
- Sattur
- Vadipatti
- Manamadurai
- Periyakulam
- Kayalpattinam
- Usilampatti
- Ilayangudi
- Keelakarai
- Natham
- Bodi
- Vedasandur

## Other Disclosures

Particulars	Regulations	Details	Website link for details / policy
Related party trans-actions	Regulation 23 of SEBI Listing Regulations and as defined under the Act	There are no material related party transactions during the year that have conflict with the interest of the company. Transactions entered into with related party during the financial year were in the ordinary course of business and at arms' length basis and were approved by the audit committee. The Boards approved policy for related party transactions is uploaded in the web-site of the company	<a href="https://www.thangamayil.com/corporate/wp-content/uploads/2019/06/Related-Party-transactions-policy.pdf">https://www.thangamayil.com/corporate/wp-content/uploads/2019/06/Related-Party-transactions-policy.pdf</a>
Details of non-compliance by the Company, penalty, strictures imposed on the company by the stock exchange, or Securities and Exchange Board of India ('SEBI') or any statutory authority on any matter related to capital markets	Schedule V (C) 10(b) to the SEBI Listing Regulations	Nil	
Whistle Blower Policy and Vigil Mechanism	Regulation 22 of SEBI Listing Regulations	The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behaviour. No person has been denied access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company	<a href="https://www.thangamayil.com/blogging/wp-content/uploads/2019/06/Whistle-Blower-Policy.pdf">https://www.thangamayil.com/blogging/wp-content/uploads/2019/06/Whistle-Blower-Policy.pdf</a>
Discretionary requirements	Schedule II Part E of the SEBI Listing Regulations	1. The auditors' report on financial statements of the Company are unqualified. 2. Internal auditors of the Company, make quarterly presentations to the audit committee on their reports.	

Particulars	Regulations	Details	Website link for details / policy
Reconciliation of Share Capital Audit Report	Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and SEBI Circular No.D&CC/FIT T/ Cir-16/2002 Dt. December 31, 2002.	Reconciliation of Share Capital Audit Report duly verified by our Statutory Auditor is being submitted to the Stock Exchanges on quarterly basis.	
Code of Conduct	Regulation 17 of the SEBI Listing Regulations	The members of the Board and Senior Management personnel have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2023. The Annual Report of the Company contains certificate by the Chairman and Managing Director of the Company.	<a href="https://www.thangamayil.com/blogg/wp-content/uploads/2019/06/Code-of-conduct.pdf">https://www.thangamayil.com/blogg/wp-content/uploads/2019/06/Code-of-conduct.pdf</a>
Dividend Distribution Policy	Regulation 43A of the SEBI Listing Regulations	Regular Annual Dividend is being declared and recommended by the board to the share holders of the company on a regular basis.	<a href="https://www.thangamayil.com/corporate/investor-informations/">https://www.thangamayil.com/corporate/investor-informations/</a>
Terms of Appointment of Independent Directors	Regulation 46 of SEBI Listing Regulations and Section 149 read with Schedule IV of the Act	Terms and conditions of appointment/re-appointment of Independent Directors are available on the Company's website.	<a href="https://www.thangamayil.com/blogg/wp-content/uploads/2019/06/Code-for-independent-directors.pdf">https://www.thangamayil.com/blogg/wp-content/uploads/2019/06/Code-for-independent-directors.pdf</a>
Familiarization Program	Regulations 25(7) and 46 of SEBI listing Regulations	The independent directors are imparted familiarization program regarding the industry scenario, competition, business risk vis-à-vis government regulation and other factor relating to growth and risk components are explained to them in detail	<a href="https://www.thangamayil.com/corporate/investor-relationship/reports/">https://www.thangamayil.com/corporate/investor-relationship/reports/</a>



In the table below the specific areas of focus or expertise of individual Board members have been highlighted.

Key Board Qualifications								
Directors	Area of Expertise							
	Financial	Diversity	Global Business	Leadership	Technology	Mergers & Acquisitions	Board Service & Governance	Sales & Marketing
Mr. Balarama Govinda Das (Chairman, Managing Director)	✓	✓	✓	✓	✓	-	✓	✓
Mr. Ba.Ramesh (Joint Managing Director)	✓	✓	✓	✓	✓	-	✓	✓
Mr. N.B. Kumar (Joint Managing Director)	✓	✓	✓	✓	✓	-	✓	✓
Mr. S. Rethinavelu Independent Director	✓	✓	✓	✓	-	✓	✓	✓
Mr. LaljiVora Independent Director	✓	✓	✓	✓	-	✓	✓	✓
Mr. V.R. Muthu Independent Director	✓	✓	✓	✓	-	✓	✓	✓
Mrs. Yamuna Vasini Deva Dasi Non-Executive Director.	✓	-	-	✓	-	-	-	-
Mr. V. Ramasamy Independent Director	✓	✓	✓	✓	-	✓	✓	-
Mr.S.M. Chandrasekaran Independent Director	✓	✓	✓	✓	-	✓	✓	-
Smt. Rajakumari Jeevagan Independent Director	✓	✓	✓	✓	-	✓	✓	-

### Transfer of un-claimed / un-paid dividend / shares to IEPF:

Financial Year	Dividend Rs in lakhs	Number of Shares
2010-11	1.30	23
2011-12	1.19	24
2012-13	0.21	6
2013-14	0.08	-
2014-15	0.06	441

### Listing on Stock Exchanges:

The equity shares of the company are listed at The BSE Limited, and National Stock Exchange of India Limited, Mumbai. The Listing Fee has been paid up to date, to both the above Stock Exchanges.

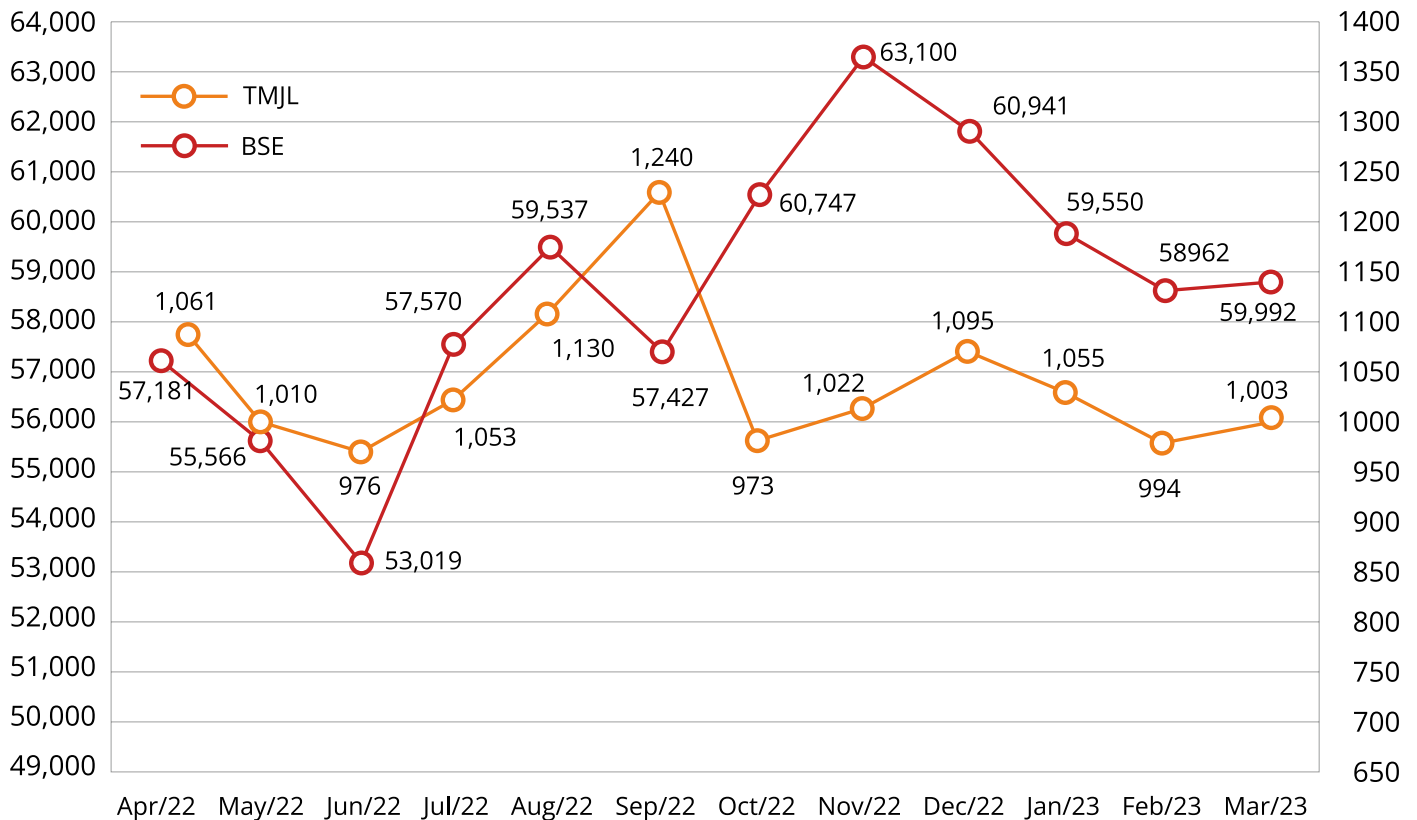
### Stock Code/ Symbol:

BSE Limited Code No. **533158**

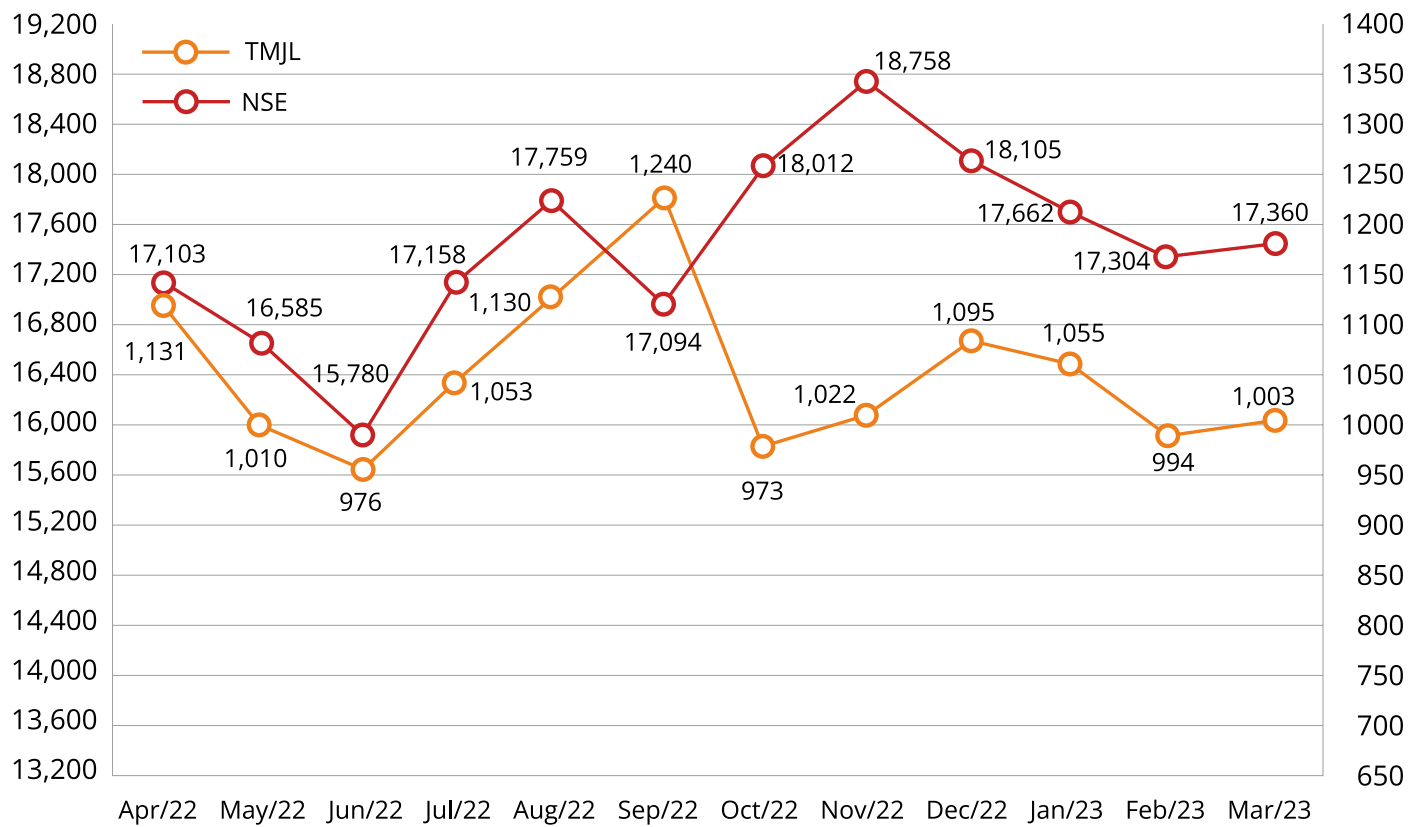
National Stock Exchange of India Limited Code No. **THANGAMAYL**

**Stock Market Data- High and Low Quotations of equity shares for 2022-2023**

Month	Bombay Stock Exchange Limited		National Stock Exchange of India Limited	
	High (₹)	Low(₹)	High (₹)	Low(₹)
Apr-22	1,181	1,090	1,186	1,091
May-22	1,186	963	1,186	964
Jun-22	1,206	927	1,037	922
Jul-22	1,178	947	1,175	955
Aug-22	1,185	1,047	1,174	1,047
Sep-22	1,273	1,090	1,276	1,090
Oct-22	1,350	950	1,345	949
Nov-22	1,082	944	1,035	941
Dec-22	1,096	981	1,149	981
Jan-23	1,139	1,013	1,134	1,015
Feb-23	1,076	945	1,089	971
Mar-23	1,216	976	1,100	991

**TMJL vs BSE SHARE PRICE**


### TMJL vs NSE SHARE PRICE



### Distribution of Share Holding as on 31st March, 2023

Sl.No	Range of Shares( in ₹)	Number of share holders	No. of Shares Held	% to total Shares
1	2	3	4	5
1	1 to 5,000	14,510	5,17,140	3.77
2	5,001 to 10,000	320	2,46,314	1.80
3	10,001 to 20,000	172	2,48,124	1.81
4	20,001 to 30,000	54	1,36,594	1.00
5	30,001 to 40,000	26	92,791	0.68
6	40,001 to 50,000	20	94,116	0.69
7	50,001 to 100,000	35	2,59,631	1.89
8	100,001 and above	71	1,21,24,872	88.36
	<b>Total</b>	<b>15,208</b>	<b>13,719,582</b>	<b>100.00</b>

**Pattern of Share holdings as on 31st March, 2023**

Category Code	Category of Shareholder	Share Holding details			Shares Pledged or Otherwise encumbered	
		Total Number of Shares	Number of shares held in dematerialized form	As a% of (A+B)	Number of Shares	As a % of (7)/(4)*100
1	2	3	4	5	6	7
(A)	Shareholding of Promoter and Promoter Group					
(1)	Indian Promoters	92,14,166	92,14,166	67.16%	9,75,000	10.58%
(2)	Foreign Promoters	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	92,14,166	92,14,166	67.16%	9,75,000	10.58%
(B)	Public shareholding					
(1)	Institutions					
(a)	Indian Institutions	15,93,706	15,93,706	11.62%	Nil	Nil
(b)	Foreign Institutions	-	-	-	-	-
	Sub-Total (B)(1)	15,93,706	15,93,706	11.62%	Nil	Nil
(2)	Non-institutions					
(a)	Bodies Corporate	3,26,096	3,26,096	2.38%	N.A.	N.A.
(b)	Individual Share Holders	25,03,482	25,03,482	18.25%	N.A.	N.A.
(c)	Individual NRI / Foreign Nationals	81,638	81,638	0.60%	N.A.	N.A.
(d)	IEPE Authority	494	494	0.00%		
(c)	Sub-Total (B)(2)	29,11,710	29,11,710	21.22%	N.A.	N.A.
	Total Public Shareholding (B)= (B)(1)+(B)(2)	45,05,416	45,05,416	32.84%	N.A.	N.A.
	TOTAL (A)+(B)	1,37,19,582	1,37,19,582	100%	N.A	N.A
(C)	Shares held by Custodians and against which Depository Receipts have been issued	Nil	Nil	Nil	Nil	Nil
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>1,37,19,582</b>	<b>1,37,19,582</b>	<b>100%</b>	<b>9,75,000</b>	<b>10.58%</b>

## GENERAL BODY MEETINGS

Locations and time of General meetings

Date	Year	AGM	Time	Venue
21/09/2020	2019-20	20th	11.30 AM	Video conferencing at corporate office at no.25/6, Palami centre , new natham Road, , Madurai – 625 014
26/08/2021	2020-21	21st	11.30 AM	Video conferencing at corporate office at no.25/6, Palami centre , new natham Road, , Madurai – 625 014
04/08/2022	2021-22	22nd	11.30 AM	Video conferencing at corporate office at no.25/6, Palami centre , new natham Road, , Madurai – 625 014

The following are the Special Resolutions passed at the General Meetings held in the past 3 years:

AGM/EGM Held on	Summary
26th August 2021	1) Reappointment of Independent Director of Mr. V. Ramasamy for the five consecutive years from 25th May 2021 to 24th May 2026.
4th March 2022	For fund raising through Qualified Institutional Placement
4th August 2022	Revision of salary to Chief Financial Officer - Mr. B.Rajeshkanna

## Top Ten Ordinary Shareholders of the Company as on 31st March, 2023

S.No	Name of the Shareholder	No of Shares held	% of holding
1	Ba.Ramesh	26,65,558	19.43%
2	Bala Rama Govinda Das	26,37,566	19.22%
3	N.B. Kumar	26,37,756	19.23%
4	SBI Magnum Balanced Fund	8,92,203	6.50%
5	Thangamayil Gold And Diamond Private Limited	7,49,344	5.46%
6	DSP Small Cap	6,80,456	4.96%
7	BalusamySilvears Jewellery Private Limited	2,40,775	1.75%
8	Ithoughtwealth Analytics LLP	83,486	0.61%
9	R. Sivarajan	81,364	0.59%
10	Ramesh Damini	69,138	0.50%

# LATEST AWARDS



## FASTEST GROWING

IPO COMPANY  
IN MID SEGMENT

**TRUSTED**  
RETAIL BRAND OF  
SOUTH INDIA



**Ba. Ramesh**  
Managing Director  
Jewellery Limited

**LEGENDS**  
OF SOUTH



## COMPLIANCE WITH NON-MANDATORY DISCLOSURES

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

### The Board:

As the Company has the Executive Chairman, the implementation of this non-mandatory requirement does not arise.

The tenure has been fixed for five years for Independent Directors under the Companies Act, 2013.

### Remuneration Committee:

Details are given under the heading 'Remuneration Committee'.

### Shareholder rights:

The Quarterly results of the Company are published in its website [www.thangamayil.com](http://www.thangamayil.com). The results are not sent to the shareholders individually.

### Audit qualifications:

The Company endeavours to present unqualified financial statements. There are no audit qualifications in the Company's financial statements for the year ended 31st March, 2023.

### Training of Board Members

The present board consists of well-experienced and responsible members of society. All the directors are well aware of business model as well as the risk profile of the business parameters of the Company and their responsibilities as directors. Hence, in the opinion of the board, they do not require any further training.

### Whistle Blower Policy

The Company has adopted a Whistle Blower Policy as a mechanism for employees to report to the management concern about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct and it affirms that no personnel have been denied access to the Audit Committee. A copy of Whistle Blower Policy has been placed at our website at [www.thangamayil.com](http://www.thangamayil.com) for reference.

### Corporate Social Responsibility Policy

The Company has adopted Corporate Social Responsibility Policy (CSR) to lay down guidelines for Corporate Social Responsibility activities of the Company. The policy is to

align its philosophy to initiate measures and peruse socially useful programs with the objectives and activities of CSR envisaged and incorporated in the companies Act, 2013 and the rules made there under. A copy of CSR Policy has been placed at our website at [www.thangamayil.com](http://www.thangamayil.com) for reference.

### Policy on Materiality of Related party transaction and manner of dealing with related party transactions

The Company recognizes that related party transactions can present potential or actual conflict of interest and may raise questions about whether such transactions are in the best interest of the company and the stake holders. The Company must specifically ensure that certain related party transactions are managed and disclosed in accordance with strict legal and accounting requirements to which the company is subject to. Therefore this policy regarding the review and approval of related party transactions has been adopted duly approved by the company's board of directors in order to set forth the procedures under which transactions must be reviewed and approved or ratify. A copy of policy on materiality of Related Party Transactions has been placed at our website at [www.thangamayil.com](http://www.thangamayil.com) for reference.

### Declaration pursuant to regulation 27 of SEBI (Iodr) listing agreement regarding adherence to the code of business conduct and ethics.

We have examined the compliance of condition of Corporate Governance of M/s. Thangamayil Jewellery Limited for the year ended 31st March, 2023 as stipulated in Regulation 27 of SEBI (LODR) of the Listing Agreement of the said company with Stock Exchanges.

In our opinion and to the best of our information and according to the explanation given to us and the representations made by the officials of the company we hereby declare that we are in compliance with the conditions of Corporate Governance applicable provisions to us and as per the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations').

Certify that:

- a. We have reviewed the financial statements and the cash flow statements for the year and that to the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

- ii. These statements together present a true and fair view of the Company's Affairs and are in compliance with accounting standards, applicable law and regulations.
- b. To the best of our knowledge and belief, there are no transactions entered in to by the company during the year, which are fraudulent, illegal or violated to the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal control for financial reports and that we have evaluated the effectiveness of the internal control systems of the company for financial reports and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operations of 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:
  - i. Significant changes in the internal controls over financial reporting during the year.
  - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein, of any employee having a significant role in the company's internal control system of our financial reporting.

BY ORDER OF THE BOARD

For **Thangamayil Jewellery Limited**

BALARAMA GOVINDA DAS    Ba. RAMESH    N.B. KUMAR  
Managing Director                      Joint Managing Directors

#### **ANNUAL DECLARATION OF CODE OF CONDUCT BY MANAGING DIRECTOR**

This is to confirm that the Board has laid down a code of conduct for all the Board members and senior management of the company. It is further confirmed that all directors and senior management of the company have affirmed compliance with the code of conduct of the company for the year ended 31st March 2023 as envisaged in applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations').

For **Thangamayil Jewellery Limited**

Balarama Govinda Das  
Managing Director

Place : Madurai

Date : May 22, 2023

### **Auditors' certificate on compliance of the provisions of the Code of Corporate Governance in the Listing Agreement.**

To  
The Members of Thangamayil Jewellery Limited,  
Madurai

We have examined the compliance of conditions of Corporate Governance by Thangamayil Jewellery Limited, Madurai - 625 001 for the year ended 31st March 2023, as stipulated in applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations').

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Investors' Grievances Committee.

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

For B.Thiagarajan & Co.,  
Chartered Accountants  
Firm's Registration Number: 0043715

D. Aruchamy  
Partner  
Membership No.: 219156

UDIN : 23219156BGUPNE7310

Place : Madurai  
Date : May 22, 2023

## INDEPENDENT AUDITOR'S REPORT

To the Members of Thangamayil Jewellery Limited  
Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying Ind AS financial statements of M/s. Thangamayil Jewellery Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS Financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, 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 of the Ind AS Financial statements in accordance with the Standards on Auditing ("SA's") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Ind AS Financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS Financial statements.

### Key audit matters

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

### 1) Revenue Recognition

Revenue from sale of goods is recognized when control of the products being sold is transferred to the customer and when there are no other unfulfilled obligations. The performance obligations in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

### Auditor's Response

#### Principal Audit Procedures

Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows :

- We assessed the appropriateness of the revenue recognition accounting policies and its compliances with applicable accounting standards. We read the contracts with customer to determine appropriateness of revenue recognition.
- Selected a sample of transactions, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls.
- We evaluated the design of key internal financial controls and operating effectiveness of the relevant key controls with respect to revenue recognition on selected transactions.
- We performed substantive testing by selecting samples of sales made at the retail outlets using statistical sampling and tested the underlying sales to collection reports and bank statements. For other sales (excluding retail sales), we performed substantive testing for the revenue transactions using statistical sampling and tested the underlying documentation supporting the sales.
- Samples in respect of revenue recorded for materials were tested using a combination of approved value of materials including customer acceptances and disputes.
- We reviewed the collation of information used to prepare the disclosure relating to the periods over which

the remaining performance obligations will be satisfied subsequent to the balance sheet date.

- We tested, on a sample basis, specific revenue transactions recorded before and after the financial year end date to determine whether the revenue had been recognised in the appropriate financial period.

## 2) INVENTORIES

The Jewellery and other allied products stock held at various locations including manufacturing units, stores and third-party locations. The Company has a plan wherein inventory is verified on a periodic basis to ascertain the existence of inventory. Inventory valuation involves significant assumptions and estimations made by the Management. Management also makes an estimate for non-moving inventory based on the age of the inventory.

We have identified inventory as a key audit matter because of the number of locations that inventory is held at and the judgement applied in the valuation of inventory and provision for inventory.

### Auditor's Response

In view of the significance of the matter we applied the following audit procedures in this area, among other procedures, to obtain sufficient appropriate audit evidence.

- We assessed the appropriateness of the inventories accounting policies and its compliances with applicable accounting standards.
- We evaluated the design of key internal financial controls and operating effectiveness of the relevant key controls with respect to physical verification of inventory, valuation of inventory and provision for inventory.
- We evaluated the design, implementation and operating effectiveness of management's general IT controls and key application controls over the Company's IT systems which govern inventories, including access controls, controls over program changes, interfaces between different systems.
- For locations selected using statistical sampling and performed surprise stock counts at select stores on a sample basis.
- For samples selected using statistical sampling, we have obtained confirmations of inventories held with third parties and respective stores.
- We tested, on a sample basis, the valuation of inventories as at the year end and the Management's assessment of provision required for obsolete and non moving inventories held as at the balance sheet date if any.

- We considered the adequacy and appropriateness of the disclosures in the financial statements, relating to the inventories.

## 3) EVALUATION OF UNCERTAIN TAX POSITIONS

The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.

### Auditor's Response

#### Principal Audit Procedures

Obtained details of completed tax assessments and demands for the year ended March 31, 2023 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputed taxes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions.

#### Information Other than the Ind AS Financial statements and Auditor's Report Thereon:

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Ind AS Financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS Financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS 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 Ind AS Financial statements:

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS Financial statements that

give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

#### Auditor's Responsibilities for the Audit of the Ind AS Financial statements:

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

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

1. Identify and assess the risks of material misstatement of the Ind AS 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.

2. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS Financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the Ind AS Financial statements, including the disclosures, and whether the Ind AS Financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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



our independence, and where applicable, related safeguards.

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

### Report on Other Legal and Regulatory Requirements:

- i. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- ii. As required by Section 143(3) of the Act, based on our audit we report that :
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d. In our opinion, the aforesaid Ind AS Financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended :
 

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :
  - i The Company has disclosed the impact of pending litigations on its financial position in its Ind AS Financial statements.
  - ii The Company has made provision, as required under the applicable law or accounting standards, 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.
  - iv a. The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, outside the Group, including foreign entity ("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 by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide



- any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b. The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. As stated in Note to the financial statements:
    - a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
    - b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.
    - c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For **B.Thiagarajan & Co.,**

Chartered Accountants,

F.Reg No: 004371S

**D. Aruchamy**

Partner

M.No: 0219165

UDIN : 23219156BGUPNE7310

Place – Madurai

Date – May 22, 2023

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### ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Thangamayil Jewellery Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible assets:
  - a. A. The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of right -of -use assets.
  - B. The company has maintained proper records showing full particulars of intangible assets.
  - b. The Company has a regular program of physical verification of Property, Plant and Equipment and right of use assets so to cover all the assets once every three years which, in our opinion, is responsible having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain Property, Plant and

Equipment were due for verification during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

- c. Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed/ transfer deed/conveyance deed provided to us, we report that, the title in respect of self – constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
  - d. The company has not revalued any of its Property, Plant and Equipment ( including right of use assets ) and intangible assets during the year.
  - e. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (as amended in 2016) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- ii. a. The inventories have been physically verified at reasonable intervals during the year by the management, including inventory given to third parties / gold smiths on job work basis. For stocks lying with third parties at the year-end, written confirmations have been obtained by the Management. In our opinion the frequency of such verification is adequate.
  - b. In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventory followed by the management were reasonable and adequate in relation to the size of the company and the nature of its business.
  - c. In our opinion, the company has maintained proper records of inventory. We are informed that no major discrepancies were noticed on verification between the physical stock and book records.
  - d. The Company has a working capital limit in excess of ₹ 5crores sanctioned by banks based on the security of current assets. The quarterly returns/ statements, in respect of the working capital limits have been filed by the Company with such banks and such returns/statements are in agreement with the books of account of the Company for the respective periods, which were subject to audit.
- iii. The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
  - iv. The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
  - v. In our opinion, and according to the information and explanations given to us, the Company has complied with the applicable directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder with regard to deposits accepted from the public. Accordingly, there have been no proceedings before the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in this matter and no order has been passed by any of the aforesaid authorities.
  - vi. The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
  - vii. a. In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, , duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
  - b. According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the Statute	Nature of Dues	₹ Lakhs	Period to which the amount relates	Forum where disputes are pending
Tamil Nadu Value Added Tax 2006	Disallowance of Input tax, disputes related reversal of input tax	56	2011-12 to 2012-13	Deputy Commissioner (Appeals) of Sales Tax Madurai
Customs Act , 1962	Customs Duty	154	2011-12	Appellate Tribunal / Commissioner (Appeals)
Income Tax Act, 1961	Income tax – Tax deducted at source	15	2012-13 and 2013-14	CIT Appeals- I Madurai
Income Tax Act, 1961	Disallowance of normal loss on beaten gold melting	591	2016-2017	Commissioner of Income Tax (Appeals I)
Income Tax Act, 1961	Disallowance of normal loss on beaten gold melting	858	2017-2018	Commissioner of Income Tax (Appeals I)
Income Tax Act, 1961	Disallowance of expenses	106	2020-2021	Commissioner of Income Tax (Appeals I)
Good and Service Act, 2017	Ineligible credit and non-payment of excise duty	274	2015 to 2017	Customs Excise and Service tax Appellate Tribunal Chennai

- viii. According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- ix. a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.
- e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
- x. a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year

- xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- xiv. a) In our opinion and according to the information and explanations given to us, the Company has an inhouse internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
- b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- xv. According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that

our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

- xx. According to the information and explanations given to us, the Company does not have any unspent amount in respect of any ongoing or other than ongoing project as at the expiry of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **B.Thiagarajan & Co.,**  
Chartered Accountants,  
**D. Aruchamy**  
Partner

F.Reg No: 004371S

M.No: 0219165

UDIN : 23219156BGUPNE7310

Place – Madurai

Date – May 22, 2023

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## ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

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

### OPINION

We have audited the internal financial controls with reference to financial statements of Thangamayil Jewellery Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

### 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 (the "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 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 issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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.

For **B.Thiagarajan & Co.,**

Chartered Accountants,

F.Reg No: 0043715

**D. Aruchamy**

Partner

M.No: 0219165

UDIN : 23219156BGUPNE7310

Place – Madurai

Date – May 22, 2023





## BALANCE SHEET

₹ in Lakhs

Particulars	Notes	As at March 31,2023	As at March 31,2022
<b>ASSETS</b>			
Non-current assets			
a. Property, Plant and Equipment	2	9,902	7,290
b. Capital work- in-progress	2.1	160	684
c. Intangible assets	3	98	85
d. Right-of - Use Assets	4	2,013	1,069
e. Financial assets			
i. Other financial assets (Non - Current)	5	37	41
f. Deferred Tax Assets (net)	6	238	111
g. Other non-current assets	7	1,221	1,311
<b>Total non-current assets</b>		<b>13,669</b>	<b>10,591</b>
Current assets			
a. Inventories	8	98,234	75,002
b. Financial assets			
i. Trade receivables	9	317	262
ii. Cash and cash equivalents	10	566	365
iii. Bank balances other than (ii) above	11	7,073	1,294
iv. Other financial assets (Current)	12	78	66
c. Other current assets	13	4,719	2,932
<b>Total Current Assets</b>		<b>1,10,987</b>	<b>79,921</b>
<b>TOTAL ASSETS</b>		<b>1,24,656</b>	<b>90,512</b>
<b>EQUITY AND LIABILITIES</b>			
Equity			
a. Equity share capital	14	1,372	1,372
b. Other equity	15	37,507	31,055
<b>Total equity</b>		<b>38,879</b>	<b>32,427</b>
Non-current liabilities			
a. Financial liabilities			
i. Lease Liabilities	4	1,886	952
ii. Borrowings	16	13,424	10,606
<b>Total non-current liabilities</b>		<b>15,310</b>	<b>11,558</b>
Current liabilities			
a. Financial liabilities			
i. Borrowings	17	41,401	30,070
ii. Trade payables	18		
• Total outstanding dues of micro and small enterprises		1,296	372
• Total outstanding dues of creditors other than micro & small enterprises		687	372
iii. Lease Liabilities	4	386	354
iv. Other financial liabilities	19	1,069	781
b. Other current liabilities	20	25,346	14,545
c. Current Tax Liability ( net)	21	282	33
<b>Total Current Liabilities</b>		<b>70,467</b>	<b>46,527</b>
<b>Total Liabilities</b>		<b>85,777</b>	<b>58,085</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,24,656</b>	<b>90,512</b>

The accompanying notes forms an integral part of the financial statements. This is the balance sheet referred to in our report of the even date attached.

For **B. Thiagarajan & Co.,**  
Chartered Accountants  
Firm's Registration No: 0043715

**D. Aruchamy**  
Partner  
M.No.219156

Place - Madurai  
Date - 22/05/2023

For **Thangamayil Jewellery Limited**

**Balarama Govinda Das**  
Managing Director DIN: 00266424  
**Lalji Vora**  
Independent Director DIN: 01899070  
**Yamuna Vasini Deva Dasi**  
Non-Executive Director DIN: 01388187  
**V. Vijayaraghavan**  
Company Secretary

**Ba. Ramesh**  
Joint Managing Director DIN: 00266368  
**V. R. Muthu**  
Independent Director DIN: 01908841  
**J. Rajakumari**  
Independent Director DIN: 08860956  
**B. Rajeshkanna**  
Chief Financial Officer DIN: 01334048

**N. B. Kumar**  
Joint Managing Director DIN: 01511576  
**S.M. Chandrasekaran**  
Independent Director DIN: 08719332



## STATEMENT OF PROFIT AND LOSS ACCOUNT

₹ in Lakhs

Particulars	Notes	For the year ended	
		March 31, 2023	March 31, 2022
<b>I. Revenue from operations</b>	22	3,15,255	2,19,308
II. Other income	23	335	167
<b>III. Total income ( I+II)</b>		<b>3,15,590</b>	<b>2,19,475</b>
IV. Expenses:			
Cost of materials consumed	24	2,73,003	1,95,294
Purchases of stock-in-trade	25	30,265	12,870
Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	(21,627)	(10,672)
Manufacturing Expenses	27	3,891	2,046
Employee benefits expenses	28	5,842	4,513
Finance costs	29	3,492	2,618
Depreciation and amortization expenses	30	1,339	965
Other expenses	31	8,591	6,638
<b>Total expenses</b>		<b>3,04,796</b>	<b>2,14,272</b>
V. Profit before tax ( III-IV)		10,794	5,203
VI. Tax expenses	32		
• Current Tax		2,864	1,379
• Adjustment of tax relating to earlier periods		79	-
• Deferred Tax		(123)	(31)
Total Tax Expenses		2,820	1,348
<b>VII. Profit for the year ( V-VI)</b>		<b>7,974</b>	<b>3,855</b>
VIII. Other comprehensive income			
Other comprehensive income not to be reclassified to profit and loss in subsequent periods:			
Re-measurements gain/(loss) of the defined benefit plans		(18)	20
Less - Deferred tax charges		(5)	5
Total other comprehensive income for the year , net of tax		(13)	15
<b>IX. Total comprehensive income/(loss) for the year ( VII+VIII)</b>		<b>7,961</b>	<b>3,870</b>
X. Earnings per equity share of Rs.10 each			
<b>Basic</b>		<b>58.13</b>	<b>28.09</b>
<b>Diluted</b>		<b>58.13</b>	<b>28.09</b>
Summary of significant accounting policies	1		

The accompanying notes forms an integral part of the financial statements.

This is the profit and loss account referred to in our report of the even date attached

For **B. Thiagarajan & Co.,**  
Chartered Accountants  
Firm's Registration No: 0043715  
**D. Aruchamy**  
Partner  
M.No.219156

Place - Madurai  
Date - 22/05/2023

For **Thangamayil Jewellery Limited**  
**Balarama Govinda Das**  
Managing Director DIN: 00266424  
**Lalji Vora**  
Independent Director DIN: 01899070  
**Yamuna Vasini Deva Dasi**  
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Independent Director DIN: 08860956  
**B. Rajeshkanna**  
Chief Financial Officer DIN: 01334048

**N. B. Kumar**  
Joint Managing Director DIN: 01511576  
**S.M. Chandrasekaran**  
Independent Director DIN: 08719332

## Statement of Changes in Equity for the year ended 31st March, 2023

### (A) Equity Share Capital

(A)	Number of shares	(₹ in lakhs )
Balance as at 31st March 2021	13719582	1,372
Add: Equity shares allotted during the year	-	-
Balance as at 31st March 2022	13719582	1,372
Add: Equity shares allotted during the year	-	-
Balance as at 31st March 2023	13719582	1,372

### (B) Other Equity

₹ in Lakhs

Particulars	Reserve & Surplus				Total
	Securities premium Reserve	General Reserve	Retained earnings	Other Comprehensive Income	
<b>Balance as at April 1, 2021</b>	<b>3,176</b>	<b>4,133</b>	<b>21,212</b>	<b>(101)</b>	<b>28,420</b>
Profit for the year	-	-	3,854	-	3,854
Other comprehensive income for the year, net of income tax	-	-	-	15	15
Dividend including dividend distribution tax	-	-	(1,235)	-	(1,235)
Transfer to General Reserve	-	386	(386)	-	-
<b>Balance as at March 31, 2022</b>	<b>3,176</b>	<b>4,519</b>	<b>23,444</b>	<b>(86)</b>	<b>31,054</b>
Profit for the year	-	-	7,975	-	7,975
Other comprehensive income for the year, net of income tax	-	-	-	(13)	(13)
Dividend Paid	-	-	(1,509)	-	(1,509)
Transfer to General Reserve	-	798	(798)	-	-
<b>Balance as at March 31, 2023</b>	<b>3,176</b>	<b>5,317</b>	<b>29,112</b>	<b>(99)</b>	<b>37,507</b>

The accompanying notes forms an integral part of the financial statements.

For **B. Thiagarajan & Co.,**  
Chartered Accountants  
Firm's Registration No: 004371S

**D. Aruchamy**  
Partner  
M.No.219156

Place - Madurai  
Date - 22/05/2023

For **Thangamayil Jewellery Limited**  
**Balarama Govinda Das**  
Managing Director DIN: 00266424

**Lalji Vora**  
Independent Director DIN: 01899070  
**Yamuna Vasini Deva Dasi**  
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Chief Financial Officer DIN: 01334048

**N. B. Kumar**  
Joint Managing Director DIN: 01511576  
**S.M. Chandrasekaran**  
Independent Director DIN: 08719332

## Statement of Cash Flows

₹ in Lakhs

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
<b>Cash flow from operating activities</b>		
<b>Net profit before tax</b>	<b>10,795</b>	<b>5,203</b>
Adjustments for :		
Depreciation and amortization expenses	1,339	965
Profit on sale of Property ,plant & equipment	(20)	(3)
Interest income	(280)	(117)
Interest expense	3,491	2,618
Impairment of assets	143	-
<b>Operating profit before working capital changes</b>	<b>15,467</b>	<b>8,666</b>
<b>Movements in working capital:</b>		
(Increase) / Decrease in Inventories	(23,231)	(10,079)
(Increase) / Decrease in trade receivables	(55)	(3)
(Increase) / Decrease in Other financial and non financial assets	(1,754)	(1,903)
Increase / (Decrease) in gold on loan	1,845	(3,772)
Increase / (Decrease) in trade payable and other financial and non financial liabilities	11,466	931
Cash Generated from Operations	3,737	(6,161)
Income taxes paid	(2,693)	(1,746)
<b>Net cash generated from operating activities (A)</b>	<b>1,044</b>	<b>(7,907)</b>
<b>Cash flow from investing activities</b>		
Payment for Property ,Plant & Equipment ,Intangible assets including capital Advances	(3,180)	(1,603)
Proceeds from sale of Property ,plant & equipment	37	5
Bank deposits not considered as cash and cash equivalents (net)	(5,779)	(631)
Interest received	280	117
<b>Net cash used in investing activities (B)</b>	<b>(8,642)</b>	<b>(2,112)</b>
<b>Cash flow from financing activities</b>		
Proceeds / (Repayment) of borrowings	9,406	11,702
Proceeds / (Repayment) of Other borrowings	3,760	1,755
Repayment of Lease liabilities	(586)	(386)
Interest paid	(3,272)	(2,481)
Dividend paid	(1,509)	(1,235)
<b>Net cash used in financing activities (C)</b>	<b>7,799</b>	<b>9,355</b>
Net increase in cash and cash equivalents(A+B+C)	201	(665)
Cash and cash equivalents - opening balances	365	1,030
<b>Cash and cash equivalents at the end of the year</b>	<b>566</b>	<b>365</b>
<b>Components of cash and cash equivalents</b>		
<b>Cash on hand</b>		
Balance with Banks	498	301
On Current Account	68	64
<b>Total cash and cash equivalents</b>	<b>566</b>	<b>365</b>

**Notes:** The cash flow statement is prepared using the "indirect method" set out in IND AS 7 - Statement of Cash Flows.

The accompanying notes forms an integral part of the financial statements

For **B. Thiagarajan & Co.,**  
Chartered Accountants  
Firm's Registration No: 0043715

**D. Aruchamy**  
Partner  
M.No.219156

Place - Madurai  
Date - 22/05/2023

For **Thangamayil Jewellery Limited**  
**Balarama Govinda Das**  
Managing Director DIN: 00266424

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**N. B. Kumar**  
Joint Managing Director DIN: 01511576  
**S.M. Chandrasekaran**  
Independent Director DIN: 08719332

## Background

Thangamayil Jewellery Limited (the 'Company') is a company domiciled in India, with its registered office situated at No.124, Nethaji Road, Madurai - 625 001, Tamilnadu, India. The Company has been incorporated under the provisions of the Indian Companies Act and its equity shares are listed on the National Stock Exchange (NSE) and BSE Limited in India. The Company is primarily involved in manufacturing and sale of Jewellery and other accessories and products.

## 1) SIGNIFICANT ACCOUNTING POLICIES

### Basis of Preparation

#### i. Statement of Compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standard ("Ind AS") notified under the Companies (Indian Accounting standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 read with section 133 of the Companies Act, 2013.

#### ii. Basis of preparation and presentation

The financial statements have been prepared on accrual basis under the historical cost convention except for the following that are measured at fair value as required by relevant Ind AS:

- a. Defined Employee benefit Plans - Plan assets are measured at fair value.
- b. Certain financial assets and liabilities

#### iii. Use of Estimates and judgement

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may diverge from these estimates.

Estimates and assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

#### iv. Revenue Recognition

Sales are recognized when goods are supplied and are recorded at net realizable value excluding GST and other statutory levies.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

#### v. Inventories

Inventories including company's stock held with goldsmiths are valued at lower of cost or net realizable value. The cost of raw material inventories is computed on a FIFO basis. The cost of finished goods and work in progress includes cost of conversion and other cost incurred in bringing the Inventories to their present location and condition.

Cost is generally determined on FIFO basis and wherever required, appropriate direct on cost are taken into account. Net Realizable Value is the estimated selling price in the ordinary course of business less the estimated cost necessary to make the sale.

Packing materials and Gift items are valued at cost on FIFO basis.

#### vi. Property, Plant and Equipment

Buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price/ acquisition cost, net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use.

Machinery spares which can be used only in connection with an item of Property, plant and equipment and whose use is expected to be

irregular are capitalized and depreciated over the useful life of the principal item of the relevant assets.

Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Depreciation on Fixed Assets is provided at rates as prescribed under the Companies Act, 2013 on the following basis:

S.No	Asset Class	Useful life of assets
i.	<b>Straight Line basis</b> - Building - Plant & Machinery - Furniture and Fittings - Office equipment's	60 Years 15 years 10 years 15 years
ii.	<b>Written Down Value basis</b> <b>Vehicles</b> - Motor Car - Two Wheelers <b>Computers</b> - Hardware - Software	8 years 10 years 3 years 6 years

vii. Capital work in progress

Capital work in progress includes, cost of assets not yet commissioned, and incidental expenses during the construction period. Certain directly attributable pre-operative expenses during construction period are included under Capital Work in Progress. These expenses are allocated to the cost of Fixed Assets when the same are ready for intended use.

viii. Borrowing cost

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets till such time the assets is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognized as an expense in the year in which they are incurred.

ix. Foreign Exchange Transactions

Transactions in foreign currency are recorded at the rate prevailing on the date of transactions. Foreign currency Assets and Liabilities are stated at the rate of exchange prevailing at the balance sheet date and the resultant gains/losses are charged to the profit and loss account.

Premium/Discount in respect of foreign exchange contract is amortized as Income/Expense over the life of the contract .Any profit or loss arising on cancellation or renewal of such forward contracts is recognized as Income/Expense for the period. Exchange difference arising on settlement or restatement of foreign currency denominated liability is recognized in the profit & loss a/c.

x. Retirement Benefits

a. Defined Contribution Plan

Company's contribution paid/payable during the year to Provident Fund etc are recognized in the Profit and Loss Account. These are approved/recognized scheme of the Company.

b. Defined Benefit Plan

Annual Company's liability towards Gratuity is funded on the basis of actuarial valuation furnished by the Life Insurance Corporation of India under Group Gratuity Scheme.

c. The company does not provide leave encashment and carry forward of accumulated leave to next year to its employees.

xi. Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i)the contract involves the use of an identified asset

(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental

borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

#### The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

#### xii. Intangible Assets

Intangible Assets are stated at cost less accumulated amortization and impairment loss, if any. Cost includes any directly attributable expenditure on making the asset ready for its intended use. Intangible assets are amortized over their respective estimated useful lives' on a Written down value basis, from the date that they are available for use.

#### xiii. Expenses

- a. All expenses including interest and finance charges are accounted for on accrual basis.
- b. Prior period items, if material, are disclosed separately.

#### xiv. Research and Development

Expenditure incurred during research and development phase is charged to revenue when no intangible asset arises from such research. Assets procured for research and development activities are generally capitalized.



xv. Redemption of Referral Points

The Company pays referral fees to customers, wherein the reward points can be used by the customers at the time of subsequent purchases made by them within stipulated period on giving the referral points. The Company treats it as promotional expenses but the payment will fructify on the subsequent purchases within the stipulated time of such referral customer.

xvi. Advance from Customers

Amounts collected as advances from customers have been recognized as a liability in the year of collection. The accumulated amount along with applicable bonus amount is redeemed in the form of Jewellery. The bonus or obligations arising out of these transactions are accounted for in books on accrual basis on a consistent basis.

The Company is collecting money from its customers on advance basis by extending easy payment scheme, and offers in return gold ornaments at the rate prevailing on the date of redemption (which is less than twelve months from the date of original entry date) without any charges towards making and wastage cost. The concession if any will be accounted in the year in which it is redeemed as discount to sales realization.

The company is accepting old gold from its customers to be exchanged for new gold ornaments within a period of twelve months without any charges for making such ornaments.

The Company is operating a scheme by which customer fixes the gold price to the extent of amount paid on the date of remittance. The liability that would arise to the company due to adverse price fluctuations if any or the benefits that would arise due to favourable price marked to market as on the last date of financial year will be dealt with accordingly in the books on the year in which such transactions were put through.

The Company is operating gold savings in the name of "Digi Gold" scheme wherein the customers can pay any amount for 330 days at any time and convert the payment made to gold weight. An additional benefit of gold weight is provided to the customers on a time proportionate basis not exceeding 5%. These weights can be redeemed at the time of purchase by paying making charges and taxes.

xvii. Gold Metal Loan

The company has an arrangement with its banker for lifting gold under metal loan terms against a limit under "price unfixed basis" and opts to fix the price for gold taken under loan within 180 days at delivery. However, based on business expediencies the company fixes the price within 180 days, whenever the price is favorable and carried the transaction under the forward cover to be settled for payment of money on the specified date. The price difference arising out of such transactions accounted in the head of cost of sales and adjusted accordingly. The interest if any payable to bankers on such outstanding is treated as expenses on accrual basis.

The outstanding metal loan position if any as on reporting date is marked to market and the resulting difference if any is adjusted to the notional purchase account and the value as on that date is adjusted as cost for inventory valuation consideration.

xviii. Hedging

Hedging mechanism of entering into forward contract against appropriate underlying assets is primarily used by the company to hedge the price fluctuation exposure of those underlying assets. The resultant gain or loss as on reporting date is taken to the profit and loss under the head of other income / other expenses appropriately. This treatment is consistently followed as the corresponding value of physical inventory quantity is adopted in the books of accounts as per the generally accepted and adopted valuation. The carried over closing stock as and when sold physically in the market will reflect the actual realization on such sales. Similarly, the hedging position loss or profit as the case may be will be reflected on at the time of closure corresponding to actual realization as and when made in the hedging position.

xix. Taxes on Income

Tax expense comprises current income and deferred income tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act 1961.

**xx. Deferred tax**

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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

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

**xxi. Impairment of assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the

risks specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of impairment loss is recognised immediately in the statement of profit and loss.

**xxii. Provisions & Contingent Liabilities**

Provisions are recognized in respect of obligations where, based on the evidence available, their existence at the balance sheet date is considered probable. Contingent liabilities are disclosed by way of Notes on accounts in respect of obligation where, based on the evidence available, their existence at the balance sheet date is considered not probable. Contingent assets are not recognized in the accounts.

**xxiii. Financial instruments**

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

Financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to financial assets and liabilities [other than financial assets and liabilities measured at fair value through profit and loss (FVTPL)] are added to or deducted from the fair value of the financial assets or liabilities, as appropriate on initial recognition. Transaction costs directly attributable to acquisition of financial assets or liabilities measured at FVTPL are recognised immediately in the statement of profit and loss.

### 1. Non-derivative Financial assets:

All regular purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in market place.

### 2. Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in the statement of profit and loss.

### 3. Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.

For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in the statement of profit and loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

## Financial liabilities

### 1. Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for de-recognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

### 2. Financial liabilities at FVTPL

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in statement of profit and loss. The net gain or loss recognised in statement of profit and loss incorporates any interest paid on the financial liability and is included in the 'Other income/other expenses' line item.

### 3. Foreign exchange gains and losses

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

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



Note 2 -Property, plant and equipment

₹ in Lakhs

Particulars	Freehold land	Leasehold Land	Buildings (Owned)	Buildings (On leasehold)	Plant and equipment (Owned)	Furniture and fixtures	Vehicles	Computer Hardware	Tangibles Total
<b>As at March 31, 2021</b>	<b>2,610</b>	-	<b>1,327</b>	<b>151</b>	<b>1,817</b>	<b>4,858</b>	<b>397</b>	<b>1,532</b>	<b>12,692</b>
Additions	-	-	59	49	155	578	79	200	1,120
Deductions	-	-	-	-	-	-	26	-	26
Other adjustments	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>2,610</b>	-	<b>1,386</b>	<b>200</b>	<b>1,972</b>	<b>5,436</b>	<b>450</b>	<b>1,732</b>	<b>13,786</b>
Additions	-	-	449	86	323	2,424	222	161	3,665
Deductions	-	-	-	-	-	-	83	-	83
Other adjustments	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2023</b>	<b>2,610</b>	-	<b>1,835</b>	<b>286</b>	<b>2,295</b>	<b>7,860</b>	<b>589</b>	<b>1,893</b>	<b>17,368</b>
Accumulated depreciation and impairment									
<b>As at March 31, 2021</b>	-	-	<b>203</b>	<b>29</b>	<b>841</b>	<b>3,114</b>	<b>229</b>	<b>1,414</b>	<b>5,830</b>
Depreciation expense	-	-	21	3	130	369	52	116	691
Deductions	-	-	-	-	-	-	25	-	25
Other adjustments	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2022</b>	-	-	<b>224</b>	<b>32</b>	<b>971</b>	<b>3,483</b>	<b>256</b>	<b>1,530</b>	<b>6,496</b>
Depreciation expense	-	-	27	4	267	356	89	150	893
Deductions	-	-	-	-	-	-	66	-	66
Other adjustments ( Impairment Expenses)	-	-	-	-	-	143	-	-	143
<b>As at March 31, 2023</b>	-	-	<b>251</b>	<b>36</b>	<b>1,238</b>	<b>3,982</b>	<b>279</b>	<b>1,680</b>	<b>7,466</b>
Carrying Value									
<b>As at March 31, 2023</b>	<b>2,610</b>	-	<b>1,584</b>	<b>250</b>	<b>1,057</b>	<b>3,878</b>	<b>310</b>	<b>213</b>	<b>9,902</b>
As at March 31, 2022	2,610	-	1,162	168	1,001	1,953	194	202	7,290
As at March 31, 2021	2,610	-	1,124	122	976	1743	168	117	6861

## Note 2.1 - Capital Work-in Progress

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	684	228	202
Additions/(transfer) during the year (Net)	(524)	456	26
Transfer to property , plant and Equipment	-	-	-
<b>Balance at the end of the year</b>	<b>160</b>	<b>684</b>	<b>228</b>

- Capital work in progress: capital work in progress mainly comprising of interiors ,building, and other assets still to be put in use and yet to be capitalised.
- Refer to Note:16 for information on property, plant and equipment pledged as security of the Company

### Capital work in progress ageing schedules for the year ended 31st March 2023 and 31st March 2022

₹ in Lakhs

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Project in progress</b>	-	-	<b>160</b>	-	<b>160</b>
Previous year	-	-	684	-	684
Total Capital Work in Progress	-	-	160	-	160
<b>Previous year</b>	-	-	<b>684</b>	-	<b>684</b>

For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, the project wise details of when the project is expected to be completed is given below as of 31st March 2023 and 31st March 2022

₹ in Lakhs

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	-	-	-	-	-
Other Projects	160	-	-	-	160
Previous year	-	(684)	-	-	(684)
Total Capital Work in Progress	160	-	-	-	160
<b>Previous year</b>	-	<b>(684)</b>	-	-	<b>(684)</b>

### Note 3 - Intangible Assets

₹ in Lakhs

Intangibles	Computer software	Intangibles Total
Cost /deemed Cost		
<b>As at March 31, 2021</b>	<b>1,115</b>	<b>1,115</b>
Additions	27	27
Deductions	-	-
<b>As at March 31, 2022</b>	<b>1,142</b>	<b>1,142</b>
Additions	38	38
Deductions	-	-
<b>As at March 31, 2023</b>	<b>1,180</b>	<b>1,180</b>
Accumulated amortization and impairment		-
<b>As at March 31, 2021</b>	<b>1,041</b>	<b>1,041</b>
Additions	16	16
Deductions	-	-
<b>As at March 31, 2022</b>	<b>1,057</b>	<b>1,057</b>
Additions	25	25
Deductions	-	-
<b>As at March 31, 2023</b>	<b>1,082</b>	<b>1,082</b>
<b>Net book value</b>		-
<b>As at March 31, 2023</b>	<b>98</b>	<b>98</b>
As at March 31, 2022	85	85

### Note 4 - Leases

The following is the summary of practical expedients elected on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
- Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

Following are the changes in the carrying value of right of use assets for the year ended

₹ in Lakhs

Particulars	Opening Balance April 1, 2022	Net Carrying amount as at March 31, 2023
Buildings	1,069	2,012



The following is the movement in ROU Assets during the year ended ₹ in Lakhs

	31st March 2023	31st March 2022
Balance at the beginning	1,069	944
Additions	1,365	383
Depreciation	421	258
<b>Balance at the year end</b>	<b>2,013</b>	<b>1,069</b>

The Following is the breakup of current and non - current lease liabilities ₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Current lease liabilities	386	354
Non-current lease liabilities	1,886	952
<b>Total</b>	<b>2,272</b>	<b>1,306</b>

The following is the movement in lease liabilities during the year ended ₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning	1,307	1,173
Additions	1,332	389
Finance cost accrued during the period	219	137
Deletions	-	-
Payment of lease liabilities	586	392
<b>Balance at the year end</b>	<b>2,272</b>	<b>1,307</b>

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis: ₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	603	354
One to five years	1,812	975
More than five years	637	355
<b>Total</b>	<b>3,052</b>	<b>1,684</b>

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was ₹132 lakhs ( PY 56.2 lakhs) for the year ended March 31, 2023.

Interest on lease liabilities is ₹219 lakhs (PY 137 lakhs) for the year ended March 31, 2023.

**Note 5 - Other Financial Assets (Non-Current)**

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Deposits with Government / Statutory bodies	37	41
<b>Total</b>	<b>37</b>	<b>41</b>

**Note 6 - Deferred Tax Assets/(Liabilities)**

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred Tax Assets		
Disallowance under Section 43B of Income Tax Act, 1961	142	48
Lease Liabilities- Impact on Account on Ind AS 116	65	60
Income tax at the applicable rate on the difference between the aggregate book written down value and tax written down value of Property, plant and equipment.	31	3
<b>Deferred Tax Assets/(Liabilities)</b>	<b>238</b>	<b>111</b>

**Note 7 - Other non-current assets**

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured		
Capital Advances	25	126
Unsecured , Considered good		
Advance recoverable in cash or kind		
Unsecured , considered good	354	331
Rental Advances - Unsecured , Considered Good	842	854
<b>Total</b>	<b>1,221</b>	<b>1,311</b>

Capital Advances includes a sum of ₹25 lakhs due from a party and secured by immovable property valued around ₹60.00 lakhs for which the company has initiated legal recourse for recovery. Hence being secured no provision is made as in the opinion of directors the amount is fully recoverable.

**Note 8 - Inventories**

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Raw Materials	2,470	855
Work-in-Progress	6,317	3,450
Finished Goods	89,447	70,687
Packing Materials and Gift items	-	10
<b>Total</b>	<b>98,234</b>	<b>75,002</b>

### Mode of Valuation

Inventories including company's stock held with gold smiths are valued at lower of cost or net realizable value. The cost of raw material inventories is computed on a FIFO basis. The cost of finished goods and work in progress includes cost of conversion and other cost incurred in bringing the Inventories to their present location and condition.

Cost is generally determined on FIFO basis and wherever required, appropriate direct on cost are taken into account. Net Realizable Value is the estimated selling price in the ordinary course of business less the estimated cost necessary to make the sale.

Packing materials and Gift items are valued at cost on FIFO basis.

## Financial Assets

### Note 9 - Trade receivables

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivable considered good - Unsecured	317	262
<b>Total</b>	<b>317</b>	<b>262</b>

#### Outstanding for following periods from due date of payments

₹ in Lakhs

Particulars	Less than 6 months	6 months – 1 year	1-2 yrs
Undisputed trade receivable- considered good	317	-	-
Undisputed trade receivable- considered doubtful	-	-	-
Disputed trade receivables- considered good	-	-	-
Disputed trade receivables- considered doubtful	-	-	-
<b>Total</b>	<b>317</b>	<b>-</b>	<b>-</b>

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. There are no trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

### Note 10 - Cash and cash equivalents

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks		
In current accounts	55	53
In term deposit accounts with maturity less than 3 months at inception		
Cheques on hand	13	11
Cash on hand	498	301
<b>Total</b>	<b>566</b>	<b>365</b>

**Note 11 -Bank Balance other than cash and cash equivalents**

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Earmarked balances		
In Dividend Accounts	5	25
In Term deposit accounts		
With maturity more than 3 months but less than 12 months at inception	438	568
Fixed Deposit / Margin Money Deposit under Lien*	6,630	701
<b>Total</b>	<b>7,073</b>	<b>1,294</b>

\*Margin money deposits given as security against Gold Loan / Bank Guarantees

**Note 12 - Other Financial Assets (Current)**

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured - Advances to Employees	78	66
<b>Total</b>	<b>78</b>	<b>66</b>

**Note 13 - Other Current Assets**

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured , considered good		
Advance Recoverable in Cash or kind	-	-
Advance to Suppliers/ Expenses @	4,592	2,842
Prepaid Expenses	127	90
<b>Total</b>	<b>4,719</b>	<b>2,932</b>

@Advance to Suppliers/ Expenses includes ₹3,111 lakhs ( Previous year ₹2453 lakhs) paid as margin money for hedging purpose.

**Note 14 - Equity share capital**

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised Share capital:		
200 lakhs (March 31, 2022, 200 lakhs) Equity Shares of ₹10 each	2,000	2,000
Issued, subscribed and fully paid up shares		
137.20 lakhs Equity shares (March 31, 2022, 137.20 lakhs) of ₹10 each, fully paid.	1,372	1,372
<b>Total Issued, subscribed and fully paid up Share Capital</b>	<b>1,372</b>	<b>1,372</b>

**a) Reconciliation of Number of Shares outstanding and amount at the beginning and at the end of the year**

	Numbers
Number of shares at the beginning of the year as at March 31, 2022 (₹1,371.96 lakhs)	1,37,19,582
<b>As at March 31, 2023 (₹1,371.96 lakhs)</b>	<b>1,37,19,582</b>

### b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval by the shareholders at the ensuing Annual General Meeting. In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their shareholdings.

### c) Information regarding aggregate number of equity shares during the five years immediately preceding the date of Balance Sheet.

The Company has not issued for consideration other than cash and has not bought back any shares during the past five years.

The Company has not allotted any shares pursuant to contract without payment being received in cash. There are no calls unpaid on equity shares and no equity shares have been forfeited.

### d) Capital Management

The primary objective of the Company's Capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios to support its business and maximize shareholders value. The Company makes adjustments to its capital structure based on the business environments and its economic conditions. To maintain/ adjust the capital structure the company may make adjustments to dividend paid to its share holders and issue new shares.

The Company monitors capital using the metric of net debt to Equity. Net debt is defined as borrowing less cash and cash equivalents, fixed deposits.

### e) Share holding of promoters

Shares held by promoters at March 31, 2023

Promoter name	No. of shares	% of Total Shares	% changes during the year
Ramesh Ba	26,65,558	19.43%	-
Kumar N B	26,37,756	19.23%	0.11%
Balarama Govinda Das	26,37,566	19.22%	-
Yamuna Vasini Deva Dasi	30,895	0.23%	0.03%
T.Vanaja	10	0.00%	-
B Rajeshkanna	27,775	0.20%	-
Balasubbu Prasannan	29,120	0.21%	0.01%
B R Sumati	4,825	0.04%	0.03%
K Thamarai Selvi	42,860	0.31%	0.15%
Narayanan Balasubbu Arun	27,911	0.20%	-
Balusamy Ramesh Darmini	63,446	0.46%	0.04%
Balusamy Kumar Kishorelal	31,625	0.23%	-
Gokul Ramesh	24,700	0.18%	-
Promoters Group			
Thangamayil Gold & Diamond Private Limited	7,49,344	5.46%	0.09%
Balusamy Silvears Jewellery Private Limited	2,40,775	1.75%	0.02%

The percentage shareholding above has been computed considering the outstanding number of shares of 13,719,582 as at March 2023.

## f) Details of shareholders holding more than 5% equity shares in the company

Particulars	As at 31 March, 2023	
	No. of shares	% of shares
Equity shares of Rs. 10 each fully paid		
Ba. Ramesh	26,65,558	19.43%
Balarama Govinda Das	26,37,566	19.22%
N.B. Kumar	26,37,756	19.23%
SBI Mutual Fund Group	8,92,203	6.50%
Thangamayil Gold and Diamond Pvt Ltd.	7,49,344	5.46%

Particulars	As at 31 March, 2022	
	No. of shares	% of shares
Equity shares of ₹10 each fully paid		
Ba. Ramesh	26,65,558	19.43%
Balarama Govinda Das	26,37,556	19.22%
N.B. Kumar	26,23,221	19.12%
SBI Mutual Fund Group	8,92,203	6.50%
Thangamayil Gold and Diamond Pvt Ltd.	7,36,669	5.37%

**Note 15 - Other Equity**

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Securities premium Reserve		
Balance at the beginning of the year	3,176	3,176
Balance at the end of the year	3,176	3,176
General Reserve		
Balance at the beginning of the year	4,518	4,133
Add: Transfer from surplus	798	385
Balance at the end of the year	5,316	4,518
Retained earnings		
Balance at the end of the year	29,114	23,446
Other Reserve		
Other comprehensive income :		
Remeasurement of the net defined benefit plans	(99)	(85)
<b>Total</b>	<b>37,507</b>	<b>31,055</b>

**Securities premium Reserve**

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the Act.



### General Reserve

General Reserve is the retained earnings of the Company which are kept aside out of the Company's profits to meet future (Known or unknown) obligations.

### Retained earnings

Retained earnings comprise of the Company's prior years undistributed earnings after taxes.

### Distributions made and proposed

The Board of Directors, at their meetings held on 27th January, 2022 declared an interim dividend of ₹5 ( i.e. 50%) per equity share of the face value of ₹10 each. The Board of Directors at its meeting held on 19th May, 2022 declared a final dividend of ₹ 5 (i.e. 50%) per equity share of the face value of ₹10 each for the financial year ended 31st March, 2022. The total dividend (interim and final dividend) for the financial year 2021-2022 will be ₹ 10 (i.e. 100%) per equity share of the face value of ₹10 each.

The Board of Directors, at their meetings held on 23th January, 2023 declared an interim dividend of ₹6 ( i.e. 60%) per equity share of the face value of ₹10 each. The Board of Directors at its meeting held on 22nd May, 2023 have recommended a payment of final dividend of ₹6 (i.e. 60%) per equity share of the face value of ₹10 each for the financial year ended 31st March, 2023. If approved, the total dividend (interim and final dividend) for the financial year 2022- 23 will be ₹12 (i.e. 120%) per equity share of the face value of ₹10 each.

Total dividend payout for the FY 2022-23 amounting to ₹1,646 lakhs as against the total dividend of ₹10 (i.e. 100%) per equity share in the previous year (total dividend payout for the year FY 2021-22 amounting to ₹1372 lakhs )

## Non Current Finance Liabilities

### Note 16 - Long term Borrowings

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Secured Loans		
Term Loan From Banks	4,676	5,656
Vehicle Loan from Banks	87	47
Unsecured Loans		
Fixed Deposit from Public ##	4,902	3,663
Loans from Directors and Others *	3,759	1,240
<b>Total</b>	<b>13,424</b>	<b>10,606</b>

#### Note

Term Loan From Banks - Federal Bank, Axis Bank and HDFC bank .The term loan availed under Emergency Credit Line Guarantee Scheme( ECLGS) to meet the working capital needs under COVID 19 pandemic situation.

- The above loans are repayable in 60 months with 12 to 24 months moratorium and carries interest of 5.90% to 7.80%
- Regarding securities refer note no 17
- *Vehicle Loan secured by Hypothecation of specific assets purchased out of the loans.*

## ₹2,706 lakhs (₹979 lakhs) Fixed Deposit carry interest @8.00% (7.50%) and are repayable 2 years from the respective years.

₹ 2,196 lakhs (₹2,684 lakhs) Fixed Deposit carry interest @9.00% (8.00%) and are repayable 3 years from the respective years.

\* The Company availed un-secured loan from directors, which are repayable on demand and carries interest @ 6% p.a.

## Current Financial Liabilities

### Note 17 - Short term Borrowings

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
- Cash Credit loan from Banks	25,411	15,301
- Metal Gold loan from Banks	11,920	10,075
Current Maturities on Long term Loans	959	721
Current maturities of Hire purchase loan	73	30
Fixed Deposit from Public	1,426	2,065
Interest accrued but not due on Fixed Deposits	261	234
Current Maturities on Directors Loans	1,351	1,644
<b>Total</b>	<b>41,401</b>	<b>30,070</b>

The above working capital loans extended by multiple banking system are secured by a pari passu charge on stocks and book debts of the company .

The loan extended by banks are further collaterally secured by equitable mortgage of Company's properties in the case of HDFC Bank properties at Trichy, Tuticorin, Madurai, Ramnad and in the case of Axis Bank property at Salem and in the case of Yes Bank property at Alwarpurm and in the case Federal Bank property at Nethaji Road and Solanguruni at Madurai.

- 1.36% (1,25,000 shares) promoters share holding in the company has been pledged as collateral security for IDBI loan.
- 3.26 % (3,00,000 shares) promoters share holding in the company has been pledged as collateral security for Yes bank loan.
- 3.26 % (3,00,000 shares) promoters share holding in the company has been pledged as collateral security for Axis bank loan.
- 2.71 % (2,50,000 Shares) promoters share holding in the company has been pledged as collateral security for Kotak Mahindra Bank loan.

Gold Metal loan from Banks against Fixed deposit and SBLC of the respective bank.

All the above mentioned collateral securities owned by the company given to the respective banks as indicated above are given on exclusive basis and not on a pari passu charge basis and also is in accordance with sanction terms and conditions of the respective banks.

All the above loans are further secured by personal guarantee of whole time directors of the company.

The cash credit is repayable on demand and carries interest of 7.00% to 9.00% p.a.

The Gold Metal Loan carries interest @ 1.80% to 2.80% p.a.

Fixed Deposits from public are repayable within 12 Months from the reporting date.

### Note 18- Trade Payables

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro and small enterprises (Refer Note)	1,296	372
Total outstanding dues of other than micro and small enterprises	687	372
<b>Total</b>	<b>1,983</b>	<b>744</b>

**Note:**

Trade payable other than acceptances include certain dues to Micro and Small Enterprises, under the Micro, Small and Medium Enterprises Development Act, 2006 that have been determined based on the information available with the company and the required disclosures are given below:

₹ in Lakhs

Particulars	Outstanding for following periods from due date of payments	As at March 31, 2023	As at March 31, 2022
Micro and Small Medium Enterprises	Less than 1 year	1,296	372
Others	Less than 1 year	687	372
Disputed dues- MSME	Less than 1 year	-	-
Disputed dues- Others	Less than 1 year	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

**Note 19 - Other financial liabilities**

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Liabilities for Expenses	1,063	752
Unclaimed dividends	6	29
<b>Total</b>	<b>1,069</b>	<b>781</b>

**Note 20 - Other current liabilities**

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for gratuity	163	214
Advances from customers	25,183	14,331
<b>Total</b>	<b>25,346</b>	<b>14,545</b>

Advances from customers includes an amounts of ₹24,955 lakhs (As on 31st March 2022 ₹14,255 lakhs ) received towards sale of jewellery products under various sale initiatives / retail customer schemes.

Advance from Customers are redeemable by way of sale alone within 11 Months from the reporting date.

**Note 21 - Current Tax Liabilities**

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Income tax (Net of advances)	282	33
<b>Total</b>	<b>282</b>	<b>33</b>

**Note 22 - Revenue from operations**

₹ in Lakhs

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Sale of products		
Sale of Products -Gold ,Silver,Diamond and Platinum		
Finished Goods	2,84,245	2,04,639
Traded Goods	31,010	14,669
<b>Total</b>	<b>3,15,255</b>	<b>2,19,308</b>

**Note 23 - Other Income**

₹ in Lakhs

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Interest Income	280	117
Other Operating Income	55	50
<b>Total</b>	<b>335</b>	<b>167</b>

**Note 24- Cost of raw materials consumed**

₹ in Lakhs

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Opening Stock	855	1,447
Add : Purchases	2,74,617	1,94,702
	2,75,472	1,96,149
Less: Closing Stock	2,469	855
<b>Total</b>	<b>2,73,003</b>	<b>1,95,294</b>

**Note 25- Purchase of Stock-in- trade**

₹ in Lakhs

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Traded goods	30,265	12,870
<b>Total</b>	<b>30,265</b>	<b>12,870</b>

**Note 26 - Changes in Inventories of finished goods, work in progress and stock in trade**

₹ in Lakhs

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
<b>Closing Stock</b>		
Work in Progress	6,317	3,450
Finished Goods	89,447	70,687
<b>Total</b>	<b>95,764</b>	<b>74,137</b>

<b>Opening Stock</b>		
Work in Progress	3,450	7,757
Finished Goods	70,687	55,708
<b>Total</b>	<b>74,137</b>	<b>63,465</b>
<b>Increase /Decrease in Work in Progress and Finished Goods and stock in trade</b>	<b>(21,627)</b>	<b>(10,672)</b>

## Note 27 - Manufacturing expenses

₹ in Lakhs

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Making Charges	3,827	1,990
Stores and consumable	14	20
Manufacturing Wages	50	36
<b>Total</b>	<b>3,891</b>	<b>2,046</b>

## Note 28 - Employee benefits expense

₹ in Lakhs

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Salaries and Bonus	4,887	3,660
Contribution to PF and Other Funds	409	394
Staff Welfare Expenses	330	259
Director's Remuneration	216	200
<b>Total</b>	<b>5,842</b>	<b>4,513</b>

## Note 29 - Finance costs

₹ in Lakhs

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Interest on		
- Working capital Loan	1,351	1,089
- Loan from Others	456	145
- Gold Metal Loan	469	373
- Fixed Deposits	501	500
- Lease liabilities	219	137
Bank Charges and Commission	496	374
<b>Total</b>	<b>3,492</b>	<b>2,618</b>

**Note 30- Depreciation and amortization expense**

₹ in Lakhs

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Depreciation of property, plant and equipment (Refer Note 2)	893	691
Amortization of intangible assets (Refer note 3)	25	16
Depreciation of ROU Assets - (Refer note 4)	421	258
<b>Total</b>	<b>1,339</b>	<b>965</b>

**Note 31 - Other expenses**

₹ in Lakhs

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Rent	132	56
Rates & Taxes	74	59
Insurance	100	65
Power and Fuel	589	325
Hedging expenses/(income) ##	1,807	1,600
Postage and Telephone charges	210	110
Advertisement and Publicity Expenses	2,641	2,441
Selling Promotional Expenses	952	553
Travelling Expenses	293	193
Director's Sitting Fees	1	2
Professional Charges	503	391
Printing and Stationery	80	63
Payment to Auditors (Note No 31 A)	48	33
Repairs & Maintenance		
- for Building	29	14
- for Vehicles and others	369	263
Security Charges	271	246
Impairment of Assets	143	-
Corporate Social Responsibility expenses( Note No 31 B)	159	155
Donation and Others	1	4
Other Expenses	189	65
<b>Total</b>	<b>8,591</b>	<b>6,638</b>

Note ## : hedging expenses / (income) represents Mark to Market (MTM) difference for gold price hedging mechanism outstanding as on date as losses in accordance with generally applied the treatment for Hedging Accounting.



## Note 31 A - Auditors remuneration

₹ in Lakhs

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
For Statutory Audit	18	15
For Tax Audit	7	6
For Limited Review	9	8
For Certification Work etc.	14	4
<b>Total</b>	<b>48</b>	<b>33</b>

## Note 31 B -Details of CSR Expenditure

₹ in Lakhs

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
(a) Gross Amount required to be spent by the company	159	155
(b) Amount spent during the year ended		
(i) Construction / acquisition of any assets	-	-
(ii) On Purposes other than (i) above	159	155
(c) Amount unspent during the year ended	-	-

## Note - 32 Taxes

₹ in Lakhs

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
(a) Income tax expenses		
The major components of income tax expenses		
Current Tax		
Current tax expenses for current year	2,943	1,379
Current tax expenses/(benefits) pertaining to prior years	79	-
<b>Total</b>	<b>3,022</b>	<b>1,379</b>
Deferred Tax		
Deferred tax expenses for current year	(123)	(31)
Deferred tax expenses/(benefits) pertaining to prior years	-	-
<b>Total</b>	<b>(123)</b>	<b>(31)</b>
Total income tax expenses recognized in Current year	2,899	1,348
Other Comprehensive Income		
Deferred Tax related to items recognized in OCI during the year		
Net Loss / (gain) on reimbursements on defined benefits Plans	(5)	5
<b>Total</b>	<b>(5)</b>	<b>5</b>

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
(b) Reconciliation of effective tax rate:		
Profit Before Tax (A)	10,794	5,203
Enacted tax rate in India (B)	25.17%	25.17%
Expected tax expenses (C=A*B)	2,717	1,310
Effect of non-deductible expenses	2	41
Expenses disallowed under Income Tax Act, 1961	112	14
Tax pertaining to prior years	79	-
Effect due to Depreciation and Deduction	34	15
Income tax expenses	2,944	1,380

Significant components of net deferred tax liabilities and assets for the year ended March 31,2023 are as follows :  
₹ in Lakhs

Particulars	Opening balance	Recognised in profit and loss	Recognised in / reclassified from other comprehensive income	Closing balance
Deferred tax Assets / (liabilities) in relation to				
Property, plant and Equipment and intangible assets	3	28	-	31
Provision for employee benefits	48	89	5	142
Lease liabilities-Impact on Ind AS 116	60	5	-	65
<b>Total deferred tax Assets / (liabilities)</b>	<b>111</b>	<b>122</b>	<b>5</b>	<b>238</b>

Gross deferred tax liabilities and Assets are as follows:

As at March 31, 2023	Liabilities	Assets	Net
Gross deferred tax Assets / (liabilities) in relation to			
Property, plant and Equipment and intangible assets	(271)	303	31
Provision for employee benefits	-	142	142
Lease liabilities	-	65	65
<b>Total deferred tax Assets / (liabilities) in relation to</b>	<b>(271)</b>	<b>510</b>	<b>238</b>

Significant components of net deferred tax liabilities and assets for the year ended March 31,2022 are as follows :

Particulars	Opening balance	Recognised in profit and loss	Recognised in / reclassified from other comprehensive income	Closing balance
Deferred tax Assets / (liabilities) ) in relation to				
Property, plant and Equipment and intangible assets	(13)	16	-	3
Provision for employee benefits	40	13	(5)	48
Lease liabilities	58	2	-	60
<b>Total deferred tax Assets / (liabilities)</b>	<b>85</b>	<b>31</b>	<b>(5)</b>	<b>111</b>

Gross deferred tax liabilities and Assets are as follows:

₹ in Lakhs

As at March 31, 2022	Liabilities	Assets	Net
Gross deferred tax Assets / (liabilities) in relation to			
Property, plant and Equipment and intangible assets	(326)	329	3
Provision for employee benefits	-	48	48
Lease liabilities	-	60	60
<b>Total deferred tax Assets / (liabilities)</b>	<b>(326)</b>	<b>437</b>	<b>111</b>

### Note 33 - Contingent Liabilities

a. Capital commitments

₹ in Lakhs

Description	2022-23	2021-22
Estimated value of Contract remaining to be executed on capital account net of advances not provided for.	150	225

b. An order for demand of less payment of Customs duty on imported goods pertaining to earlier year for ₹154 Lakhs passed by principal Commissioner of Customs, Chennai. The company has moved a Writ petition against the order with Honourable High Court of Madras for quashing the order passed by the Authority. The writ was admitted, and status quo is maintained. Direction is given by High court of Madras to approach Appellate Tribunal / Commissioner (Appeals) to complete the appeals. The company is advised that it has got a more than a reasonable chance for success and therefore no provision is made in the books. Hence, this liability if any is considered as contingent in nature.

c. In respect of – outstanding Letter of Credit given to bankers ₹1,900 Lakhs (previous year Nil)

d. The Commercial Tax office, Madurai has issued a notice for the Asst year 2011-12 and 2012-13 on the matter of payment of Sec 12 purchase tax and others made a claim aggregating to ₹41 Lakhs and the Company got a favourable order.

Against this order, the Commercial Tax office, Madurai has filed an appeal to Sales tax Appellate Tribunal, Madurai (A.B) which is pending for hearing. The company is advised that it has got a more than a reasonable chance for success and therefore no provision is made in the books. Hence, this liability if any is considered as contingent in nature.

e. The Company has received a demand notice from the income tax department amounting to ₹591 lakhs for the year 2016-17 and ₹858 lakhs for the year 2017-2018 related to dispute of beaten gold wastage treatment in the books of accounts from the assessing officer, as per order under Section 143 (2) of the Income Tax Act, 1961. Company is in appeal before Commissioner of Appeals against said orders. This dispute arises on account of wrongful understanding of the Accounting of wastage in refining and melting process by the assessing officer. Though the facts are so obvious and consistently followed by the company and completed assessment in the earlier years as per similar submissions made. In the subsequent assessment order for FY 19-20 and FY 20-21, the Company on the same matter got the order without any addition by the assessing officers. Therefore, the company is advised that it has got more than a reasonable chance for success in appeal and therefore no provision is made in the books. Hence, this liability if any is considered as contingent in nature.

f. The Company has received demand notice from the income tax department amounting to ₹106 lakhs for the year 2020-2021 related to dispute of disallowance of legitimate purchases due to no response from the vendor as per order under Section 143(2) of the Income Tax Act, 1961. The Company is in appeal before Commissioner of Appeals against said order. This being a rectifiable in nature, the company is advised that it has got a more than a reasonable chance for success and therefore no provision is made in the books. Hence, this liability if any is considered as contingent in nature.

g) The Company has received demand notice under Section 11A(4) of the Central Excise Act, 1944 from Directorate General of GST Intelligence, Coimbatore Zonal Unit, Coimbatore relating to non-payment of Central excise duty on for Sale of branded gold coins amounting to ₹97 lakhs and Sale of silver jewellery amounting to ₹31 lakhs and dispute on input service tax credit taken amounting to ₹145 lakhs aggregating to ₹274 lakhs for the period from 01.03.2016 to 30.06.2017. The company has filed an appeal with Customs, Excise and Service Tax Appellate Tribunal. The company is advised that it has got a more than a reasonable chance for success and therefore no provision is made in the books. Hence, this liability if any is considered as contingent in nature.

## Note 34 - Related Party Disclosures

In accordance with the requirements of Indian Accounting Standards (Ind AS) – 24 “Related Party disclosures “ the names of related party where control exists/able to exercise significant influence along with the aggregate transactions and year end balances with them as identified and certified by the management are given below:

a)	Key Management Personnel (KMP)	Balarama Govinda Das – Managing Director Ba. Ramesh – Joint Managing Director N. B. Kumar – Joint Managing Director
b)	Relatives of KMP	Yamuna Vasini Deva Dasi (Wife of Balarama Govinda Das - MD) B. Rajeshkanna (CFO), B. Prasannan*, N. B. Arun (General Managers) (Sons of Managing Director) B. R. Sumati (Wife of Ba. Ramesh, JMD) Y.Darmini (Daughter of Ba.Ramesh, JMD) R. Gokul (Son of Ba. Ramesh, JMD) K. ThamaraiSelvi (Wife of N. B. Kumar, JMD) B.K. Kishore Lal (Son of N. B. Kumar, JMD) R. Shalini (Wife of B. Rajeshkanna, CFO) P. Shylaja (Wife of B. Prasannan General Manager) P. Prahaladan (Son of B. Prasannan)
c)	Enterprises over which Key Managerial Personnel (KMP) and their relatives have substantial interest	Thangamayil Gold and Diamond Private Limited Balusamy Silvears Jewellery Private Limited

\*Passed away on 26 April 2023

The following are the transactions that were carried out with the related parties in the ordinary course of business:

### Transactions with Key management personnel

₹in Lakhs

Description	2022-23	2021-22
<b>Remuneration</b>		
Balarama Govinda Das	72	67
Ba. Ramesh	72	67
N. B. Kumar	72	67
<b>Amounts payable at the year end</b>		
Balarama Govinda Das	428	884
Ba. Ramesh	179	769
N. B. Kumar	743	1,004
<b>Rent Paid</b>		
Balarama Govinda Das*	-	1
Ba. Ramesh*	-	1
N. B. Kumar*	-	1

Description	2022-23	2021-22
<b>Interest Paid/ Payable</b>		
Balarama Govinda Das	69	44
Ba. Ramesh	63	42
N. B. Kumar	101	47
<b>Dividend Paid</b>		
Balarama Govinda Das	290	244
Ba. Ramesh	293	247
N. B. Kumar	289	243
<b>Transactions with Relatives of KMP</b>		
<b>Salary Paid</b>		
B. Rajeshkanna	36	27
B. Prasannan	27	25
N.B. Arun	21	18
R.Gokul	24	21
B.K. Kishorelal	6	6
R. Shalini	3	3
P. Shylaja	3	3
<b>Amount payable at the year end</b>		
Yamuna Vasini Deva Dasi	1,250	-
B. R. Sumati	1,260	-
K. Thamarai Selvi	1,250	165
<b>Interest payable/paid</b>		
K. Thamarai Selvi	77	5
B.R. Sumathi	69	-
Yamuna Vasini Deva Dasi	70	-
Prahaladan (S/O Prasannan)	1	1
R. Shalini*	-	-
P. Shylaja	1	-
Y.Darmini	1	-
<b>Dividend Paid</b>		
B. Rajeshkanna	3	3
B. Prasannan	3	2
K. Thamarai Selvi	2	2
Y.Darmini	6	5
Yamuna Vasini Deva Dasi	3	2

Description	2022-23	2021-22
R. Gokul	3	2
N.B. Arun	3	2
B.K. Kishorelal	3	3
B. R. Sumati*	-	-
R. Shalini	1	-
P. Shylaja	1	-
<b>Enterprises over which KMP and their relatives have substantial interest</b>		
<b>Advance</b>		
Thangamayil Gold and Diamond Private Limited	7	7
Balusamy Silvears Jewellery Private Limited	2	2
<b>Dividend Paid</b>		
Thangamayil Gold and Diamond Private Limited	81	66
Balusamy Silvears Jewellery Private Limited	26	21
<b>Interest</b>		
Thangamayil Gold and Diamond Private Limited	5	1
Balusamy Silvears Jewellery Private Limited*	1	-

\* Amount below rounding-off limit.

Note: The above information has been determined to the extent such parties have been identified on the basis of information provided by the company, which has been relied upon by the auditors.

## Note 35 - Earnings per Share

The numerators and denominators used to calculate Basic / Diluted Earnings per Share:

₹in Lakhs

	Particulars	2022-23	2021-22
a)	Amount used as the numerator: Net profit for the year after tax (A) (₹in Lakhs )	7,974	3,854
b)	Basic / Weighted average number of Equity Shares used as the denominator - (B)	13,719,582	13,719,582
c)	Nominal value of Equity shares (₹)	10	10
d)	Basic / Diluted Earnings per share - (A/B) (₹)	58	28

## Note 36 - Segment Report

The company is engaged in the business of Gold Jewellery, Diamond and Silver Articles, which constitutes a single business segment. In view of the above, there are no segment wise reports to be disclosed in terms of Indian Accounting Standard (Ind AS) 108- "Segment Reporting" issued by The Institute of Chartered Accountants of India.



## Note 37 - Employee Benefits

### a. Defined Contribution Plan

Contribution to Defined Contribution Plan, recognized as expense for the year are as under: ₹ in Lakhs

Particulars	2022-23	2021-22
Employer's Contribution to Provident Fund	243	186
Employer's Contribution to Employees' State Insurance Scheme	90	66

### b. Defined Benefit Plan

The company provides for gratuity, a defined benefit plan (the Gratuity Plan), to its employees. The Gratuity Plan provides for a lump sum payment to vested employees at retirement or termination of employment, whichever is earlier, based on the respective employee's last drawn salary and years of employment with the Company. The employee's gratuity funds are managed by Insurance Company.

₹ in Lakhs

Particulars	2022-23	2021-22
<b>Change in Obligation</b>		
1. Obligations at the beginning of the year	474	394
2. Add: Current Service Cost	110	65
3. Add: Interest Cost	35	28
4. Add: Actuarial (Gain)/Losses due to change in assumptions	(18)	(20)
5. Less: Benefits paid	22	33
<b>6. Obligations at the end of the year</b>	<b>578</b>	<b>474</b>
Fair value of Plan Assets		
1. Fair value of Plan assets at the beginning of the year	260	211
2. Add: Expected Return on Plan Assets	39	16
3. Add: Actuarial Gain/(Loss)	-	-
4. Add: Contribution	138	66
5. Less: Benefits paid	(22)	(33)
<b>6. Fair value of Plan assets at the end of the year</b>	<b>416</b>	<b>260</b>
<b>Actual Return on Plan Assets</b>		
1. Expected Return on Plan Assets	39	16
2. Actuarial Gain/(Loss) on Plan Assets	-	-
<b>3. Actual Return on Plan Assets</b>	<b>39</b>	<b>16</b>
<b>Amount Recognized in Balance Sheet</b>		
1. Present value of Obligation as at March 31	578	474
2. Less: Fair value of Plan Assets as at March 31	416	260
<b>3. Net Liability/ (Asset) Recognized in the Balance Sheet</b>	<b>163</b>	<b>214</b>

Particulars	2022-23	2021-22
<b>Expenses recognized in Profit and Loss</b>		
1. Current Service cost as per Valuation Report	110	65
2. Add: Interest cost	35	28
3. Less: Expected Return on Plan Assets	39	16
4. Less: Actuarial (Gain) / Loss	18	20
<b>5. Expense recognized in Profit and Loss account</b>	<b>87</b>	<b>98</b>
<b>Remeasurements recognised in statement of Other Comprehensive income</b>		
(Gain) /loss recognised in statement of other comprehensive income	18	(20)
<b>Actuarial Assumptions</b>		
1. Discount Rate (Per Annum)	7.25%	7.50%
2. Expected Rate of Return on Plan Assets (per annum)	-	-
3. Salary Escalation (per annum)	7.00%	5.00%

Provision for gratuity fund of ₹163 lakhs (Previous year ₹214 lakhs) being the net liability recognized as per actuarial valuation of gratuity fund.

The expected rate of return on plan assets is based on market expectation, at the beginning of the year, for returns over the entire life of the related obligation.

The assumption of future salary increase, are considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

### Investment Details

The company made annual contributions to the Employee Group Gratuity Trust based on the actuarial valuation. The said Trust is in the process of making investment of Gratuity Fund through Life Insurance Corporation of India according to guidelines of IRDA.

38. The company is collecting advances from customers both in the form of gold and money and no value addition is charged as per terms of agreement at the time of sale of ornaments. The liability for receipt of customer advances in this category is accounted as and when received by the company. At the time of redemption entire value addition will be given as discount to the customers and no provision for such future discount is made in the accounts in accordance with the significant accounting policies of the company as the real time sale is contingent on redemption. As sum of ₹24,956 lakhs (Previous year ₹14,255 lakhs) is outstanding in such scheme as on 31st March 2023. The discount if any payable in future on redemption will be treated as reduction in sales realization. This treatment in accounts is consistently followed by the Company with no material deviation in accounting.
39. Survey was conducted by The Assistant Commissioner of Customs, Customs Preventive Unit, Madurai at the manufacturing units and purchase premises of the company in FY 2020-21. Gold Coin weighing 1,643 grams was taken over by the official under the protest of certain scratches appeared in the items and also resemblance of foreign origin of the items. By virtue of accepting coins from customers after taking due declaration, the company at different point of time accepted the coins that fulfilled purity and other regulatory essentials. The company has received notice from the department and appeared before the Appropriate Authority and produced necessary documents and explanation. The company is of the view that with the submissions made to the authorities, it will come out of the legal tangle, and hence no provision is made in the books of account. The above said quantity was included in the closing stock as of 31st March 2023. The Company is in appeal before The Commissioner of GST and Central Excise, (Appeals) Trichy, against the said order.
40. In the opinion of the management, there is no impairment in the carrying cost of non-financial assets of the Company in terms of the Indian Accounting Standard (Ind AS) 36 "Impairment of Assets" issued by the Institute of Chartered Accountants of India except for those disclosed in note 31.

## Note 41 - Quantitative Information

For the year ended 31st March 2023

Class of Goods	Unit	Opening Stock	Purchase/ Consumption	Sales	Closing Stock
Gold and Jewellery	Grams	14,30,109	57,45,694	54,95,434	16,80,369
Silver, Silver Golusu and Articles	Grams	63,36,265	3,43,90,039	3,30,08,616	77,17,688
Silver Articles	Pcs	60,114	3,15,171	2,85,642	89,643
Diamonds	Carats	3,490	12,409	10,802	5,098
Precious Stones	Carats	1,693	12,067	8,372	5,388
Platinum and Precious Stones	Pcs	378	231	362	247
Alloy and Copper	Grams	31,520	(4,350)	-	27,170

For the year ended 31st March 2022

Class of Goods	Unit	Opening Stock	Purchase/ Consumption	Sales	Closing Stock
Gold and Jewellery	Grams	1,341,281	4,143,228	4,054,399	1,430,109
Silver, Silver Golusu and Articles	Grams	6,754,573	25,780,962	26,199,269	6,336,265
Silver Articles	Pcs	61,967	258,479	260,332	60,114
Diamonds	Carats	3,010	7,515	7,035	3,490
Precious Stones	Carats	746	2,894	1,946	1,693
Platinum and Precious Stones	Pcs	415	88	125	378
Alloy and Copper	Grams	29,084	2,436	-	31,520

## Note 42

Details of Products Sold – Broad Heads

₹ in Lakhs

Particulars	2022-23	2021-22
<b>Finished Goods Sold</b>		
Gold Ornaments	267,108	190,995
Silver Items	17,137	13,643
<b>Total</b>	<b>284,245</b>	<b>204,639</b>
<b>Traded Goods Sold</b>		
Gold Ornaments	16,532	5,054
Diamonds	8,502	4,898
Silver Items	5,977	4,717
<b>Total</b>	<b>31,010</b>	<b>14,669</b>

**Details of Materials Consumed -Broad Heads**

₹in Lakhs

Particulars	2022-23	2021-22
Details of Materials Consumed		
Gold Ornaments	261,947	182,011
Silver Items and Diamonds	23,585	17,527
<b>Total</b>	<b>285,532</b>	<b>199,538</b>

**Details of Inventory – Broad Heads**

₹in Lakhs

Particulars	2022-23	2021-22
Pure Gold	1,711	470
Gold Ornaments	88,498	68,576
Silver Items	4,961	4,214
Diamond	3,064	1,733
<b>Total</b>	<b>98,234</b>	<b>74,992</b>

**Note 43 - Expenditure in Foreign Currency**

₹in Lakhs

Particulars	2022-23	2021-22
Travelling Expenses	1	3
Consultancy Charges	88	111

**Note 44**

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

**Note 45 - Financial Risk Management Framework**

The Company is exposed predominantly to liquidity risk and market risk which may adversely impact the fair value of its financial instruments. The company assess the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company. The risks and mitigating actions are also placed before the Audit Committee of the Company.

**Liquidity Risk**

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities when due without incurring unacceptable losses.

The company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st March. Cash flow from operating activities provides the funds to service the financial liabilities on a day to day basis. The company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on- going basis to meet operational requirements. Any short term surplus cash generated, over and above the amount required for working capital management and other operational needs, is retained as undrawn from limits ( to the extent required) to ensuring sufficient liquidity to meet liabilities. The company expects to meet their obligations from operating cash flows.

For long term borrowings, the company also focuses on maintaining/ improving its credit ratings to ensure that appropriate refinancing options are available on the respective due dates.

₹in Lakhs

Particulars	Less than 1 year	1 to 5 years	Total
<b>As at March 31, 2023</b>			
Borrowings and Other financial Liabilities	41,401	13,424	54,825
Trade and Other Payable	3,052	-	3,052
<b>Total</b>	<b>44,453</b>	<b>13,424</b>	<b>57,877</b>
<b>As at March 31, 2022</b>			
Borrowings and Other financial Liabilities	30,070	10,606	40,676
Trade and Other Payable	1,525	-	1,525
<b>Total</b>	<b>31,595</b>	<b>10,606</b>	<b>42,201</b>

### Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market places. Market risk comprises two types of risk: Interest rate risk, and price risk. Financial instruments affected by market risk include loans and borrowings and deposits.

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This risk exists mainly on account of borrowing of the Company. However, all these borrowings are at flexible interest rate and based on the limit availment and hence the exposure to change in interest rate is insignificant in the current syndrome.

### Price risk

Gold price fluctuation risk could arise on account of frequent changes in gold prices either up or downside momentum. It could have adverse impact on earnings. We are maintaining our inventory price hedging around 76:24 basis. This will help the company with any gold price fluctuation. Your Board will take appropriate action in managing the fluctuation impact in gold price movement from time to time to increase to 75:25 basis.

## Note 46 - Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statement.

## Note 47 - Ratios

S.No	Particulars	Numerator	Denominator	Year ended		Variance
				March 31, 2023	March 31, 2022	
1	Current Ratio	Current Assets	Current Liabilities	1.58	1.72	-8.14%
2	Debt-Equity Ratio	Net Debt	Shareholder's Equity	2.01	1.74	15.52%
3	Debt Service Coverage Ratio	Earnings Available for debt service	Debt Service	22%	19%	15.79%
4	Return on Equity Ratio	Net Profit after taxes	Average Shareholder's Equity	22.37%	12.39%	80.51%
5	Inventory turnover ratio	Revenue	Average inventory	3.64	3.13	16.29%
6	Trade Receivables turnover ratio	Revenue	Average Trade Receivables	1,088.96	843.24	29.14%
7	Trade payables turnover ratio	Purchases	Average Trade payables	402.81	384.72	4.70%
8	Net capital turnover ratio	Revenue	Working capital Ratio	7.78	6.57	18.42%
9	Net profit ratio	Net Profit before tax	Revenue	3.42%	2.37%	44.30%
10	Return on Capital employed	Earnings before interest and taxes	Average Capital Employed	14.52%	10.46%	38.80%
11	Return on investment	Income generated from Investment	Average Investment	NA	NA	NA

## Note-48 Capital Management

For the purpose of the Company capital management, capital includes issued equity capital and other equity reserve attributable to the equity shareholders of the Company. The primary objective of the company's capital management is to maximise the shareholder value.

The company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day to day need with a focus on total equity so as to maintain investor, creditors and market confidence.

The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt is calculated as borrowing less cash and cash equivalents and other bank balances.



₹in Lakhs

Particulars	March 31, 2023	March 31, 2022
Borrowings – Total Liabilities	85,777	58,085
Less: Cash and Cash equivalents, other bank balances.	7,639	1,659
Net Debts (A)	78,138	56,426
Equity	38,879	32,427
Capital and Net debt (B)	117,017	88,853
Gearing Ratio (A/ B)	67%	64%

All figures have been rounded off to the nearest rupees in lakhs.

Previous year figures have been regrouped / reclassified to make them comparable with that current year.

### SUBJECT TO OUR REPORT OF EVEN DATE

For **B. Thiagarajan & Co.,**  
Chartered Accountants  
Firm's Registration No: 0043715  
**D. Aruchamy**  
Partner  
M.No.219156

Place - Madurai  
Date – 22/05/2023

For **Thangamayil Jewellery Limited**  
**Balarama Govinda Das**  
Managing Director DIN: 00266424  
**Lalji Vora**  
Independent Director DIN: 01899070  
**Yamuna Vasini Deva Dasi**  
Non-Executive Director DIN: 01388187  
**V. Vijayaraghavan**  
Company Secretary

**Ba. Ramesh**  
Joint Managing Director DIN: 00266368  
**V. R. Muthu**  
Independent Director DIN: 01908841  
**J. Rajakumari**  
Independent Director DIN: 08860956  
**B. Rajeshkanna**  
Chief Financial Officer DIN: 01334048

**N. B. Kumar**  
Joint Managing Director DIN: 01511576  
**S.M. Chandrasekaran**  
Independent Director DIN: 08719332



LATEST  
Bridal Collections



## NOTICE TO THE SHARE HOLDERS

NOTICE IS HEREBY GIVEN THAT THE 23RD ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD ON WEDNESDAY 05TH JULY, 2023 AT 11.30 AM (IST) THROUGH VIDEO CONFERENCING / OTHER AUDIO VISUAL MEANS (VC/OAVM) TO TRANSACT THE FOLLOWING BUSINESS:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2023 and the Profit and Loss Account made up to that date along with the report of the Directors, Auditors there on.
2. To appoint a Director in place of Smt.Yamuna Vasini Deva Dasi who retires by rotation at the close of the Annual General Meeting and being eligible offers herself for re-appointment.
3. To declare a Final dividend, If any, on equity shares.

### SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

#### Issue of bonus Shares

“RESOLVED THAT upon the recommendation of the Board of Directors of the Company and subject to the necessary approvals, if any and Pursuant Article 228 of the Articles of the Association of the Company and such conditions and modifications as may be required necessary and agreed to by the Board of Directors of the company, (hereinafter referred to as the “board”), consent of the shareholders of the company be and is hereby accorded to approve issue of Bonus shares to the shareholders for a sum not exceeding ₹13,71,95,820 as determined by the Board, out of the amount standing to the credit of share premium accounts as per the audited financial statement of accounts as at 31st March, 2023 be capitalized and transferred to the Share Capital Account and that such amounts shall be applied for allotment of Share Capital Account for issue of new equity shares of ₹10 each as fully paid up Bonus shares to the persons who, on a date to be hereinafter fixed by the Board shall be the holders of the existing Equity shares of ₹10 each of the company on the said dates in the proportion of 1 (one) share for every 1 (one) of the said existing equity Shares then held by such shareholders respectively on the basis that become entitled to the new equity shares as Capital and not as income”.

The new equity shares shall be allotted subject to the Memorandum of Association and Articles of Association of the Company and shall in all respects rank pari passu with the existing fully paid up equity shares of the Company, in full for dividend to be declared after the date of allotment of these shares.

RESOLVED FURTHER that no letter of allotment shall be issued in respect of the said bonus shares and such shares issued to the said shareholders be issued and the Board of Directors be and are hereby authorized to do such acts and things necessary for allotment of equity shares in this regard.

“RESOLVED FURTHER THAT For the purpose of giving effect to this resolution and for removal of any doubts or difficulties, the Board of Directors be and are hereby authorized to do all such acts. Deeds, matters and things and to give from time to time such directions as may be necessary, expedient, usual or proper and to settle any question or doubt that may arise in relation thereto.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take such steps as may be necessary or desirable to give effect to these resolutions.

5. To consider and if thought fit, to pass with or without modification (s), the following resolution as Special Resolution:

#### Increase in Authorized share Capital

“RESOLVED THAT pursuant to the provisions of section 61 and other applicable provisions, if any, of the Companies Act, 2013, consent of the shareholders be and is hereby accorded for the increase in Authorized Capital of the Company from ₹20,00,00,000/- (Rupees Twenty Crores) divided into 2,00,00,000/- (Two Crore) equity shares of ₹10/- each to ₹35,00,00,000 (Thirty five Crores) divided in to 3,50,00,000 (Three Crores fifty lakhs) Equity shares of ₹10/- (Rupees Ten only) each.

“RESOLVED FURHTER THAT the Board be and is hereby authorised to do such acts, things and deeds, necessary in this regard.

6. To consider and if thought fit, to pass with or without modification (s), the following resolution as Special Resolution:

RESOLVED FURTHER THAT pursuant to the provisions of section 13 of the Companies Act, 2013, and other

applicable provisions, if any, consent of the shareholders be and is hereby accorded for alteration of the Capital clause V of the Memorandum of Association of the Company as follows:

“Clause V. The Authorized Capital of the company is ₹35,00,00,000 (Thirty five Crores) divided in to 3,50,00,000 (Three crores fifty lakhs) Equity shares of ₹10/- (Rupees Ten only) each.” The company has the power from time to time, to increase or reduce its capital and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions as may be determined by or in accordance with the Articles of Association of the company and to vary, modify or subrogate any such rights, privileges or conditions or restrictions in such manner as may for the time being be permitted by Articles of Associations of the company or the legislative provisions for the time being in force in this behalf.

7. To consider and if thought fit, to pass with or without modification (s), the following resolution as Special Resolution:

“RESOLVED FURTHER THAT pursuant to Section 14 and all other applicable provisions, if any, of the Companies Act, 2013 consent of the shareholders be and is hereby accorded for alteration of Article 3 of the Articles of Association of the company to be substituted as under:

“The authorised share capital of the Company is ₹35,00,00,000 (Thirty five Crores) divided in to 3,50,00,000 (Three crores fifty lakhs) Equity shares of ₹10/- (Rupees Ten only) each.”

8. To consider and if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Sec.73 and 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and all other applicable provisions if any, as recommended by the Board of directors of the Company and subject to other approvals and sanctions under the Companies Act, 2013, consent of the Shareholders of the Company be and is hereby accorded to the Company to invite accept and renew deposits from the Public and Shareholders of the Company at the existing rate of interest for the current Financial year 2023-24 until the next Annual General Meeting up to a sum of ₹13,607 Lakhs, (from the Public ₹9,720 Lakhs and from the Shareholders of the Company ₹3,887 Lakhs) which will be within the limits prescribed under rule 3 of the Companies (Acceptance of Deposits) Rules, 2014 on the basis of audited accounts for the year ended 31.03.2023.

RESOLVED FURTHER THAT the Company do hereby comply with all the formalities as per the Companies (Acceptance of Deposits) Rules, 2014 and under the Companies Act, 2013 with regard to acceptance of deposits from the Public and Shareholders.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do any such act or deeds in connection with acceptance of deposits and as empowered by the Board of Directors with regard to the same under the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014.

By Order of the Board of Directors

for **Thangamayil Jewellery Limited**

CS.V.Vijayaraghavan

Place: Madurai

Company Secretary

Date: 22.05.2023

**Notes:**

The Explanatory statement setting out the material facts pursuant to section 102 of the Companies Act, 2013 (“the Act”) concerning the special business in the notice is annexed here to and forms part of this notice. The profile of the Directors seeking appointment/ reappointment, as required in terms of Regulation 27 of SEBI (LODR) Regulation 2015 of the listing agreement entered with the Stock Exchange is annexed.

1. Members are requested to immediately notify any change of address /Bank mandate, etc.,
  - I. To the Depository participants (DPs) in respect of their electronic share accounts.
  - II. To the Registrar and share transfer agents M/s. SKDC Consultants Limited SURYA, 35, Mayflower Avenue behind senthil nagar sowripalayam road Coimbatore-641028. or to the Registered office of the Company at 124, Nethaji Road, Madurai-625 001, in respect of their physical holdings.
2. The register of members and share transfer books of the company will remain closed from 29th June, 2023 to 05th July, 2023 (Both days inclusive) as per the requirements of the listing agreement.
3. The company has a designated e-mail id for investor grievances. All the share holders are requested to mail their grievance to companysecretary@thangamayil.com
4. Members are requested to quote their folio / Demat ID numbers in their correspondence always.
5. Members holding shares in electronic form are here by informed that bank particulars registered against their respective depository accounts will be used by the

Company for payment of dividend. The Company or its Registrars cannot Act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the depository participants of the members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company/ Registrars.

6. The Securities and Exchange Board of India (SEBI) has mandated the submission of permanent account number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrars. Electronic copy of the annual report for 2022-23 is being sent to all the members whose E-mail IDs are registered with the depository participants for communication purposes. The ministry of corporate affairs have exempted this year also from sending physical copies of annual report of 2022-23. Hence only soft copies of annual report being sent to all share holders who have registered their Email-id with the Depository participant.

SEBI vide their circular SEBI/ Head office / CFD / CMD 2 / CIR /b / 2022 / 62 DT.13.05.2022 has exempted for dispatching physical copies of Annual report for the year 2023.

Voting through electronic means:

In Compliance with provisions of Section 108 of the Companies Act, 2013 and rule 20 of the Companies (management and administration) Rules, 2014 the Company is pleased to provide members facility to exercise their right to vote at the 23rd Annual General Meeting (AGM) by electronic means and the business may be transacted through E-Voting services provided by Central Depository Services (India) Ltd (CDSL):

CDSL e-Voting System – For e-voting and Joining Virtual meetings.

1. In the recent General Circular No 10/2022 dated 28.12.2022 & General Circular No 11/2022 dated 28.12.2022 MCA has extended Time period for holding of AGM / EGM or passing of Ordinary/ Special Resolution through Video Conferencing till 30th September 2023.

According to these circulars, any type of Company wants to hold their General Meeting through Video Conferencing;

- EGM can be held through VC till 30th September 2023 for passing of any type of Ordinary and Special Resolution
- AGM can be held through VC for the FY ended 31 March 2023 or any previous financial years till 30th September 2023 for conducting of any Special or ordinary business.

Hence the forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/ EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to at-least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM/ EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, , the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/ EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting



6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at [www.thangamayil.com](http://www.thangamayil.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. [www.evotingindia.com](http://www.evotingindia.com)
7. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA, General Circular No 10/2022 dated 28.12.2022 & General Circular No 11/2022 dated 28.12.2022 MCA has extended Time period for holding of AGM /EGM or passing of Ordinary/ Special Resolution through Video Conferencing till 30th September 2023.

#### **THE INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

- i) The voting period begins on 02nd July, 2023 at 10AM and ends on 04th July, 2023 at 5 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 28th June, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

#### **Individual Shareholders holding securities in Demat mode with CDSL**

- 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. 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/>

[myeasi/home/login](https://web.cdslindia.com/) or visit [www.cdslindia.com](http://www.cdslindia.com) and click on Login icon and select New System Myeasi.

- 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, 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/myeasi/Registration/ EasiRegistration](https://web.cdslindia.com/myeasi/Registration/EasiRegistration)
- 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 [www.cdslindia.com](http://www.cdslindia.com) home page or click on <https://evoting.cdslindia.com/Evoting/EvotingLogin> 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.

#### **Individual Shareholders holding securities in demat mode with NSDL**

- 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 virtual meeting & voting during the meeting.
- 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>

- 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

### Individual Shareholders (holding securities in demat mode) login through their Depository Participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on 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 virtual meeting & voting during the meeting.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their

mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

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

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 1800 225533.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on "Shareholders" module.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. 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](http://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 Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <p>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.</p>

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant Thangamayil Jewellery Limited on which you choose to vote.
- (x) 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.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Additional Facility for Non - Individual Shareholders and Custodians -For Remote Voting only.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - 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.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A 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.
  - 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 and to the Company at the email address viz; [smrajunaidu@gmail.com](mailto:smrajunaidu@gmail.com) and [companysecretary@thangamayil.com](mailto:companysecretary@thangamayil.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

#### INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/ EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

3. 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/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at-least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at company email id – [companysecretary@thangamayil.com](mailto:companysecretary@thangamayil.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at company email id – [companysecretary@thangamayil.com](mailto:companysecretary@thangamayil.com). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/ MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR

(self attested scanned copy of Aadhaar Card) by email to Company - [companysecretary@thangamayil.com](mailto:companysecretary@thangamayil.com) / RTA email id – [green@skdc-consultants.com](mailto:green@skdc-consultants.com)

2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 1800 22 55 33

Mr.S.Muthuraju ACS, Practicing Company Secretary (CP. No.4181) has been appointed as Scrutinizer to scrutinize voting process in a fair and transparent manner.

- (A) The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make not later than three days of conclusion of the meeting a consolidated scrutinizer's report of the total votes cast in favour or against, if any, and submit to the Chairman, not later than three days of conclusion of the meeting.
- (B) The result shall be declared after the AGM of the Company and after submission of the report by the scrutinizer. The results declared along with the scrutinizers report shall be available for inspection and also placed on the website of the Company with in prescribed period.
- (C) The notice of the Annual General Meeting and this communication are also available on the website of the Company [www.thangamayil.com](http://www.thangamayil.com).

By Order of the Board of Directors  
For Thangamayil Jewellery Limited

CS.V.Vijayaraghavan  
Company Secretary

Place: Madurai  
Date: 22.05.2023

## Annexure to items 2 of the notice

Details of Directors seeking appointment / re-appointment at the Annual General Meeting

(In pursuance of Regulations 17 of SEBI (LODR) 2015)

Directorship / Committee members exclude Directorships in private / foreign companies and companies incorporated under section 8 of the companies act, 2013

<b>Name of the Director</b>	Smt.Yamuna Vasini Deva Dasi
<b>Date of Birth</b>	10.02.1957
<b>Nationality</b>	Indian
<b>Date of appointment on the Board</b>	04.02.2015
<b>Qualification</b>	SSLC
<b>Experience in functional areas</b>	Belongs to Promoter's Group and well versed in jewellery Business.
<b>Number of Shares held in the company</b>	30895
<b>List of Directorships held in other Companies</b>	Balusamy Silvears Jewellery Private Limited
<b>Chairman/Member in the Committees of the Boards of Companies in which he is a Director.</b>	-

By Order of the Board of Directors  
For Thangamayil Jewellery Limited

(CS.V.Vijayaraghavan)

Company Secretary

Place: Madurai

Date: 22.05.2023

**EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO  
SEC.102 OF THE COMPANIES ACT, 2013****ITEM NO.4**

Since the company went to public issue in 2010 and the equity shares were listed with BSE / NSE and the company has been performing well during these years and have been able to grow constantly with good financial performance all these years. The company has been earning reasonable profits in its operations and the profits carried over to profit and loss account have accumulated to a considerable amount and has thus attained a net worth of ₹38.879 Lakhs for the FY ended 31.03.2023. The Board thought fit to announce and recommend issue of Bonus shares out of the accumulated profits available in the free reserves ( General reserves and share premium) to the existing shareholders at the ratio 1:1. Hence this resolution duly recommended by the Board is placed before the AGM for your approval.

**Memorandum of Interest:**

None of the Directors, Key Managerial Personnel and their relatives are deemed to be interested financial or otherwise in this resolution.

**ITEM NO.5**

Subsequent to issue of Bonus share it has become necessary to increase the authorised capital of the company in order to issue and allot the Bonus shares to the share holders as on the record date to be fixed by the Board after the approval of the Shareholders at AGM. Therefore the authorized share capital has been increased from ₹20 Crores to ₹35 Crores as per the placed resolution. The Board recommends the resolutions for your approval.

**Memorandum of Interest:**

None of the Directors, Key Managerial Personnel and their relatives are deemed to be interested financial or otherwise in this resolution.

**ITEM NO.6**

Due to increase in the authorised capital from ₹20 Crores to ₹35 Crores it has become necessary to alter the Clause V of Memorandum of association of the company accordingly. Therefore this resolution is placed before you duly recommended by the Board for your approval.

**Memorandum of Interest:**

None of the Directors, Key Managerial Personnel and their relatives are deemed to be interested financial or otherwise in this resolution.

**ITEM NO.7**

Due to increase in the authorised capital from ₹20 Crores to ₹35 Crores it has become necessary to alter Article 3 of Articles of association of the company accordingly. Therefore this resolution is placed before you duly recommended by the Board for your approval.

**Memorandum of Interest:**

None of the Directors, Key Managerial Personnel and their relatives are deemed to be interested financial or otherwise in this resolution.

**ITEM NO.8**

Under section 73 and 76 of the Companies Act, 2013 "read with" acceptance of deposits rules, 2014, it has become mandatory to the Company to obtain prior consent of the Shareholders of the Company with regard to acceptance of deposits under the act.

As an eligible Company under the act for acceptance of public deposits from public since we are fulfilling the criteria of net worth of ₹100 crores or more and turnover of ₹500 crores or more as prescribed for the eligible public Companies under the act., the Company proposes to invite deposits from the public as per eligibility set out in the said resolution.

Accordingly the said resolution duly recommended by the Board is placed before the Annual General Meeting for your approval.

**Memorandum of Interest:**

None of the Directors, Key Managerial Personnel and their relatives are deemed to be interested financial or otherwise in this resolution.

By Order of the Board of Directors  
For Thangamayil Jewellery Limited

(CS.V.Vijayaraghavan)  
Company Secretary

Place: Madurai  
Date: 22.05.2023





THANGAMAYIL JEWELLERY LIMITED<sup>®</sup>

CIN: L36911TN2000PLCO44514

Corporate Office-No.25/6, Palami Center, New Natham Road,  
Near Ramakrishna Mutt, Madurai-625014.

**Tel: 0452 - 438 2815 | 438 2816, Fax: 0452 - 2566560**

Registered Office - No. 124, Nethaji Road, Madurai - 625001

Visit us: [www.thangamayil.com](http://www.thangamayil.com) | email: [care@thangamayil.com](mailto:care@thangamayil.com)