



21st THANGAMAYIL JEWELLERY LIMITED
ANNUAL REPORT
2020-21



2020
2021



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21st Annual General Meeting

Date : 26th August 2021

Time: 11.30 am

Through Video Conference @ Corporate Office

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

BOARD OF DIRECTORS



N.B.Kumar

Joint Managing Director

Balarama Govinda Das

Chairman and Managing Director

Ba.Ramesh

Joint Managing Director

INDEPENDENT DIRECTORS



S.Rethinavelu



Lalji Vora



V.R.Muthu



V.Ramasamy



S.M.Chandrasekaran



Yamuna Vasini Deva Dasi
Non Executive Director



Jeevagan Rajakumari
Independent Director



CS.V.Vijayaraghavan
Company Secretary



B.Rajeshkanna
Chief Financial Officer

REGISTRAR AND TRANSFER AGENT

S.K.D.C Consultants Limited
Kanapathy Towers, 1391/A-1 Sathy Road,
Ganapathy, Coimbatore – 641 006.

AUDITORS

M/s.Srinivas & Padmanabhan
Chartered Accountants
Chennai - 600 017.

SECRETARIAL AUDITOR

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

BANKERS

Axis Bank Limited
Karur Vysya Bank Limited
Tamilnad Mercantile Bank Limited
Federal Bank Limited

HDFC Bank Limited
Yes Bank Limited
IDBI Bank Limited

REGISTERED OFFICE

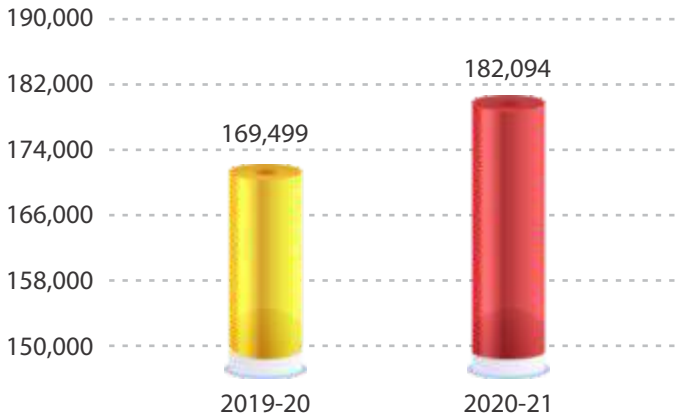
No.124, Nethaji Road
Madurai - 625 001.

CORPORATE OFFICE

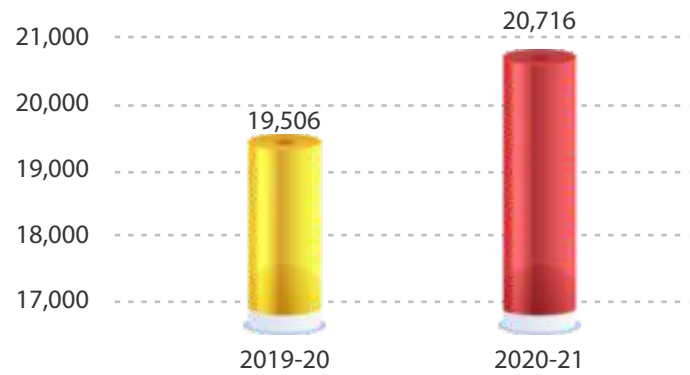
No.25/6, Palami Centre,
New Natham Main Road,
Madurai - 625 014.
CIN - L36911TN2000PLC044514

HIGHLIGHTS OF FINANCIALS

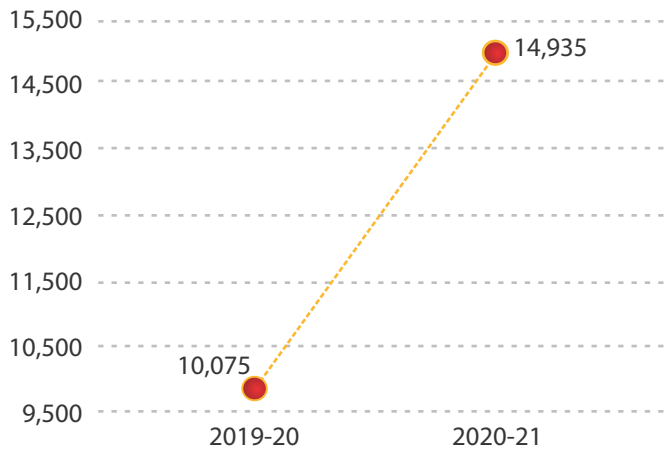
Turnover-Rs in lakhs



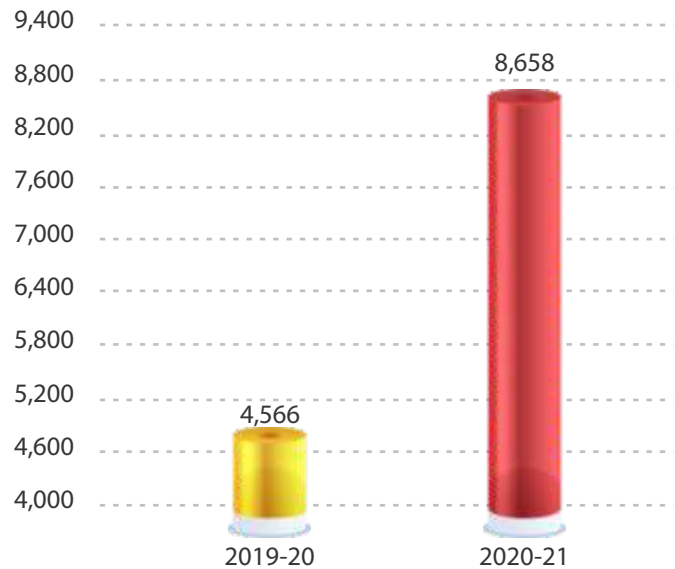
Gross profit - Rs in lakhs



EBITDA - Rs in lakhs

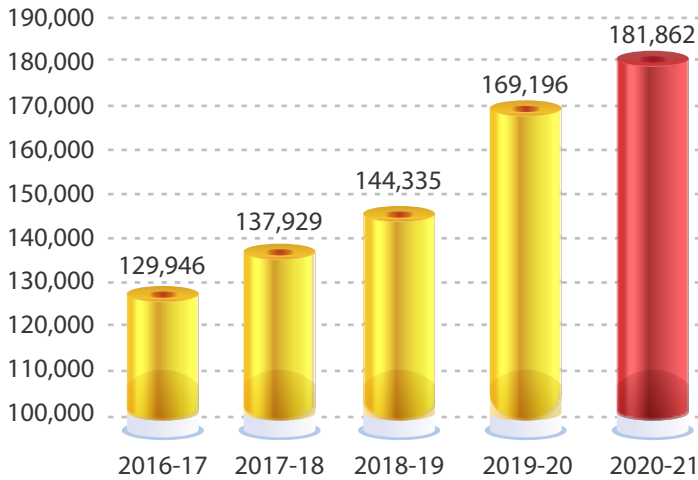
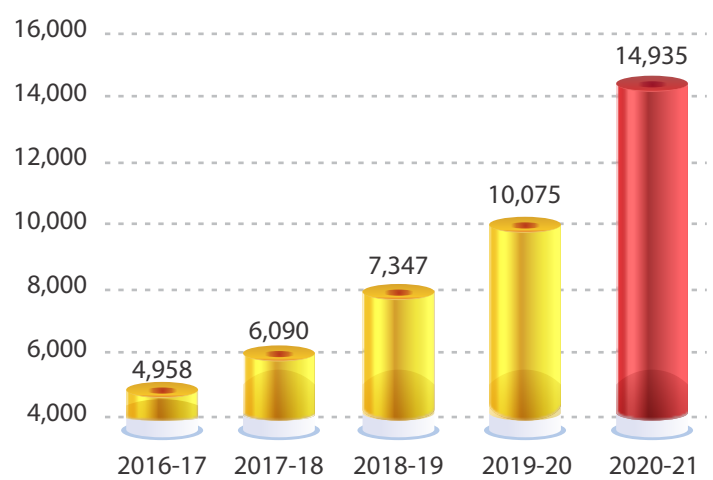
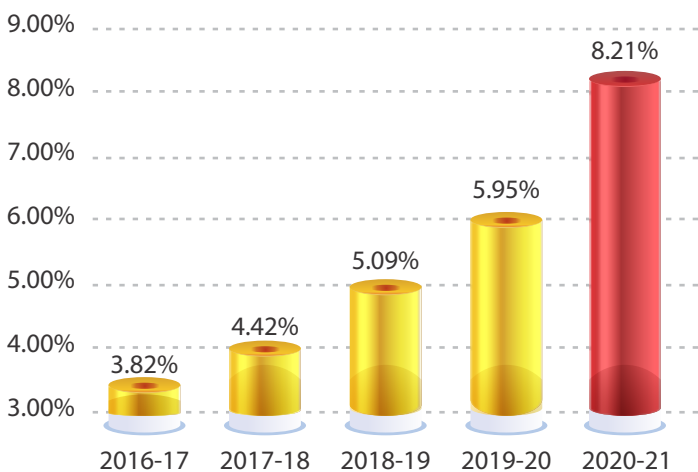
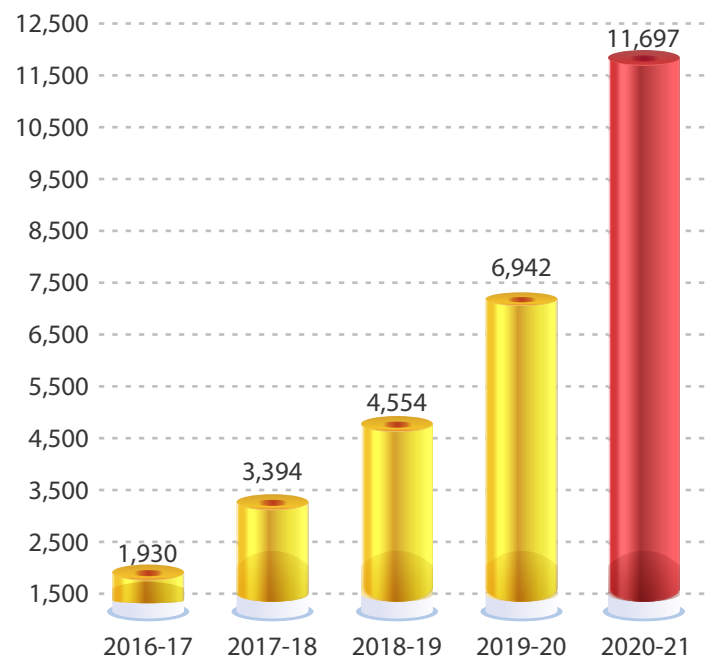


PAT - Rs in lakhs



KEY PERFORMANCE INDICATORS

NUMBERS THAT REFLECTS STEADY GROWTH

Sales (₹ in lakhs)

5 year CAGR 9%
EBITDA (₹ in lakhs)

5 year CAGR 32%
EBITDA Margin (%)

5 year CAGR 21%
Profit before tax (₹ in lakhs)

5 year CAGR 57%

FIVE YEARS REVIEW OF FINANCIALS

₹. (In lakhs)

S.No	Year Ended 31st March	2020-21	2019-20	2018-19	2017-18	2016-17
1	Turn over	181,862	169,196	144,335	137,929	129,946
2	Other Income	232	303	287	156	113
3	Cost of materials	161,145	149,690	130,288	125,112	119,052
4	Salaries, Wages and Bonus	3,328	4,224	3,538	3,197	2,628
5	Other Expenses	2,686	5,509	3,450	3,686	3,422
6	Interest and financial expenses	2,291	2,115	2,034	1,879	2,084
7	Depreciation	947	1,019	759	817	943
8	Tax expenses	3,039	2,376	1,528	1,106	533
9	Profit after Tax	8,658	4,566	3,026	2,287	1,397
10	Other comprehensive income (Net)	(59)	(37)	(1)	(13)	(2)
11	Total comprehensive income for the year	8,600	4,529	3,025	2,274	1,395
12	Non Current Assets - Net Block	8,107	8,274	7,253	7,507	7,306
13	Deferred Tax Assets	85	39	-	-	547
14	Long Term Loans and Advances	1,073	1,011	1,070	1,018	1,087
15	Current Assets	68,227	62,206	56,926	52,535	34,726
16	TOTAL ASSETS	77,493	71,530	65,249	61,060	43,666
17	Share Capital	1,372	1,372	1,372	1,372	1,372
18	Other Equity	28,420	20,643	17,947	15,501	13,562
19	Long Term Borrowings	7,015	6,368	3,831	3062	3,556
20	Deferred Tax Liability	-	-	107	159	-
21	Current Liabilities	40,686	43,147	41,992	40,966	25,176
22	TOTAL EQUITY & LIABILITIES	77,493	71,530	65,249	61,060	43,666

KEY FINANCIAL HIGHLIGHTS - PERFORMANCE AT A GLANCE

₹. (In lakhs)

Year ended	2020-21	2019-20	2018-19	2017-18	2016-17
Sales & Other Income (₹ in lakhs)	182,094	169,499	144,622	138,086	130,059
EBITDA Profits (₹ in lakhs)	14,935	10,075	7,347	6,090	4,958
Profit before tax (₹ in lakhs)	11,697	6,942	4,554	3,394	1,930
Profit after tax (₹ in lakhs)	8,600	4,529	3,025	2,274	1,395
Net worth Adjusted (₹ in lakhs)	29,792	22,015	19,319	16,873	14,934
Equity Capital (₹ in lakhs)	1,372	1,372	1,372	1,372	1,372
Book value per share (₹)	217	160	141	123	109
Dividend Paid (Incl. DDT) (₹ in lakhs)	823	1,654	579	335	165
Total outside Liabilities Adjusted (₹ in lakhs)	46,376	46,376	40,618	40,840	26,711
No. of Branches in Lease Property	42	42	30	27	26
No. of Branches in Own Property	5	5	5	5	5

SOURCE AND UTILISATION OF FUNDS

₹. (In lakhs)

S.No	Year ended 31st March	2020-21	2019-20	2018-19	2017-18	2016-17
Source of Funds						
Funds Generated from operation						
1	(a) Profit after Taxes (net profit before tax minus tax outflow)	8,945	5,204	3,622	2,742	1,320
	(b) Depreciation	947	1,019	759	817	943
	(c) Other Income and Adjustments	1	10	8	46	14
	Total	9,893	6,233	4,389	3,604	2,277
2	Net Increase in Borrowings	-	6,592	-	9,592	-
3	Net Decrease in Working Capital #	-	-	293	-	1,583
	Total	9,893	12,825	4,681	13,196	3,860
Utilisation of Funds						
4	Capital Expenditure	583	859	473	1,063	380
5	Dividends pay out including DDT	823	1,654	579	335	165
6	Net Increase in Working Capital #	5,469	10,312	-	11,798	-
7	Net Decrease in Borrowings	3,018	-	3,630	-	3,315
	Total	9,893	12,825	4,681	13,196	3,860

inventories, Trade Receivable and Short Term Loans and Advances and other Current Assets less Trade payables and Provisions.

S.No	Financial Ratios	2020-21	2019-20	2018-19	2017-18	2016-17
1	Operating Profit Margin	11.39	11.53	9.73	9.29	8.38
2	EBITDA / Turnover (in %)	8.21	5.95	5.09	4.42	3.82
3	PBT/ Turnover (in %)	6.43	4.10	3.16	2.46	1.49
4	Return on Average Capital Employed	18.77	13.24	10.43	10.07	9.60
5	Return on Equity	28.87	20.57	15.66	13.48	9.34
6	Net Debt to Equity	1.54	2.11	2.10	2.42	1.79
7	Current Ratio	1.68	1.44	1.36	1.28	1.38
8	Net Worth Per Share	217.14	160.46	140.81	122.98	108.85
9	Earnings Per Share	63.11	33.28	22.05	16.67	10.17
10	P/E Ratio (based 31st March quote)	9.27	7.12	15.10	29.44	22.77

1	Operating Profit Margin	Gross profit / Turn over
2	EBITDA / Turnover	Earnings Before Interest ,Depreciation, Tax and Amortisation/ Turn over
	EBITDA	PAT + Taxes +Depreciation+ Interest and Finance Charges
	Turnover	Sales and Other Operating Income
3	PBT/ Turnover	Profit Before Tax / Turnover
4	Return on Avg Capital Employed	EBIT/ Avg. Capital Employed
	EBIT	PAT + Taxes + Interest and Finance Charges
	Capital Employed	Total Funds Employed - Non Current Assets(Misc. Expenses not written off)
5	Return on Equity	PAT/ 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 t attributable to Ordinary Shareholders/number of ordinary shares.
10	P/E Ratio	Market Price/Earnings per share (Basic)

CHAIRMAN'S LETTER



Dear Shareholders

It gives me a great pleasure to place before you the financial statement for the year ended 31st March 2021. The year that went by started very badly for the entire nation more so to the companies that were forced into lockdown due to Covid 19 pandemic. Being in retail trade, due to complete lockdown the company could do a turnover of ₹12,589.04 lakhs in the first quarter with a reported loss before tax of ₹855.86 lakhs. However, things improved in the second quarter due to need to satisfy the pent-up demand for jewellery. Due to fear of non-performance of economy among all associated assets classes, a sudden increase in price of gold was seen in the second quarter that enabled us to report a turnover of ₹46,755.43 lakhs in the first half with a profit before tax (PBT) of ₹6,153.73 lakhs. The second half year resulted in restoration of business and with the help of our improved product mix we could report an annual turnover of ₹1,81,861.88 lakhs as against ₹1,69,196.10 in last year. Similarly, reported PBT of ₹11,697.15 lakhs as against ₹6,941.55 lakhs of last year registering a growth of 68.51%.

Taking into consideration the adverse conditions prevailed in the year, the performance was satisfactory. The year also witnessed a wide fluctuation in gold price(22ct) a low of ₹4,165 to high of ₹5,416 but settled in the lower range of ₹4,162 per gram. Therefore, with the normal profits that could have been earned but for this year ended in lesser realisation, the performance could have been better. Nevertheless better realisation of gold price in the larger part of the year has enabled the company to declare an all-time high profit before tax (PBT) of ₹11,697.15 lakhs.

It is unfortunate, that the year 2021-22 started in a bad environment again affected by the Covid-19 Second Wave lockdown in the state of Tamilnadu. The lock down continued still thereby significantly affected operation in the current year 2021-22 both in May and June month.

The First Quarter of any financial year is the Best for the industry as it carries more number of wedding days and akshaya tritiya function, as we see it from our internal reviews. So far the impact is only due to accompanied fear of the covid and not that of any economic set back. Once, the lock down is lifted, normalcy will be restored. We are confident that as in last year post lifting of complete lock down, pent up demand would re-emerge and there is every possibility that the lost turnover could be recouped in the rest of the year, provided widely expected re-appearance of covid third wave does not repeat.

In this background, your management team has taken the following calibrated actions to sustain the growth and profitability in the long run.

- a) All the ongoing retail outlets expansion are in place and only a marginal delay is expected in commencement planned as per schedule due to second wave impact.
- b) The fixed cost components of cost structure is minimised and all activities are linked to variable cost parameters.
- c) Low cost funds contributed substantial portion of leverage portfolio
- d) Introduction of new designs, novel products, better penetration for studded items etc augurs well for improved profitability.
- e) The benign gold price movement in gold also ensures stability in turnover.

- f) New marketing initiatives taken continues to show better “foot fall” and enquiries.
- g) Improvement in market share in the places we operate also increases the potential for future sale.
- h) The change in the “pricing formula” particularly in gold ornaments based on volume off take etc has improved our competitive strength.
- l) A proper and demonstrated “Hedging Policy” in place ensures stability in profits and acts as an insurance for any wide adverse price variations.

We are hopeful of delivering better results subject to covid realities due to the following silver lining aspects of business.

- a) Excellent agricultural production with better prices for produce particularly cash crops augurs well for the company in the southern parts of the state of Tamilnadu.
- b) Polarisation impact is visibly seen in the market as customers started to shift their loyalties from unorganised to organised sector like in any other trade.
- c) Gold as an “Asset class” is re-emerging post adversaries faced in the last two years of Covid and the reality of gold as a saviour in adverse times well understood.
- d) Restrictions on movements, compulsory closure of shops due to repeated lockdown, fear of going out for purchases from cities etc have necessitated local buying and all our outlets are well suited to get the benefits.

Our core objects of improving the contribution on sales in absolute terms with the help of pricing competitively and introduction of new products / designs will continue. The other objects of business expansion is going ahead as per plan will also over a period of time add up to our top line growth. Now that, a paradigm shift has taken place in reaching customers by way of strong brand building initiatives, we may not have any difficulties in expanding to any part of the state of Tamilnadu. Our technology support infrastructure is quite good that would facilitate us in the years to come even to cover 50 more destinations with ease of optimum inventory control aspects.

Your company is a strong believer that men and technology if optimally used could bring better performance. Our financial stability post putting into stress test in the past 15 months continue to be better. Our credit rating improved to “A-” also augurs well for the company. Our pricing is highly competitive. Our staff members are compensated in an incentive variable platform. We keep adequate stock and often demanded products lined up effectively. Therefore, we are reasonably confident that our future growth will be tied to these functional pillars for a sustainable delivery.

You are aware that the Company paid an interim dividend in the later part of March 2021 at ₹6/- per share (60%) for the face value of ₹10/- each. Your board after considering the uncertainties related to covid 2019 and the need for preservation of liquidity in the system has recommended for a final dividend of ₹4 /- per share (40%) aggregating to ₹10 /- (100%) per equity share as dividend distribution for the financial year ended 31st March 2021.

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 their continued trust and support through informed feedback and advice.

Looking forward for yet another promising year 2021-2022 in spite of intervention of Covid 19-second wave lock down in the better part of the first quarter 21-22.

With warm regards,

For Thangamayil Jewellery Limited,

BALARAMA GOVINDA DAS

Chairman Cum Managing Director

Place: Madurai

Date: June 24, 2021

Marching ahead on a sustainable platform in enhancing our retail brand value Delivering mass personalization

❖ Ethnic group demands a product with specific design and utility on a mass scale. However, for every individual customer it happens to be his/her preferred choice. This helps the company to cater to the demand of larger customers with optimum capacity utilisation of resources.

❖ Leveraging Marketing opportunities

Due to competitive pricing of product portfolio the company could largely explore avenues for marketing with the retail outlets facilities created over the years. The falling gold ornaments consumption due to covid and other preferences, creates a space for the organised sector to penetrate further into the rural areas/ semi urban towns.

❖ Creating incremental value to customers

We offer multiple product mix to customers and often create a virgin market space for some of our value-added products. When compared to diamonds, gold price in the last two years sizably increased and it creates a new set of customers who were away so far from diamond market. The sense of possession of diamond and its wearing pride ensures an incremental value to customers. We are confident that the trend will continue and the demand for studded items would improve year after year due to awareness created by promotional activities.

Alliances and promotion of other established brands.

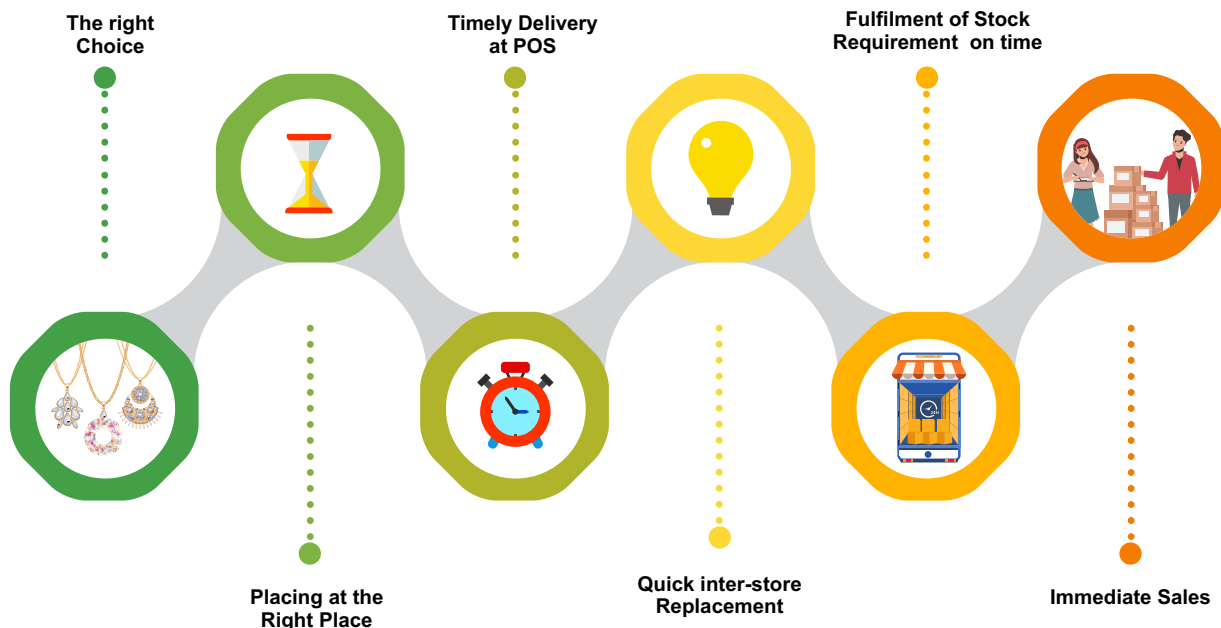
Our company is slowly emerging as a retail hub for marketing other small but niche products through our established outlets together with the loyalty factor attached with that. We have successfully marketed some superior products ranges and considerably promoted the products either on outright purchase or sharing of income or by way of consignment sales.

❖ Reset Focus

“Best quality of choice products at right price” has become our caption in marketing. We do not only identify with pricing but with design/ ranges/ marketing/special features/ services etc., along with the tag of right price to get the repeat customers by leveraging our operating efficiencies.

Supply chains and scale up of capacity.

We have developed a brand-based vendor management for ensuring “right in time” supply with the help of successful in-house software developed. Inventory holding cost has come down and a greater confirmation for what goes out is bought back as per merchandise plan is ensured. Our in-house capacity to produce common / traditional/ repetitive items increased that would ensure replacement of sold items from any retail outlets within 24 hours of sale so that more active and supportive inventory management could be strategized.



❖ **Embracing agility for success & growth.**

Starting from reordering to ultimate disposal of items is planned so meticulously. The delay in execution is totally avoided. Linking with the vendors factory, the reordering level is always maintained by a software designed for its exclusivity. The effectiveness of “not missing a potential sale” is monitored regularly, the lower pricing offered also ensures better stock turnover ratio. In every conceivable activity level, the company & its marketing team embraced the concept of agility for a sustained success and growth.

❖ **Improving market shares in place we operate**

We are operating in south and western regions of state of Tamilnadu. This area supposed to have larger cake in jewellery retail trade due to historical reasons. We had become a dominant player in larger part of our retail outlets places. In a shrinking market size we are able to improve our volume effectively. It means that customers have a preference for our company among competitors for many reason including pricing, display, loyalty, varieties, ranges, and sentimental value etc., As “*no scientific*” market study was conducted we are not able to specify a particular percentage even though the trend is emerging favourably in organised sector outlets in larger locations except in cities in our own domains (tier 2 and 3 cities) no presence is felt by other organised players.

Expanding product portfolio

The company has come a long way from a mere retailer of commercial grade jewellery into an emerging established reputational retail brand deliverer. Apart from normal range of gold ornaments of daily use and gifts, the company created a niche market for wedding ranges, exclusive facility for studded diamond items and a marketer for established other special allied brands. A supremacy is established in making and pricing at the lower end for silver payals, vessels and ornaments. It has also slowly promoted into other precious stones and unique value-added products. In the last 5 years share of other items in the overall turnover has improved from ₹8,635.77 lakhs to currently ₹16,528.67 lakhs a registering growth of 91.40% and in terms of percentage in total sales increased from 6.65% to 9.09%.

Expanding deeper into known territory

Though a regional player our market share in the places we operate improved a lot steadily. In order to optimise the financial and non-financials resources at our command, the company needed to polarise the business in the areas we are already strong like south and western part of state of Tamilnadu. All synergies are in place like taste / preference/ ethnic demand/ loyalty/ brand visibility / outlets/services etc. It is imperative to scale up operations by carefully expanding deeper into these known and established territories. All our future expansion plans run around this objective so that operational efficiencies could be maximised.

Future growth potentials evaluation

Places currently we operate enjoy the following advantages:-

- 1) Predominately rural population eager to invest in gold ornaments for rainy day.
- 2) Prosperous rural areas generating agricultural income from cash crops of shorter duration.
- 3) Supplementary income potentials from their children who are working overseas.
- 4) Ethnic population enjoys the reputation of exchanging gifts of gold ornaments on festival / wedding and other related functions.
- 5) Girl's marriage savings from very early age also augurs well for the growth potentials.
- 6) Larger part of our outlets are in semi urban and 2 & 3 tier towns itself is a major advantage to the company.
- 7) As the level of per capita income rises the need for diamond and other associated value-added products demand would escalate.
- 8) Localised staff members who are conversant on the local need and occasions will stimulate growth for their improvements as the compensation package is designed to incentives them on sales performance.
- 9) A larger allocation of funds to promote the brand via satellite TVs and news papers will certainly improve the brand recall factor together with visibility requirements.
- 10) Above all '**affordable pricing**' in a highly competitive market will ensure growth in the years to come and it would stop the customers from migrating to cities.

Going forward agility, operating efficiencies scale up potentials adopting to realities. Consistent improvement in market share management, sustainability of the marketing initiatives currently in force will go a long way in elevating the performance curve by fully utilising all the resources in command for a better delivery and results in the days to come.

OUR BRANDS



OUR PRODUCT PARTNERS



SCOT ANALYSIS

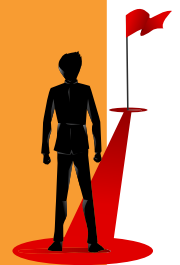
STRENGTH

- ❖ Dominant player in Southern districts of Tamilnadu
- ❖ High level of market penetration via Retail outlets
- ❖ Operates in Gold ornaments preferred by ethnic customers.
- ❖ Excellent financial performance indicators
- ❖ Positive effect of polarization of trade in the organized sector
- ❖ Strategy optimization that increases the operating leverage
- ❖ Adequate manufacturing facilities across the jewellery and act as a hub for strengthening design population.
- ❖ Customized service gives a unique identity to the company distinct from other players.
- ❖ Advanced Technology strength to support business operations and expansion.



CHALLENGES

- ❖ To ensure risk weighted return on equity.
- ❖ To meet competitive pricing requirement
- ❖ High fluctuation in gold price movement is to be managed effectively.
- ❖ Frequent lockdown caused by COVID-19 almost a yearly event and its management.
- ❖ Mitigation of risks from external sources
- ❖ To enlarge volume in a price sensitive product in the backdrop of shrinking overall market size.
- ❖ Frequent change in customer taste and preference for jewellery designs.



OPPORTUNITIES

- ❖ Expandable Retail Network model
- ❖ Potentials to explore the retail brand value for allied products.
- ❖ Less Capex / Asset less model paves ways for maximum subsistence.
- ❖ Improving penetration in the rural areas where from we operate successfully.
- ❖ Improved product mix value added product composition.
- ❖ Growing preference for online platform
- ❖ Customer's preference in choosing hallmarked products over products made by un-organized manufacturers.
- ❖ Concentrating in one region makes the company a mature player in that region and gain efficiency in operations.



THREATS

- ❖ Unhealthy competition from unorganized sector due to higher level of duties and taxes suffered by organized sector.
- ❖ "E-Commerce" sales platform growth in the years to come
- ❖ Shift in preferences of spending by the population instead of in Gold.
- ❖ Stringent Government regulations and compliance cost
- ❖ Likely narrowing margin in the trade due to cost push parameters
- ❖ Acute shortage of skilled labour increases the production cost significantly.



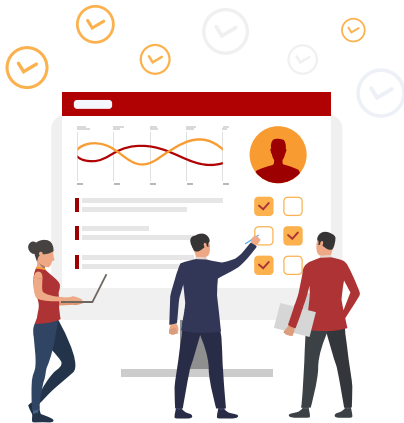
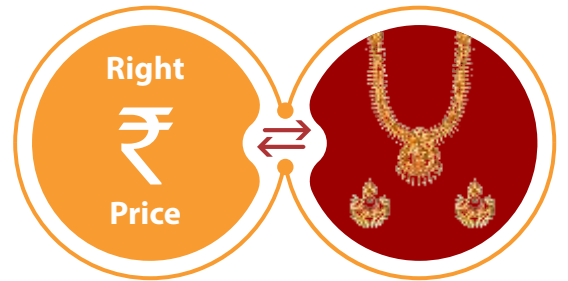
PROPELLING VALUE ACCRETIVE BUSINESS MODEL

❖ **TMJL** business model enables it to proactively identify and act on evolving trends leading to stand out performance in a competitive environment. The model helps in meeting challenges & opportunities in a synergised format. It aims to deliver incremental returns to all its stakeholders.



❖ **To Employees** - A well formulated compensation package inclusive of welfare amenities including insurance and social security system. A well-defined incentivisation based on performance linked compensation. The fixed and variable portion is well planned that ensures need based compensation plus motivated and self improved talents recognition applications.

❖ **To Customers** – *“The Right price for the Right product”* concept in pricing widely acknowledged by the customer. A wide range of designs and models chosen from varieties displayed. Excellent service supplementation efforts, Free repair charges provided. More than a fair deal for exchange of old ornaments for new one. Extensive customer advances acceptance that extends beneficial treatment to the customer’s choice. A widely polarized brand that enables them to identify and recall the brand value effectively. Extended retail outlets support to meet their demand and requirements.



❖ **To Vendors**–Ensuring prompt payment on spot basis so that their operating capability improves. Selection of vendors is based on quality, design population, and timely supply, etc., are taken on a grading basis. As the company gives a volume business, it is able to command a discount on making charges. Hardly we enjoy any credit from vendors that creates a value within the vendor community for the company. Our relationship is quite conducive even on emergency basis they would prefer to supply for the company. This is a goodwill the company has earned over two decades.

❖ **To Communities** - We allocate funds under CSR activities to spend on Eye-camp & regular check up for the country men. We participate in their cultural and social functions regularly. By respecting the eco system we also cater to the needs of animals (cows) & spend on environmental friendly activities.





- ❖ **To Shareholders** : Finally, to the owners of the company, a well-defined capital allocation policy is in place. A sum of ₹7,500/- invested in 100 shares in the IPO period in 2010, together with the dividends distributed, at the current market price has become ₹87,700/- (Based on 09th June 2021 market price). Besides ensuring current dividend income based on the above reasoning the initial investment has grown up to 11.69 times. It is our endeavour to liberally distribute the post-tax earnings in the years to come in consonance with dividend distribution policy adopted as the residual earnings post such distributions would take care of our planned expansion of retail outlets and to support working capital margin requirements.

STRENGTHS OF OUR FINANCIAL POSITION

- ❖ Engaged in debt repayment with a controlled allocation of Capex for expansion.
- ❖ Maintaining a higher level of liquidity to make use of opportunities further open by the eco system.
- ❖ Predominant part of debt is linked to self-liquidation in nature at the first level of asset value realisation.
- ❖ Improving financial indicators like Debt / Equity, Interest cover, ROCE, ROE & Inventory Turnover, etc.,
- ❖ Net worth substantially consisted of earnings accumulation and not by other avenues like placement of shares etc.,
- ❖ Ploughing back consistently a major portion into current assets creation that enables further organic growth in retail expansion.
- ❖ Going forward, our business model is such that no larger sums are required for growth except margin money for working capital and to meet hedging gold price.
- ❖ In the last five years, our net worth improved from ₹149.34 Crs to ₹297.99 Crs and largely invested in improving current assets portfolio.
- ❖ The Company is rated as A-by ICRA Ltd., based on 31st March 2020 financials. In fact, net worth is further improved by ₹77.84 Crs in 20-21 to ₹297.92Crs

THIS IS HOW WE STRENGTHENED OUR PERFORMANCE

Particulars	2020-21	2019-20
Operating expenses Total Turnover	88.61%	88.47%
EBITDA – Total Turnover	8.21%	5.95%
Interest – Total Turnover	1.26%	1.25%
Profit Before Tax – Total Turnover	6.43%	4.10%
Cash profit – Total Turnover	6.95%	4.70%
Return on Net worth	28.87%	20.57%
Return on capital employed	18.77%	13.24%
Balance sheet Ratios		
Debt : Equity ratio	1.54	2.11
Inventory turnover ratio	2.80	3.00
Current ratio	1.68	1.44
Asset turnover ratio	25.39	23.14
Interest cover ratio	6.52	4.76
Debt service coverage ratio	2.11	2.48

NUMBERS THAT SPEAK LOUDER THAN WORDS

Particulars	Purpose	Why is it important?	Result	Value impact
REVENUE	To understand the growth in sales trend	To compare with the industry. Are we growing nearer to GDP growth?	Revenue is improved by 7.48 % to 1,81,861.88 lakhs as compared to 19-20 in spite of Covid shut down for 92 days in 20-21	- Improved product mix enhanced the company's market share in a shrinking industry.
EBITDA (Rs. in crores)	To know about the earnings before Interest, depreciation and other exceptional items.	It is the index that establishes company's ability to optimize operating cost in spite of inflation and provides for a base for comparison	EBITDA has improved by 48% to 14,935 lakhs as compared to 19-20 in spite of constraints in the operations	Helps to create a growth in future and allow the co. to plough back profits to build the business in a sustainable manner.
Profit for the year	To know the profits post all business and tax outflows and to be owned by the shareholders.	It identifies the strength in the business model in generating value for its shareholders	PAT has increased by 77% to 4.73 % as compared to 19-20	Ensures that adequate cash is available for re-investment and allocation of capital and allow the company's growth to sustain.
EBITDA MARGIN	EBITDA margin is a profitability metric used to measure a company's pricing power and operating efficiency.	The EBITDA margin gives an idea how much a company earns before Interest and taxes outgoes on each rupee of sales made.	EBITDA margin increased by 38% to 8.21% as compared to 19-20. It is also partly due to better realisation of closing stock of earlier years.	Demonstrate adequate buffer in the business which when multiplied by scale enhances the surplus.
ROE (Return on Equity)	To measure the level of profitability made by the company on the owners, capital employed in the business	Atleast every company should earn more than the cost of capital. This is a good matrix to find the relative superiority among peers in the industry. It means every thing for the investor.	ROE has improved by 40% to 28.87% as compared to 19-20.	Enhanced ROE can potentially drive valuation and perception over a longer time frame
INTEREST COVER	This is derived through the division of EBITDA / INTEREST.	The interest cover indicates Company's comfort in servicing the interest on the business. The higher the ratio it is better.	The interest cover ratio is improved by 1.75 times to 6.52 times of EBITDA profits as compared to 19-20.	The company's ability to meet its interest obligations, an aspect of its solvency is supposed to be one of the most important factors in assuring better returns to the shareholders.

THE DIFFERENTIATION THAT ARE INBUILT IN THE BUSINESS MODEL TO SUCCEED FOR A SUSTAINABLE GROWTH**FACTORS**

- ❖ Synergy maximisation methods and policies implemented.
- ❖ Positioned the company via tier 2 & 3 towns to get the positive impact of polarisation aspects.
- ❖ Relative pricing differentials in the places we operate in favour of customers.
- ❖ Unique software enabled efficient inventory management.
- ❖ Beneficial by ethnic customers standardised designs & products
- ❖ Incremental improvement in value added product mix composition.
- ❖ Expanding in and around areas of outlets to arrest entry of bigger organised formats.
- ❖ Incentivisation of employees based on actual performance to motivate for excellence.
- ❖ Judicious use of working capital funds including internal cash accruals deployment.
- ❖ Adapting to ground realities instead of rigidity in policies implementation.
- ❖ Becoming a retail brand instead of a jewellery retailer.

RESULTS

- ❖ Better improved turnover across all outlets.
- ❖ To win over fragmented family run retailers and gain dominant share of business.
- ❖ Competitive pricing strategy has helped the company to expand its business across the state of Tamilnadu for the customers who are price sensitive.
- ❖ Ordering, re-ordering stock rotation, preferences, repeat orders, etc., are well captured in the software guided system of inventory management. They not only reduced the aging of inventory but also improved the stock turnover ratio.
- ❖ Standard specification products could be procured in volume so that benefits of scale of size always obtained in purchase pricing.
- ❖ Better margin product sales as a % increased year after year that has helped to enlarge the absolute contribution in the turnover;
- ❖ Being organised players in the areas of operation for the last 7 to 8 years helps market share gaining from local retailers.
- ❖ Helped to reduce fixed cost part of the cost structure and linked the compensation for actual performance. It improved the operational leverage available to the company.
- ❖ Consistently funds were deployed to activate working capital cycle in a flexible manner thereby effective cost of funds in spite of larger scale could be reduced over the years.
- ❖ Positioning itself for any outward adverse impact on the trade like wide fluctuations in gold price or Covid-19 situations, etc by adoption of policies aligned to ground realities.
- ❖ By opting to market other brand jewellery the company started to harvest its brand loyalty and became a retail brand instead of jewellery retailer.

**DIRECTOR'S REPORT
TO THE MEMBERS OF THANGAMAYIL JEWELLERY LIMITED**

The Directors are pleased to present the 21st Annual Report and the Audited Statement of Accounts for the year ended 31st March 2021:

FINANCIAL RESULTS

Particulars	2020-2021	2019-2020
Sales	1,81,862	1,69,196
Gross Profit	20,716	19,506
Earnings before Interest, Depreciation and Taxation (EBITDA)	14,935	10,075
Finance Cost	2,291	2,115
Depreciation	947	1,019
Profit Before Tax (PBT)	11,697	6,942
Tax	3,039	2,376
Profit After Tax (PAT)	8,659	4,566
Other comprehensive income	(59)	(37)
Total comprehensive income for the year, net of tax	8,600	4,529

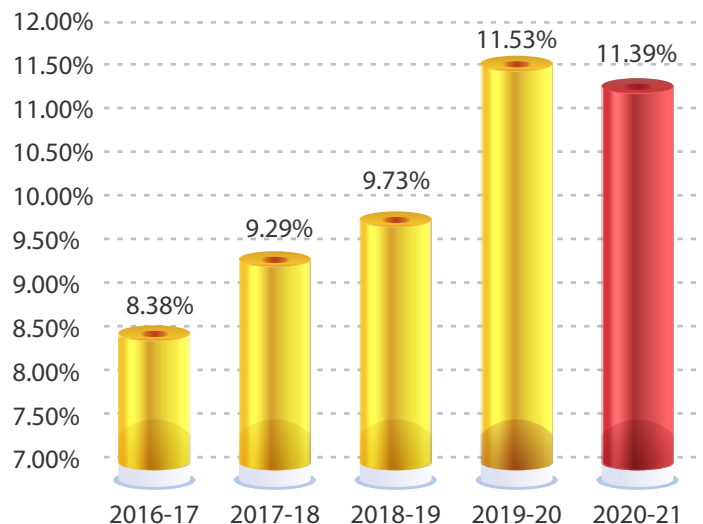
₹ in Lakhs

The unprecedented Covid 19 pandemic seriously impacted the general economy since March 2020 followed by total lockdown for major part of Q1 of FY 21. Your Company could open the showrooms and production unit in a limited way towards the end of May 2020. Your Company drew up business contingency plans covering all the functions of the company during the lockdown period and bounced back from July 2020 onwards both in production and sales. Aided by normal monsoon and fulfilment of pent-up demand improved the sales in Q3 and Q4 quarter.

The FY 21 ended in a positive note even though the second wave of Covid-19 pandemic started hitting some parts of the country from mid / late March 2021 but this did not materially impact the Company's performance. From the 2nd week of April 2021, one by one the State Governments have started announcing lockdowns to control the spread of second wave of Covid-19 pandemic. There was no major impact to the sales in April and all the show rooms were opened following the Covid-19 protocols announced by the respective State Governments. But by early May 2021 almost all States Governments have imposed lockdown of varying degrees to control the spread of second wave of Covid-19. This complete closure does have impact on the planned sales for the months of May and June 2021.

Against the backdrop of the turbulence period, your Company showed an improved performance for the reported year with an all-time high Net Sales of Rs.1,81,862 lakhs, a growth of 7.50% from Rs.1,69,196 lakhs of the previous year. If the real operating period of June 2020 to March 21 is considered, the Year on Year growth for the ten month period is in excess of 13%.

In spite of various constraints discussed above, the Company delivered an all-time high EBITDA (before exceptional items) of Rs.14,935 lakhs with a growth of 48% (PY 10,075 lakhs) and Profit before tax at Rs.11,697 lakhs with a growth of 68% (PY Rs.6945 lakhs). Operating EBITDA margin significantly improved to 8.21% (PY 5.95%). The Net Profit after Tax was higher at Rs.8,600 lakhs (PY Rs.4,529 lakhs). The EPS was Rs.63.11 (PY Rs.33.28) a growth of 90%.

Gross profit Margin


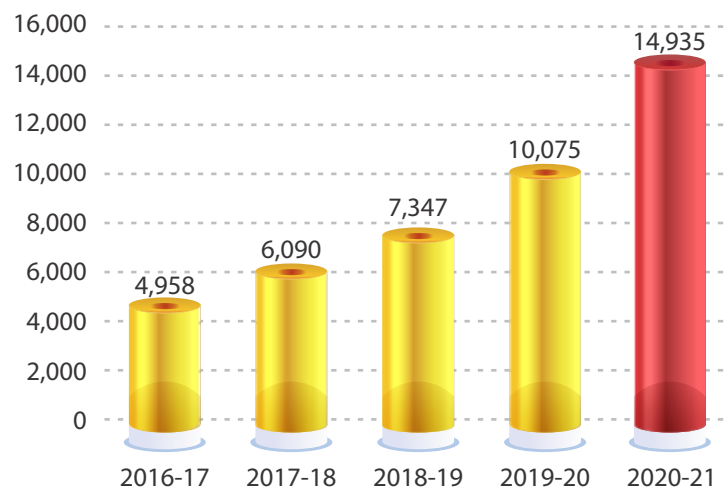
Year	Turn over (in lakhs)	EBITDA (in lakhs)	EBITDA %
2016-17	129,946	4,958	3.82%
2017-18	137,929	6,090	4.42%
2018-19	144,335	7,347	5.09%
2019-20	169,196	10,075	5.95%
2020-21	181,862	14,935	8.21%

The proportionate increase in EBITDA margin Vs Turnover is brought out for last five years as under:

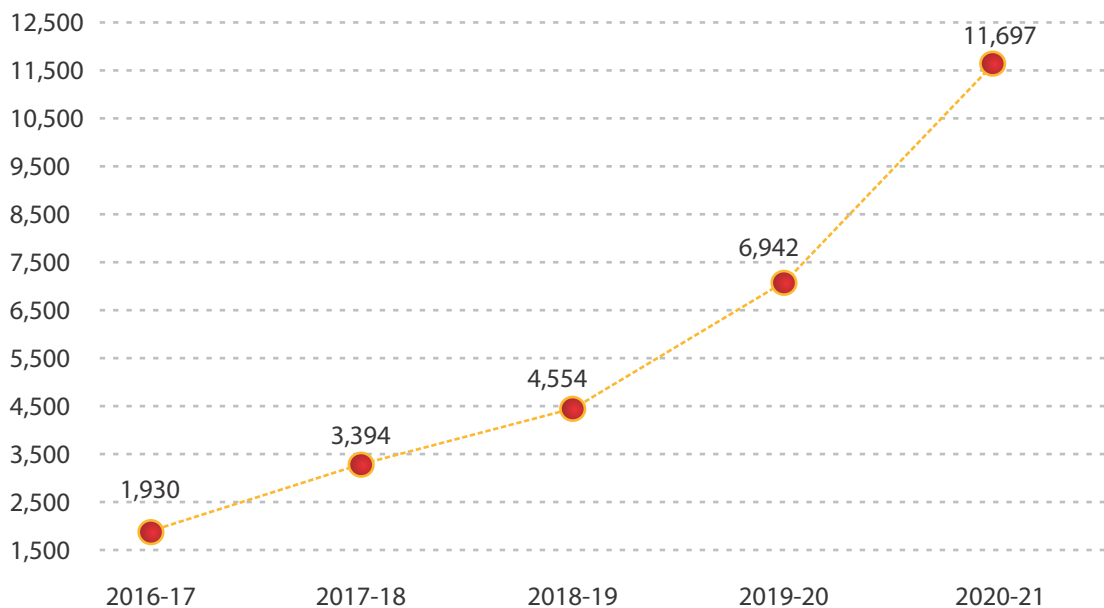
You may observe that our topline growth increased by 7.50% compared to previous year thanks to gold price increase. The proactive managerial initiatives taken collectively over a five years period have resulted in a CAGR (Compounded Annual Growth Rate) 8.76%. However, in the areas of value addition the company made a gross profit of 17.43% CAGR in the last 5 years.

The increased volume of Diamond sales & silver jewellery MRP items along with the existing silver articles incrementally contributed to better return on the working capital investment. The area of concern for growth remains with the gold ornaments. In recognition of this fact, your management has taken certain operational initiatives to improve the ROI on gold inventory in the days to come. Going forward, we may have to improve the stock rotation aspect with the help of new technology (goldratt platform) in the given pricing model either by contracting the size of the Balance Sheet or by profitability exploring avenues to build up outlets to increase the turnover and other related strategies for sustained growth.

EBITDA in lakhs



PBT in lakhs



The major reasons for better bottom line performance are summarized hereunder;

- ❖ Continuous better gold price realisation at the point of sales except in the last quarter.
- ❖ Heavy advertisement and publicity budget helped to increase the customer base and visibility of our brand.
- ❖ Improved portion of high value items in the product mix portfolio.
- ❖ Appropriate working capital management.
- ❖ Supporting pricing shift strategies adopted in the second half enabled the company to improve the absolute contribution quantum with the rise in the sales turnover;
- ❖ Results would have been better but for the prolonged shut down for 92 days in the financial year.

LIKELY IMPACT OF CORONA IN THE FINANCIAL YEAR 2021-22

- ❖ Currently, we are not in a position to arrive at the impact of recent lock down resulted on account of second wave as we are not sure about the duration and its damage. It may take one more quarter to come back to normalcy subject to opening of the regular activities in the economy.
- ❖ The company has lost 92 working days nearly 25% of normal business days. It has resulted in very poor turnover in the first half of 20-21. The speedy recovery in the third and the fourth quarters have, indeed, been a growth accretive for the financial year.
- ❖ One silver lining in the complete constraints dominated year due to Covid conditions is that of better realisation of gold price prevailed in the major part of the year.
- ❖ Towards the end of the financial year gold prices started to move south wards amidst recovery in the real economy. However, such recovery of sales in the third and fourth quarters could not be extended due to second wave of Covid-19 affecting a larger population and demographics this time in April, May 2021 as compared to the first wave dominated in the first 2 months of 20-21 financial year.

IMPACT OF COVID 19 ON THE FY 20-21 PERFORMANCE OF THE COMPANY

- ❖ Due to corona we missed the “Akshaya Thirithiyai” sales along with lots of wedding days lost (muhurtham) that fell in first quarter of both the years.
- ❖ However, we are able to manage all our obligations including interest servicing and sitting in a high liquidity to see through the adverse effect of the pandemic.

1) DIVIDEND

The Board of Directors at their meeting held on 24th June, 2021, has recommended payment of ₹4.00 (Rupees four only) (40%) per equity share of the face value of ₹10 (Rupees ten only) each as final dividend for the financial year ended 31st March, 2021. 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 2nd March, 2021, declared an Interim dividend of ₹6.00 (Rupees six only) (60%) per equity share of the face value of ₹10 (Rupees ten only) each. The interim dividend was paid to the shareholders on 12th March, 2021.

The total dividend amount for the financial year 2020-21, including the proposed final dividend, amounts to ₹10.00 (Rupees Ten only) per equity share of the face value of ₹10 (Rupees ten only) each [total dividend payout for the FY 2020-21 amounting to ₹1,371.96 lakhs (Rupees one thousand three hundred seventy one lakhs and ninety six thousand only) as against the total dividend of ₹5 (Rupees five only) per equity share of the face value of ₹10 (Rupees ten only) each paid for the previous financial year 2019-20 [total dividend payout for the FY 2019-20 amounting to ₹685.98 lakhs (Rupees six hundred eighty five lakhs and ninety eight thousand only)] refer annexure 1 attached for details of dividend distribution policy of the company.

In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. The Company shall, accordingly, make the payment of the final dividend after deduction of tax at source.

2) HEDGING

The company has got a well-defined operative “Hedging” mechanism in place. The company availed more loan under “metal loan” category of finance from banks at concessional rate of interest besides ensuring a natural hedge on such procurement. It is 63% (previous year 73%) as against the internal set target of 75:25 due to stoppage of operation and relatively on lesser inventory level. Based on our experience and the current gold price movement trend we are of the opinion that the ratio at the most can go upto 75:25 in the overall operational interest of the company.

3) CONTINUING CHALLENGES

- ❖ Extra ordinary regulatory conditions prevailing in the trade environment.
- ❖ Challenge arising on account of repeated covid 19 attack is to be met by appropriate action plan.
- ❖ High level of volatility witnessed in the recent years in gold price movement is also matter of concern to be dealt with certain appropriate and adoptable strategies.
- ❖ Ongoing pricing war among the organised players is also a factor to reckon with.
- ❖ Incremental requirement of working capital due to value escalation of gold metal will necessitate earned income to meet the supplementary requirements.

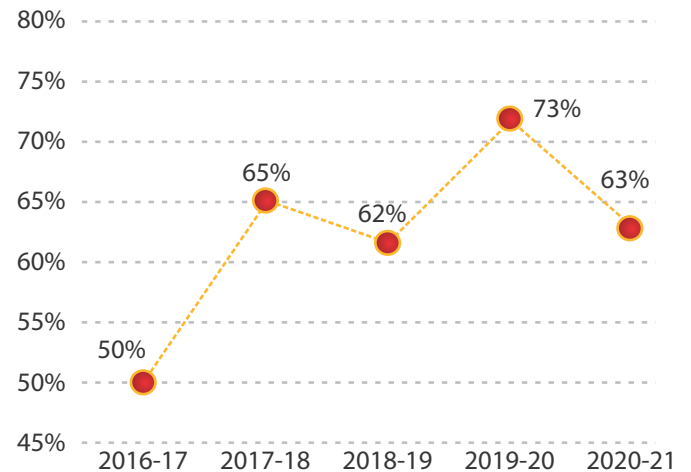
6) FUTURE PROSPECTS

- ❖ Supporting the momentum by deploying relevant strategies in improving the EBITDA (Earnings before Interest, taxes, depreciation and amortisation) in absolute quantum.
- ❖ To improve the risk weighted Return on Equity (ROE) by exploring Operating leverage existing in the company.
- ❖ Establishing a strong risk mitigating business model particularly with reference to management of wide fluctuations in gold price movement
- ❖ State of art information technology automation and concurrent review for adoption via Data Analysis.
- ❖ Establish a flexible working capital system and align it with business realities.
- ❖ Develop an Asset less model for further expansion in a calibrated manner with a view to adopt effectively the success of the existing model blends both operation and expansion strategies.
- ❖ Modest leverage on financial front that would ensure a self-liquidation model not affecting the core fundamentals of existing financial system.
- ❖ Liberal allocation of capital to shareholders via improved distribution of dividend payouts.
- ❖ Except for unforeseen circumstances like the one facing Covid, currently the management is confident of performing in the areas prioritized.

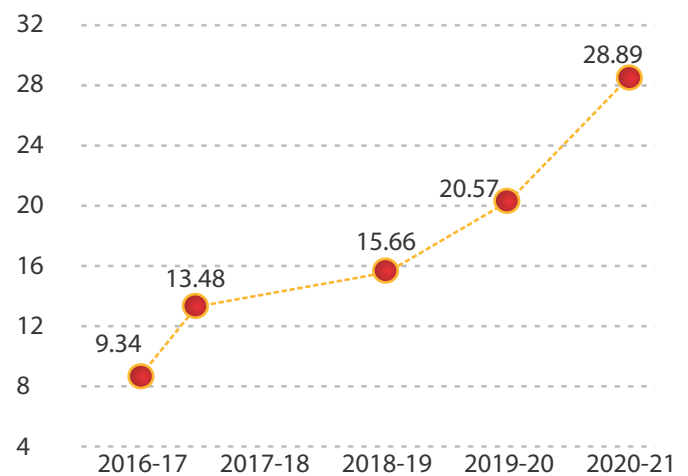
7) DEFERRED TAX ASSETS

The company as per Ind AS requirements has created deferred tax assets ₹85.05 lakhs as against deferred tax assets of ₹39.05 lakhs of previous year. The company chose to exercise the option permitted under section 115BAA of the Income Tax Act 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the company has recognised provision for Income tax for the year ended and re-measured its deferred tax basis as per the rate prescribed in the said section.

Gold Metal Hedging in inventory holding



Return On Equity in %



8) CONTRIBUTION TO EXCHEQUER

The Company is a regular payer of taxes and other duties to the Government. The Company has paid GST of ₹5,513 lakhs as compared to ₹5,106 lakhs paid in the previous year and the Income tax amounts to ₹2,748 lakhs was paid as against ₹2,019 lakhs for financial year 2019-20.

9) CAPITAL EXPENDITURE

During the year, we capitalized ₹561 Lakhs to our gross block comprising ₹479 lakhs for Plant & Machinery and Furniture & Fittings and other assets and balance of ₹82 lakhs for Computer Equipment's including Software.

The capital work in progress amount outstanding as on 31st March 2021 is ₹228 lakhs (previous year ₹202 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 ₹784 lakhs to our gross block comprising ₹679 lakhs for Plant & Machinery and Furniture & Fittings and others and the balance of ₹105 lakhs for Computer Equipments including Software.

10) 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 2021 stood at ₹20,690 lakhs as against ₹20,655 lakhs of the previous year. The aggregate working capital facilities from member's bankers are at ₹27,000 lakhs.

The eligible fixed deposits limit from public & shareholders is ₹7,705 lakhs. However, the company took only ₹5,515 lakhs as at 31st March 2021. Besides, the promoters' fixed unsecured loan of ₹1,240 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 decreased – marginally compared to previous year. The per gram interest payment on sales works out to ₹50 as proportionate month in operation as against ₹47 of previous year. This marginal increase is on account of covid - 19 lockdown.

11) 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).

12) 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:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed and there is no material departure.
- b) 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;
- c) 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;
- d) The directors have prepared the annual accounts on a 'going concern' basis;
- e) 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
- f) 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.

13) MANUFACTURING FACILITIES

Utilisation of own manufacturing facilities including on job work basis is around 96% as against 95% of the earlier years. The overall cost of production has come down due to attainment of scale of economics 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.

14) DEPOSITORY SYSTEM

The trading in the Equity Shares of your Company is under compulsory dematerialization mode. As on March 31, 2021, 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.

15) 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 2021.

1) Large corporate entity :

SEBI vide their notification SEBI /HO/DDHS/CIR/2018/144 dated: 26.11.2018 have made mandatory to all listed entities the initial disclosure with regard to outstanding of long term borrowings of ₹100 crores and above in the specified format given by them with effect from 01.04.2019. The respective stock exchanges intimated us to give a declaration in case we are not coming under large corporate as per the circular. Accordingly we have confirmed through our declaration that we are not coming under large corporate entity as there is no such long term borrowings of ₹100 crores as on the date during the financial year ended 31.03.2021.

2) Independent Women Director :

In terms of R.17 of amended SEBI (LODR) Regulations, 2018 the Board of Directors of the company have appointed a Women Independent Director in the Board Meeting held on 21/09/2020 and her appointment is subject to the approval of shareholders in the ensuing Annual General Meeting to be held this year.

3) U/R 17, with regard to Non-Executive chair person of the Board since we do not come under the top 500 listed entities the same is not applicable to us right now.

4) U/R 25(10), with regard to Directors and officers Insurance for all Independent Directors with effect from 1st October 2018 as we do not fall under the category of top 500 listed entities the same is not applicable to us at present.

5) U/R 34(3), Vide SBEI (LODR) amendment regulation 2018 the company has obtained a certificate from a practising company secretary with regard to Non-Disqualification certificate and the same has been attached along with Corporate Governance report of the Annual Report as required.

6) In terms of amendment to SEBI (LODR) Regulations 2015, as top 1000 listed entities by market capitalization we are required to constitute a Risk Management Committee and accordingly the same has been constituted as per following details in the Board meeting held on 24/06/21:

1. Mr. Balarama Govinda Das	- Chairman
2. Mr. Ba. Ramesh	- Member
3. Mr. N.B. Kumar	- Member
4. Mr. Lalji Vora	- Member (Independent Director)
5. Mr. S.M. Chandrasekaran	- Member (Independent Director)

7) By way of expanding the following committees we have included the independent directors as per details given below:

- 1. Mr. S.M. Chandrasekaran - Member - Audit Committee**
- 2. Mr. V. Ramasamy - Member – Nomination and Remuneration Committee.**

The above independent directors are included with effect from the board meeting held on 24/06/2021 in addition to the existing committee members, the details of which are available in the corporate governance report of our Annual Report. We have also included Sri. Balarama Govinda Das - Managing Director, as a member of the Nomination and Remuneration Committee in the same meeting.

16) 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.

17) 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 2021-22 have been paid to these Stock Exchanges. The Shares of the companies are compulsorily tradable in dematerialized form.

18) INSURANCE

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

19) 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 2021 the Company has 1,617 employees on its rolls as against 1,342 employees in the previous year.

20) 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 provision 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 mail addresses and is available on the Company's website.

21) 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 on-going 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.

22) 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	2020-21	2019-20	
Export Sales	-	8.26	

FOREIGN EXCHANGE OUTGO			₹ in Lakhs
Particulars	2020-21	2019-20	
Consultancy Charges	129.01	181.36	

23) 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 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 63:37 ratio between hedged and un-hedged closing stock inventory on 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 advantage 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 31/03/21 stood at 1.54 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 retail outlets expansion plan is going forward smoothly. Our learning out of first wave has helped us to rearrange resources and improve our operating efficiencies.

Disruption and Uncertainty in Business due to COVID-19 pandemic

The COVID 19 pandemic has created a major challenge in conduct of business with a lot of restrictions on the movement of men & material etc that could have an adverse impact on the performance. This is likely to affect the company's earnings in the short term and medium term.

Mitigation: Guidance and mandate of appropriate social distancing measures and work places. Regular communication with big ticket customers about measures taken to maintain sales services. Drawing up of plans and identification of opportunities for proposing new solution post Covid -19 disruption.

24) 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.

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

During the financial year ended 31st March, 2021, the Company incurred CSR Expenditure of ₹144.23 lakhs (Rupees One hundred forty four lakhs and twenty three thousand 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.

Ministry of Corporate Affairs vide its Notification(s) dated 22nd January, 2021, notified the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, which, inter alia, provides for the revised format of annual report for publishing the CSR activities undertaken during the financial year ended 31st March, 2021. The other changes pursuant to said Notification(s) under the CSR provisions, have been briefly highlighted in the annual report of the Company's CSR activities for the financial year ended 31st March, 2021.

The Company's CSR Policy statement and annual report on the CSR activities undertaken during the financial year ended 31st March, 2021, in accordance with Section 135 of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out in Annexure 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.

26) 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**".

27) 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.

28) ANNUAL RETURN

The Annual Return of the Company as on 31st March, 2021 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.

29) NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

During the year Eight 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.

30) SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

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

31) DEPOSITS

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

S.No	Particulars	₹ in Lakhs
1	Amount remained unpaid or unclaimed as at the end of the year	8.76
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

32) 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.

33) 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

34) 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. 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.

35) STATUTORY AUDITORS

The Company's Auditors, Messrs Srinivas & Padmanabhan Chartered Accountants, (Firm Reg.No.004021S), Chennai) were appointed as the Statutory Auditors of the company at the Annual General Meeting held on July 2017 up to AGM to be held in 2022. The Company has received letter from them to the effect that their appointment, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified from appointment. The Auditor's Report to the shareholders for the year under review does not contain any qualification.

36) 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**".

37) COMMENTS ON AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks or disclaimers made by Srinivasan and Padmanabhan, 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.

38) 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.

39) 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.

40) 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.

41) 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.

42) 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 oversees 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.

43) 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.

44) 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

45) SHARES

a. Buy Back of Securities

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

c. Bonus shares

No Bonus Shares were issued during the year under review.

b. Sweat equity

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

d. Employees Stock Option Plan

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

46) 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.

47) 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 acknowledges gratefully the shareholders for their support and confidence reposed on the Company.

BY ORDER OF THE BOARD

For Thangamayil Jewellery Limited

BALARAMA GOVINDA DAS

Managing Director

Place – Madurai

Date – June 24, 2021

Ba. RAMESH

Joint Managing Director

N.B. KUMAR

Joint Managing Director

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

1. 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.

2. 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.

3. 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 Capitalization as on the preceding Financial Year shall formulate a dividend distribution policy. Thangamayil Jewellery Limited falls within the list of Top 1000 Listed Companies.

4. Definitions

Unless repugnant to the context:

4.1 "Act" shall mean the Companies Act, 2013 including the Rules made thereunder.

4.2 "Company or Thangamayil Jewellery" shall mean Thangamayil Jewellery Limited

4.3 "Chairman" shall mean the Chairman of the Board of Directors of the Company.

4.4 "Board" or "Board of Directors" shall mean Board of Directors of the Company.

4.5 "Dividend" shall mean Dividend as defined under Companies Act, 2013 or SEBI Regulations.

4.6 "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.

5. Policy

5.1 Frequency of payment of dividend:

5.1.1 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.

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

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

5.2.2 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.

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

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

5.3.1 In order to maximize 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.

5.3.2 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.

5.4. 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.

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

5.5.1 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.

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

5.6. Transfer of Profits to Reserves:

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

5.7. 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.

6. Procedure

6.1 The Board of Directors of the Company will analyze all the parameters and recommend appropriate dividend.

6.2 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.

6.3 The Board of Directors shall approve the declaration or recommendation of Dividend after ensuring compliance of Act, SEBI Regulations and this Policy.

6.4 The Company shall ensure compliance of provisions of the Companies Act, SEBI Regulations and this Policy in relation to dividend.

7. Distribution of Dividend

A) 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 subsequently in the AGM as per regulatory provisions.

B) Dividend Entitlement

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

C) 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,

D) 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.

8. General

8.1 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.

8.2 The Company reserves its right to alter, modify, add, delete or amend any of the provisions of this Policy.

8.3 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, 2021
INFORMATION PURSUANT TO SECTION 197(12) READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- ❖ The ratio of the remuneration of the 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	44:1
2	Ba. Ramesh	44:1
3	N.B.Kumar	44:1

- ❖ 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	Nil
2	Ba. Ramesh	Nil
3	N.B.Kumar	Nil
4	CS.V. Vijayaraghavan - Company Secretary	Nil
5	B. Rajeshkanna - Chief Financial Officer	Nil

- ❖ The percentage increase in the median of remuneration of employees in the financial year. - 5%
- ❖ The number of permanent employees on the rolls of Company - 1617
- ❖ The explanation on the relationship between average increase in remuneration and Company Performance.
- ❖ During the year company achieved total comprehensive profit of ₹8,600 lakhs as against net profit after tax of ₹4,529 lakhs in the previous year. A registered growth of bottom line by 90%.
- ❖ Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company.

Name of the Director	Designation	Remuneration of Key Managerial Personnel ₹ in lakhs	Performance of the Company for the year ended 31st March, 2021
Balarama Govinda Das	Managing Director	54.00	During the year company achieved total comprehensive profit of Rs.8,600 lakhs after tax as against net profit after tax of Rs.4,529 lakhs in the previous year.
Ba. Ramesh	Joint Managing Director	54.00	
N.B.Kumar	Joint Managing Director	54.00	
CS.V. Vijayaraghavan	Company Secretary	15.17	
B. Rajeshkanna	Chief Financial Officer	28.80	

- ❖ 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 or 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, 2021	As at 31st March, 2020	% performance
1	Market Price in ₹	585.00	237.05	
2	Market Capitalization in ₹ lakhs	80,260	32,516	147% Increase
3	EPS	63.11	33.01	Increased by 90%
4	Price Earnings Ratio	9.26	7.18	

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.

- ❖ 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: 5%
 - ◆ Average increase in the remuneration of KMPs: Nil
 - ◆ Justification: KMP salary increases are decided based on the Company's performance , Individual performance ,inflation, prevailing industry trends and benchmarks.
- ❖ Comparison of the remuneration of each of the 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.
- ❖ The Key parameters for any variable components of remuneration availed by the directors - Nil
- ❖ 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
- ❖ 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, 2021

- ❖ 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, 2021.

a. Employed throughout the year and were in receipt of remuneration at the rate of not less than ₹ 60.00 lakhs per annum.

Name of the employee	Date of Joining	Designation	Qualification	Age	Experience Years	Remuneration ₹ in lakhs	Last Employment
Balarama Govinda Das	24.03.2000	Managing Director	B.Com	65	39	54.00	Promoter Director
Ba.Ramesh	24.03.2000	Jt. Managing Director	SSLC	61	27	54.00	Promoter Director
N.B.Kumar	24.03.2000	Jt. Managing Director	SSLC	55	21	54.00	Promoter Director

- ❖ 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:

- ◆ Remuneration shown above includes Salary, House Rent Allowance, Companies contribution to provident fund, LTA and other perquisites.
- ◆ Nature of Employment is contractual.
- ◆ 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

S.No	Particulars																													
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	The Composition of the CSR Committee	<table border="1"> <thead> <tr> <th>S.No.</th> <th>Name of Director</th> <th>Designation/ Nature of Directorship</th> <th>No. of Meetings of CSR Committee held during the year</th> <th>No. of Meetings of CSR Committee attended during the year</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Mr. Balarama Govinda Das</td> <td>Chairman</td> <td>4</td> <td>4</td> </tr> <tr> <td>2</td> <td>Mr. Lalji Vora</td> <td>Member / Independent Director</td> <td>4</td> <td>4</td> </tr> <tr> <td>3</td> <td>Mr. Ba. Ramesh</td> <td>Member</td> <td>4</td> <td>4</td> </tr> <tr> <td>4</td> <td>Mr. N.B. Kumar</td> <td>Member</td> <td>4</td> <td>4</td> </tr> </tbody> </table>	S.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			
S.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	<table border="1"> <thead> <tr> <th>S.No.</th> <th>Financial Year</th> <th>Amount available for set-off from preceding financial years (in Lakhs)</th> <th>Amount required to be set-off for the financial year, if any (in Lakhs)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>2020-21</td> <td>-</td> <td>0.38</td> </tr> <tr> <td colspan="2">Total</td> <td>-</td> <td>0.38</td> </tr> </tbody> </table>	S.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	2020-21	-	0.38	Total		-	0.38																
S.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	2020-21	-	0.38																											
Total		-	0.38																											
6	Average net profit of the company as per section 135(5)	4,963.07																												
7	Two percent of average net profit of the company as per section 135(5)	99.26																												
(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)	99.26																												
8	a) CSR amount spent or unspent for the financial year	Total Amount Spent for the Financial Year (in Lakhs)	Amount Unspent (in Lakhs)																											
			Total Amount transferred to Unspent CSR Account as per 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																							
			-	-	-	-	-																							

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

1	2	3	4	5		6	7	8	9	10	11	
				State	District						Name	CSR Registration number
1	Old age home & Destitute women / orphanage children care	(I) & (ii) Eradicating hunger, poverty, malnutrition, promoting education to children etc.,	Yes		Madurai	3 Years	50.00	44.00	-	No	Tamilnadu Chamber of Commerce and Industry, Madurai.	
	TOTAL						50.00	44.00				

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

1	2	3	4	5		6	7	8	
				State	District			Name	CSR Registration number
1	Health Care & wellness	(I) Promoting Health	Yes	Tamilnadu	Madurai	8.31	Yes	-	-
2	Plant sapling for public benefit	(iv) Ensuring Environmental sustainability	Yes	Tamilnadu	Madurai	14.33	Yes	-	-
3	Safe Drinking Water	(I) making available safe drinking water	Yes	Tamilnadu	Madurai	3.94	Yes	-	-
4	Gaushala Funding	(iv) Animal welfare	Yes	Tamilnadu	Madurai	72.05	Yes	-	-
5	Eye Camp	(I) Promoting Health	Yes	Tamilnadu	Madurai	1.60	Yes	-	-
	TOTAL					100.23			
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)		144.23						
g	Excess amount for set off, if any	Sl. No.	Particulars						Amount (in Rs.)
		(I)	Two percent of average net profit of the company as per section 135(5)						99.26
		(ii)	Total amount spent for the Financial Year						99.64
		(iii)	Excess amount spent for the financial year [(ii)-(i)]						0.38
		(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)]						(0.38)		

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	2019-20	44.59	44.59	-	-	-	-
Total		44.59	44.59	-	-	-	-

(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	-	-	-	-	-	-	-	-

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).

NA

(a) Date of creation or acquisition of the capital asset(s).

NA

10 (b) Amount of CSR spent for creation or acquisition of capital asset.

NA

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

NA

(d) 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 : June 24, 2021

ANNEXURE -4 TO THE 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:

Name of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of contracts/ arrangements / transactions	Salient features of contracts/ arrangements / transactions, including value, if any	Justification for entering into such contracts/ arrangements / transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which special resolution was passed in General meeting u/s 188(1)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Not Applicable							

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

Name of the related party and nature of relationship	Nature of contracts arrangements / transactions	Duration of contracts/ arrangements / transactions	Salient features of contracts / arrangement transactions, including value, if any	Justification for entering into such contracts/ arrangements / transactions	Date(s) of approval by the Board / Audit Committee	Amount paid as advances, if any	Date on which special resolution was passed in General meeting u/s 188(1)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Nil							

ANNEXURE 5 TO DIRECTORS' REPORT
Policy for Selection of Directors and determining Directors' independence.
I.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;
 - i) holds together with his relatives two per cent or more of the total voting power of the company; or
 - ii) 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
 - iii) is a material supplier, service provider or customer or a lessor or lessee of the company.
- a) 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.
- b) Shall possess such other qualifications as may be prescribed from time to time, under the Companies Act, 2013.
- c) 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

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.

4.3. Remuneration to other employees

4.3.1. 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, 2021**

[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, 2021 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, minutes book, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 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 (De listing 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 | 7. Shop and Establishment Act, 1948 |
| 2. Professional Tax Act, 1975 and Rules | 8. Labour Welfare Fund Act, 1953 |
| 3. Payment of Gratuity Act, 1972 | 9. Maternity Benefit Act, 1961 |
| 4. Employees State Insurance Act, 1948 | 10. Factories Act, 1948 |
| 5. Minimum Wages Act, 1948 | 11. Industrial Dispute Act, 1947 |
| 6. Payment of Bonus Act, 1965 | 12. The Workmen's Compensation Act, 1923 |

13. The Payment of Wages Act, 1936
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;

- I. The Secretarial Standards issued by the Institute of Company Secretaries of India.
- II. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India 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.

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.

"ANNEXURE A"

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. Where ever 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

Place: Madurai

Date: 24.06.2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para 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, registered office at 124, Nethaji road, Madurai-625001. (hereinafter referred to as 'the Company'), produced before me 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) 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, 2021 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.

S.No.	Name of Director	Designation	DIN	Date of appointment in Company
1	Balarama Govinda Das	Managing Director	00266424	03.05.2001
2	Balusamy Ramesh	Joint Managing Director	00266368	03.05.2001
3	Narayanan Balusamy Kumar	Joint Managing Director	01511576	03.05.2001
4	Subbiah Nadar Rethinavelu	Independent Director	00935338	26.09.2007
5	Lalji Ganji Vora	Independent Director	01899070	26.09.2007
6	Rajendran Muthu	Independent Director	01908841	26.09.2007
7	Vasudevan Ramasamy	Independent Director	00266424	25.05.2016
8	Yamuna Vasini Deva Dasi	Non-Executive Director	01388187	04.02.2015
9	Sivanandi Chandrasekaran	Independent Director	08719332	14.03.2020
10	Jeevagan Rajakumari	Independent 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 efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : **Madurai**

Date : **24.06.2021**

-sd-

Name : **S.MUTHURAJU**

Membership No. : **8825**

C.P No. : **4181**

MANAGEMENT DISCUSSION AND ANALYSIS

India's Gold and Diamond Trade, one of the biggest sectors in the Indian economy and contributed 7.5% to India's Gross Domestic Product (GDP) in January 2021 and 14% to India's total merchandise exports. The gem and jewellery sector is likely to employ 8.23 million persons by 2022, from 5 million in 2020.

Based on its potential for growth and value addition, the Government declared the gems and jewellery sector as a focus area for export promotion. The Government has undertaken various measures recently to promote investment and upgrade technology and skills to promote 'Brand India' in the international market.

The Government has permitted 100% FDI in the sector under the automatic route, wherein the foreign investor or the Indian company do not require any prior approval from the Reserve Bank or Government of India.

Despite having all the positive notes, the Indian government released its latest estimates of economic growth for the last financial year that ended in March 2021. India's Gross Domestic Product (GDP) [contracted by 7.3% in 2020-21](#). This will have a direct effect in the Gems and Jewellery business also by way of contraction in consumer demand, availability of raw materials at the competitive rates and effect on the general price level and so on.

In the backdrop of COVID 19's first shock wave in all the sectors of the economy, our country is slowly coming up to normalcy. But there remain so many challenges in supply chain management, which will take more time to correct its course.

When the country is slowly coming out of the first wave, in March 2021, the second wave of Corona Virus had started in the northern and eastern parts of India and slowly spreading across all over the country. As of now the real impact of this second wave in the business as well as in the economy is not immediately known, but it is expected that it will have a major impact compared to the first wave.

Market size

In FY 20-21, exports of gems & jewellery stood at US\$ 21.89 billion. In February 2021, exports of gems & jewellery stood at US\$ 2.64 billion.

In September 2020, the US was the largest country (at 44%) to import gems and jewellery (US\$ 938.54 million) from India, followed by Hong Kong (33%) and the UAE (13%).

In FY 20-21, imports of gems & jewellery (pearls, precious & semi-precious stones) are estimated at US\$ 13.98 billion. Imports of gold jewellery recorded US\$ 228.56 million from April 2020 to February 2021.

Investments/Developments

Cumulative FDI inflows in diamond and gold ornaments in India stood at US\$ 1,190.47 million between April 2000 and December 2020 according to the Department for Promotion of Industry and Internal Trade (DPIIT).

Some of the key developments in this industry are listed below:

- ❖ In February 2021, Reliance expanded its e-commerce arm, JioMart, to jewellery with silver coins of 5gm and 10 gm, and gold coins of 1 gm, 5gm and 10gm.
- ❖ Reliance's in-house jewellery brand, Reliance Jewels, which has 93 flagship showrooms and 110 shop-in-shops in 105 cities in the country, will fulfil the orders for the new segment.
- ❖ In November 2020, Platinum Guild International (PGI) launched their new 'Men of Platinum' collection for men in leading retail stores across India.
- ❖ Jewellery players in India are re-evaluating the brick-and-mortar business model and planning to implement an omni channel approach with a focus on digital strategy to boost sales.
- ❖ According to the 'Online Gold Market in India' report by The World Gold Council, the online gold market in India, with relatively nascent at 1-2% (as of 2020), is witnessing a strong push from both digital players who view this market as an opportunity and large jewellers who view this market as a required addition to their brick-and-mortar model.
- ❖ Maximum development was driven by MSEs in gems & jewellery and textiles. In November 2020, the adoption of digital distribution platforms among manufacturers of gems and jewellery, manufacturing mostly non-precious, stone-studded jewellery, imitation jewellery and luxury fashion jewellery, more than quadrupled to 55% from 13% before the pandemic. The segment's micro-enterprises recorded the highest boost of 41%, from the previous 13%.

Government Initiatives

- ❖ The government has reduced import duty for Gold & Silver (from 12.5% to 7.5%) and Platinum & Palladium (from 12.5% to 10%) to bring down the prices of precious metals in the local market.
- ❖ Indian Government made hallmarking mandatory for Gold Jewellery and Artefacts. A period of one year is provided for implementation i.e. till January 2021.
- ❖ In December 2020, the All India Gem and Jewellery Domestic Council (GJC) welcomed the decision to make hallmarking compulsory from June 2021 in a phased manner; urged the government to examine the key concerns of the industry for smooth implementation of the initiative.
- ❖ In December 2020, the Finance Ministry notified that the amendment under the Prevention of Money Laundering Act (PMLA), notifying dealers in precious metals and stones, will maintain records of cash transactions worth Rs. 10 lakh (US\$ 13.61 thousand) or more cumulatively with a single customer.

Road Ahead

In the coming years, growth in the gems and jewellery sector would largely be contributed by the development of large retailers/brands. Established brands are guiding the organised market and are opening opportunities to grow. Increasing penetration of organised players provides variety in terms of products and designs. Online sales are expected to account for 1–2% of the fine jewellery segment by 2021–22. Also, the relaxation of restrictions of gold import is likely to provide a fillip to the industry. The improvement in availability along with the reintroduction of low-cost gold metal loans and likely stabilisation of gold prices at lower levels is expected to drive volume growth for jewellers over the short to medium term. The demand for jewellery is expected to be significantly supported by the recent positive developments in the industry.

India's gems and jewellery export sector which is one of the largest in the world—contributed 27% to the global jewellery consumption in 2019. The market size of the global gems and jewellery sector is likely to expand to US\$ 103.06 billion between 2019 and 2023. India's gems and jewellery exports are expected to reach US\$ 100 billion by 2025.

According to Gem and Jewellery Export Promotion Council, between April 2020 and December 2020, gold bars accounted for 6.8% (US\$ 678.77 million) and gold jewellery at 1.8% (US\$ 181.49 million) of the total gems and jewellery imports in India. As per the World Gold Council (WGC), India's gold demand stood at 446.4 tonnes in 2020.

The Government has permitted 100% FDI in the sector under the automatic route, wherein the foreign investor or the Indian company do not require any prior approval from the Reserve Bank or Government of India. The Government has made hallmarking mandatory for gold jewellery and artefacts and one year is provided for its implementation.

As per Union Budget 2021, the Gem and Jewellery Export Promotion Council has proposed a reduction in import duty on cut and polished diamonds to 2.5%, from the existing 7.5%, to double exports of gems & jewellery to US\$ 70 billion by 2025.

Cumulative FDI inflows in diamond and gold ornaments in India stood at US\$ 1,190.47 million between April 2000 and December 2020 according to the Department for Promotion of Industry and Internal Trade (DPIIT)

Risk of loss of Positioning in the market place

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

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 disposable income of both middle class and upper middle class and change in life styles of people leads to shifting of consumer base to branded jewellery. Even though this will be a major risk factor for long term growth of the company, 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 and bank lending rates have declined. 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 63:37 basis. This will help the company with any gold price fluctuation of gold price. 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 down.

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 finetuned 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 catalog) 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 2020-21	FY 2019-20	Change	% of Change
Sale of Products	1,81,862	1,69,196	12,666	7%

Sales for the financial year 20-21 have increased by 7% when compared to the previous year in spite of covid -19 lockdown.

2. Other Income

(₹ in lakhs)

Particulars	FY 2020-21	FY 2019-20	Change	% of Change
Other Operating Income	232	303	(71)	(23%)

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

3. Gross Profit

(₹ in lakhs)

Particulars	FY 2020-21	FY 2019-20	Change	% of Change
Revenue from Operations	1,81,862	1,69,196	12,666	7%
Less: Cost of Consumption	1,61,146	1,49,690	11,456	7%
Gross Profit	20,716	19,506	1,210	6%

Better Gold price realization, Silver & Diamond product realization contributed better this year.

4. Profit Before Tax

(₹ in lakhs)

Particulars	FY 2020-21	FY 2019-20	Change	% of Change
Profit before Taxation	11,697	6,942	4,755	68%

During the year, the company achieved profit before tax of ₹11,697 lakhs as against profit before tax of ₹ 6,942 lakhs due to better gold price realisation.

5. Total Comprehensive Income (After Taxation)

(₹ in lakhs)

Particulars	FY 2020-21	FY 2019-20	Change	% of Change
Total Comprehensive Income After taxation	8,600	4,529	4,071	90%

For the year company achieved net profit after tax of ₹8,600 lakhs. This performance is on account of improvement in gross profit margin, better return in diamonds & silver products, as well as increased gold price in the first half of the year.

Financial Condition

Overview

1) Equity Share Capital

The issued, subscribed and paid up capital as at March 31, 2021 stood at ₹1,371.96 lakhs. There was no fresh infusion of capital during the year.

2) Other Equity

Other Equity stood at ₹28,420 lakhs as against ₹20,643 lakhs in the previous year.

3) Property, Plant and Equipment and Intangible Assets

During the year, we capitalized ₹561 Lakhs to our gross block comprising of ₹479 lakhs for Plant & Machinery, Furniture & Fittings and other assets and balance of ₹82 lakhs for Computer Equipments including Software.

4) Inventories

Inventories amounted to ₹64,923 lakhs as at 31st March 2021 as against ₹56,393 lakhs as at the previous year end.

5) Trade Receivables

Trade Receivables amounted to ₹258 lakhs as at 31st March 2021 as against ₹13 lakhs as at 31st March 2020.

6) Cash and Cash equivalents

Cash and bank balances with banks amounts to ₹1,030 lakhs as against ₹199 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 ₹663 lakhs as against ₹2,940 lakhs in the previous year. The decrease is on account of reduction of gold metal facilities against fixed deposits.

8) Other Current Assets

Other current assets including advance to suppliers and margin money paid to hedging purpose amounting to ₹1,300 lakhs as against ₹2,612 lakhs in the previous year.

9) Current Liabilities

Current liabilities excluding provisions amounting to ₹40,686 lakhs (previous year ₹43,147 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 ₹27,541 lakhs as at 31st March 2021 as against ₹19,059 lakhs as at 31st March 2020. The increase in working capital is on account of internal accruals.

11) Debt Equity Ratio

Your Company has got Average Net Debt Equity ratio of 1.54 as at 31.3.2021 as against 2.11 as at 31.03.2020.

12) Current Ratio

Your Company is having current ratio 1:1.68 as at 31.3.2021 as against 1:1.44 as at 31.03.2020

13) Interest Coverage Ratio

Your Company is having interest coverage of 6.52 times as at 31.3.2021 as against 4.76 times as on 31.03.2020.

14) Inventory Turnover Ratio

Your Company has got inventory turnover ratio of 2.80 times as at 31.3.2021 as against 3.00 times as at 31.03.2020.

Business Responsibility Report

The sections is as per regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

SECTION A:

General Information About The Company

1. Corporate Identity Number (CIN) of the Company: L36911TN2000PLC044514
2. Name of the Company: THANGAMAYIL JEWELLERY LIMITED.,
3. Registered office address: 124, Nethaji road, Madurai- 625001
4. Website: www.thangamayil.com
5. E-mail id: companysecretary@thangamayil.com
6. Financial Year reported: 1st April 2020 to 31st March 2021
7. Sector(s) that the company is engaged in (Industrial activity code-wise): NIC Code Product Description 3211 Jewellery, Silver articles / ware and Diamond & Gems.
8. List key three products / services that the Company manufactures/provides (as in balance sheet): A. Gold jewellery B. Silver articles C. Diamond & Gems.
9. Total Number of locations where business activity is undertaken by the company
 - a. Number of locations in Tamilnadu, India: The Company's products are distributed across 47 retail outlets. 2. Manufacturing and assembly facilities.
10. Markets served by the Company: The Company sells its products across Tamil nadu, India.

SECTION B:

Financial Details of the Company

1. Paid up capital (INR): 13.71 Crores
2. Total Turnover (INR): 1,81,862 lakhs
3. Total Profit after Taxes (INR): 8,600 lakhs
4. Total CSR spending as percentage of Profit after Tax (INR): Refer Annexure II
5. List of activities in which spends have been incurred: Refer Annexure II to the Board's Report.

SECTION C: Other Details

1. Does the company have any subsidiary Company / Companies? No
2. Do the Subsidiary Company/companies participate in the BR initiatives of the parent company: NA
3. Does any other entity/entities (e.g. suppliers, distributors etc.) that the company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities? No.

SECTION D: BR Information

1. Details of Director / Director responsible for BR

(a) Details of Director/Director responsible for implementation of the BR policy/policies

1. DIN: 00266424
2. Name: Mr. Balarama Govinda Das
3. Designation: Managing Director

(b) Details of BR Head

1. DIN: 01334048
2. Name: Mr.B.Rajeshkanna
3. Designation: Chief financial officer
4. Mobile: 9843897544
5. E Mail id: cfo@thangamayil.com

2. Principle wise (as per National Voluntary Guidelines) BR policy /policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility.

These briefly are as follows:

- P1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
- P2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
- P3 Businesses should promote the well being of all employees
- P4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
- P5 Businesses should respect and promote human rights
- P6 Business should respect, protect, and make efforts to restore the environment
- P7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
- P8 Businesses should support inclusive growth and equitable development
- P9 Businesses should engage with and provide value to their customers and consumers in a responsible manner

A. Details of compliance (Reply in Y/N)

S.No	No. Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policy/policies for (Refer Note 1)	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any nation/ international standards? If Yes, specify. (Refer Note 2)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/CEO/ appropriate Board Director	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online (Refer Note 3)	1,2	1,4	1	1,3,5	1	1,4	1	1,5	1
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy or policies to address the stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency? (Refer Note 4)	Y	Y	Y	Y	Y	Y	Y	Y	Y

Note 1: The Company has adopted Code of Conduct which covers major salutary principles of the Code of Conduct as follows:

1. Conduct of Business in consonance with national interest
2. Fair and accurate presentation of Financial Statements
3. Practicing politically Non- alignment principles.
4. Maintaining quality of product and services.
5. A good corporate citizen.
6. To follow ethical conduct, code and related principles.
7. Commitment to enhance share holder values and statutory compliances.

The Company has a dedicated policy towards the well being of its employees which integrate employee welfare and enable them for enhanced engagement with the company. So also the company has a well defined CSR policy to serve the needs of the community and other category as specified under the Companies act, 2013. The company with full understanding recognizes the impact of economic and commercial systems and therefore the company's code of conduct embodies the policies and principles of respecting and promoting human rights and proper communication with all stakeholders for overall adherence of the code of conduct polices framed by the company.

Note 2: The company has structured it's polices as a result of due discussions, consultations and adoption of such best practices which apply to all employees of the company and all stakeholders as well. The company promotes Hallmarked 916 products and we have been pioneers in promoting and educating the customers on 916 gold ornaments for the last two decades.

Note 3: The following policies can be accessed at:

1: Code of Conduct available at

<https://www.thangamayil.com/blogging/wp-content/uploads/2019/06/Code-of-conduct.pdf>

2: Whistle Blower Policy available at

<https://www.thangamayil.com/blogging/wp-content/uploads/2019/06/Whistle-Blower-Policy.pdf>

3: CSR Policy available at

<https://www.thangamayil.com/blogging/wp-content/uploads/2019/06/Corporate-Social-Responsibility-Policy.pdf>

Note 4: All policies applicable to the Company are evaluated internally.

(b) If answer to question at serial number 1 against any principle is 'No', please explain why: Not Applicable

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, committee of the board or CEO to assess the BR performance of the company. Within 3 months, 3-6 months, Annually, More than 1 year

The matter is being reviewed every six months by the Board. The company normally conducts 5-6 Board meetings and the gap between 2 meetings not exceeding 120 days. The Board at its meetings reviews points on sustainability, CSR, environment, health and safety.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyper link for viewing this report? How frequently is it published?

This is being displayed at our website at www.thangamayil.com.

SECTION E: Principle-Wise Performance**Principle 1**

1. Does the policy related to ethics, bribery and corruption cover only the company? Yes / No. Does it extend to the group/JV/Suppliers/Contractors/ NGO's others?

No. The Company's ethics policy as enunciated in our code of conduct extends to all vendors / suppliers / contractors and NGO's etc.,

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so provide details in about 50 words or so.

The policy is applicable only from 2019-20 onwards and no complaints has been received.

Regarding investors complaints it is "Nil" as of date.

Principle 2

1. List upto 3 of your products or services whose design has incorporated social or environmental concerns, risks and opportunities.

The three product categories, i.e., Gold Jewellery, Silver articles and Diamond incorporate principles of Social and Environmental Management Systems (EMS) at various levels of operations.

2. For each product, provide the following details in respect of resource usage

(Energy water, raw material, etc.):

(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year

We are only doing retail business and hence the question of energy or water usage does not arise.

3. Does the company have procedures in place for sustainable sourcing including transportation? If yes provide details of what percentage has been sourced sustainably:

The company sources the supply from its own vendors for Gold jewelry, silver articles and Diamond and gems. The company is engaged with vendors identified as a source for supply of above products and each vendor is viewed as a partner in the process of business growth enabling mutual long term sustainable growth. Further the business responsibility extends to vendors/ supply chain partners, the people from whom the products are sourced. Vendors are a part of the company's supply group and their relationship with the company is a continuous process of reflection with regard to sourcing.

Each and every product of the company has its own supply chain process, for jewellery like plain gold jewellery, studded one is largely sourced and the vendor base varies from large suppliers and also regular supply chain. The diamond is procured from specified reputed vendors and also we market branded Diamond jewellery in our retail business.

In order to support sustainable sourcing, we have tie up with vendor to balance and leverage their expertise for specialized operations and our jewellery division has implemented processes to access responsible sourcing across our supply chain.

4. Has the company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes. The Company encourages the local suppliers in order to help them to scale up and to improve their operations apart from ensuring sustainable livelihood in the neighbourhood of its operations and expects to build stronger and long-term tie up with them.

We also advise them on quality and environmental aspects etc., and of handling hazardous products.

We provide required support on implementing safety through safety training, audits etc.,

4. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%) Also provide details in about 50 words or so.

Yes >10%. The Company has adopted a focused strategy towards waste management through waste minimization and conservation of resources. This continued effort to eliminate, recycle and reuse waste, has resulted in less waste being disposed. Gold, which is one of the key raw materials, is 100% recycled and old Jewellery obtained through exchange schemes are recycled. The waste is segregated at source and disposed safely.

Principle 3

1. Please indicate the total number of employees?

1617 employees as on 31st March 2021

2. Please indicate the total number of employees hired on temporary/contractual and casual basis

An indicative number of the employees hired in contractual/temporary basis were 91, as on 31st March 2021

3. Please indicate the number of permanent women employees - **611 women employees as on 31st March 2021**

4. Please indicate the number of permanent employees with disabilities - **4 employees as on 31st March 2021.**

5. Do you have an employee association that is recognized by the management? **No.**

6. What percentage of your permanent employees is members of this recognized employee association? **Not applicable.**

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year.

The Company has adopted a Policy on Prevention of Sexual Harassment at Workplace and has internal committees to deal with concerns raised by employees. During the financial year 2020-21, the Company has NIL complaints on sexual harassment.

There were no complaints in other areas also.

1. What percentage of your under mentioned employees were given safety and skill upgradation training in the last year?

- Permanent employees
- Permanent women employees
- Casual / temporary/contractual employees
- Employees with disabilities

Almost all permanent employees including woman employees and employees with disabilities are covered under this category.

All employees who join the Company are covered under safety and occupational health training. This training includes ergonomics, life-saving skills, emergency preparedness, electrical safety and behavioural based safety.

Principle 4

1. Has the company mapped its internal and external stakeholders? **Yes**

2. Out of the above has the company identified the disadvantaged, vulnerable and marginalized stakeholders? **Yes**

3. Are there any special initiatives taken by the company to engage with the disadvantaged vulnerable and marginalized stakeholders? If so provide details in about 50 words Yes.

The Policies cover these in detail. The Company has been a strong advocate of diversity and inclusion through its practices.

The Company's CSR focus is driven by broad themes such as Gosala, health care, Eye camps, Blood donations and other activities such as plant saplings, provide water to the needy and support for education and allied activities.

Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/JV partners/Suppliers /Contractors/NGO's others?

The Company's policy on human rights as detailed in the code of Conduct extends to suppliers, contractors, NGO's and others.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?

None was received.

Principle 6

1. Does the policy related to Principle 6 cover only the company or extend to the Group/Jv/Suppliers /Contractors/NGO's / others?

No, the policy extends to suppliers, contractors, NGO's and others.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc. Y/N?

Not applicable

3. Does the company identify and assess potential environmental risks?

Not applicable

4. Does the company have any project related to clean development mechanism? If so provide details thereof, in about 50 words or so. Also if yes, whether any environment compliance report is filed:

Not applicable

5. Has the company undertaken any other initiatives on – Clean technology, energy efficiency, renewable energy etc. If Yes please give hyper link for web page:

No

6. Are the Emissions / Waste generated by the company within the permissible limits given by the CPCB/SPCB for the financial year being reported?

Not applicable

7. Number of show cause / legal notices received from CPCB/SPCB which are pending (i.e., not resolved to satisfaction) as on end of financial year:

Not applicable

Principle 7

1. Is your company a member of any trade and chamber or association? If yes name only the major ones that your business deals with

1. Federation of Tamilnadu Chambers of Commerce & Industry (FTCCI)

2. Madurai Jewellery Retailers Association.

3. Gem and Jewellery exports promotion Council.

4. Indian Bullion Merchant Association.

2. Have you advocated / lobbied through the above associations for the advertisement or improvement of public good? Yes/No if yes specify the broad areas

Yes: we have been continuously making representations regarding Jewellery industry practices and various problems faced by the retail industry.

Principle 8

1. Does the company have specified programs / initiatives / projects in pursuit of the policy related to principle 8? If yes details, thereof

Yes. The Company's initiatives and projects support inclusive growth. Please refer to CSR Report in Annexure 2 to the Board's Report.

2. Are the programs / projects undertaken through in-house team/own foundation / external NGO/ government structures and any other organization:

Please refer to the CSR Report which is annexed as Annexure 2 to the Board's Report in this Annual Report.

3. Have you done any impact assessment of your initiative? **Yes**

4. What is your company's direct contribution to community development projects – Amount in INR and the details of the projects undertaken

During the financial year 2020-21, the Company spent Rs.144.23 lakhs towards CSR initiatives. Details of the projects are available in Annexure II to the Board's Report.

5. Have you taken steps to ensure this community development initiative is successfully adopted by the community? Please explain in 50 words or so.

Yes. We are constantly in touch with the community people in connection with our CSR activity and it has resulted in better understanding, the outcome of which has been acknowledged by the community.

Principle 9

1. What percentage of the customer complaints / consumer cases is pending as on end of the financial year?

None.

3. Does the company display product information on the product label, over and above what is mandated by local laws?

Not applicable.

4. Is there any case filed by any stakeholder against the company regarding the unfair trade practices, irresponsible advertising, and / or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide the details thereof in about 50 words or so:

None / Not applicable

5. Did the company carry out any consumer survey / consumer satisfaction trends?

Yes. We carry out periodical survey for our internal improvement purposes.

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 requirements 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 stakeholders 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, 2021, the Company's Board consists of 10 directors and is headed by its Chairman and Managing Director, Mr. Balarama Govinda Das, out of which, Six 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 Director including the tenure and terms of remuneration, are approved by the members at their general meetings.

Eight Board meetings were held during 2020-2021 and the gap between two meetings did not exceed four months. The dates, on which the Board meetings were held, are as follows:

12th June 2020, 29th June 2020, 29th July 2020, 21st September 2020, 02nd November 2020, 29th December 2020, 27th January 2021 and 02nd March 2021.

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 21st September 2020. 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 Limited in which member
		Held during the year	Attended during the year			
Mr. Balarama Govinda Das (Chairman, Managing Director)	Promoter and Executive	8	8	Yes	-	-
Mr. Ba.Ramesh (Joint Managing Director)	Promoter and Executive	8	8	Yes	-	-
Mr. N. B. Kumar (Joint Managing Director)	Promoter and Executive	8	8	Yes	-	-
Mr. S. Rethinavelu	Independent Non-executive	8	4	Yes	-	-
Mr. LaljiVora	Independent Non-executive	8	8	Yes	-	-
Mr. V.R. Muthu	Independent Non-executive	8	5	Yes	1	-
Mrs. Yamuna Vasini deva dasi	Promoter & Non-executive	8	4	Yes	-	-
Mr. V. Ramasamy	Independent Non-executive	8	5	Yes	-	-
Mr.S.M. Chandrasekaran	Independent Non-executive	8	5	Yes	-	-
Mrs. Jeevagan Rajakumari #	Independent Non-executive	8	2	Yes	-	-

* 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

appointed on 21st September 2020

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.

Disclosure of relationship between Directors-Inter-se:

The three whole time directors namely Shri.Balarama Govinda Das, Shri.Ba.Ramesh & Shri.N.B.Kumar, are brothers each other and Smt.Yamuna Vasini Deva Dasi, Non-executive director (Woman) is related to Shri.Balarama Govinda das, Managing director as his spouse. All other Non-Executive directors are in no way related to the promoter directors or among themselves.

Number of shares held by Non-Executive Directors:

- 1) Smt.Yamuna Vasini Deva Dasi - 20,200
- 2) Shri.Lalji vora - 100
- 3) Shri.S.Rethinavelu - Nil
- 4) Shri.V.R.Muthu - Nil
- 5) Shri.V.Ramasamy - Nil

Web-link of Familiarization programs to Independent Directors:

Please refer our website https://www.thangamayil.com/media/other_reports/TMJL-Familiarisation-programme.pdf

Chart of Skills/Expertise/competence of Board of Directors:



AUDIT COMMITTEE

During the year, four meetings of the Audit Committee were held on 29th June, 29th July, 2nd November 2020 and 27th January 2021.

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

Name of the person	Designation	No. of meetings held during the tenure	No. of Meetings Attended
Sri. S. Rethinavelu	Chairman	4	2
Sri. Ba.Ramesh	Member	4	4
Sri. V.R.Muthu	Member	4	3

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

The Company Secretary acts as the Secretary to the Committee.

The role of the Committee shall be as under:

- 1) Oversee 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.
 - 1) Reviewing with the management, external and internal auditor, on adequacy of internal control systems.
 - 2) 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.
 - 3) Discussion with internal auditors on any significant findings and follow up there on.
 - 4) 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.
 - 5) 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.
 - 6) Reviewing the company's financial and risk management policies.
 - 7) Reviewing the Management Discussion and Analysis of financial condition and results of operation;
 - 8) Recommending to the Board, the appointment and fixation of remuneration of Cost and Secretarial Auditors;
 - 9) Reviewing reports of Cost audit, Secretarial audit and discussion with Secretarial Auditors on any significant findings by them;

- 10) Reviewing the Management letters/letters of internal control weaknesses issued by the Statutory Auditors.
- 11) 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 Chief 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	No. of Meetings Attended
Sri. S. Rethinavelu	Chairman	2
Sri. Lalji Vora	Member	4
Sri. V.R.Muthu	Member	3

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 from 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 2020-2021, is given below:-

(₹ in lakhs)

Name of the person	Designation	Remuneration – Salary up to a Maximum
Sri. Balarama Govinda Das	Managing Director	54.00
Sri. Ba.Ramesh	Joint Managing Director	54.00
Sri. N.B.Kumar	Joint Managing Director	54.00

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 2020-21.

Name of the Directors	Sitting Fees (in ₹)	No of Equity Shares Held
Sri. S. Rethinavelu	20,000	-
Sri. LaljiVora	40,000	100
Sri. V.R. Muthu	25,000	-
Smt.Yamuna Vasini Deva Dasi (Non-Executive/ Non-Independent Director)	20,000	26,770
Sri.V.Ramasamy	25,000	-
Sri.S.M. Chandrasekaran	25,000	-
SmtRajakumariJeevagan	10,000	-
Total	165,000	26,870

STAKE HOLDERS 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
Sri. LaljiVora	Chairman
Sri. Balarama Govinda Das	Member
Sri. Ba. Ramesh	Member
Sri N.B.Kumar	Member
Sri.V.Vijayaraghavan	Company Secretary

All the investors' complaints were resolved as on 31st March 2021 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, 2021 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 2020-21 of Rs.143.85 lakhs towards CSR activities as mentioned in point No.25 of Board of Directors report and also at annexure 2 of the report which may kindly be referred to for more details.

The company has spent a sum of Rs.144.23 lakhs towards the following activities in the financial year ended 31.03.2021

S.No	Details	Rs. In lakhs
1	Gosala funding	72.05
2	Towards medical / Eye camp to poor	1.60
3	Food and Water to the public	3.94
4	Plants sapling for public benefits	14.33
5	Health care and wellness	8.31
6	Ongoing Projects through Trust	44.00
	Total	144.23

As against Rs.143.85 lakhs to be spent, the company has spent a sum of Rs.144.23 lakhs.

INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on 27th January 2021, 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 show room and manufacturing units. The board has approved Capex on manufacturing units and new show room 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. 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.

Postal ballots

For the year ended March 31, 2021, 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, DhinaThanthi and DhinaMani.

Website:

The company has in place a web site addressed as 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) and 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.

Share Transfer Agent (STA) and 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 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, 2021, 100% of our shares were held in dematerialized form.

Category	Number of Shares	% of Total Equity
NSDL	1,26,72,424	92.37%
CDSL	10,47,158	7.63%
Total	1,37,19,582	100.00%

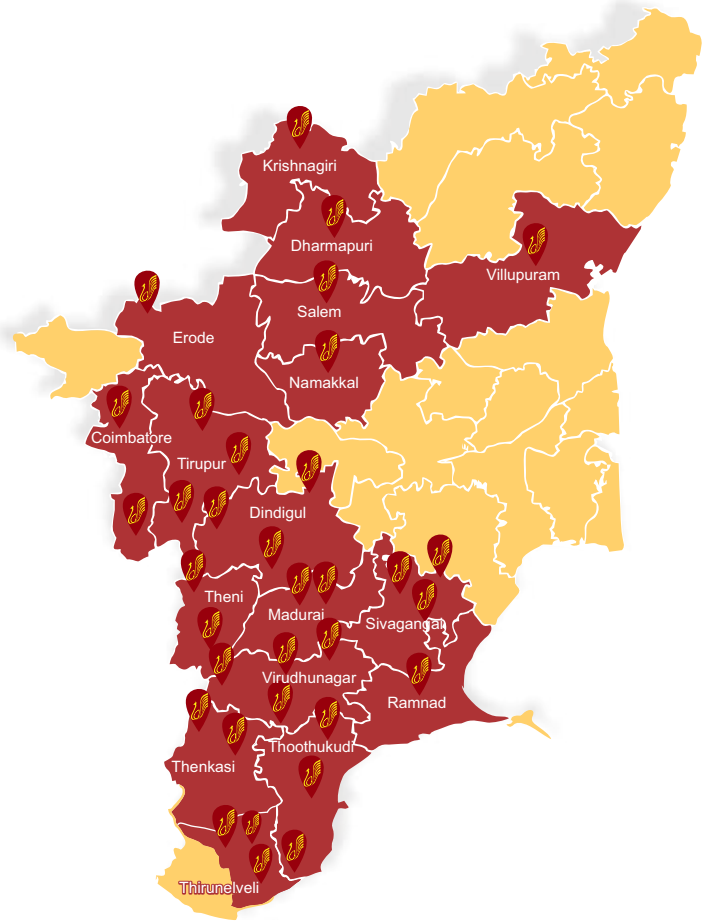
The Company has not issued any Global Depository Receipt / American Depository Receipt / Warrant or any convertible instrument, which is likely to have impact on the Company's equity.

Manufacturing & Showroom Locations:

Madurai (Showroom , Head Office and Manufacturing) , Coimbatore (Manufacturing) and Salem (Silver Manufacturing unit)

Branches
District Branches List

Madurai	Tuticorin	Exclusive Showroom for Silver
Nethaji Road, Madurai	Tuticorin	Tiruppuvanam
Annanagar, Madurai	Kovilpatti	Usilampatti
Virudhunagar	Eral	Devakottai
Virudhunagar	Coimbatore	Sattur
Rajapalayam	Coimbatore	Ilyangudi
Sivakasi	Pollachi	Kilakkari
Aruppukottai	Tirupur	Vadipatti
Dindigul	Tirupur	Natham
Dindigul	Dharapuram	Bodi
Palani	Udumalpet	Manamadurai
Ottanchathiram	Erode	Periyakulam
Batalagundu	Gopichettipalayam	Vedachandur
Theni	Salem	Kayalpatinam
Theni	Salem	
Cumbum	Namakkal	
Sivagangai	Namakkal	
Sivagangai	Dharmapuri	
Karaikudi	Dharmapuri	
Ramnad	Krishnagiri	
Ramnad	Krishnagiri	
Tirunelveli	Villupuram	
Tirunelveli	Villupuram	
Tenkasi		
Valioor		
Sankarankoil		
Thisyanvilai		


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.

(ii) For any query on annual report

(iii) For investors grievance & general correspondence

S.K.D.C. Consultants Limited

Kanapathy Towers, 3rd Floor
1391/A-1, Sathy Road,
Ganapathy,
Coimbatore -641 006.
Tel: 0422 -4958995
Fax: 0422 -2539837

Shri. V. Vijayaraghavan

Company Secretary
Mobile :9894149200

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 and 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
26th August 2021	11.30 AM	Through Video Conference @ Corporate Office No.25/6 Palami Center, New Natham Road Madurai - 14.

Financial Year: 1st April 2021 to 31st March 2022

Financial calendar (Tentative and subject to change)

Financial reporting for the quarter ending:	
30th June 2021	Before 15th August 2021
30th September 2021	Before 15th November 2021
31st December 2021	Before 14th February 2022
31st March 2022	between 6th May and 27th May 2022

Date of Book Closure - 20 th August 2021 to 26th August 2021.
Particulars of dividend payment:

The Board of Directors of the Company in their meeting held on 14th March , 2020, declared an interim dividend of ₹5 (i.e. 50%) per equity share of ₹10 each on the paid up equity share capital of the Company for the-financial year ended 31 March 2020 amounting to ₹827 lakhs (including dividend distribution tax of ₹141 lakhs).

As a prudent financial policy the Board has not recommended any final dividend in the context of COVID pandemic uncertain condition and the interim dividend as aforesaid be considered as final dividend for the financial year ended 31 March 2020.

The Board of Directors, at their meetings held on 2nd March , 2021 declared an interim dividend of ₹ 6.00 (i.e. 60%) per equity share of the face value of ₹ 10 each. The Board of Directors at its meeting held on 9th June, 2021 have recommended a payment of final dividend of ₹ 4.00 (i.e. 40%) per equity share of the face value of ₹ 10 each for the financial year ended 31st March, 2021. If approved, the total dividend (interim and final dividend) for the financial year 2020-2021 will be ₹ 10 (i.e. 100%) per equity share of the face value of ₹ 10 each (₹ 5.00 (i.e. 50%) per equity share of the face value of ₹ 10 each was paid as total dividend for the previous year).

The particulars of payment Statutory Auditors fees on consolidated basis are given below:

Particulars	Amount in Lakhs
For Statutory Audit	14.00
For Tax Audit	5.00
For Limited Review	6.50
For Certification Work etc.,	2.00
Total	27.50

OTHER DISCLOSURES:

Particulars	Regulations	Details	Website link for details / Policy
Related party transactions	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 website of the company	https://www.thangamayil.com/bloggging/wp-content/uploads/2019/06/Related-Party-transactions-policy.pdf
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 behavior. 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	
Discretionary requirements	Schedule II Part E of the SEBI Listing Regulations	<ul style="list-style-type: none"> The auditors' report on financial statements of the Company are unqualified. Internal auditors of the Company, make quarterly presentations to the audit committee on their reports. 	-
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/FITT/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, 2021. The Annual Report of the Company contains a certificate by the Chairman and Managing Director of the Company.	https://www.thangamayil.com/bloggging/wp-content/uploads/2019/06/Code-of-conduct.pdf

Particular	Regulations	Details	Website link for details / Policy
Dividend Distribution Policy	Regulation 43A of the SEBI Listing Regulations	Regular Annual Dividend is being declared and recommended by the Board to the shareholders of the company on a regular basis.	-
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.	https://www.thangamayil.com/blogging/wp-content/uploads/2019/06/Code-for-independent-directors.pdf
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.	https://www.thangamayil.com/corporate/investor-relationship/reports/

In the table below the specific areas of focus or expertise of individual Board members have been highlighted.

Key Board Qualifications								
Name of Director	Areas 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 Independent Director)	✓	-	-	✓	-	-	-	-
Mr. V. Ramasamy (Independent Director)	✓	✓	✓	✓	-	✓	✓	-
Mr.S.M. Chandrasekaran (Independent Director)	✓	✓	✓	✓	-	✓	✓	-
Smt. RajakumariJeevagan (independentDirector)	✓	✓	✓	✓	-	✓	✓	-

Transfer of unclaimed / unpaid dividend / shares to IEPF :

Financial Year	Dividend Rs in lakhs	No of Shares
2010-2011	1.75	23
2011-2012	1.47	24
2012-2013	0.21	56

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

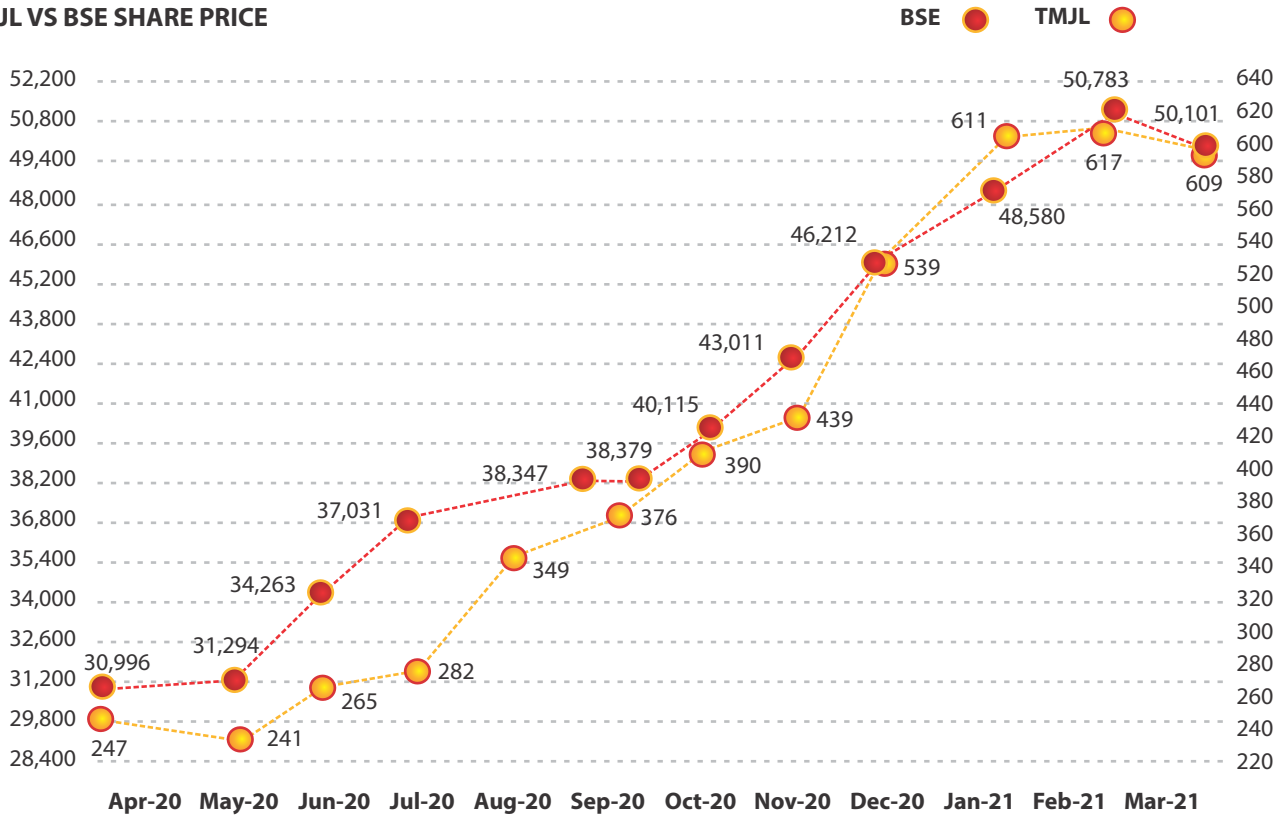
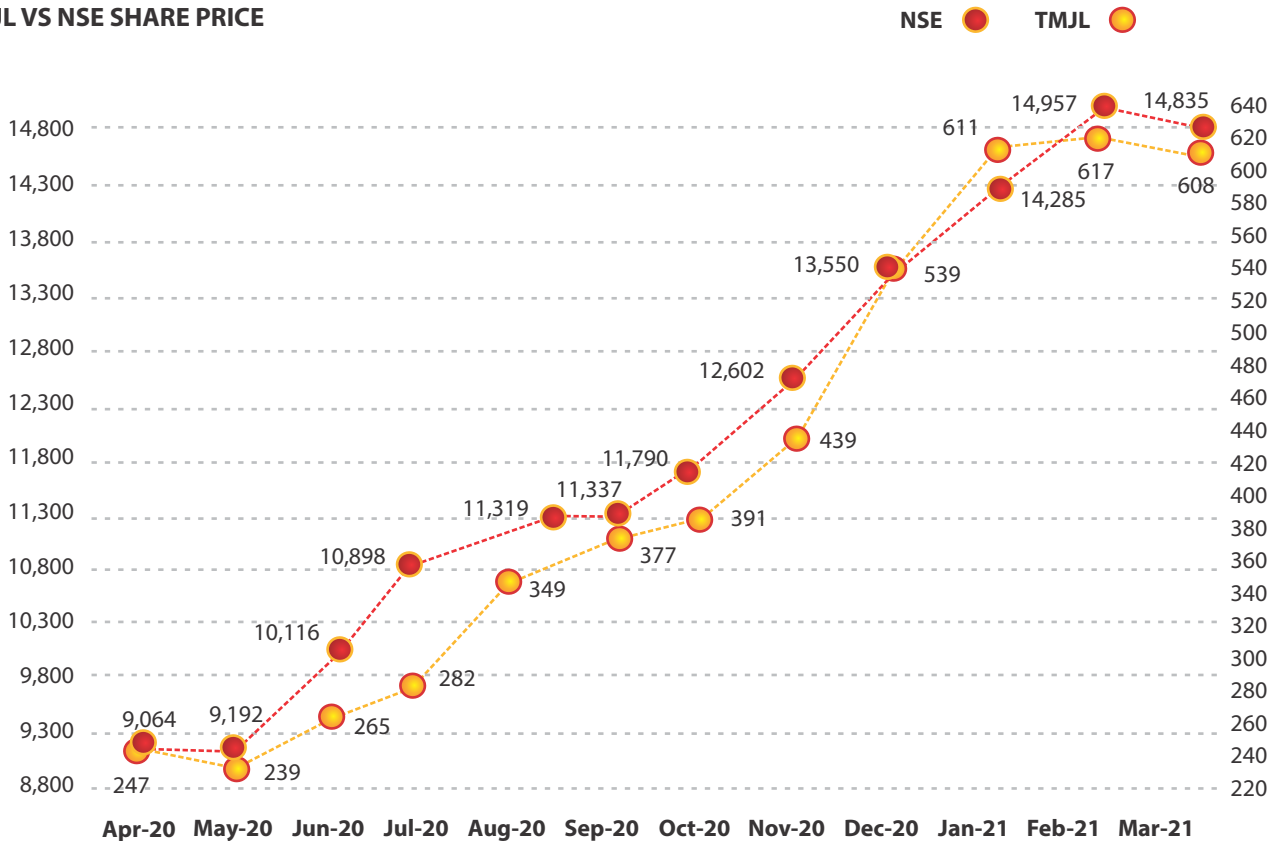
Code No. 533158

National Stock Exchange of India Limited

Code No. **THANGAMAYL**

Stock Market Data- High and Low Quotations of equity shares for 2020-2021

Month	BSE Limited		National Stock Exchange of India Limited	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Apr-20	280	217	279	234
May-20	260	227	257	228
Jun-20	317	230	316	240
Jul-20	360	251	360	247
Aug-20	450	317	420	317
Sep-20	443	342	444	343
Oct-20	417	375	417	375
Nov-20	478	411	477	408
Dec-20	636	429	636	457
Jan-21	675	591	676	592
Feb-21	650	575	657	592
Mar-21	639	582	644	582

TMJL VS BSE SHARE PRICE

TMJL VS NSE SHARE PRICE


Distribution of Share Holding as on 31st March, 2021

S.No	Range of Shares (in ₹)	Number of share holders	No. of Shares Held	% to total Shares
1	1 to 5,000	8,053	288,505	2.10
2	5,001 to 10,000	304	193,948	1.41
3	10,001 to 20,000	177	353,509	2.58
4	20,001 to 30,000	69	189,422	1.38
5	30,001 to 40,000	28	124,944	0.91
6	40,001 to 50,000	25	151,794	1.11
7	50,001 to 100,000	51	409,791	2.99
8	100,001 and above	69	12,007,669	87.52
	Total	8,776	13,719,582	100.00%

Pattern of Share holdings as on 31st March, 2021

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	96,13,586	96,13,586	70.07%	13,51,780	14.06%
(2)	Foreign Promoters	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	96,13,586	96,13,586	70.07%	13,51,780	14.06%
(B)	Public shareholding					
(1)	Institutions					
(a)	Indian Institutions	7,62,775	7,62,775	5.56%	Nil	Nil
(b)	Foreign Institutions	2,82,503	2,82,503	2.06%	-	-
	Sub-Total (B)(1)	10,45,278	10,45,278	7.62%	Nil	Nil

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
(2)	Non-institutions					
(a)	Bodies Corporate	4,78,153	4,78,153	3.49%	N.A.	N.A.
(b)	Individual Share Holders	25,10,063	25,10,063	18.30%	N.A.	N.A.
(c)	Individual NRI / Foreign Nationals	72,455	72,455	0.53%	N.A.	N.A.
(d)	IEPE Authority	47	47	0.00%	N.A.	N.A.
	Sub-Total (B)(2)	30,60,718	30,60,718	22.31%	N.A.	N.A.
	Total Public Shareholding (B)= (B)(1)+(B)(2)	41,05,996	41,05,996	29.93%	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
	GRAND TOTAL (A)+(B)+(C)	1,37,19,582	1,37,19,582	100%	13,51,780	9.85%

GENERAL BODY MEETINGS

Locations and time of General meetings

Date	Year	AGM	Time	Venue
01/08/2018	2017-18	18th	11.45 AM	Tamilnadu Chamber of Commerce & Industry, No.178B, Kamarajar Salai, Madurai – 625 009
01/08/2019	2018-19	19th	11.45 AM	Tamilnadu Chamber of Commerce & Industry, No.178B, Kamarajar Salai, Madurai – 625 009
21/09/2020	2019-20	20th	11.30 AM	Video conferencing at corporate office at no.25/6 Palamicentre , new nathamRoad, , 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
01st August 2019	1) Reappointment of Independent Directors of Mr. Rathinavelu, Mr. Laljivora, and Mr. V.R Muthu for the five consecutive years from 1st Aug 2019 to 21st July 2024.

Top Ten Ordinary Shareholders of the Company as on 31st March, 2021

S.No	Name of the Shareholder	No of Shares held	% of holding
1	Ba.Ramesh	28,32,225	20.64%
2	Balarama Govinda Das	28,04,233	20.44%
3	N.B. Kumar	27,89,888	20.34%
4	SBI Magnum Balanced Fund	7,62,775	5.56%
5	Thangamayil Gold And Diamond Private Limited	736,669	5.37%
6	Balusamy Silvears Jewellery Private Limited	236,919	1.73%
7	Massachusetts Institute of Technology	2,08,300	1.52%
8	Luxmi Township Limited	122,733	0.89%
9	Lakshmanan Sivakumar	93,153	0.68%
10	Musthafa Mazahir Khedwa	72,500	0.53%

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. 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, 2021.

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 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 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 for reference.

DECLARATION PURSUANT TO REGULATION 27 OF SEBI (LODR) 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, 2021 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 mis-leading;
 - 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.

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.

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.

We have indicated to the Auditors and the Audit Committee:

Significant changes in the internal controls over financial reporting during the year.

Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

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.

For Thangamayil Jewellery Limited

BALARAMA GOVINDA DAS

Managing Director

Place: Madurai

Date : June 24, 2021

Ba. RAMESH

N.B. KUMAR

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 2021 as envisaged in applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations').

Place : Madurai

Date : June 24, 2021

For Thangamayil Jewellery Limited

Balarama Govinda Das

Managing Director

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 2021, 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 **Srinivas&Padmanabhan***Chartered Accountants**Firm's Registration Number:0040215***K.M.Padmanabhan**

Partner

M.No:026594

Place : Madurai

Date :June 24, 2021

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, 2021, 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, 2021, 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 specified under section 143(10) of the Act (SAs). 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 disputewhich 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, 2021 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)(l) 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:

1. As required by the Companies (Auditor's Report) Order, 2016 ("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.

2. As required by Section 143(3) of the Act, based on our audit we report that:

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

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

c) The 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

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

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.

For **Srinivas&Padmanabhan**

Chartered Accountants,

F.Reg No:004021S

K.M.Padmanabhan

Partner

M.No: 026594

Place – Madurai

Date – June 24, 2021

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)

- i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets, by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us, and on the basis of our examination of the records of the company, the title deeds of immovable properties of the Company are held in the name of 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.
- iii) (a) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. Accordingly, sub Clause (a),(b) and (c) of the Order are not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans given and investment made. Further, there are no guarantees and security given in respect of which provisions of section 185 and 186 of the Act are applicable.
- 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 prescribed the maintenance of cost records under Section 148 of the Act for any of the products manufactured by the Company.

vii) a) According to the records provided to us, the Company is regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income- Tax, Goods and Service tax ,duty of Customs , Cess and other material statutory dues applicable to the Company.

According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears, as at 31st March 2021 for a period of more than six months from the date they become payable.

b) According to the information and explanations given to us, there are no material dues of Provident Fund, Employees' State Insurance, Income- Tax, Goods and Service tax ,duty of Customs , Cess and other material statutory dues, which have not been deposited by the Company on account of disputes, except for the following:

Name of the Statute	Nature of Dues	₹ Lakhs	Period to which the amount relates	Forum where disputes is pending
Tamil Nadu Value Added Tax 2006	Disallowance of Input tax, disputes related reversal of input tax	56.00	2011-12 to 2012-13	Deputy Commissioner (Appeals) of Sales Tax Madurai
Customs Act , 1962	Customs Duty	154.00	2011-12	Appellate Tribunal / Commissioner (Appeals)
Income Tax Act, 1961	Income tax – Tax deducted at source	14.51	2012-13 and 2013-14	CIT Appeals- I Madurai
Income Tax Act, 1961	Disallowance of normal loss on beaten gold melting	590.59	2016-2017	Commissioner of Income Tax (Appeals I)
Income Tax Act, 1961	Disallowance of normal loss on beaten gold melting	857.58	2017-2018	Commissioner of Income Tax (Appeals I)

viii) Based on our audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions and banks. The Company did not have any outstanding loans or borrowings from government and there are no dues to debenture holders during the year.

ix) In our opinion and according to the information and explanations given to us, the Company has not raised money by way of further public offer (including debt instruments) during the year and the term loans taken by the Company have been applied for the purpose for which they were raised.

x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii) According to the information and explanations given to us, in our opinion, the Company is not a Nidhi Company as prescribed under Section 406 of the Act.

xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.

xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and therefore, the provisions of clause 3(xiv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Srinivas&Padmanabhan

Chartered Accountants,

F.Reg No:004021S

K.M.Padmanabhan - Partner

M.No:026594

Place – Madurai

Date – June 24, 2021

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 2021 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 2021, 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 **Srinivas&Padmanabhan**

Chartered Accountants,

F.Reg No:004021S

K.M.Padmanabhan

Partner

M.No:026594

Place – Madurai

Date – June 24, 2021

BALANCE SHEET

(₹ in lakhs)

Particulars	Notes	As at 31 st March 2021	As at 31 st March 2020
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	2	6,860.97	7,012.44
(b) Capital work-in-progress	2.1	227.96	202.14
(c) Intangible assets	3	74.45	95.84
(d) Right-of - Use Assets	4	943.63	963.12
(e) Financial assets			
(l) other financial assets	5	38.60	39.92
(f) Deferred Tax Assets (net)	6	85.05	39.05
(g) Other non-current assets	7	1,034.66	970.67
Total Non-Current Assets		9,265.32	9,323.18
Current Assets			
(a) Inventories	8	64,923.02	56,393.14
(b) Financial assets			
(i) Trade receivables	9	258.43	13.62
(ii) Cash and cash equivalents	10	1,029.92	198.81
(iii) Bank balances other than (ii) above	11	662.63	2,940.01
(iv) Other financial assets	12	53.28	48.83
(c) Other current assets	13	1,299.99	2,611.90
Total Current Assets		68,227.27	62,206.31
TOTAL ASSETS		77,492.60	71,529.49
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	1,371.96	1,371.96
(b) Other equity	15	28,419.60	20,642.92
Total Equity		29,791.56	22,014.87
Non-Current Liabilities			
(a) Financial liabilities			
(l) Lease Liabilities	4	847.52	874.30
(ii) Borrowings	16	6,167.33	5,493.39
Total Non-Current Liabilities		7,014.85	6,367.69
Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	17	20,690.75	18,077.45
(ii) Trade payables	18		
-Total outstanding dues of micro and small enterprises		743.75	-
-Total outstanding dues of creditors other than micro & small enterprises		537.26	3,702.78
(iii) Lease Liabilities	4	325.22	333.12
(iv) Other financial liabilities	19	4,665.90	1,458.58
(b) Other current liabilities	20	13,324.07	19,493.27
(c) Current Tax Liability (net)	21	399.24	81.72
Total Current Liabilities		40,686.19	43,146.93
TOTAL LIABILITIES		47,701.04	49,514.62
TOTAL EQUITY AND LIABILITIES		77,492.60	71,529.49

The accompanying notes forms an integral part of the standalone financial statements. This is the balance sheet referred to in our report of the even date attached.

For **Srinivas & Padmanabhan**
Chartered Accountants
Firm's Registration No: 0040215

For **Thangamayil Jewellery Limited**

Balarama Govinda Das- Managing Director
DIN : 00266424
Ba. Ramesh - Joint Managing Director
DIN : 00266368
N. B. Kumar - Joint Managing Director
DIN : 01511576
S. Rethinavelu - Independent Director
DIN : 00935338
Lalji Vora - Independent Director
DIN : 01899070
V. R. Muthu - Independent Director
DIN : 01908841

S.M. Chandrasekaran - Independent Director
DIN : 08719332
J.Rajakumari - Independent Director
DIN : 08860956
Yamuna Vasini Deva Dasi - Non - Executive Director
DIN : 01388187
V. Ramasamy - Independent Director
DIN : 00039262
V. Vijayaraghavan - Company Secretary
B. Rajeshkanna - Chief Financial Officer
DIN : 01334048

Place: Madurai
Date: June 24, 2021

Particulars	Notes	For the Year Ended	
		31 st March 2021	31 st March 2020
I Revenue from Operations	22	181,861.88	169,196.10
II Other Income	23	232.14	302.62
III Total Income (I+II)		182,094.02	169,498.72
IV Expenses:			
Cost of materials consumed	24	163,047.67	147,733.75
Purchases of stock-in-trade	25	5,409.57	5,396.07
Changes in inventories of finished goods, work-in- progress and stock-in-trade	26	(9,176.91)	(4,989.46)
Manufacturing Expenses	27	1,865.12	1,549.52
Employee benefits expenses	28	3,328.13	4,224.16
Finance costs	29	2,290.57	2,115.19
Depreciation and amortization expenses	30	946.99	1,018.51
Other expenses	31	2,685.74	5,509.43
Total Expenses		170,396.87	162,557.17
V Profit Before Tax (III-IV)		11,697.15	6,941.55
VI Tax Expenses	32		
- Current Tax		3,026.75	1,950.54
- Adjustment of tax relating to earlier periods		38.28	-
- Deferred Tax		(26.30)	425.43
Total Tax Expenses		3,038.73	2,375.97
VII Profit for the Year (V-VI)		8,658.42	4,565.59
VIII Other Comprehensive Income			
Other comprehensive income not to be reclassified to profit and loss in subsequent periods:			
Re-measurements loss of the defined benefit plans		(78.25)	(49.34)
Deferred tax charges		19.70	12.42
Total other comprehensive income for the year, net of tax		(58.56)	(36.92)
IX Total Comprehensive Income for the Year (VII+VIII)		8,599.86	4,528.67
X Earnings per equity share of Re.10 each			
Basic		63.11	33.28
Diluted		63.11	33.28
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 **Srinivas & Padmanabhan**
Chartered Accountants
Firm's Registration No: 0040215

For **Thangamayil Jewellery Limited**

Balarama Govinda Das- Managing Director DIN : 00266424
Ba. Ramesh - Joint Managing Director DIN : 00266368
N. B. Kumar - Joint Managing Director DIN : 01511576
S. Rethinavelu - Independent Director DIN : 00935338
Lalji Vora - Independent Director DIN : 01899070
V. R. Muthu - Independent Director DIN : 01908841

S.M. Chandrasekaran - Independent Director DIN : 08719332
J.Rajakumari - Independent Director DIN: 08860956
Yamuna Vasini Deva Dasi - Non - Executive Director DIN : 01388187
V. Ramasamy - Independent Director DIN : 00039262
V. Vijayaraghavan - Company Secretary
B. Rajeshkanna - Chief Financial Officer DIN : 01334048

Place: Madurai
Date: June 24, 2021

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021
(A) Equity Share Capital

Particulars	Number of shares	(₹ in lakhs)
Balance as at 31st March 2019	1,37,19,582	1,371.96
Add: Equity shares allotted during the year	-	-
Balance as at 31st March 2020	1,37,19,582	1,371.96
Add: Equity shares allotted during the year	-	-
Balance as at 31st March 2021	1,37,19,582	1,371.96

(B) Other Equity

(₹ in lakhs)

Particulars	Reserve and Surplus				Total
	Securities premium Reserve	General Reserve	Retained earnings	Other Comprehensive Income	
Balance as at April 1, 2019	3,175.80	2,806.95	11,969.12	(5.13)	17,946.74
Impact on account of adoption of Ind AS 116 net of tax	-	-	(178.49)	-	(178.49)
Restated balance as at 1st April 2019	3,175.80	2,806.95	11,790.63	(5.13)	17,768.25
Profit for the year	-	-	4,565.59	-	4,565.59
Other comprehensive income for the year, net of income tax	-	-	-	(36.92)	(36.92)
Dividend including dividend distribution tax	-	-	(1,654.00)	-	(1,654.00)
Transfer to General Reserve	-	460.00	(460.00)	-	-
Balance as at March 31, 2020	3,175.80	3,266.95	14,242.22	(42.05)	20,642.92
Profit for the year	-	-	8,658.42	-	8,658.42
Other comprehensive income for the year, net of income tax	-	-	-	(58.56)	(58.56)
Dividend Paid	-	-	(823.17)	-	(823.17)
Transfer to General Reserve	-	866.00	(866.00)	-	-
Balance as at March 31, 2021	3,175.80	4,132.95	21,211.46	(100.61)	28,419.60

The accompanying notes forms an integral part of the financial statements

 For **Srinivas & Padmanabhan**
 Chartered Accountants
 Firm's Registration No: 0040215

 For **Thangamayil Jewellery Limited**

 Balarama Govinda Das- Managing Director
 Ba. Ramesh - Joint Managing Director
 N. B. Kumar - Joint Managing Director
 S. Rethinavelu - Independent Director
 Lalji Vora - Independent Director
 V. R. Muthu - Independent Director

 DIN : 00266424
 DIN : 00266368
 DIN : 01511576
 DIN : 00935338
 DIN : 01899070
 DIN : 01908841

 S.M. Chandrasekaran - Independent Director
 J.Rajakumari - Independent Director
 Yamuna Vasini Deva Dasi - Non - Executive Director
 V. Ramasamy - Independent Director
 V. Vijayaraghavan - Company Secretary
 B. Rajeshkanna - Chief Financial Officer

 DIN : 08719332
 DIN : 08860956
 DIN : 01388187
 DIN : 00039262
 DIN : 01334048

 Place: Madurai
 Date: June 24, 2021

Statement of Cash Flows for the year ended on
(₹ in lakhs)

Particulars	For the Year Ended	
	31st March 2021	31st March 2020
Cash flow from operating activities		
Net profit before tax	11,697.15	6,941.55
Adjustments for :		
Depreciation and amortization expenses	946.99	1,018.51
Profit on sale of Property ,plant & equipment	(1.52)	(0.90)
Gain on lease modification	(30.47)	-
Interest income	(68.97)	(281.57)
Interest expense	2,290.57	2,115.19
Impairment of assets	33.35	11.04
Operating profit before working capital changes	14,867.10	9,803.82
Movements in working capital:		
(Increase) / Decrease in inventories	(8,529.88)	(5,989.07)
(Increase) / Decrease in trade receivables	(244.81)	203.03
(Increase) / Decrease in Other financials and non financial assets	1,166.54	(2,140.68)
Increase / (Decrease) in gold on loan	6,548.99	1,705.97
Increase / (Decrease) in trade payable and other financial and non financial liabilities	(5,544.98)	(5,769.03)
Cash Generated from Operations	8,262.96	(2,185.96)
Income taxes paid	(2,747.52)	(1,737.40)
Net cash generated from operating activities (A)	5,515.44	(3,923.36)
Cash flow from investing activities		
Payment for Property, Plant & Equipment, Intangible assets including Capital Advances	(586.52)	(866.91)
Proceeds from sale of Property, plant & equipment	3.22	8.09
Bank deposits not considered as cash and cash equivalents (net)	2,277.39	1,370.44
Interest received	68.97	281.57
Net cash used in investing activities (B)	1,763.06	793.19
Cash flow from financing activities		
Proceeds / (Repayment) of borrowings	(776.95)	4,778.24
Proceeds / (Repayment) of other borrowing	(2,323.49)	1,687.20
Repayment of Lease liabilities	(359.34)	(388.54)
Interest paid	(2,164.43)	(1,988.24)
Dividend paid	(823.17)	(1,654.00)
Net cash used in financing activities (C)	(6,447.39)	2,434.66
Net increase in cash and cash equivalents(A+B+C)	831.11	(695.51)
Cash and cash equivalents - opening balances	198.81	894.32
Cash and cash equivalents at the end of the year	1,029.92	198.81
Components of cash and cash equivalents		
Cash on hand	558.32	117.86
Balance with Banks - on Current Accounts	471.60	80.95
Total cash and cash equivalents	1,029.92	198.81

The accompanying notes forms an integral part of the financial statements

For **Srinivas & Padmanabhan**
Chartered Accountants

Firm's Registration No: 0040215

K.M.Padmanabhan
Partner
M.No.026594

Place: Madurai
Date: June 24, 2021

For **Thangamayil Jewellery Limited**

Balarama Govinda Das- Managing Director DIN : 00266424
Ba. Ramesh - Joint Managing Director DIN : 00266368
N. B. Kumar - Joint Managing Director DIN : 01511576
S. Rethinavelu - Independent Director DIN : 00935338
Lalji Vora - Independent Director DIN : 01899070
V. R. Muthu - Independent Director DIN : 01908841

S.M. Chandrasekaran - Independent Director DIN : 08719332
J.Rajakumari - Independent Director DIN: 08860956
Yamuna Vasini Deva Dasi - Non - Executive Director DIN : 01388187
V. Ramasamy - Independent Director DIN : 00039262
V. Vijayaraghavan - Company Secretary
B. Rajeshkanna - Chief Financial Officer DIN : 01334048

Background

Thangamayil Jewellery Limited (the 'Company') is a company domiciled in India, with its registered office situated 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.

Other income is recognized on certain confirm transactions of cessation of old entries liabilities in the case of advances from customer category.

(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

S.No	Asset Class	Useful life of assets
i.	<u>Straight Line basis</u>	
	❖ Building	60 Years
	❖ Plant & Machinery	15 Years
	❖ Furniture and Fittings	10 Years
	❖ Office Equipment	15 Years
ii.	<u>Written Down Value basis</u>	
	Vehicles	
	❖ Motor Car	8 Years
	❖ Two Wheelers	10 Years
	Computers	
	❖ Hardware	3 Years
	❖ Software	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.

(xi) 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

i. 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.

ii. 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.

iii. 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 includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes 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 when ever 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 cashflows 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 re measured 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. When ever 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 sub-lease 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.

Transition

Effective April 1, 2019, the Company adopted IndAS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at

the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing at the date of initial application.

This has resulted in recognizing a "Right of use asset" of Rs.818.73 lakhs and a corresponding "Lease liability" of Rs.1057.25 lakhs by adjusting retained earnings net of taxes of Rs.178.49 lakhs (including impact of "Deferred tax asset created of Rs.60.04 lakhs) as at 1st April, 2019.

On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of Rs. 943.63 lakhs and lease liabilities of Rs. 1172.73 lakhs as on March 31, 2021.

(vi) Intangible Fixed 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.

(vii) Expenses

- a) All expenses including interest and finance charges are accounted for on accrual basis.
- b) Prior period items, if material, are disclosed separately.

(viii) 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.

(ix) Redemption of Customer Loyalty Points

The unavailed Customer Loyalty Points lying in the Value card has been provided as a liability and the amount redeemed during the year is charged to Profit & Loss A/c in the respective years of redemption. Redemption of customer loyalty points costs are accrued in the year of sales of products based on past experience.

(x) 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 favorable 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.

(xi) 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.

(xii) 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 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.

(xiii) 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.

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.

(xiv) 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.

(xv) 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.

(xvi) 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.



(₹ in lakhs)

Note 2 - Property, Plant and Equipment

Particulars	Freehold land	Leasehold land	Buildings (Owned)	Buildings (On leasehold)	Plant & equipment (Owned)	Furniture and fixtures	Vehicles	Computer Hardware	Tangibles Total
At 31 March 2019	2,609.54	-	1,307.50	110.27	1,621.05	4,223.57	333.15	1,367.42	11,572.50
Additions	-	-	-	28.49	137.33	473.44	39.31	94.66	773.23
Deductions	-	-	-	-	-	39.54	21.37	-	60.90
Other adjustments	-	-	-	-	-	-	-	-	-
As at March 31, 2020	2,609.54	-	1,307.50	138.76	1,758.38	4,657.47	351.09	1,462.08	12,284.82
Additions	-	-	19.06	12.70	58.76	321.24	67.23	69.83	548.81
Deductions	-	-	-	-	-	121.03	21.07	-	142.10
Other adjustments	-	-	-	-	-	-	-	-	-
At 31 March 2021	2,609.54	-	1,326.56	151.46	1,817.14	4,857.68	397.26	1,531.91	12,691.53
Accumulated depreciation and impairment									
At 31 March 2019	-	-	160.96	25.60	619.24	2,372.07	191.22	1,254.70	4,623.79
Depreciation expense	-	-	20.85	1.71	109.97	421.90	44.57	92.27	691.26
Deductions	-	-	-	-	-	28.49	14.18	-	42.67
Other adjustments	-	-	-	-	-	-	-	-	-
At 31 March 2020	-	-	181.81	27.30	729.21	2,765.48	221.61	1,346.97	5,272.38
Depreciation expense	-	-	20.86	1.93	111.67	436.45	26.81	67.52	665.24
Deductions	-	-	-	-	-	87.69	19.37	-	107.05
Other adjustments	-	-	-	-	-	-	-	-	-
At 31 March 2021	-	-	202.67	29.24	840.88	3,114.24	229.04	1,414.50	5,830.56
Carrying Value									
As at March 31, 2021	2,609.54	-	1,123.89	122.22	976.26	1,743.43	168.21	117.41	6,860.97
As at March 31, 2020	2,609.54	-	1,125.69	111.46	1,029.18	1,891.99	129.48	115.11	7,012.44
As at March 31, 2019	2,609.54	-	1,146.54	84.68	1,001.81	1,851.50	141.93	112.72	6,948.71

2.1 Capital Work - in Progress Particulars

	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	202.14	119.40	86.90
Additions during the year (Net)	25.82	82.74	32.50
Transfer to property, plant and Equipment	-	-	-
Balance at the end of the year	227.96	202.14	119.40

(i) 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 capitalized.
(ii) Refer to Note : 17 for information on property, plant and equipment pledged as security of the company

Note 3 - Intangible Assets

(₹ in lakhs)

Intangibles	Computer software	Intangibles Total
Cost /deemed Cost		
As at March 31, 2019	1,092.45	1,092.45
Additions	10.94	10.94
Deductions	-	-
As at March 31, 2020	1,103.39	1,103.39
Additions	11.89	11.89
Deductions	-	-
As at March 31, 2021	1,115.27	1,115.27
Accumulated amortization and impairment		
At 31st March 2019	947.68	947.68
Additions	59.87	59.87
Deductions	-	-
As at March 31, 2020	1,007.55	1,007.55
Additions	33.27	33.27
Deductions	-	-
As at March 31, 2021	1,040.82	1,040.82
Net book value		
As at March 31, 2021	74.45	74.45
As at March 31, 2020	95.84	95.84
As at March 31, 2019	144.77	144.77

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, 2020	Net Carrying amount as at March 31, 2021
Buildings	963.12	943.63

The following is the movement in ROU Assets during the year ended	31st March 2021	31st March 2020
Balance at the beginning	963.12	818.73
Additions	228.99	411.77
Depreciation	248.49	267.37
Balance at the year end	943.63	963.12

The Following is the breakup of current and non - current lease liabilities as at March 31, 2021 (₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Current lease liabilities	325.22	333.12
Non-current lease liabilities	847.52	874.30
Total	1,172.73	1,207.42

The following is the movement in lease liabilities during the year ended (₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning	1,207.42	1,057.25
Additions	228.99	411.77
Finance cost accrued during the period	126.13	126.95
Deletions	-	-
Payment of lease liabilities	389.81	388.54
Balance at the year end	1,172.73	1,207.42

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis:

Particulars	As at March 31, 2021	As at March 31, 2020
Less than one year	325.22	333.12
One to five years	1,033.61	1,008.18
More than five years	240.61	330.43
Total	1,599.44	1,671.73

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 ₹ 19.80 lakhs (PY ₹26.36 lakhs) for the year ended March 31, 2021.

Interest on lease liabilities is ₹126.13 lakhs (PY ₹126.95 lakhs) for the year ended March 31, 2021

Impact of COVID 19

The company does not foresee any large - scale contraction in demand which could result in significant downsizing of its employee base rendering the physical infrastructure redundant. The lease that the company has entered with lessors towards properties used as show rooms/ manufacturing unit/ offices are long term nature and no changes in terms of those leases are expected due to the COVID- 19.

Notes to the financial statements

Note 5 - Other Financial Assets (Non-Current)

Particulars	As at 31st March 2021	As at 31st March 2020
Deposits with Government / Statutory bodies	38.60	39.92
Total	38.60	39.92

Note 6 - Deferred Tax Assets/(Liabilities)

(₹ in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Deferred Tax Assets		
Disallowance under Section 43B of Income Tax Act, 1961	40.16	31.38
Lease Liabilities- Impact on Account on Ind AS 116	57.67	61.49
Total	97.83	92.87
Deferred Tax Assets/(Liabilities)		
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.	12.78	53.82
Total	85.05	39.05

Note 7 - Other non-current assets

(₹ in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Unsecured		
Capital Advances		
Unsecured, Considered good	215.87	181.86
Advance recoverable in cash or kind		
Unsecured, Considered good	80.31	36.19
Rental Advances - Unsecured, Considered Good	738.48	752.62
Total	1,034.66	970.67

Long term loans and advances includes a sum of Rs. 24.58 lakhs due from a party and secured by immovable property valued around Rs. 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 31st March 2021	As at 31st March 2020
Raw Materials	1,446.63	2,085.44
Work-in-Progress	7,756.96	5,891.59
Finished Goods	55,707.71	48,396.16
Packing Materials and Gift items	11.71	19.95
Total	64,923.02	56,393.14

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)

	As at 31st March 2021	As at 31st March 2020
Unsecured, Considered Good	258.43	13.62
Total	258.43	13.62

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 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 31st March 2021	As at 31st March 2020
Balances with banks		
In current accounts	460.43	73.37
In term deposit accounts with maturity less than 3 months at inception		
Cheques on hand	11.17	7.58
Cash on hand	558.32	117.86
Total	1,029.92	198.81

Note 11 - Bank Balance other than cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Earmarked balances		
In Dividend Accounts	19.47	19.92
In term deposit accounts		
with maturity more than 3 months but less than 12 months at inception	342.97	250.17
Fixed Deposit / Margin Money Deposit under Lien*	300.20	2,669.92
Total	662.63	2,940.01

*Margin money deposits given as security against SBLC/ Bank Guarantees

Note 12 - Other Financial Assets (Current)

(₹ in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Unsecured - Advances to Employees	53.28	48.83
Total	53.28	48.83

Note 13 - Other Current Assets

(₹ in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Unsecured, considered good		
Advance Recoverable in Cash or kind	0.51	2.51
Advance to Suppliers/ Expenses @	1,237.24	2,557.47
Prepaid Expenses	62.24	51.92
Total	1,299.99	2,611.90

@Advance to Suppliers/ Expenses includes Rs. 1084.29 lakhs (Previous year Rs.1693.97 lakhs paid as margin money for hedging purpose)

Note 14 - Equity Share Capital

(₹ in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Authorised Share Capital:		
200 lakhs (March 31, 2020: 200 lakhs) Equity Shares of Rs. 10 each	2,000.00	2,000.00
	2,000.00	2,000.00
Issued, subscribed and fully paid up shares		
137.19 lakhs Equity shares (March 31, 2020: 137.19 lakhs) of Rs.10 each, fully paid.	1,371.96	1,371.96
Total Issued, subscribed and fully paid up Share Capital	1,371.96	1,371.96

a) Reconciliation of Number of Shares outstanding and amount at the beginning and at the end of the year

Particulars	Numbers
Number of shares at the beginning of the year as at March 31, 2020 (Rs. 1,371.96 lakhs)	1,37,19,582
As at March 31, 2021 (₹ 1,371.96 lakhs)	1,37,19,582

b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. 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 is 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) Details of shareholders holding more than 5% equity shares in the company

Particulars	As at 31 March 2021	
	No. of shares	% of shares
Equity shares of Rs. 10 each fully paid		
Ba. Ramesh	28,32,225	20.64%
Balarama Govinda Das	28,04,233	20.44%
N.B. Kumar	27,89,888	20.34%
SBI Mutual Fund Group	7,62,775	5.56%
Thangamayil Gold and Diamond Pvt Ltd.	7,36,669	5.37%

Particulars	As at 31 March 2020	
	No. of shares	% of shares
Equity shares of Rs. 10 each fully paid		
Ba. Ramesh	27,42,405	19.99%
Balarama Govinda Das	27,11,441	19.76%
N.B. Kumar	27,02,064	19.69%
SBI Mutual Fund Group	8,17,000	5.95%
Thangamayil Gold and Diamond Pvt Ltd.	7,01,669	5.11%

Note 15 - Other Equity

(₹ in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Securities Premium Reserve		
Balance at the beginning of the year	3,175.80	3,175.80
Balance at the end of the year	3,175.80	3,175.80
General Reserve		
Balance at the beginning of the year	3,266.95	2,806.95
Add: Transfer from surplus	866.00	460.00
Balance at the end of the year	4,132.95	3,266.95
Retained earnings		
Balance at the end of the year	21,211.46	14,242.22
Other Reserve		
Other comprehensive income :		
Re-measurement of the net defined benefit plans	(100.61)	(42.05)
Total	28,419.60	20,642.92

Securities premium Reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised 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 of the Company in their meeting held on 14th March 2020, declared an interim dividend of INR 5 (i.e. 50%) per equity share of Rs 10 each on the paid up equity share capital of the Company for the financial year ended 31 March 2020 amounting to Rs. 827 lakhs (including dividend distribution tax of Rs.141 lakhs).As a prudence financial policy the Board has not recommended any final dividend in the context of COVID-19 pandemic uncertain condition and the interim dividend as aforesaid be considered as final dividend for the financial year ended 31 March 2020. The Board of Directors, at their meetings held on 2nd March, 2021 declared an interim dividend of ₹ 6.00 (i.e. 60%) per equity share of the face value of ₹10 each. The Board of Directors at its meeting held on 24th June, 2021 have recommended a payment of final dividend of ₹ 4.00 (i.e. 40%) per equity share of the face value of ₹ 10 each for the financial year ended 31st March, 2021. If approved, the total dividend (interim and final dividend) for the financial year 2020-2021 will be ₹ 10 (i.e. 100%) per equity share of the face value of ₹ 10 each.

Non Current Finance Liabilities

Note 16 - Long term Borrowings

(₹ in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Secured Loans		
Term Loan From Banks	2,986.68	-
Vehicle Loan from Banks	32.17	21.42
Unsecured		
Fixed Deposit from Public ##	1,908.48	4,231.97
Loans from Directors and Others *	1,240.00	1,240.00
Total	6,167.33	5,493.39

Term Loan From Banks - Federal 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 months moratorium and carries interest @ 6.75%

Regarding securities refer note no 17

Vehicle Loan secured by Hypothecation of specific assets purchased out of the loans.

Rs.281.99 lakhs (Rs.2991.08 lakhs) Fixed Deposit carry interest @7.5% and are repayable 2 years from the respective years.

Rs.1,626.49 lakhs (Rs.1,240.89 lakhs) Fixed Deposit carry interest @8% 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 31st March 2021	As at 31st March 2020
- Cash Credit loan from Banks	6,843.25	10,279.26
- Gold Metal loan from Banks	13,847.50	7,298.50
- Gold Metal loan from Banks against FDs	-	499.68
Total	20,690.75	18,077.45

The above working capital loans extended by multiple banking systems 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 Karur Vysya Bank property at Oppanakara Street at Coimbatore, and in the case of Axis Bank property at Bazaar Street, 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.

Security for Tamilnadu Mercantile Bank is property at Madurai owned by Managing Director of the Company and for Axis Bank loan secured by whole time directors properties at Madurai.

5.90% (5,46,220 shares) promoters share holding in the company has been pledged as collateral security for IDBI loan.

3.24% (3,00,000 shares) promoters share holding in the company has been pledged as collateral security for Yes bank loan.

5.46% (5,05,560 shares) promoters share holding in the company has been pledged as collateral security for Federal Bank loan.

Gold Metal loan from Banks are against Fixed deposit of the respective bank.

All the above mentioned collateral securities owned by the company and by the respective whole time directors are 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 of directors of the company.

The cash credit is repayable on demand and carries interest of 7.25% to 10.00% p.a.

The Gold Metal Loan carries interest @ 1.90% to 3.25% p.a.

Note 18 - Trade Payables

(₹ in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Total outstanding dues of micro and small enterprises	743.75	-
Total outstanding dues of other than micro and small enterprises	537.26	3,702.78
Total	1,281.01	3,702.78

Trade Payables includes a sum of Rs. Nil (Previous year Rs. 2,577.24 lakhs) as Gold Metal loan availed from HDFC Bank, Federal Bank, against SBLC guarantee extended by Karur Vysya Bank, and Axis Bank for whom tangible securities were extended as covered under Note.17.

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	As at 31st March 2021	As at 31st March 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year		
a) Principal amount remaining unpaid	743.75	-
b) Interest due there on	-	-
c) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-

(₹ in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
e) Interest accrued and remaining unpaid at the end of accounting year	-	-
f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

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 31st March 2021	As at 31st March 2020
Current maturities of long-term loans	161.32	-
Current Maturities on Directors Loans	517.52	215.90
Current maturities of Hire purchase loan	20.82	42.04
Fixed Deposits from Public	3,606.59	983.93
Interest accrued but not due on Fixed Deposits	359.65	216.72
Total	4,665.90	1,458.58

Fixed Deposits from public are repayable within 12 Months from the reporting date.

Note 20 - Other current liabilities

(₹ in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Provision for Gratuity	182.19	73.16
Advances from Customers	12,694.12	18,772.89
Liabilities for Expenses	428.29	627.30
Unclaimed Dividends	19.47	19.92
Total	13,324.07	19,493.27

Advances from customers includes an amounts of Rs.12,427.68 lakhs (As on 31st March 2020 Rs.18,697.29 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 31st March 2021	As at 31st March 2020
Provision for Income tax (Net of advances)	399.24	81.72
Total	399.24	81.72

(₹ in lakhs)

Particulars	For the Year Ended	
	31st March 2021	31st March 2020
Note 22 - Revenue from Operations		
Sale of Products - Gold, Silver, Diamond and Platinum		
Finished Goods	175,517.47	162,143.01
Traded Goods	6,344.41	7,053.09
Total	181,861.88	169,196.10
Note 23 - Other Income		
Interest Income	68.97	281.57
Other Operating Income	163.18	21.04
Total	232.14	302.62
Note 24 - Cost of raw materials consumed		
Opening Stock	2,085.44	1,009.94
Add : Purchases	162,408.86	148,809.25
	164,494.30	149,819.19
Less: Closing Stock	1,446.63	2,085.44
Total	163,047.67	147,733.75
Note 25 - Purchase of Stock-in- trade		
Traded goods	5,409.57	5,396.07
Total	5,409.57	5,396.07
Note 26 - Changes in Inventories of finished goods, work in progress and stock in trade		
Closing Stock		
Work in Progress	7,756.96	5,891.59
Finished Goods	55,707.71	48,396.16
Total	63,464.67	54,287.75
Opening Stock		
Work in Progress	5,891.59	6,636.90
Finished Goods	48,396.16	42,661.39
Total	54,287.75	49,298.29
Increase /Decrease in Work in Progress and Finished Goods and stock in trade	(9,176.91)	(4,989.46)
Note 27 - Manufacturing expenses		
Making Charges	1,828.42	1,499.43
Stores and consumable	16.46	20.88
Manufacturing Wages	20.25	29.22
Total	1,865.12	1,549.52

(₹ in lakhs)

Particulars	For the Year Ended	
	31st March 2021	31st March 2020
Note 28 - Employee benefits expense		
Salaries and Bonus	2,729.40	3,327.66
Contribution to PF and Other Funds	273.99	294.46
Staff Welfare Expenses	162.74	386.04
Director's Remuneration	162.00	216.00
Total	3,328.13	4,224.16
Note 29 - Finance costs		
Interest on		
- Working Capital Loan	925.70	541.99
- Loan from Others	123.93	162.61
- Gold Metal Loan	267.48	372.32
- Fixed Deposits	534.12	511.95
- Lease Liabilities	126.13	126.95
Bank Charges and Commission	313.20	399.37
Total	2,290.57	2,115.19
Note 30 - Depreciation and amortization expense		
Depreciation of property, plant and equipment (Refer note 2)	665.24	691.26
Amortization of intangible assets (Refer note 3)	33.27	59.87
Depreciation of ROU Assets - (Refer note 4)	248.49	267.37
Total	946.99	1,018.51
Note 31 - Other expenses		
Rent	19.80	26.36
Rates & Taxes	76.13	78.41
Insurance	95.56	75.69
Power and Fuel	246.20	415.04
Hedging expenses #	(602.08)	1,887.13
Postage and Telephone charges	133.93	202.95
Advertisement and Publicity Expenses	1,368.15	866.42
Selling Promotional Expenses	303.53	734.81
Travelling Expenses	93.21	167.04
Director's Sitting Fees	1.65	1.10
Professional Charges	277.52	360.01
Printing and Stationery	40.90	63.08
Payment to Auditors (Note No 31 A)	27.50	23.95
Repairs & Maintenance		
- for Building	11.04	30.48
- for Vehicles and others	228.21	231.81

(₹ in lakhs)

Particulars	For the Year Ended	
	31st March 2021	31st March 2020
Security Charges	128.67	147.13
Impairment of Assets	33.35	11.04
Corporate Social Responsibility expenses (Note 31 B)	144.32	67.24
Donation and Others	11.10	28.87
Other Expenses	47.04	90.86
Total	2,685.74	5,509.43

Note # : hedging expenses 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.

(₹ in lakhs)

Particulars	For the Year Ended	
	31st March 2021	31st March 2020
Note 31 A - Auditors remuneration		
For Statutory Audit	14.00	12.00
For Tax Audit	5.00	5.00
For Limited Review	6.50	4.95
For Certification Work etc.	2.00	2.00
Total	27.50	23.95
Note 31 B -Details of CSR Expenditure		
(a) Gross Amount required to be spent by the company	143.85	111.83
(b) Amount spent during the year ended		
(i) Construction / acquisition of any assets	-	-
(ii) On Purposes other than (i) above	144.32	67.24
(c) Amount unspent during the year ended	(0.47)	44.59
Note - 32 Taxes		
(a) Income Tax Expenses		
The major components of income tax expenses		
Current tax		
Current tax expenses for current year	3,026.75	1,819.12
Current tax expenses/(benefits) pertaining to prior years	38.28	131.41
Total	3,065.03	1,950.54
Deferred Tax		
Deferred tax expenses for current year	(26.30)	425.43
Deferred tax expenses/(benefits) pertaining to prior years	-	-
Total	(26.30)	425.43
Total income tax expenses recognized in Current year	3,038.73	2,375.97
Other Comprehensive Income		
Deferred Tax related to items recognized in OCI during the year		
Net Loss/(gain)on reimbursements on defined benefits Plans	19.70	12.42
Total	19.70	12.42
(b) Reconciliation of effective tax rate:		
Profit Before Tax (A)	11,697.15	6,941.55
Enacted tax rate in India (B)	25.17%	25.17%
Expected tax expenses(C=A*B)	2,944.17	1,747.19

(₹ in lakhs)

Particulars	For the Year Ended	
	31st March 2021	31st March 2020
Effect of non-deductible expenses	38.20	32.51
Expenses disallowed under Income Tax Act, 1961	11.89	15.40
Tax pertaining to prior years	38.28	131.41
Effect due to Depreciation and Deduction	32.48	449.46
Income tax expenses	3,065.03	2,375.97

Note - 32 Taxes
Significant components of net deferred tax liabilities and assets for the year ended March 31, 2021 are as follows:

(₹ in lakhs)

	Opening balance	Recognised in profit and loss	Recognised in / reclassified from other comprehensive income	Closing balance
Deferred tax liabilities / (assets) in relation to				
Property, plant, Equipment & intangible assets	53.82	(41.04)	-	12.78
Provision for employee benefits	(31.38)	10.91	(19.70)	(40.16)
Lease liabilities-Impact on Ind AS 116	(61.49)	3.82	-	(57.67)
Total deferred tax liabilities / (assets)	(39.05)	(26.30)	(19.70)	(85.05)

Gross deferred tax liabilities and Assets are as follows:

As at March 31, 2021	Liabilities	Assets	Net
Gross deferred tax liabilities / (Assets) in relation to			
Property, plant, Equipment & intangible assets	289.85	277.07	12.78
Provision for employee benefits	-	40.16	(40.16)
Lease liabilities	-	57.67	(57.67)
Others	-	-	-
Total deferred tax liabilities / (assets)	289.85	374.90	(85.05)

Significant components of net deferred tax liabilities and assets for the year ended March 31, 2020 are as follows:

	Opening balance	Recognised in profit and loss	Recognised in / reclassified from other comprehensive income	Closing balance
Deferred tax liabilities / (assets) in relation to				
Property, plant, Equipment & intangible assets	135.17	(81.36)	-	53.82
Provision for employee benefits	(28.56)	9.60	(12.42)	(31.38)
Lease liabilities	(60.04)	(1.45)	-	(61.49)
Others	(498.64)	498.64	-	-
Total deferred tax liabilities / (assets)	(452.06)	426.43	(12.42)	(39.05)

Gross deferred tax liabilities and Assets are as follows:

As at March 31, 2020	Liabilities	Assets	Net
Gross deferred tax liabilities / (Assets) in relation to			
Property, plant, Equipment & intangible assets	289.10	235.28	53.82
Provision for employee benefits	-	31.38	(31.38)
Lease liabilities	-	61.49	(61.49)
Others	-	-	-
Total deferred tax liabilities / (assets)	289.10	328.15	(39.05)

33. Contingent Liabilities

(₹ in lakhs)

Description	2020-21	2019-20
Estimated value of Contract remaining to be executed on capital account net of advances not provided for.	125.00	100.00

a) Capital commitments

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 given by High court of Madras to approach Appellate Tribunal / Commissioner (Appeals) within 60 days from the date of receipt of Order for resolution. Order is awaited. 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 Credit given to bankers ₹Nil (previous year ₹2,577.24 Lakhs)

d) The Commercial Tax office, Madurai has issued a notice for the Asst year 2006 -07 to 2012-13 on the matter of payment of Sec 12 purchase tax and others made a claim aggregating to ₹492 Lakhs . The notice is erroneous as the law permits to adjust the excess input credit available at every point of time with that of purchase tax payable. The company even after adjusting regularly the purchase tax due with the excess input credit available has also paid by remittances for balance if any. Accordingly, at no point of time, the company failed to pay purchase tax u/s 12 . Against this frivolous notice, the company took the matter to Honourable Madras High Court, Madurai bench and obtained stay and also restrained the authorities to pass any orders without the court direction.

However, commercial tax officer has passed order nullifying demand amount of Rs.436 lakhs as on 5th March 2020. The balance amount of ₹ 56 lakhs company has proposed appeal with Appellate Authorities at Madurai. Hence, the liability if any is considered as Contingent in nature.

e) The Company has received demand notice from the income tax department amounting to ₹590.59 lakhs for the year 2016-17 and ₹857.59 lakhs for the year 2017-2018 related to dispute of 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 order. This dispute arises on account of wrongful understanding of the accounting of wastage in production by the assessing officer. Though the facts so obvious and consistently followed by the company and obtained orders in the earlier years as per same submissions made. 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.

f) The Company had disputes with income tax authorities relating to the tax treatment of certain items. These mainly include disallowance of expenses, the tax treatment of certain expenses claimed by the Company as a deduction, and the computation of or eligibility of the Company's use of certain tax incentives or allowances. Tax demand of ₹55.32 lakhs raised by assessing officer, as per order under Section 143 (2) of the Income Tax Act 1961 due to disallowance about amortisation of Initial Public Offer (IPO) expenses under section 35D for Assessment Years 2010-11 to 2014-15. The company went on for appeal before the Commissioner of Appeals against the said order.

However, as the recent Supreme Court legal pronouncements regarding the above issue in some other cases are not in the company's favour, The company is to take up the matter to Supreme Court Divisional Bench for a fresh verdict based on our facts we have to spend on huge resources besides elongation of time even then we are not sure of annulment of earlier verdict. Therefore, board of the company had taken a commercial decision decided to pay the disputed tax under Vivad Se Vishwas Scheme 2020 and close the dispute with the Income Tax Department amicably, and hence, a sum of ₹38.28 lakhs was paid under the scheme during the financial year and fully provided the tax provision in the books for the year ended 31st March 2021.

g) Show-cause notice was received 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

Rs.715.90 lakhs and Sale of silver jewellery amounting to Rs. 391.35 lakhs and dispute on input service tax credit amounting to Rs. 145.45 lakhs aggregating to Rs. 1252.70 lakhs for the period from 01.03.2016 to 30.06.2017. The company is waiting for a personal hearing with the Additional Director General (Adjudication), DGGI, Mumbai and the outcome of the case is still awaited. 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. And hence, this liability if any is considered as contingent in nature.

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:

Directors / Key Management Personnel

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 Managing Director)
- 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. Kishorelal (Son of N.B. Kumar, JMD)
- R. Shalini (wife of B. Rajeshkanna, CFO)
- P. Shylaja (wife of B. Prasannan General Manager)

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

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	2020-21	2019-20
Remuneration		
Balarama Govinda Das	54.00	72.00
Ba. Ramesh	54.00	72.00
N. B. Kumar	54.00	72.00
Amounts payable at the year end		
Balarama Govinda Das	603.72	290.40
Ba. Ramesh	596.44	479.20
N.B. Kumar	557.36	520.50
Rent Paid		
Balarama Govinda Das	0.50	0.60
Ba. Ramesh	0.50	0.60
N.B. Kumar	0.50	0.60
Interest Paid/ Payable		
Balarama Govinda Das	37.81	49.58
Ba. Ramesh	39.19	49.24
N.B. Kumar	42.92	51.32
Dividend Paid		
Balarama Govinda Das	167.86	270.49
Ba. Ramesh	169.93	273.28
N.B. Kumar	167.39	269.22
Transactions with Relatives of KMP		
Salary Paid		
B. Rajeshkanna	22.80	28.80
B. Prasannan	21.38	28.50
N.B. Arun	11.88	15.00
R.Gokul	14.25	18.00
B.K. Kishorelal	3.75	-
R. Shalini	0.20	-
P. Shylaja	0.20	-
Dividend Paid		
B. Rajeshkanna	1.60	2.15
B. Prasannan	1.63	2.15
K. Thamaraiselvi	1.35	2.25
Y. Darmini	3.23	4.09
Yamuna Vasini Deva Dasi	1.21	2.02
R. Gokul	1.48	1.33
N.B. Arun	1.64	2.23
B.K. Kishorelal	1.56	-
B.R. Sumati	0.01	-
Enterprises over which KMP and their relatives have substantial interest		
Advance		
Thangamayil Gold and Diamond Private Limited	6.06	127.50
Balusamy Silvears Jewellery Private Limited	2.13	38.30
Dividend Paid		
Thangamayil Gold and Diamond Private Limited	44.20	68.00
Balusamy Silvears Jewellery Private Limited	14.22	20.00
Interest		
Thangamayil Gold and Diamond Private Limited	-	4.58
Balusamy Silvears Jewellery Private Limited	-	1.63

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.

35. Earnings per Share

The numerators and denominators used to calculate Basic / Diluted Earnings per Share:

Particulars	(₹ in lakhs)	
	2020-21	2019-20
Amount used as the numerator		
Total comprehensive income for the year, net of tax (A) (₹ in Lakhs)	8,658.42	4,565.59
Basic / Weighted average number of Equity Shares used as the denominator - (B)	13,719,582	13,719,582
Nominal value of Equity shares (₹)	10	10
Basic / Diluted Earnings per share - (A/B) (₹)	63.11	33.28

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.

37. Employee Benefits

a) Defined Contribution Plan

Particulars	(₹ in lakhs)	
	2020-21	2019-20
Employer’s Contribution to Provident Fund	154.22	141.98
Employer’s Contribution to Employees’ State Insurance Scheme	53.76	72.62

Contribution to Defined Contribution Plan, recognized as expense for the year are as under:

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.

Particulars	(₹ in lakhs)	
	2020-21	2019-20
Change in Obligation		
1. Obligations at the beginning of the year	264.95	187.44
2. Add: Current Service Cost	55.69	40.47
3. Add: Interest Cost	19.21	14.06
4. Add: Actuarial (Gain)/Losses due to change in assumptions	78.25	49.34
5. Less: Benefits paid	24.52	26.36
6. Obligations at the end of the year	393.58	264.95

(₹ in lakhs)

Particulars	2020-21	2019-20
Fair value of Plan Assets		
1. Fair value of Plan assets at the beginning of the year	191.79	174.56
2. Add: Expected Return on Plan Assets	13.89	13.26
3. Add: Actuarial Gain/(Loss)	-	-
4. Add: Contribution	30.24	30.32
5. Less: Benefits paid	(24.52)	26.36
6. Fair value of Plan assets at the end of the year	211.40	191.78
Actual Return on Plan Assets		
1. Expected Return on Plan Assets	13.89	13.26
2. Actuarial Gain/(Loss) on Plan Asset	-	-
3. Actual Return on Plan Assets	13.89	13.26
Amount Recognized in Balance Sheet		
1. Present value of Obligation as at March 31	393.58	264.95
2. Less: Fair value of Plan Assets as at March 31	211.39	191.79
3. Net Liability/ (Asset) recognized in the Balance Sheet	182.19	73.16
Expenses recognized in Profit and Loss		
1. Current Service cost as per Valuation Report	55.69	40.47
2. Add: Interest cost	19.21	14.06
3. Less: Expected Return on Plan Assets	13.89	13.26
4. Add / Less : Actuarial (Gain) / Loss	78.25	49.34
5. Expense recognized in Profit and Loss account	139.26	90.60
Actuarial Assumptions		
Discount Rate (Per Annum)	7.50%	7.50%
Expected Rate of Return on Plan Assets (per annum)	-	-
Salary Escalation (per annum)	5%	5%

Provision for gratuity fund of ₹182.19 lakhs (Previous year ₹73.16lakhs) 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 is considered in actuarial valuation, taking in to 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. A sum of ₹12,427.68 lakhs (Previous year ₹18,697.29 lakhs) is

outstanding in such scheme as on 31st March 2021. The discount if any payable in future on redemption will be treated as reduction in sales realization.

39. During the year a survey was conducted by The Assistant Commissioner of Customs, Customs Preventive Unit, Madurai at the manufacturing units and purchase premises of the company. Gold Coin weighing 1643 grams was taken over by the official under the protest of certain scratches appeared in the items and also reflecting foreign origin of the items. By virtue of accepting coins from customers after taking due declaration, the company scratches a different point of time accepted the coin that fulfilled purity and other regulatory essentials. The company has not received any show cause notice from the department from September 2020 and made request to the Appropriate Authority to return the coin taken over after the due verification. The above said quantity was included in the closing stock as of 31st March 2021.

40. In the opinion of the management, there is no impairment in the carrying cost of fixed 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 Impairment assets value of ₹33.35 lakhs (previous year ₹11.04lakhs) for fully closing the existing premises and shifting the showrooms to some other place in the same town of Gopichettipalayam, Namkkal and Cumbum.

41. Quantitative Information

For the year ended 31st March 2021

Class of Goods	Unit	Opening Stock	Purchase/ Consumption	Sales	Closing Stock
Gold and Jewellery	Grams	1,376,356	3,397,678	3,432,753	1,341,281
Silver, Silver Golu and Articles	Grams	6,920,050	16,199,297	16,364,774	6,754,573
Silver Articles	Pcs	27,012	81,966	47,011	61,967
Diamonds	Carats	2,752	6,748	6,490	3,010
Precious Stones	Carats	802	92	148	746
Platinum and Precious Stones	Pcs	439	32	56	415
Alloy and Copper	Grams	40,730	(11,646)	-	29,084

For the year ended 31st March 2020

Class of Goods	Unit	Opening Stock	Purchase/ Consumption	Sales	Closing Stock
Gold and Jewellery	Grams	1,498,222	4,190,320	4,312,186	1,376,356
Silver, Silver Golu and Articles	Grams	7,695,195	21,760,097	22,535,243	6,920,050
Silver Articles	Pcs	77,551	74,136	124,675	27,012
Diamonds	Carats	2,527	6,582	6,356	2,752
Precious Stones	Carats	420	885	502	802
Platinum and Precious Stones	Pcs	502	42	105	439
Alloy and Copper	Grams	104,352	1,464,021	1,527,643	40,730

42. Details of Products Sold – Broad Heads

(₹ in lakhs)

Particulars	2020-21	2019-20
Finished Goods Sold		
Gold Ornaments	165,326.18	152,384.32
Silver Items	10,191.29	9,758.69
	175,517.47	162,143.01

(₹ in lakhs)

Particulars	2020-21	2019-20
Traded Goods Sold		
Gold Ornaments	-	732.53
Diamonds	4,417.85	4,380.69
Silver Items	1,926.56	1,939.87
	6,344.41	7,053.09

Details of Materials Consumed -Broad Heads

(₹ in lakhs)

Particulars	2020-21	2019-20
Details of Materials Consumed		
Gold Ornaments	150,306.63	138,390.66
Silver Items and Diamonds	10,838.81	11,256.78
	161,145.44	149,647.44

Details of Inventory – Broad Heads

(₹ in lakhs)

Particulars	2020-21	2019-20
Pure Gold	671.50	655.00
Gold Ornaments	58,526.49	51,365.31
Silver Items	4,236.79	2,979.44
Diamonds	1,476.52	1,373.45
	64,911.30	56,373.20

43. Expenditure in Foreign Currency

(₹ in lakhs)

Particulars	2020-21	2019-20
Consultancy Charges	129.01	181.36

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.

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 assesses 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
As at March 31, 2021			
Borrowings and Other financial Liabilities	20,690.75	6,167.33	26,858.08
Trade and Other Payable	5,764.77	-	5,764.77
Total	26,455.52	6,167.33	32,522.85
As at March 31, 2020			
Borrowings and Other financial Liabilities	18,077.45	5,493.39	23,570.84
Trade and Other Payable	5,161.37	-	5,161.37
Total	23,238.82	5,493.39	28,732.21

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 borrowings of the Company. However, all these borrowings are at flexible interest rate and based on the limit avilment 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 63:37 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.

Risk due to outbreak of COVID 19 pandemic

The Company has taken into account external and internal information for assessing possible impact of COVID-19 on various elements of its Financial Statements, including recoverability of its assets.

46. Estimation uncertainty relating to the global health pandemic on COVID-19

The Company has considered the possible effects that may result from the pandemic relating to COVID 19 on the financial results of the company. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the company as at the date of approval of these financial results has used internal and external sources of information. The company has performed an analysis on the assumptions used and based on current estimates expects the carrying amount of its assets will be recovered. The Company has made detailed assessments of its liquidity position for the next one year and of the recoverability and carrying values of its assets comprising property, plant and equipment, inventories, receivables and other current assets as at the balance sheet date and on the basis of evaluation based on the current estimates has concluded that no material adjustments as required in the financial results. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of these financial statements.

47. During the year ended 31 March 2021, the Company has renegotiated with certain landlords on the rent reduction/ waiver due to COVID 19 pandemic. The Management believes that such reduction/ waiver in rent is short term in nature and also meets the other conditions specified in the notification issued by the Central Government in consultation with National Financial Reporting Authority dated 24 July 2020 as Companies (Indian Accounting Standards) Amendment Rules, 2020 with effect from 1 April 2020. Thus, in accordance with the said notification, the Company has elected to apply exemption as the reduction/ waiver does not necessitate a lease modification as envisaged in the Standard by recording in the "Other income". Accordingly, the Company has recognised ₹30.47 lakhs for the year ended 31st March 2021 in the statement of profit and loss.

48. Capital Management

For the purpose of the Company capital management, capital includes issued equity capital and other equity reserve attributable to the equity share holders 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, 2021	March 31, 2020
Borrowings – Total Liabilities	47,701.04	49,514.62
Less: Cash and Cash equivalents, other bank balances.	1,029.92	198.81
Net Debts (A)	46,671.12	49,315.81
Equity	29,791.56	22,014.87
Capital and Net debt (B)	76,462.68	71,330.68
Gearing Ratio (A/ B)	61%	69%

49. All figures have been rounded off to the nearest rupees in thousands.

50. Previous year figures have been regrouped / reclassified to make them comparable with the current year

SUBJECT TO OUR REPORT OF EVEN DATE**For Srinivas & Padmanabhan** **For Thangamayil Jewellery Limited,**

Chartered Accountants

Firm's Regn. No. 0040215

K.M.Padmanabhan**Partner**

M.No. 026594

Balarama Govinda Das

Managing Director

DIN: 00266424

Ba. Ramesh

Joint Managing Director

DIN: 00266368

N.B.Kumar

Joint Managing Director

DIN: 01511576

LaljiVora

Independent Director

DIN:01899070

S.Rethinavelu

Independent Director

DIN:00935338

Yamuna Vasini Deva Dasi

Non Executive Director

DIN:01388187

V.R. Muthu

Independent Director

DIN:01908841

V.Ramasamy

Independent Director

DIN: 00039262

S.M. Chandrasekaran

Independent Director

DIN: 08719332

J. Rajakumari

Independent Director

DIN : 08860956

V. Vijayaraghavan

Company Secretary

B. Rajeshkanna

Chief Financial Officer

DIN:01334048

Place : Madurai

Date : June 24, 2021

NOTICE TO THE SHARE HOLDERS

NOTICE IS HEREBY GIVEN THAT THE 21ST ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD ON 26TH AUGUST 2021, AT 11:30AM (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 2021 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 on equity shares, if any.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr.V.Ramasamy (holding DIN 00039262), Independent Director of the Company, whose term expires by 24th May 2021 and who is eligible to be re-appointed for another term of five years which is duly recommended by the Board of Directors in their meeting held on 24.06.2021 consent of the Shareholders be and is hereby accorded for his re-appointment as an Independent Director of the Company to hold office for another five consecutive years from 25th May 2021 to 24th May 2026.”

5. 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 Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Dr. Mrs. Rajakumari Jeevagan (holding DIN 08860956), who has been appointed as, Woman Independent Director of the Company in the Board meeting held on 21.09.2020, consent of the share holders of the company be and his hereby accorded for her appointment as Woman Independent Director of the company as recommended by the Board of Directors in their meeting held on 24.06.2021 to hold office for five years with effect from 21/09/2020 to 20/09/2025.

6. 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 for the current Financial year 2021-22 until the next Annual General Meeting up to a sum of Rs.10430.00 Lakhs, (from the Public Rs. 7450.00 Lakhs and from the Shareholders of the Company Rs.2980.00 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 31.03.2021.

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

Company Secretary

Place : Madurai

Date : June 24, 2021

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 20th August 2021 to 26th August 2021 (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 2020 - 21 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 due to pandemic Covid2019 from sending physical copies of annual report of 2020-21 AGM also. Hence only soft copies of annual report being sent to all share holders who have registered their Email-id with the Depository participant.

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 21st 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. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through 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 atleast 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. 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 and 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.
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 Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation of this Ministry's [General Circular No. 20/2020](#), dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January, 13, 2021.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- (i) The voting period begins on 23rd August 2021 at 10am and ends on 25th August 2021 at 5pm. 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 19th August 2021 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.
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 abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 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 or visit 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 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 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 evoting 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	<ol style="list-style-type: none"> 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.nsdl.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.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>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</p> <p>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.</p>

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 helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(i) 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.
- 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 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

Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

- Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.

Dividend Bank Details
OR Date of Birth (DOB)

Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.

- If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (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 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.

- 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 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 and 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 atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at company email id – 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. 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 not 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 Aadhar Card) by email to Company - companysecretary@thangamayil.com / RTA email id – 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 or contact at 022- 23058738 and 022-23058542/43.

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 or call on 022-23058542/43.

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, 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.

Annexure to item 2 of the notice
Details of Directors seeking appointment / re-appointment at the Annual General Meeting
 (In pursuance of Regulations 17 and 27 of SEBI (LODR) 2015)

Name of the Director	Smt.Yamuna Vasini Deva Dasi	Shri.V.Ramasamy	Smt. Rajakumari Jeevagan
Date of Birth	10.02.1957	13.01.1961	09.02.1960
Nationality	Indian	Indian	Indian
Date of appointment on the Board	04.02.2015	25.05.2016	21.09.2021
Qualification	SSLC	B.com FCS	B.com, Ph.D.
Experience in functional areas	-	Practicing Company secretary for last 20 years	Women Entrepreneur for the last 25 years
Number of Shares held in the company	20200	Nil	Nil
List of Directorships held in other Companies	Balusamy Silvears Jewellery Pvt Ltd.,	Nil	Nil
Chairman/Member in the Committees of the Boards of Companies in which he is a Director.	-	-	-

Directorship/Committee members exclude Directorships in private / foreign companies and companies incorporated under section 8 of the Companies Act,2013.

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SEC.102 OF THE COMPANIES ACT, 2013**ITEM NO.4**

Mr.V.Ramasamy is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in July 2016. Mr.V.Ramasamy has been associated with the Company since 2016 as a Non- Executive and Independent Director in the Board and he has contributed immensely towards the development of the activities and has been a source of prudent advice for the Company during these years. He does not hold by himself or for any other person on a beneficial basis, any shares in the Company. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013 his term expires by 24/05/2021 and he is eligible for an extension of another Five years to be re-appointed as an Independent Director of the company from 25th May 2021 to 24th May 2026. In the opinion of the Board, Mr.V.Ramasamy fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his re-appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for re-appointment of Mr.V.Ramasamy as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Corporate Office of the Company during normal business hours on any working day, excluding Sunday. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr.V.Ramasamy as an Independent Director. Accordingly, the Board recommends the resolution in relation to re-appointment of Mr.V.Ramasamy as an Independent Director, for the approval by the Shareholders of the Company.

Memorandum of Interest:

Except Mr. V. Ramasamy, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at item no 4.

This Explanatory Statement may also be regarded as a disclosure under Regulation 27 of SEBI (LODR) Regulations 2015.

ITEM NO.5

Dr.Mrs.Rajakumari Jeevagan has been appointed as Woman Independent Director of the Company in the Board meeting held on 21.09.2020. She is a woman entrepreneur having more than 40 years of experience in the field. She is also Chairman of "WE" – Tamilnadu Chamber of Commerce & Industry. She has represented lot of Arbitrations as a member and has been actively involved in various social organizations wherein she is a member. She does not hold by herself or for any person on a beneficial basis any shares in the company. In terms of S.149 and any other applicable provisions of the companies Act, 2013, Dr.Mrs.Rajakumari Jeevagan being eligible and having been appointed as an Independent Director for 5 years w.e.f 21st September 2020, consent of the shareholders is sought for her appointment. In the opinion of the Board Dr.Mrs.Rajakumari Jeevagan fulfils conditions specified in the Companies Act, 2013 and rules made there under for her appointment as Woman Independent Director of the Company and is Independent of the Management. Copy of the draft letter of appointment of Dr.Mrs.Rajakumari Jeevagan as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the corporate office of the company during normal business hours on any working day excluding Sunday. The Board considers that her association would be of immense benefit to the company and it is desirable to avail the services of Dr.Mrs.Rajakumari Jeevagan as Woman Independent Director. Accordingly the Board recommends the resolution pertaining to appointment of Dr.Mrs.Rajakumari Jeevagan as an Independent Director for the approval of the shareholders of the company.

Memorandum of Interest:

Except Mr. Dr.Mrs.Rajakumari Jeevagan, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at item no 4.

This Explanatory Statement may also be regarded as a disclosure under Regulation 27 of SEBI (LODR) Regulations 2015.

ITEM NO.6

Under section 73 & 76 of the companies act 2013, read with acceptance of deposit rules, 2014 it has become mandatory for the company to obtain prior consent of the share holders 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 the public since we are fulfilling the criteria of net worth

of Rs.100 Crores or more and turnover of Rs.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: June 24, 2021



THANGAMAYIL JEWELLERY LIMITED[®]

CIN: L36911TN2000PLC044514

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 | email : care@thangamayil.com