



Coromandel Engineering Company Limited
(ISO 9001:2015 & BS OHSAS 18001:2007 Certified Company)
Registered and Corporate Office:
Parry House, V Floor, 43, Moore Street, Chennai 600 001, India
P.B. No. 1698, Tel: 25301700
CIN No: L74910TN1947PLC000343
Email: coromandelengg@cec.murugappa.com
Website: www.coromandelengg.com

21st June, 2023

BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

Dear Sir/Madam,

SCRIP CODE: 533167

Sub: Notice for the 75th Annual General Meeting and Annual report for the Financial Year 2022-23 pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is with reference to our letter dated 30th May, 2023 intimating the convening of the 75th Annual General Meeting on Friday, 14th July, 2023 at 10.00 AM I.S.T. through Video Conferencing / Other Audio-Visual Means.

In connection with the above, we enclose herewith the Annual report for the Financial Year 2022-23 along with Notice for the 75th Annual General Meeting. The electronic copies of the Annual report along with the AGM Notice has been sent today to all the shareholders whose e-mail addresses are registered with the Company/Depository Participant(s)/ Company's Registrars and Share Transfer Agent, KFin Technologies Limited. In view of the exemptions provided, no physical or hard copies of the Notice and the Annual Report are being sent to the shareholders unless requested. The Members may send an email for the said purpose at csecl@cec.murugappa.com mentioning their Folio No./DP ID and Client ID.

The procedure for registration of email address by the Members who have not registered the same with the Company along with the detailed procedure for remote e-voting / e-voting at the AGM and the instructions for joining the Meeting have been provided in the notice of the AGM.

As indicated in the Notice of the 75th AGM, pursuant to the requirements of the Companies Act, 2013 and the Rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company will be offering electronic voting ("e voting") facility to its shareholders through the e-voting platform of KFin Technologies Limited to enable the shareholders to cast their votes electronically on all the resolutions forming part of the Notice of the 75th AGM.



The remote e-voting period will commence on Tuesday, 11th July, 2023 (9.00 a.m. IST) and will end on Thursday, 13th July, 2023 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut off date i.e. Friday, 7th July, 2023, may cast their vote by remote e-voting. Other details with regard to e-voting are provided in the Notice of the 75th AGM. The facility for e-voting will also be made available during the AGM and Members attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote during the AGM.

The Company has appointed KFin Technologies Limited to provide the facility to conduct the AGM through Video Conferencing platform. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company.

Pursuant to SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "E-Voting facility provided by listed companies", the E-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat account/websites of depositories/DPs. The process and manner of remote e-voting have been provided in the notice of the AGM.

The Annual Report will also be available on the website of the Company at <http://www.coromandelengg.com/>

Kindly take the above information on record.

Thanking you,

Yours faithfully,

For Coromandel Engineering Company Limited

C Parvathi Nagaraj
Company Secretary

Encl.: Notice of the 75th Annual General Meeting & Annual Report for FY 2022-23



ANNUAL REPORT 2022-23

COROMANDEL ENGINEERING COMPANY LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. M M Venkatachalam
Non-Executive Director, Chairman
(DIN: 00152619)

Mr. A Sridhar
Non-Executive Director
(DIN: 07913908)

Mr. S Shamsuddin
Non-Executive Director
(DIN: 07954397)

Mr. N V Ravi
Non-Executive,
Independent Director
(DIN: 00165666)

Mr. P Nagarajan
Non-Executive,
Independent Director
(DIN: 00110344)

Ms. G Jalaja
Non-Executive,
Independent Director
(DIN: 00149278)

KEY MANAGERIAL PERSONNEL

Mr. N Velappan
Associate Vice President & Manager

Mr. R Selvakumar
Chief Financial Officer

Ms. C. Parvathi Nagaraj
Company Secretary &
Compliance Officer

BANKERS

HDFC Bank Limited
Indian Bank
IndusInd Bank Limited

IDFC First Bank Limited
Tata Capital Financial Services Limited

AUDITORS

CNGSN & Associates LLP,
Chartered Accountants
Statutory Auditors

Srinidhi Sridharan & Associates,
Company Secretaries
Secretarial Auditors

REGISTRAR & SHARE TRANSFER AGENT

KFin Technologies Limited (Formerly Kfin Technologies Private Limited)
Selenium Tower B, Plot 31-32, Gachibowli, Financial District
Nanakramguda, Hyderabad-500032
Tel:91-40-23420815 to 23420824 Fax: +91-4023420814
Toll Free No.1-800-3454001

REGISTERED OFFICE

“Parry House”, 5th Floor No. 43, Moore Street, Chennai-600001
Tel:044-25301700
Email:cscecl@cec.murugappa.com
Website:www.coromandelengg.com
CIN:L74910TN1947PLC000343

75TH ANNUAL GENERAL MEETING

75th Annual General Meeting
through Video Conferencing or Other Audio-Visual Means
on Friday, **14th July 2023** at 10.00 a.m.

TEN YEARS FINANCIAL TREND

(Rs. In lakhs)

YEAR ENDED 31 st March										
	2014	2015	2016	2017*	2018*	2019*	2020*	2021*	2022*	2023*
OPERATING RESULTS										
Revenue from Operations	19,924.92	23,039.38	12,220.71	3,133.84	3,250.08	4,571.60	5767.27	10,850.83	13,299.57	12651.10
Other Income	109.01	89.70	178.55	70.59	87.64	77.63	326.61	8.67	3.82	4.92
Profit/(Loss) before depreciation	(1,020.17)	542.85	504.79	(395.87)	(722.97)	(789.71)	(472.33)	(752.82)	(488.68)	(361.01)
PBT before Exceptional Income	(1,243.48)	53.95	68.94	(785.42)	(1,090.97)	(1,146.15)	(806.95)	(1,047.09)	(762.81)	(583.83)
PBT After Exceptional Income	(1,243.48)	53.95	68.94	(785.42)	(1,090.97)	(1,146.15)	(594.02)	(741.72)	(564.32)	(385.34)
Profit/(Loss) after Tax	(888.17)	112.41	40.37	(767.85)	(1,256.89)	(1,181.90)	(465.61)	(798.41)	(796.68)	(450.86)
Total Comprehensive Income	-	-	-	(770.39)	(1,253.05)	(1,190.25)	(471.03)	(793.10)	(796.47)	(451.94)
SOURCES OF FUNDS										
Paid up share capital	4,023.36	4,023.36	4,023.36	4,023.36	4,023.36	4,023.36	6158.99	6,158.99	6,158.99	6158.99
Reserves	313.14	383.88	424.25	(401.97)	(1,655.02)	(2,845.28)	(3316.31)	(4,109.41)	(4,919.85)	(5371.79)
Loan Funds	10,028.82	7,074.47	2,502.72	2,921.57	5,204.54	5,360.09	3834.94	3,093.38	1432.16	2442.23
Deferred Tax Liability/(Asset)/Net	(1,469.12)	(1,546.42)	(1,517.85)	(1,535.42)	(1,369.50)	(1,333.75)	(1462.16)	(1,405.47)	(1173.11)	(1107.59)
Total	12,896.20	9,935.29	5,432.48	5,007.54	6,203.38	5,204.42	5,215.46	3,737.49	1498.19	2121.84
APPLICATION OF FUNDS										
Fixed Assets	3,539.01	2,931.43	2,455.65	2,065.53	1,688.49	1,343.22	1014.41	726.25	492.36	347.31
Investments	5.44	5.20	5.20	17.67	19.17	15.37	15.37	15.37	-	-
Non Current/Current Assets-Net	9,351.75	6,998.66	2,971.63	2,924.34	4,495.72	3,845.83	4,185.68	2,995.87	1005.83	1774.53
Total	12,896.20	9,935.29	5,432.48	5,007.54	6,203.38	5,204.42	5,215.46	3,737.49	1498.19	2121.84

* - Figures for periods ending from 31st March 2017 are under Ind AS

* - Paid up share capital as above includes Preference Share Capital Rs.700 L upto 31st March 2019 and Rs.2835.63 L from March 2020

DIRECTORS – A BRIEF PROFILE

Mr. M M Venkatachalam - (DIN 00152619)

Non-Executive Director, Chairman

Mr. M M Venkatachalam is a graduate in Agriculture and has done his Masters in Business Administration from George Washington University, USA. He was appointed as a Director in July 2009 and is presently the Chairman of the Company. He is also on the Board of various Companies including E.I.D. Parry (India) Limited, Coromandel International Limited, Ramco Systems Limited, The Ramco Cements Limited, Parry Agro Industries Limited etc.

Mr. N V Ravi - (DIN 00165666)

Non-Executive Independent Director

Mr. N.V. Ravi is an architect and has his own private practice since 1985. He has done his Masters in Architecture at the University of Michigan Ann Arbor. He has designed and executed several residential, industrial and commercial projects in Chennai, Delhi, Bangalore, Hyderabad etc. He also has vast experience in the field of construction and has his own property development firm, which has been doing projects, since 1996. He has been on the Board of CEC since February 2012.

Mr. P Nagarajan - (DIN 00110344)

Non-Executive Independent Director

Mr. P. Nagarajan is a Chartered Accountant with a Bachelor's degree in Commerce from Loyola College, Chennai. He also has a degree in Law (BGL) from the Bangalore University. He has nearly four decades of post qualification work experience in the field of Finance & Accounts having specialized in areas like Treasury, Working Capital Management, Corporate Taxation, Corporate Restructuring, Project Evaluation etc., He worked in organizations such as Fraser & Ross, Chartered Accountants, HMT Ltd. and Coromandel International Limited. He retired from Coromandel International Limited in 2011, having served the Company as the Head of Finance for 14 years. He has also served as member of few committees of FICCI and Fertiliser Association of India. He has been on the Board of CEC since July 2014. He is currently on the Board of Kartik Investments Trust Limited, Parry Sugars Refinery India Private Limited, Ambadi Investments Limited and Murugappa Management Services Private Limited.

Ms. G. Jalaja - (DIN 00149278)

Non-Executive Independent Director

Ms. G. Jalaja, a Chartered Accountant with FCS has been associated with Murugappa Group since 1983. She has over 35 years of rich experience in areas of Secretarial, Corporate Finance, Legal and Treasury. Ms. G. Jalaja joined Murugappa Group in the year 1983 and was the Company Secretary of E.I.D.- Parry (India) Limited between 1992 to 2010. She re-joined as Company Secretary of the said Company in the year 2013 and retired in December 2018. In the intervening period from 2010 to 2013, she was the Chief Financial Officer of Parrys Sugar Industries Limited. She has been on the Board of CEC, since March, 2015. She is currently on the Board of Murugappa Management Services Private Limited.

Mr. A Sridhar – (DIN 07913908)

Non-Executive Director

Mr. A Sridhar is a Chartered Accountant with a post qualification experience of 35 years of service. He had headed finance function in Public-Sector Undertakings, MNC's, various corporate establishments and overseas assignment. The industry exposure includes sectors such as manufacturing, tourism, entertainment and nutraceuticals. In the year 2013, he moved to Parry Agro Industries Limited, a part of Murugappa Group as Head of Operations and was promoted as CEO and Whole Time Director in October, 2017. He retired from the services of Parry Agro Industries Limited as the CEO and Whole Time Director on 31st December, 2019. He is currently a Non Executive Director on the Board of Parry Agro Industries Limited, Parry Sugar Refinery India Private Limited, Parrys Investments Limited etc. and the Chief Financial Officer of E.I.D. – Parry (India) Limited.

Mr. S Shamsuddin (DIN 07954397)

Non-Executive Director

Mr. S. Shamsuddin is a Science graduate and holds a Master Degree in Law from Madras University. He was enrolled as an Advocate and practiced in the High Court of Madras. Then he joined M/s Ennore Foundries Limited (Hinduja Group) in the Legal & Secretarial Department. Then he joined E.I.D. - Parry (India) Limited, heading the Legal Department and retired as General Manager. He is presently offering his consultancy services to the Diversified Business Group of Companies of Murugappa Group.

BOARD'S REPORT

Dear Members,

Your Directors' present the 75th Annual Report and the audited financial statements for the financial year ended 31st March 2023.

The financial performance of the Company for the financial year ended 31st March 2023 is summarised below:

FINANCIAL RESULTS:

(₹ in Lakhs)

Particulars	2022-23	2021-22
Gross Income	12656.02	13303.39
Profit/(loss) before Interest and Depreciation	60.23	(17.16)
Finance charges	421.24	471.52
Gross Profit/(loss)	(361.01)	(488.68)
Depreciation and Amortization expenses	222.82	274.12
Net Profit/(loss) before tax , after exceptional item	(385.34)	(564.32)
Provision for tax	65.52	232.36
Net Profit/(loss) after tax	(450.86)	(796.68)
Other Comprehensive Income/(loss)	(1.08)	0.21
Total Comprehensive Income	(451.94)	(796.47)
Balance carried to Balance Sheet	(8449.26)	(7997.32)

OPERATIONS AND PERFORMANCE

For the year under review, your company achieved a gross income of Rs. 12656.02 Lakhs and incurred a loss after tax of Rs.450.86 Lakhs. EBITDA was positive at Rs.60.23 Lakhs (as compared to Rs. 17.16 Lakhs negative in the previous financial year). Depreciation for the year was Rs.222.82 Lakhs.

Your Company has put in several systems and review processes and has adopted better planning and execution strategies. The order book is also at healthy levels.

There has been good improvement in ensuring timely collection from current projects and finance costs were kept under control.

DIVIDEND AND GENERAL RESERVE

In view of the accumulated losses, no dividend is recommended for the financial year 2022-23. The Company has not transferred any amount to the general reserve.

SHARE CAPITAL

As on 31st March 2023, the Company's paid-up equity capital is Rs.3323.36 Lakhs. The paid-up preference share capital as on 31st March 2023 stood at Rs.2835.63 Lakhs.

Due to its financial position, the Company was not able to meet its liabilities in respect of Preference shareholders. Hence the Board of Directors of the Company resolved that the Company's paid up Preference Share Capital be wholly reduced by extinguishing all rights to payments to be made to Preference Shareholders subject to the consent of the Preference Shareholders, Equity Shareholders and other statutory authorities.

As stated in the notes to the accounts in the previous year, the company had, based on the consent provided by the preference shareholders and Equity Shareholders during FY 2021-22 for complete extinguishment of the rights of preference

shareholders and entitlements with respect to the preference shares of the value of Rs.2835.63 lakhs allotted to them had approached the NCLT, Chennai, with a Scheme of Reduction of Preference Share capital. The NCLT vide its order dated 9th of May 2023, has approved the said extinguishment of the entire obligation of the Company with respect to the Preference Share Capital of Rs.2835.63 lakhs.

As per the Board resolution of the Company, the extinguishment will come into effect from the date of approval of NCLT which is 9th May 2023. Hence, the effect of extinguishment is not considered in the financial statements of the Company for the year ending 31st March 2023 and as at 31st March 2023. The terms of the order of NCLT in CP No. 42 (CHE) of 2022 dated May 9th, 2023, have been fully complied with and duly certified by the Company Secretary and Compliance Officer.

Consequent to the extinguishment of entire obligations towards preference share capital as approved by the NCLT, the net worth of the Company which is (Rs. 2048.43 Lakhs Negative) as on 31st March 2023 will stand improved to Rs.787.20 Lakhs (Positive).

The above facts have been taken note of by the Directors as material facts occurring after the Balance Sheet date. The necessary financial effect of the extinguishment of the preference share capital of the company will be given effect in the first quarter of FY 2023-24.

DETAILS OF DEPOSITS

The Company has not accepted any Deposits covered under Section 73 of the Companies Act 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not extended any loans, guarantees nor made any investments covered under the provisions of Section 186 of the Companies Act, 2013.

RISK MANAGEMENT

With an insight to integrate risk management with the overall strategic and operational practices, the

Board of Directors have established a robust review and monitoring process with the management to ensure that the risks pertaining to the business are identified, steps are taken to manage and mitigate the same and periodical updates are discussed. The Board of Directors ensure periodical discussion with the management team to enable proper risk oversight by the Board.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

In addition to the Internal Controls on Operations, the Board has laid down standards, processes and structures to implement Internal Financial Controls to ensure that the financial affairs of the Company are carried out with due diligence. The effectiveness of the Internal Financial Controls is ensured by management reviews, continuous monitoring and self-assessment and review of all financial transactions and operating systems by the internal auditors.

The internal audit plan is also aligned to the business objectives of the Company, which is reviewed and approved by the Audit Committee. Further, the Audit Committee monitors the adequacy and effectiveness of the Company's internal control framework. Significant audit observations are followed-up and the actions taken are reported to the Audit Committee. The Company has also in place, adequate Internal Financial Controls with reference to Financial Statements. The internal control system ensures compliance with all applicable laws and regulations and facilitates optimum utilisation of available resources and protects the interests of all stakeholders.

During the year, such controls were tested and no reportable material weaknesses or inefficacy or inadequacy in the design or operation were observed.

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

As on 31st March 2023, the Board of Directors of the Company comprises of 6 Directors out of which 3 Directors are independent.

During the year under review, there were no changes in the composition of the Board of Directors.

In pursuance of Section 152 of the Companies Act, 2013 and the rules framed there under, Mr. M M Venkatachalam (DIN 00152619), Non-Executive Director and Chairman of the Company is liable to retire by rotation, at the ensuing Annual General Meeting and being eligible offered himself for reappointment. The resolution seeking members approval for the re-appointment of Mr. M M Venkatachalam as a Director of the Company is included in the Notice convening the 75th Annual General Meeting.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013 and the SEBI (LODR) Regulations. In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and they fulfil the conditions specified in the Act and the Rules made thereunder and are independent of the management.

The details of programme for familiarisation of Independent Directors with the Company, nature of the industry in which the Company operates and related matters are uploaded on the website of the Company at the link http://www.coromandelengg.com/Inv_Policies.html

The Board of Directors has carried out an annual evaluation of its own performance, working of its Committees, Individual Directors and Chairman of the Company pursuant to the provisions of the Companies Act, 2013 read with the Rules framed thereunder and SEBI (LODR) Regulations. The performance was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

Pursuant to the provisions of Schedule IV of the Companies Act, 2013 and Regulation 25 of the Listing Regulations, the Independent Directors of the company had a separate meeting during the financial year without the attendance of non-independent Directors and members of management. At its meeting held on 23rd March 2023, the performance of the Non-Independent Directors, the Board as a whole and the Chairman

of the Board was evaluated, taking into account the views of Directors.

The Board pursuant to the recommendation of the Nomination & Remuneration Committee, at its meeting held on 30th May 2023 considered and re-appointed Mr. N Velappan as Manager of the Company for a period of one year from 1st June 2023 up to and including 31st May 2024. His appointment shall be subject to the approval of the shareholders. The resolution seeking members approval for the re-appointment of Mr. N Velappan as Manager of the Company is included in the Notice convening the 75th Annual General Meeting.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company are Mr. N Velappan, Manager, Mr. R Selvakumar, Chief Financial Officer and Ms. C Parvathi Nagaraj, Company Secretary & Compliance Officer.

NUMBER OF MEETINGS OF THE BOARD

During the financial year ended 31st March 2023, 4 (Four) Board Meetings were held. Details of the meetings held and attendance of each Director are given in the Corporate Governance Report forming part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of section 134(5) of the Companies Act, 2013, your Directors, to the best of their knowledge and ability confirm as under:

- (a) in the preparation of the annual Financial Statements, the applicable accounting standards have been followed and no material departures have been made from the same;
- (b) the accounting policies as mentioned in Note No. 3 of the Financial Statements have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2023 and of the loss of the company for that period;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of

the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- (d) the annual accounts of the company have been prepared on a going concern basis;
- (e) the internal financial controls to be followed by the company have been laid down and that such internal financial controls are adequate and operating effectively;
- (f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

AUDIT COMMITTEE

The Company has in place an Audit Committee in terms of the requirements of the Companies Act, 2013 read with the rules made thereunder and Regulation 18 of the SEBI (LODR) Regulations. The Audit Committee comprises of all Independent Directors namely, Mr. P Nagarajan, Mr. N V Ravi and Ms. G Jalaja. Mr. P Nagarajan is the Chairperson of the Committee.

During the year, four meetings of the Audit Committee were held, the details of which are given in the Corporate Governance Report.

The Board has accepted the recommendations of the Audit Committee and there were no incidences of deviation from such recommendations during the financial year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company has a process in place to periodically review and monitor Related Party Transactions. All Related Party Transactions entered during the financial year were placed before the Audit Committee for approval and were in the ordinary course of the business of the Company and were on arm's length basis. There were no related party transactions that had conflict with the interest of the Company. During the year, none of the transactions with related parties came under the purview of Section 188(1) of the Act. Accordingly, the NIL disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is enclosed. The Policy

on Related Party Transactions, as approved by the Board, is available on the Company's website at http://www.coromandelengg.com/PDF/2022-23/Policies/Policy_RelatedParty.pdf

VIGIL MECHANISM

In accordance with Section 177 of the Act and the SEBI (LODR) Regulations, the Company has formulated a Vigil Mechanism and has a whistle blower policy in place to address the genuine concerns or grievances, if any, of the directors and employees. The whistle blower policy is available on the website of the Company at http://www.coromandelengg.com/PDF/2022-23/Policies/Policy_WhistleBlower.pdf

NOMINATION AND REMUNERATION COMMITTEE

The Company has in place a Nomination and Remuneration Committee in terms of the requirements of the Companies Act, 2013 read with the rules made thereunder and Regulation 19 of the SEBI (LODR) Regulations. The Nomination and Remuneration Committee comprises of majority Independent Directors namely, Mr. N V Ravi, Mr. P Nagarajan and Mr. M M Venkatachalam. Mr. N V Ravi is the Chairperson of the Committee.

During the year, one meeting of the Nomination and Remuneration Committee was held, the details of which are given in the Corporate Governance Report.

The Board has accepted the recommendations of the Nomination and Remuneration Committee and there were no incidences of deviation from such recommendations during the financial year under review.

REMUNERATION POLICY

The Board, based on the recommendations of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and other employees and their remuneration. This Policy is guided by the principles and objectives as enumerated in Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI (LODR) Regulations, 2015, to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent resources, a clear relationship of remuneration to performance

and a balance between rewarding short and long-term performance of the Company. The policy is uploaded on the website of the Company at the link http://www.coromandelengg.com/PDF/2022-23/Policies/Policy_NRC.pdf

CORPORATE SOCIAL RESPONSIBILITY

In view of the losses incurred by the Company during the three previous financial years and average of three years' net profit being negative, the requirement on spending or constitution of the Corporate Social Responsibility Committee under the Corporate Social Responsibility Policy as per Section 135 of the Companies Act, 2013 is not applicable to the company.

AUDIT

STATUTORY AUDIT

CNGSN & Associates LLP, Chartered Accountants, (FR No. 004915S/S200036) Chennai were appointed as Statutory Auditors of the Company at the 74th Annual General Meeting of the Company held on 3rd August, 2022, to hold office for a term of 5 consecutive years until the conclusion of 79th Annual General Meeting of the Company.

The Company has received confirmation from CNGSN & Associates LLP, Chartered Accountants that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold valid certificate issued by the Peer Review Board of ICAI and they are not disqualified from continuing as Auditors of the Company.

The Independent Auditors' Report(s) to the Members of the Company in respect of the Financial Statements for the Financial Year ended 31st March 2023 form part of this Annual Report and does not contain any qualification(s) or adverse observations.

COST AUDIT

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 and amendments thereof, the Company is required to maintain cost accounting records in respect of products of the Company covered under CETA categories and appoint a cost

auditor to conduct the cost audit of the cost records of the Company.

The Board based on the recommendation of the Audit Committee, had appointed Mr. N.V. Thanigaimani, Cost Accountant (Membership No.15557) of Thanigaimani & Associates, Cost Accountants as the Cost Auditor of the Company for the Financial Year 2022-23 on a remuneration of Rs. 75,000/-. Further, the Board, based on the recommendations of the Audit Committee, has re-appointed Mr. N V Thanigaimani to conduct the audit of the cost records of the Company for the Financial Year 2023 - 24. The remuneration payable to the cost auditor is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a resolution seeking ratification for the remuneration payable to the Cost Auditor for the Financial Year 2023-24 is included in the Notice convening the 75th Annual General Meeting.

SECRETARIAL AUDIT

Pursuant to Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Srinidhi Sridharan & Associates, Company Secretaries, Chennai to undertake the Secretarial Audit of the Company for the Financial Year 2022-23. The Secretarial Audit Report is enclosed. There are no qualifications, reservations, adverse remarks or disclaimers given by the Secretarial Auditors in their report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis for the year under review as stipulated under Regulation 34(2) of the SEBI (LODR) Regulations, highlighting the business details, is attached and forms part of this report.

CORPORATE GOVERNANCE REPORT

In terms of Regulation 34 of the Securities and Exchange Board of India (LODR) Regulations, a report on Corporate Governance along with a Certificate from a Practicing Company Secretary confirming the compliance with the conditions of Corporate Governance is attached to this report.

COMPLIANCE WITH THE PROVISIONS OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a prevention of Sexual Harassment and Grievance Handling Policy in line with the requirements of The Sexual Harassment of Women at the workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trainees) are covered under this policy. During the year ended 31st March, 2023, the Company has not received any complaints pertaining to Sexual Harassment.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, & FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company's core activity is civil construction which is not power intensive. Hence, the Company does not have any commercial activity that calls for conservation of energy and/ or technology absorption, attracting disclosure in pursuance of Rule 8(3) of the Companies (Accounts) Rules, 2014. During the year, the Company did not have any foreign exchange earnings and outgo.

SUBSIDIARIES/ASSOCIATES/JOINT VENTURES

The Company does not have any Subsidiaries/ Associates/Joint Ventures.

ANNUAL RETURN

The details forming part of the annual return in the prescribed Form MGT-7 as per Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is available at the website of Company: http://coromandelengg.com/Inv_AnnualGeneralMeeting.html

SECRETARIAL STANDARDS

The Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2).

PARTICULARS OF EMPLOYEES

The ratio of remuneration of each Director to the median of employees' remuneration as per Section 197(12) of the Companies Act, 2013 and information relating to employees to be disclosed under Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is annexed to and forms part of this report.

GENERAL

The Company has not issued equity shares with differential voting rights or sweat equity shares, there is no reportable event with respect to one time settlement with any Bank or Financial Institution and no corporate insolvency resolution process was initiated under the Insolvency and Bankruptcy Code, 2016, either by or against the Company, before National Company Law Tribunal.

CHANGE IN NATURE OF BUSINESS

There has been no change in the nature of business during the financial year under review.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT

Due to its financial position, the Company was not able to meet its liabilities in respect of Preference shareholders. Hence the Board of Directors of the Company resolved that the Company's paid up Preference Share Capital be wholly reduced by extinguishing all rights to payments to be made to Preference Shareholders subject to the consent of the Preference Shareholders, Equity Shareholders and other statutory authorities.

As stated in the notes to the accounts in the previous year, the company had, based on the consent provided by the preference shareholders and Equity Shareholders during FY 2021-22 for complete extinguishment of the rights of preference shareholders and entitlements with respect to the preference shares of the value of Rs.2835.63 lakhs allotted to them had approached the NCLT, Chennai, with a Scheme of Reduction of Preference Share capital. The NCLT vide its order dated 9th of May 2023, has approved the said extinguishment of

the entire obligation of the Company with respect to the Preference Share Capital of Rs.2835.63 lakhs.

As per the Board resolution of the Company, the extinguishment will come into effect from the date of approval of NCLT which is 9th May 2023. Hence, the effect of extinguishment is not considered in the financial statements of the Company for the year ending 31st March 2023 and as at 31st March 2023. The terms of the order of NCLT in CP No. 42 (CHE) of 2022 dated May 9th, 2023, have been fully complied with and duly certified by the Company Secretary and Compliance Officer.

Consequent to the extinguishment of entire obligations towards preference share capital as approved by the NCLT, the net worth of the Company which is (Rs. 2048.43 Lakhs Negative) as on 31st March 2023 will stand improved to Rs.787.20 Lakhs (Positive).

The above facts have been taken note of by the Directors as material facts occurring after the Balance Sheet date. The necessary financial effect of the extinguishment of the preference share capital of the company will be given effect in the first quarter of the FY 2023-24.

Except as mentioned above, there are no material changes or commitments affecting the financial position of the Company between the end of the Financial Year and the date of the report.

Place: Chennai
Date: 30th May 2023

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

The Hon'ble National Company Law Tribunal, Chennai Bench, vide its Order dated 09th May, 2023 approved the Scheme of Reduction of entire Unlisted issued, subscribed and paid up 7% Cumulative Non-Participating Redeemable Preference Shares of the Company.

Except for the above, the Company has not received any significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

ACCREDITATION/ RECOGNITION

Your Company has been certified under ISO 9001:2015 for quality management system and ISO 45001:2018 for safety management system, in design and establishment of property development, construction of residential, commercial and industrial projects, supporting services like electrical, mechanical and plumbing works.

ACKNOWLEDGEMENT

Your directors take this opportunity to thank the Customers, Banks, the Government of India, the Government of Tamil Nadu, Stock Exchange and all other Stakeholders for their continued co-operation, support and assistance extended to the Company.

On behalf of the Board

M.M.VENKATACHALAM
DIN:00152619
Chairman

FORM NO. AOC.2

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

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

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

Name(s) of the related party and nature of relationship	NIL
Nature of contracts/arrangements/transactions	
Duration of the contracts/arrangements/transactions	
Salient terms of the contracts or arrangements or transactions including the value, if any	
Justification for entering into such contracts or arrangements or transactions	
Date of approval by the Board	
Amount paid as advances, if any	
Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

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

Name(s) of the related party and nature of relationship	NIL
Nature of contracts/arrangements/transactions	
Duration of the contracts/arrangements/transactions	
Salient terms of the contracts or arrangements or transactions including the value, if any	
Date(s) of approval by the Board, if any	
Amount paid as advances, if any	

On behalf of the Board

Place: Chennai
Date: 30th May 2023

M.M.VENKATACHALAM
DIN:00152619
Chairman

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended]

The Members,
Coromandel Engineering Company Limited
CIN: L74910TN1947PLC000343
"Parry House" 5th Floor
43, Moore Street,
Chennai - 600 001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Coromandel Engineering Company Limited** [Corporate Identification Number: L74910TN1947PLC000343] (hereinafter called "the Company") for the financial year ended 31st March, 2023. Secretarial Audit was conducted in a manner that provided us a 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 authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2023 and on the basis of our review, we hereby report that during the year under review, the Company has complied with the applicable provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Company has not dealt with the matters relating to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings under FEMA and hence, the requirement of complying with the provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made there under does not arise;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 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, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable during the year under review);
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable during the year under review);
 - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities), 2021; (Not applicable during the year under review);
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not

applicable as the company is not registered as Registrar to an Issue and Share transfer Agent during the year under review);

- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable during the year under review); and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable during the year under review);
- (vi) The Management has identified and confirmed the following Laws as being specifically applicable to the Company:
1. Labour laws and other incidental laws related to labour and employees appointed by the Company including those on contractual basis as relating to wages, gratuity, prevention of sexual harassment, dispute resolution, welfare, provident fund, insurance, compensation etc.;
 2. Acts relating to consumer protection including the Competition Act, 2002;
 3. Acts and Rules prescribed under prevention and control of pollution;
 4. Acts and Rules relating to Environmental protection and energy conservation;
 5. Acts and Rules relating to Electricity, fire, gas cylinders, etc.;
 6. Other local laws as applicable to various sites and offices;

We believe that the audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the systems and mechanisms established by the Company are adequate to ensure compliance of laws as mentioned above.

We have also examined compliance with the applicable clauses / regulations of the following:

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) (revised effective from October

1, 2017) and Guidance Note on Meetings of the Board of Directors and General Meetings (revised) issued by The Institute of Company Secretaries of India.

- (ii) The Uniform Listing Agreement entered into with BSE Limited pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. (hereinafter referred as "Listing Regulations")

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors, Woman Independent Director and Independent Directors. The Company has appointed "Manager" pursuant to Sections 196 and 203 of the Companies Act, 2013. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board/ Committee 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 clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Notes on agenda which are circulated less than the specified period, the necessary compliances under the Companies Act, 2013 and Secretarial Standards on Meeting of the Board of Directors are complied with. The Directors participated through video conferencing or other audio visual means during the period under review, the necessary compliances of Rule 3 of Companies (Meetings of Board and its Powers) Rules, 2014 have been complied with. Further, the Circulars, Regulations and Guidelines issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and other relevant regulatory authorities pertaining to Board/ Committee meetings, General Meetings and other provisions of the Act, Rules and Regulations have been complied with by the Company.

Based on the verification of the records and minutes, the decisions at the Board / Committee

Meetings were taken with the consent of the Board of Directors / Committee Members and no Director / Member had dissented on any of the decisions taken at such Board / Committee Meetings. Further, in the minutes of the General Meeting, the number of votes cast against the resolutions has been recorded.

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

We further report that the above mentioned Company being a Listed entity, this report is also issued pursuant to Regulation 24A of the Listing Regulations and circular No.CIR/CFD/CMD1/27/2019 dated 8th February, 2019 issued by the Securities and Exchange Board of India.

We further report that as per the information and explanation provided by the Management, the Company does not have any Material Unlisted Subsidiary(ies) Incorporated in India pursuant to Regulation 16 (1)(c) and 24A of the Listing Regulations.

We further report that during the audit period, there were no specific events having major bearing on the Company's affairs in pursuance of above referred laws, rules, regulations, guidelines and standards.

Subsequent to the audit period the Company had obtained an Order from the Hon'ble National Company Law Tribunal, Chennai Bench, (vide dated 09th May, 2023) for the Scheme of reduction of the entire 28,35,630 unlisted issued, subscribed and paid up 7% Cumulative Non Participating Redeemable Preference Shares of the Company.

PLACE : CHENNAI
DATE : MAY 30 2023

For SRINIDHI SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES

CS SRINIDHI SRIDHARAN

CP No. 17990

FCS No. 12510

PR No.655/2020

UIN: S2017TN472300

UDIN: F012510E000427716

*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'

The Members,
Coromandel Engineering Company Limited
CIN: L74910TN1947PLC000343
"Parry House", 5th Floor,
43, Moore Street, Chennai - 600 001

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 as per the Auditing Standards (CSAS-1 to CSAS-4) and Guidance Notes on ICSI Auditing Standards and Guidance Note on Secretarial Audit issued by The Institute of Company Secretaries of India. The verification was done 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 as well as correctness of the values and figures reported in various disclosures and returns as required to be filed by the company under the specified laws.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. It is the responsibility of the management of the company to devise proper systems to ensure compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards and to ensure that the systems are adequate and operate effectively. 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 the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For SRINIDHI SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES**

**CS SRINIDHI SRIDHARAN
CP No. 17990
FCS No. 12510
PR No.655/2020
UIN: S2017TN472300
UDIN: F012510E000427716**

**PLACE : CHENNAI
DATE : MAY 30 2023**

STATEMENT OF EMPLOYEES' REMUNERATION

- A. Details of employees who were paid remuneration in excess of Rs.8.50 lakhs per month or Rs. 102 lakhs per annum during 2022-23 as per Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 duly amended by the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2016 are as follows: NIL
- B. Statement showing particulars of top ten employees in terms of remuneration drawn is given below:

Sl#	Name of the employee	Designation	Qualification	Remuneration (in Rs.)	Age	Last employment held by such employee before joining the company	Percentage of equity shares held by the employee in the company	Relationship of employee with Director
1	N Velappan	Asst. Vice President & Manager	B.E.	3356330	62	E.I.D Parry (India) Ltd	Nil	N.A
2	Umashankar S	Head-Operations	DCE., PDQS	2890345	58	Nathella Group	Nil	N.A
3	Santhosh Kumar PB	General manager - Operations	B.E.	2632789	57	Avigna Private Limited	Nil	N.A
4	Ilango SR	Zonal Manager	B TECH	2102723	47	New Consolidated Construction Company Limited	Nil	N.A
5	Selva Kumar R	Chief Financial Officer	MBA	1802300	49	Kothari Petrochemicals Limited	Nil	N.A
6	Vivekanandan K	Manager – HR & Admin	MSC.,DIP IN LABOUR LAWS MBA-HR, PGDPM & IR	1497389	58	Vivek Architects	0.006%	N.A
7	Muthulakshmi C	Senior Manager – Planning & Billing	B.E.	1487096	57	Tern Engineering & Construction Services Private Limited	Nil	N.A
8	Thilagam S	Senior Manager - Commercial	DCE	1486715	56	Balaji Enterprises Limited	Nil	N.A
9	Sudhakar P	Manager - Project	DCE., DIP IN CONCRETE TECHNOLOGY	1437627	46	L&T Construction	Nil	N.A
10	Ganapathy A K	Senior Manager - Project	DCE	1434271	55	Senthil Construction Corporation Private Limited	Nil	N.A

C. The details of remuneration during the year 2022-23 as per Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, duly amended by Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2016 are as follows:

- (i) Percentage increase in the median remuneration of employees 0.5%
- (ii) There were 210 employees (permanent employees-86 & non permanent employees-124) on the rolls of the Company as on 31st March, 2023.
- (iii) Ratio of Remuneration of each Director to the median remuneration of the employees of the Company for the financial year – Not applicable. Directors were not paid any remuneration during the year other than sitting fees.
- (iv) Percentage increase in the remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, in the financial year:

Name	Designation	% increase / (decrease)
R Selvakumar	Chief Financial Officer	5.9%
N. Velappan*	Associate Vice President and Manager	-
C. Parvathi Nagaraj	Company Secretary and Compliance Officer	-

*Manager Salary not comparable as employed part of the previous year.

No remuneration was paid for Directors except sitting fees.

- (v) i. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year – 0.5%
- ii. Percentile increase in the managerial remuneration- No remuneration other than sitting fees was paid to Directors
- (vi) The Company affirms that the remuneration is in compliance with its Remuneration policy

On behalf of the Board

Place: Chennai
Date: 30th May, 2023

M.M.VENKATACHALAM
DIN:00152619
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Analysis

The Construction Industry is one of the Major Contributors to India's GDP – both directly & indirectly. It is one of the largest employers of skilled & unskilled workforce and over 40 Million people work in the Construction Industry & provides impetus to the growth of many large scale industries & infrastructure projects like Steel, Power, Cement, Automobiles, Fertilizer, Food, Metro Systems & Railways / Transportation Systems etc.

The construction Industry faced cost related issues with severe increase in input cost of materials and postponed of projects.

Review of Business

The Company had participated in tenders worth around Rs. 200 Crores across industrial, commercial and residential segments, during the year. The pressure on pricing is continuing, adding to the cost push in input materials and impact of Pandemic.

During the year, your Company was able to collect payments for current projects within the stipulated time period. This has helped in the improvement of the company's cash flow.

Risk Management

Given below are some of the significant risks that could have an impact on the Company and the mitigation measures that are put in place by the Company.

Pandemic related Risk

On account of Pandemic, the work schedules can be affected, disrupting the availability of labour and clients can postpone/cancel their schedules, leading to reduced turnover, liquidity and operational losses.

Mitigation Measures

- Have labour camps within / closer to the construction sites so that mobilized labour force can continue to work at the sites.
- Many of the lock down protocols permit existing construction activities to continue and take benefit of such relaxations.

- Hold more inventory of input materials as per BOM/work schedule so that availability of materials are ensured during short lock downs.

Bidding Risk

Quoting with lesser margins to obtain orders matching the prices of competition, leading to pressure on margins during execution.

Mitigation Measures

1. Site visits, collecting regional market prices, quality & competitive Vendor prices and thorough study of project scope before quoting for tenders. Structured process and formats to cover all possible activities and related costs while quoting.
2. Fixing minimum margins to be targeted and approval process for additional discounts, based on commercial justification.
3. Ensuring margin through back to back contracts wherever possible and with consent of client.

Risk in Process Activity

Process linkages right from obtaining orders to handing over to Client by planning effectively, timely deployment of resources, adherence to budgets and timelines. In the absence of proper linkage in this regard, actual cost and timelines may vary adversely.

Mitigation Measures

1. Ensuring detailed study of the site specific conditions and scope of the project with cross functional teams.
2. Detailed project execution plans are drawn up with process linkages.
3. Monitor the progress on a regular basis at projects and weekly in office to ensure timely delivery.

Quality Risk

The risk of quality of work not adhering to specifications as per contract, leading to short certifications of our invoice, payment delays and additional costs for rectification lowering the profitability and reputation loss.

Mitigation Measures

1. Constantly evaluating quality standards of our Vendor/Service Providers and having a pre - qualified panel for placing orders.
2. Monitoring of the quality of incoming materials and work execution through our in house team.
3. Posting exclusive QA / QC person in major projects.
4. Close monitoring / inspection of the works entrusted to Sub contractors, with respect to Quality.

Risk of Timely Completion

Not completing the work as per agreed timelines, leading to cost escalation, levy of liquidated damages and loss of further business.

Mitigation Measures

1. Timely mobilization of site team and other resources, as per contract requirements.
2. Ensuring availability of material / labour/ equipment as per execution plan through effective planning and tracking.
3. Ensuring availability of drawings/clearances from client/various authorities and any gap is communicated in advance and delays from the client's end are documented.

Cost Escalation Risk

Increase in costs beyond budget leading to margins getting affected.

Mitigation Measures

1. Project Cost estimates to be based on specific site conditions, seasonal cost variation and availability factors and anticipated cost push over the tenure of the project.
2. Escalation clauses based on base prices for key input materials to be included in the contracts.
3. Negotiating better rates from suppliers/service providers, based on volumes to overcome unforeseen expenses.
4. Ensuring timely completion of the project.
5. Proper Documentation including sign off of additional costs incurred during Force majeure condition like Covid, Flood, etc., and due to

scope changes and follow up for necessary reimbursement.

Compliance Risk

Contractual and Legal – non compliance of specific contractual obligations and general obligations in practice and statutory non compliance will result in penalty and loss of reputation.

Mitigation Measures

1. Monitoring industry specific statutory requirements including RERA regulations as applicable, and training of employees to ensure compliance.
2. Checklist to capture applicable contractual obligations from quotation stage and ensure onerous clauses are not accepted.
3. Maintaining documentation to record non compliances on contractual obligations due to client issues.

Human Resources Risk

Attracting and retaining right talent, impacting the performance and growth of the business. Non availability of trained labour due to labour migration etc.

Mitigation Measures

1. Identifying good performers and ensuring opportunities for career growth through challenging roles and performance related compensation.
2. Attracting talent from industry with up to date technical skills through market related compensation.
3. Hold Labour camps with in or near the project sites to retain trained labour and minimize the impact of labour Migration.

Liquidity Risk

Not generating adequate cash as per requirements, resulting in delayed payments affecting execution and higher borrowings, resulting in higher interest cost.

Mitigation Measures

1. Ensuring timely submission of bills, certification of the work done by the client to meet cash flow.

2. Monitoring collections as per contractual terms and put in escalation mechanism for close follow-up of overdue when delays occur.
3. Ensuring better credit terms from suppliers and also hold unutilized lines of credit from banks to tide over temporary cash flow mis-matches.

The risk management matrix consisting of probable risks, their impact and the mitigation measures are reviewed periodically at the senior management level as well as by the Audit Committee of the Board.

Internal control systems and their adequacy

Your Company has an Internal Control System commensurate with the size and complexity of Operations. The overall objective of the process of Internal Control is to safeguard the assets of the Company, ensure that Operations are conducted in orderly and efficient manner and high standards of Corporate Governance are met.

Your company has established and is maintaining adequate internal controls within the system to ensure completeness and accuracy of financial and other information, which are used by management for supervision and control. The adequacy and effectiveness of internal controls are monitored regularly by the internal auditors and measures for improvement are adopted from time to time. Also as part of the internal control systems, it is being ensured that all applicable laws are complied without any lapse. Periodic updates are being

sought from the relevant sources to keep abreast with the latest changes in any applicable law and the compliance thereof.

The Audit Committee of the Company meets periodically to review and recommend quarterly, half yearly and annual financial statements of the Company. The Audit Committee reviews the important findings and corrective measures from internal audit reports. The Committee holds discussions with the internal auditors, statutory auditors and the management on the matters relating to internal controls, auditing and financial reporting. The Committee also reviews with the statutory auditors, the scope of their audit and findings.

Discussion on financial performance with respect to operations

Income from operations:

During the year, the Company achieved revenue from Operations of Rs.12,651 lakhs as against Rs.13,300 lakhs in the previous year. Operational EBITDA was positive at Rs.60 Lakhs as against negative of Rs.17 Lakhs in the previous year. Loss before Tax was at Rs. 385 Lakhs as against loss of Rs. 564 Lakhs in the previous year. Decrease in loss was mainly due to the improved operational performance of the company.

Summary of Financial Results:

The revenue and breakup of expenditure for the year are as follows:

Rs. in lakhs

	FY 2022-23	%	FY 2021-22	%
Revenue from Operations	12651	100.0	13300	100.0
Materials consumed and Sub contract Expenses	10611	83.8	11772	88.5
Salaries & Other Benefits	1020	8.0	829	6.2
Other Expenses	964	7.7	720	5.4
Finance Cost	422	3.3	472	3.5
Depreciation	223	1.8	274	2.1
Total Costs	13240	104.6	14067	105.8

Net Profit / (Loss)

Rs. in lakhs

	2022-23	2021-22
Total revenue	12656	13303
Profit/(Loss) before interest and tax (PBIT)	(163)	(291)
Profit/(loss) before tax (PBT)	(385)	(564)
PBT as % of revenue	(3%)	(4.2%)

Key Financial Ratios

Parameter	2022-23	2021-22	Change (%)	Comments
Debtors Turnover days	56	59	5% improvement	Better collections
Inventory Turnover times	9.0	7.08		Better revenue
Interest Coverage Ratio	Negative	Negative		
Current Ratio	1.0	1.0		Due to higher input/ conversion cost
Debt Equity Ratio	Negative	Negative		
Operating Profit Margin (%)	(1.2%)	(2.1%)	-	On total revenue
Net Profit Margin (%)	(2.9%)	(4.2%)	-	On total revenue

Net Worth

The net worth of the Company as at 31st March 2023 was Negative at Rs.2048.43 Lakhs as compared to Rs.1596.49 Lakhs (Negative) as at 31st March 2022. Various steps are being taken to bring the net worth back to positive through operational and other initiatives.

Due to its financial position, the Company was not able to meet its liabilities in respect of Preference shareholders. Hence the Board of Directors of the Company resolved that the Company's paid up Preference Share Capital be wholly reduced by extinguishing all rights to payments to be made to Preference Shareholders subject to the consent of the Preference Shareholders, Equity Shareholders and other statutory authorities.

As stated in the notes to the accounts in the previous year, the company had, based on the consent provided by the preference shareholders and Equity Shareholders during FY 2021-22 for

complete extinguishment of the rights of the preference shareholders and entitlements with respect to the preference shares of the value of Rs.2835.63 lakhs allotted to them had approached the NCLT, Chennai, with a Scheme of Reduction of Preference Share capital. The NCLT vide its order dated 9th of May 2023, has approved the said extinguishment of the entire obligation of the Company with respect to the Preference Share Capital of Rs.2835.63 lakhs.

As per the Board resolution of the Company, the extinguishment will come into effect from the date of approval of NCLT which is 9th May 2023. Hence, the effect of extinguishment is not considered in the financial statements of the Company for the year ending 31st March 2023 and as at 31st March 2023. The terms of the order of NCLT in CP No. 42 (CHE) of 2022 dated May 9th, 2023, have been fully complied with and duly certified by the Company Secretary and Compliance Officer.

Consequent to the extinguishment of entire obligations towards preference share capital as approved by the NCLT, the net worth of the Company which is (Rs. 2048.43 Lakhs Negative) as on 31st March 2023 will stand improved to Rs.787.20 Lakhs (Positive).

The above facts have been taken note of by the Directors as material facts occurring after the Balance Sheet date. The necessary financial effect of the extinguishment of the preference share capital of the company will be given effect in the first quarter of the FY 2023-24.

Place: Chennai

Date: 30th May, 2023

Human Resources

The company believes that the human capital is the key contributor for the business growth and competitiveness. This includes not only the employees of the Company, but the skilled labour engaged at project sites, through sub-contracting.

During the year higher turnover has been achieved in employee strength which stood at 210 (permanent employees-86 & non permanent employees-124) at end of the year against 145 at end of the previous year.

The Company has identified good talents from the market and deployed for the orders under execution and is in pipe line.

On behalf of the Board

M.M.VENKATACHALAM

DIN:00152619

Chairman

REPORT ON CORPORATE GOVERNANCE

In compliance with Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), as amended, the Company sets forth the report on the Corporate Governance on the matters as mentioned in the said schedule and practices followed by the Company.

COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE

Coromandel Engineering Company Limited (CEC), a constituent of the Murugappa Group, is committed to the adoption of best practices of Corporate Governance and business ethics and its adherence in true spirit.

At a macro level, the Corporate Governance policy rests on five basic principles, viz. Independent and effective Board of Directors, Good audit process and reporting, Transparency, Maximizing shareholder value and Meeting social obligations.

The Corporate Governance framework of the company is based on transparency, internal control, risk management, internal and external communications and high standards of safety & health. The company continuously strives to achieve excellence in corporate governance through empowering responsible officers to implement broad policies and guidelines and has set up adequate review processes.

CEC is committed to the spirit of Murugappa Group by holding the core values of integrity, passion, responsibility, quality and respect in dealing with all stakeholders of the Company.

Board of Directors

Composition

As on 31st March, 2023, the Company’s Board of Directors of the Company has an optimal mix of six Directors consisting of three Non-Executive Directors and three Independent Directors

including one independent woman director with knowledge and experience in different fields viz., Engineering, Manufacturing, Finance, Legal and Business Management and strengthen the focus and the quality of discussion at the Board level. The composition of the Board is in conformity with the provisions of SEBI Listing regulations as well as the Companies Act, 2013 (“the Act”) and the rules made there under.

The Board reviews its strength and composition from time to time to ensure that it remains aligned with the statutory as well as business requirements.

The Company has received the requisite declarations from its Independent Directors confirming that they meet the criteria of independence prescribed both under the Companies Act, 2013 and the Listing Regulations and that they have registered themselves in the databank maintained by the Indian Institute of Corporate Affairs and the Independent Directors have passed/ are exempted from passing the Online Proficiency Self-Assessment Test, as applicable. The Board at its meeting held on 30th May 2023, has taken on record the declarations received from the Independent Directors. In the opinion of the Board, the Independent Directors of the Company fulfil the conditions specified in the Listing Regulations and are independent of the Management. The Independent Directors are not entitled to stock options. The Directors, other than Independent Directors, are liable to retire by rotation. There were no instances of independent director who resigned before the expiry of his/her tenure during the year.

As on 31st March 2023, the number of other directorships and the number of positions held as Member/Chairperson of Committees of the Board of Directors along with the names of the other listed entities wherein the Director holds directorships are as follows:

Name of the Director	Number of Directorships/ (Chairmanships) in Companies including CEC	Number of Committee Memberships / (Chairmanships) in Companies including CEC	Name of the other Listed Entities where directorship is held	Category of Directorships
Mr. M M Venkatachalam <i>Non-Executive, Promoter, Chairman</i>	8(4)	6(3)	Coromandel International Limited	Non-Executive Non-Independent
			E.I.D Parry (India) Limited	Non-Executive Non-Independent
			The Ramco Cements Limited	Non-Executive Independent
			Ramco Systems Limited	Non-Executive Independent
Mr. N.V. Ravi <i>Non-Executive, Independent</i>	4	2	NIL	
Mr. P. Nagarajan <i>Non-Executive, Independent</i>	4(1)	4(3)	Kartik Investments Trust Limited	Non-Executive Independent
Ms. G. Jalaja <i>Non-Executive, Independent</i>	1	2(1)	NIL	
Mr. A Sridhar <i>Non – Executive, Non-Independent</i>	6	2	NIL	
Mr. S Shamsuddin <i>Non-Executive, Non-Independent</i>	1	-	NIL	

Notes:

- None of the Directors hold directorships in more than 20 companies of which directorships in public companies does not exceed 10 in line with the provisions of Section 165 of the Act.
- Pursuant to the provisions of Regulations 17A(1) of the Listing Regulations, none of the Directors hold directorships in more than 7 listed entities and none of the Independent Directors of the Company hold the position of Independent Director in more than 7 listed companies.
- No Director holds Membership of more than 10 Committees of Board nor is a chairperson of more than 5 Committees across Board, of all public limited companies.
- No Alternate Director has been appointed for any Independent Director.
- The information provided above pertains to the following Committees in accordance with the provisions of Regulation 26(1)(b) of the Listing Regulations: (i) Audit Committee and (ii) Stakeholders Relationship Committee.
- The Committee Memberships and chairmanships above exclude Memberships and chairmanships in private companies, foreign companies, high value debt listed entities and in Section 8 companies.
- None of the Directors of the Company are related to each other.

Core Skills / Expertise / Competencies available with the Board

The Board comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Board members are committed in ensuring that the Board acts in compliance with the highest standard of Corporate Governance. In the table below, the specific areas of focus or expertise of

individual Board members have been highlighted. In the absence of a mark against a member's name does not necessarily mean that the member does not possess the corresponding qualification or skill.

The core skills/ expertise/ competencies required in the Board in the context of the Company's Businesses and sectors functioning effectively as identified by the Board of Directors of the Company are tabulated below:

Name of the Director	Area of Expertise				
	Financial Expertise	Technology/ Industrial expertise	Leadership	Board Service & Governance	Business Development
M M Venkatachalam, Chairman	✓	✓	✓	✓	✓
N V Ravi, Independent Director	✓	✓	✓	✓	✓
P Nagarajan, Independent Director	✓		✓	✓	✓
G Jalaja, Independent Director	✓		✓	✓	
A Sridhar, Director	✓		✓	✓	✓
Mr. S Shamsuddin, Director			✓	✓	

Changes in the Board during the year 2022 -23

During the year, there were no changes in the composition of the Board.

Board Meetings

The Board has a formal schedule of matters reserved for its consideration and decision. The Board meets at least once in a quarter to review the company's quarterly performance and financial results and additional meetings are held to address specific needs and business requirements of the Company. The agenda is circulated well in advance to the Board members. The items in the agenda are backed by structured and comprehensive background information to enable the Board to take appropriate decisions. In addition to the information required under Part A of Schedule II of Sub- Regulation 7 of Regulation 17 of the Listing Regulations, the Board is also kept informed of major events/items and approvals are taken wherever necessary for making investments, ensuring adequate availability of financial resources. The Board also reviews the Board Meeting minutes and financial statements and also takes on record the minutes of Committee meetings.

The company has established proper systems to enable the Board to review the compliance reports of all laws applicable to the company as well as to assess the steps taken to rectify instances of non-compliances, if any.

The facility of video conferencing or other audio-visual means are provided to facilitate participation of Directors, who are unable to attend the meeting physically.

During the financial year ended 31st March, 2023, the Board of Directors met Four (4) times on 13th May, 2022, 3rd August, 2022, 4th November, 2022 and 6th February, 2023. The maximum gap between any two meetings was less than one hundred and twenty days. A separate meeting of the Independent Directors was held on 23rd March, 2023 without the attendance of non-independent directors and members of the management as required under Regulation 25(3) of SEBI (LODR) Regulations, 2015 and Schedule IV of the Act to discuss the matters specified therein.

The dates of the Board meetings and attendance at the meetings are as follows:

Sl. No.	Date of Meeting	Board Strength	No. of Directors present
1	13.05.2022	6	6
2	03.08.2022	6	6
3	04.11.2022	6	6
4	06.02.2023	6	5

The Board has an unbridled and complete access to any information within the company. The members of the Board have complete freedom to express their opinion on the agenda items and can discuss any matter at the meetings with the permission of the chairperson. The company places before the Board all those details as required under Part A of Schedule II of Sub - Regulation 7 of Regulation 17 of the Listing Regulations. A tentative meetings calendar of the Board/ Committees is circulated well in advance to help members plan and ensure meaningful participation in meetings. Detailed and structured agenda notes are sent to the Directors. All the information required for decision making are incorporated in the agenda. Those that cannot be included in the agenda are tabled at the meeting and are taken up with the permission of the Chairperson and with the unanimous consent of the Directors present at the meeting. The management appraises the Board on the overall performance of the company at every board meeting. Legal issues, write-offs, provisions, purchase and disposal of capital assets are all brought to the notice of the Board. The Board reviews the performance, approves capital expenditure, sets the strategy that the company should follow and ensures financial stability. The Board reviews and takes on record the actions taken by the company on all its decisions periodically. The Board provides leadership, strategic direction and exercises appropriate control to ensure that the company is managed in a manner that enhances the performance of the company.

Attendance of each Director at Board Meetings and at the previous Annual General Meeting (AGM)

Sl. No.	Name	No. of Board Meetings Held	No. of Board Meetings attended	Attendance at the AGM held on 3 rd August, 2022
1.	Mr. M M Venkatachalam	4	4	Yes
2.	Mr. N V Ravi	4	4	Yes
3.	Mr. P Nagarajan	4	4	Yes
4.	Ms. G Jalaja	4	4	Yes
5.	Mr. A Sridhar	4	4	Yes
6.	Mr. S Shamsuddin	4	3	Yes

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

On their appointment, Independent Directors are familiarized about the Company's business and operations. Interactions with senior executives are facilitated to gather insight specific to the Company's operations. Detailed presentations are made available to apprise about Company's history, current business plan and strategies. As part of the familiarization programme, a handbook is provided to all Directors, including Independent Directors, at the time of their appointment. The handbook provides a snapshot to the Directors of their duties and responsibilities, rights, process of appointment and evaluation, compensation, Board and Committee procedures and expectation of various stakeholders. Presentations are made by the senior management at regular intervals covering areas like operations, business environment, budget, strategy and risks involved. Updates on relevant statutory, regulatory changes encompassing important laws/ regulation applicable to the Company are circulated to Directors. The details of familiarization programmes as above are also disclosed on the website of the Company at the link:http://coromandelengg.com/Inv_Policies.html

Board Procedure

The Directors are appointed based on their qualifications and experience in varied fields as well as the business needs of the company. The Nomination and Remuneration Committee recommends the appointment of Directors to the Board. At the time of induction on the Board of the Company, a letter of appointment along with an invitation to join the Board of the Company is given to the directors and a directors' handbook comprising a compendium of the role, powers and duties to be performed by a Director is given to the new Director. Presentations are also made to the new Director regarding the business and other details of the Company.

Details of shareholding of Directors as on 31st March 2023

The Directors do not hold any shares in the Company. The Company has not issued any convertible instruments.

Details of Directors seeking appointment / re-appointment

Mr. M M Venkatachalam, Director (DIN: 00152619) retires by rotation pursuant to Section 152(6) of the Companies Act, 2013 and Article 17.26 of the Articles of Association of the Company at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The necessary resolution for the re-appointment of Mr. M M Venkatachalam as a Director of the Company is included in the Notice of the 75th Annual General Meeting.

Board Committees

The Board currently has three Committees viz., Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee. The terms of reference of the Committees of the Board are in compliance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations and are also reviewed by the Board from time to time. The Company Secretary acts as the secretary to the Committees of the Board.

a. Audit Committee

The Audit Committee has been constituted as required under Section 177 of the Act and Regulation 18 of the Listing Regulations which acts as a link between the Management, the statutory and Internal auditors and the Board. The Audit Committee comprises of all Independent Directors.

The Committee met Four (4) times during the financial year ended on 31st March, 2023 on 13th May, 2022, 03rd August, 2022, 4th November, 2022 and 06th February, 2023 and the time gap

between the two meetings did not exceed one hundred and twenty days. The composition of the Audit Committee as on 31st March, 2023 and details of attendance for the Meetings of the Audit Committee are as under:

Name of the Member	Chairperson/ Member	No. of Meetings held	No. of Meetings Attended
Mr. P. Nagarajan	Chairperson	4	4
Mr. N.V. Ravi	Member	4	4
Ms. G Jalaja	Member	4	4

The Chairperson of the Audit Committee was present at the previous Annual General Meeting of the company held on 03rd August, 2022.

The terms of reference, inter alia, comprises the following:

- Oversight 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;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue, the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency and making appropriate recommendations to the board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, 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;
- Discussion with internal auditors of any significant findings and follow up there on;
- 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;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To assess the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the whistle blower mechanism;
- Approval of appointment of chief financial officer after assessing the qualifications,

experience and background, etc. of the candidate;

20. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

The Audit committee mandatorily reviews the following:

1. Management discussion and analysis of financial condition and results of operations; Management letters / letters of internal control weaknesses issued by the statutory auditors;
2. Internal audit reports relating to internal control weaknesses;

3. Appointment, removal and terms of remuneration of the Internal auditors;
4. Quarterly statement of deviation(s) including report of monitoring agency and annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice

b. Stakeholders Relationship Committee

The Stakeholders Relationship Committee has been constituted as required under Section 178 of the Act and Regulation 20 of the Listing Regulations and comprises of three Members out of which two members are Independent Directors and one Non-Executive Non Independent Director. An Independent Director acts as the Chairperson of the Committee.

During the financial year 31st March, 2023, one meeting of the Committee was held on 23rd March, 2023. The composition of the Stakeholders Relationship Committee as on 31st March, 2023 and details of attendance for the Meeting of the Stakeholders Relationship Committee is as under:

Name of the Member	Chairperson/ Member	No. of Meetings held during the year	No. of Meetings attended
Ms. G. Jalaja	Chairperson	1	1
Mr. N V Ravi	Member	1	1
Mr. A Sridhar	Member	1	1

Ms. C. Parvathi Nagaraj is the Company Secretary and the Compliance Officer of the Company. The Chairperson of the Stakeholders' Relationship Committee was present at the previous Annual General Meeting of the company held on 3rd August, 2022.

The terms of reference, inter alia, comprises the following:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
2. Review of measures taken for effective exercise of voting rights by shareholders;

3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

During the Financial Year ended 31st March, 2023, the Company has not received any complaints from the investors and there were no complaints pending for action.

KFin Technologies Limited (Formerly known as Kfin Technologies Private Limited), is the Company's

Registrar and Share Transfer Agent (RTA). Their contact details are available in the General Shareholder Information section of the Report.

c. Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations and comprises of three members out of which two members are Independent Directors

and one Non-Executive Non Independent Director. An Independent Director acts as the Chairperson of the Committee.

During the Financial Year ended 31st March, 2023, one meeting of the Committee was held during 13th May, 2022. The composition of the Nomination and Remuneration Committee as on 31st March, 2023 and details of attendance for the Meeting of the Nomination and Remuneration Committee are as under:

Name of the Member	Chairperson/ Member	No. of Meetings held	No. of Meetings attended
Mr. N V Ravi	Chairperson	1	1
Mr. M M Venkatachalam	Member	1	1
Mr. P Nagarajan	Member	1	1

The Chairperson of the Nomination and Remuneration Committee was present at the previous Annual General Meeting of the company held on 3rd August, 2022.

The terms of reference, inter alia, comprises the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description.
3. Formulation of criteria for evaluation of performance of independent directors and the board of directors;

4. Devising a policy on diversity of board of directors;
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
7. Recommend to the board all remuneration, in whatever form, payable to senior management.

Criteria for Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013, Regulations 17 and 25 of the SEBI Listing Regulations, Nomination and Remuneration Committee has devised a criteria for the evaluation of the performance of Directors, including Independent Directors. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and

its Committees, execution and performance of specific duties, obligations and governance. An indicative list of factors on which evaluation was carried out includes Attendance, preparedness for the Meeting, staying updated on developments, active participation at the meetings, constructive contribution, engaging with and challenging the management team without being confrontational or obstructionist, speaking one's mind and being objective.

The annual performance evaluation of Directors including the Chairperson, Board and its Committees viz., the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee has been carried out. The Performance evaluation of Independent Directors was carried out by the entire Board of Directors without participation of the independent directors who are subject to the evaluation.

Remuneration Policy

The Board through the Nomination and Remuneration Committee adopted a Remuneration policy pursuant to Section 178 of the Companies Act, 2013. This Remuneration Policy provides the framework for remuneration of members of the Board of Directors, Key Managerial Personnel and other employees of the Company. In view of the current financial performance of the company, no commission is payable to the Directors.

The Non-Executive Directors are entitled for sitting fees for Board / Committee meetings attended by them.

Remuneration for the year

The compensation to the Non-Executive Directors is paid in the form of commission on profit. Though shareholders have approved payment of commission up to one per cent of net profit of the Company for each year, the actual commission paid to the Directors is restricted to a fixed sum within the above limit. As the Company has accumulated losses during the year under review, payment of

commission to the Non-Executive Directors does not arise.

The Company's total compensation for Key Managerial Personnel/other employees consists of:

- Fixed compensation
- variable compensation in the form of annual incentive
- benefits
- work related facilities and perquisites

The remuneration policy applicable to the members of the Board and Key Managerial personnel/other employees is available in the Company's website http://coromandelengg.com/PDF/2022-23/Policies/Policy_NRC.pdf

d. Risk Management Committee

As per Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is not required to constitute Risk Management Committee since it is not falling under the top 1000 listed entities determined on the basis of market capitalization in BSE Limited. Considering the same, the Board at its meeting held on 13th May, 2022 had considered and approved the dispensation of the Risk Management Committee.

Meeting of Independent Directors

The Independent Directors of the Company had met on 23rd March, 2023 as required under Regulation 25 of SEBI (LODR) Regulations, 2015 and Schedule IV of the Act to discuss the matters specified therein to review the performance of non-Independent Directors and the Board as a whole and the Chairperson of the Company and had assessed the quality, quantity and timeliness of flow of information between the company management and the Board.

General body Meetings

The location, date and time of Annual General Meeting held during the last 3 years are given below:

For the year ended 31 st March	Venue	Date and Time	Details of special resolution passed
2022	Meeting was held through Video Conferencing/ Other Audio- Visual Means	Wednesday, 3 rd August, 2022 at 09.30 A.M.	-
2021	Meeting was held through Video Conferencing/ Other Audio- Visual Means	Monday, 9 th August, 2021 at 10.00 A.M.	-
2020	Meeting was held through Video Conferencing/ Other Audio- Visual Means	Thursday 23 rd July, 2020 at 10.00 A.M.	Special resolution was passed for re-appointment of Mr. P. Nagarajan as an Independent Director.

Postal Ballot

During the year no resolution was passed through Postal Ballot, under the provisions of the Companies Act, 2013. Currently, there is no proposal to pass any resolution through Postal Ballot except those requiring to be passed pursuant to the Companies Act, 2013 / Listing Regulations, if any proposal arises, the same will be done after providing adequate notice to the shareholders.

Code of Conduct

The Board has laid down a Code of Conduct (Code), for all the Board members and the Senior Management of the Company, and the code is posted on the website of the Company www.coromandelengg.com/Inv_Policies.html. An annual declaration regarding compliance with the code is obtained from every person covered by the code of conduct and a certificate to this effect, signed by Mr. N Velappan, Associate Vice President and Manager, forms part of this report.

Prevention of Insider Trading

The Company has framed a code of conduct for prevention of insider trading based on SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended with a view to regulate trading in securities by the Directors and designated employees of the Company. This code is applicable to all Directors / officers / designated employees. 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 (UPSI) in relation to the Company and during the period when the trading window is closed. All the Directors and Senior Management Personnel have confirmed compliance with the code.

The Board has also formulated a policy containing procedures for conduct of inquiry in case of leakage of UPSI or suspected leakage of UPSI as a part of the Code. The Board had also reviewed the Company's Code for practices and procedures for fair disclosure of unpublished price sensitive information and had also framed a policy for determination of 'legitimate purposes' as a part of this Code. The Company Secretary is responsible for implementation of the Code. The Company has in place an online system for monitoring the compliance of the Code by its designated employees.

Vigil Mechanism / Whistle Blower Policy

The Company has adopted the whistle blower mechanism as per the Listing Regulations with the objective to provide employees, customers and vendors, an avenue to raise concerns, in line with the Company's commitment to the highest possible standards of ethical, moral and legal conduct of business, its commitment to open communication and to provide necessary safe guards for protection of employees from reprisals or victimization of whistle blowing in good faith. The Audit Committee reviews the functioning of whistle blower mechanism on a quarterly basis. The policy also lays down the process to be followed for dealing with complaints and in exceptional cases, also provides for direct appeal to the Chairman of the

Audit Committee. The details of establishment of such mechanism are disclosed by the Company on its website and in the Board's Report. It is hereby affirmed that no person has been denied access to the Audit Committee. Mr. Shyam C. Raman, Senior Vice President, Group HR, Murugappa Group, has been appointed as the Ombudsperson, who will deal with the complaints received. The policy is available on the website of the Company at http://www.coromandelengg.com/PDF/2022-23/Policies/Policy_WhistleBlower.pdf

Disclosures

Related Party Transactions

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and the Listing Regulations during the financial year were in the ordinary course of business and on an arm's length pricing basis. There were no materially significant related party transactions with Directors/ promoters/ management, which had potential conflict with the interests of the Company at large.

Periodical disclosures from Senior Management relating to all material, financial and commercial transactions, where they had or were deemed to have had personal interests, that might have a potential conflict with the interest of the Company at large, are placed before the Board. The Company has also formulated a policy on dealing with the Related Party Transactions and necessary approval of the audit committee and Board of Directors were taken wherever required in accordance with the Policy. The details of such policy for dealing with Related Parties and the Related Party Transactions is disseminated on the website of the Company http://www.coromandelengg.com/PDF/2022-23/Policies/Policy_RelatadParty.pdf

Transactions with the related parties are disclosed in Note No. 38 to the financial statements in the Annual Report.

Statutory Compliances, Penalties and Strictures

The Company has complied with the requirements of the Stock Exchanges / SEBI and statutory authorities on all matters related to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority.

Commodity price risk or foreign exchange risks and hedging activities

Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:

- Total exposure of the listed entity to commodities – Nil
- Exposure of the listed entity to various commodities - Nil
- Commodity risks faced by the listed entity during the year and how they have been managed.

The Company is not exposed to any material commodity price or foreign exchange risks and no hedging activity is considered necessary to mitigate the said risks. Price escalation risk in materials used in ordinary course of business like Cement/ Steel etc. is mitigated through agreement with clients while signing the contracts.

Disclosure relating to fee paid to statutory auditor

During the year, the Company has made the following payments to CNGSN & Associates, Statutory Auditors. No services have been availed and no payment has been made in respect of the firms/entities covered under network firm/network entity of which the Statutory Auditor is a part.

CNGSN & Associates	Nature of service	Payee details	Amount (Rs. In Lakhs)
Statutory auditors	Statutory audit	CNGSN & Associates, Chartered Accountants	4.25
	Tax audit		1.40
	Limited review		1.35
	Others		0.33

Payment in respect of the non-audit services provided by the Statutory Auditors to the Company is made only with the approval of the Audit Committee as required under Section 144 of the Companies Act, 2013.

CEO and CFO Certification

In terms of Regulation 17(8) of the Listing Regulations, the Chief Financial Officer and the Associate Vice president & Manager have given the annual certification on financial reporting and internal controls to the Board.

The Chief Financial Officer and Associate Vice President & Manager have also given quarterly certification on financial results, while placing the financial results before the Board, in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, the Chief Financial Officer and Associate Vice President & Manager have certified to the Board, inter alia, the accuracy of financial statements and adequacy of internal controls for the financial reporting purpose for the year ended March 31, 2023.

Practicing Company Secretary's certificate on corporate governance

Certificate by Srinidhi Sridharan & Associates, Practicing Company Secretaries (FCS No. 12510 and CP. No. 17990), on compliance of Regulation 34(3) of the Listing Regulations relating to corporate governance forms part of this Report.

Practicing Company Secretary's certificate on the director's disqualification

Pursuant to the provisions of the Schedule V of the Listing Regulations, the Company has obtained a certificate from Srinidhi Sridharan & Associates, Practicing Company Secretaries (FCS No. 12510 and CP. No. 17990) confirming that none of the Directors of the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI / Ministry of Corporate Affairs or any other statutory authority. The Certificate forms part of this report.

Compliance with Corporate Governance Norms

The Company has complied with the mandatory requirements of the Code of Corporate Governance as stipulated in the Listing Regulations. The Company has submitted the compliance reports in the prescribed format to the stock exchanges for every quarter during the year ended 31st March, 2023. The certificate of compliance with the conditions of corporate governance as stipulated in Regulation 34(3) and schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Report.

The other non-mandatory requirements of the Listing Regulations to certain extent have been adopted by the Company.

Means of Communication

Transparency and effective communication are fundamental elements of corporate governance which promotes stakeholder relationships. In contemplation of achieving that objective, the company employs multiple channels to maintain transparency and disseminate information to the shareholders and the investors.

As per the requirement of Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the financial results and major announcements like Notice of general meetings, Book Closure etc. are normally published in daily newspapers viz., Business Standard (English) and Makkal Kural (Tamil).

The company's website address is: www.coromandelengg.com. The website contains basic information about the company and such other details as required under the Listing regulations. The company ensures periodical updation of its website. The company has designated the email-id cscecl@cec.murugappa.com to enable the shareholders to register their grievances.

Details of recommendation of any committee of the Board which are not accepted by the Board

The Board of Directors accepted all the recommendation(s) of the Committees of the

Board during the financial year ended March 31, 2023.

Details of loans and advances in the nature of loans to firms/ companies in which the Directors are interested

During the year under review, the Company had not granted any loans/advances in the nature of loans to firms/companies in which Directors are interested.

Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

The Company does not have any subsidiary(ies).

Place: Chennai

Date: 30th May, 2023

Disclosure of complaints received under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

During the year ended 31st March, 2023, the Company has not received any Complaints under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and no Complaint is pending for action.

General Shareholder Information

A separate section has been annexed to the Annual Report, furnishing various details viz., Annual General Meeting, distribution of shareholding, means of communication etc., for the general information of the Shareholder.

On behalf of the Board

M.M.VENKATACHALAM

DIN:00152619

Chairman

GENERAL SHAREHOLDER INFORMATION

Registered Office

“Parry House”, 5th Floor, No.43, Moore Street,
Chennai –600 001

Corporate Identification Number

L74910TN1947PLC000343

Annual General Meeting (AGM)

Day : Friday
Date : 14th July, 2023
Time : 10.00 a.m.

The AGM shall be conducted through Video Conferencing or Other Audio-Visual Means in compliance with applicable provisions of the Companies Act, 2013, Rules and the framework issued by the Ministry of Corporate affairs and the Securities and Exchange Board of India in this regard.

Financial year: 1st April, 2022 to 31st March, 2023

Date of Book Closure

Friday the 7th July, 2023 to Friday the 14th July, 2023
(Both days inclusive)

STOCK EXCHANGE-

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

Listing fees for the year 2023-24 has been paid to BSE Limited.

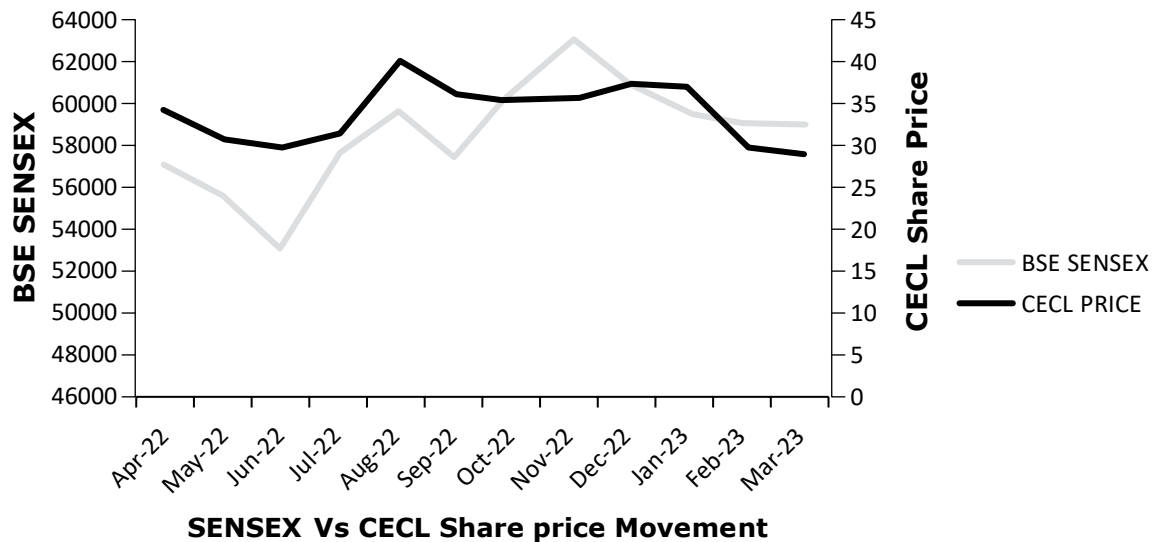
Stock Code

Name of the Stock Exchange / Depository	Code / ISIN / Symbol
BSE Ltd.	533167
Depository ISIN No. NSDL & CDSL	INE312J01012

Market Price Data:

The monthly high and low market price data and volume of shares traded in BSE from 1st April, 2022 up to 31st March, 2023 are as follows:

Month	High ₹	Low ₹	No. of Shares
Apr-22	37.40	31.70	201057
May-22	34.45	28.05	47541
Jun-22	32.95	28.00	45460
Jul-22	34.15	29.00	95469
Aug-22	46.00	30.55	516642
Sep-22	41.40	33.25	54018
Oct-22	37.75	33.70	42515
Nov-22	37.90	32.00	154377
Dec-22	41.70	35.50	380571
Jan-23	43.50	36.05	137687
Feb-23	39.25	29.55	88549
Mar-23	32.50	26.58	185776

Performance in comparison with BSE SENSEX for the period from 01st April, 2022 to 31st March, 2023.**Registrar and Share Transfer Agents:**

In due compliance with SEBI norms, the Company has entrusted the share transfer work, both physical as well as electronic, to the transfer agents mentioned below:

KFin Technologies Limited (Formerly known as KFin Technologies Private Limited)

Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032

Tel : 91-40-23420815 to 23420824 Toll Free No.1-800-3454001

Fax : +91-40 23420814

Email : einward.ris@kfintech.com Website: www.kfintech.com

Share Transfer and Investors Service System

Pursuant to SEBI circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2022/8 dated January 25, 2022 on Issuance of Securities in dematerialized form in case of Investor Service Requests and the Listing Regulations as amended in 2022 vide Gazette Notification no. SEBI/LAD-NRO/GN/2022/66 dated January 24, 2022, it has been decided that listed companies shall henceforth issue the securities in dematerialized form only while processing the service request for Issue of duplicate securities certificate; Claim from Unclaimed Suspense Account; Renewal / Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition.

The securities holder/claimant shall submit duly filled up Form ISR-4 hosted on the website of the Company and the Registrar and Transfer Agent (RTA). The RTA / Issuer Companies shall verify and process the service requests, issue a 'Letter of confirmation' in lieu of physical share certificate(s), which shall be valid for a period of 120 days within which the securities holder/claimant shall make a request to the Depository Participants

(DPs) for dematerializing the said securities. The RTA / Issuer Companies shall issue a reminder after informing the securities holder/claimant to submit the demat request as above and in case no such request has been received within the aforesaid period, they shall credit the securities to the Suspense Escrow Demat Account of the Company.

Shareholding pattern as on 31.03.2023

Category	No. of Shareholders	No. of Shares	% of Shareholding
Clearing Members	1	51	-
Directors	0	0	-
HUF	199	800233	2.41
IEPF	1	18838	0.06
Bodies Corporate	30	378415	1.14
NBFC	1	150	-
Non-Resident Indians	11	92308	0.28
Non-Resident Indian Non Repatriable	12	43574	0.13
Promoter Companies	19	21106430	63.51
Promoter Trusts	7	481420	1.45
Promoters	28	3177504	9.56
Resident Individuals	3215	7129875	21.45
Trusts	1	4800	0.01
Total	3525	33233598	100.00

Distribution of shareholding as on 31.03.2023

Category	No. of shareholders	% to total No.	No. of Shares	% of holding	
1	5000	2482	70.41	330806	1.00
5001	10000	341	9.68	290685	0.87
10001	20000	212	6.01	329513	0.99
20001	30000	95	2.70	246077	0.74
30001	40000	49	1.39	172432	0.52
40001	50000	67	1.90	313598	0.94
50001	100000	97	2.75	697503	2.10
Greater than 100000	182	5.16	30852984	92.84	
TOTAL	3525	100.00	33233598	100.00	

	No. of Shareholders	No. of Shares	% of holding
Shareholders in			
Physical Mode:	804	35069	0.10
Electronic Mode :			
NSDL	1875	22255915	66.97
CDSL	1881	10942614	32.93
TOTAL	4560	33233598	100.00

Dematerialization

The code number (ISIN) allotted by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to the Company is INE312J01012.

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

Address for Correspondence	For all matters relating to Investor Relations
<p>For any shareholders assistance, the Company Secretary can be contacted at the following address:</p> <p>Ms. C Parvathi Nagaraj, Company Secretary & Compliance Officer Coromandel Engineering Company Ltd. Parry House, 5th Floor, No. 43 Moore Street, Chennai 600001 Phone : 044 - 25341513 E-Mail : cscecl@cec.murugappa.com</p>	<p>KFin Technologies Limited (Formerly known as KFin Technologies Private Limited) Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032 Tel: 91-40-23420815 to 23420824 Toll Free No: 1-800-3454001 Fax : +91-4023420814 Email : einward.ris@kfintech.com Website: www.kfintech.com</p>

Reconciliation of Share Capital Audit

Mr. R. Sridharan of R. Sridharan & Associates, Company Secretaries, Chennai, carried out reconciliation of share capital audit every quarter to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued capital. The audit confirms that the total issued / paid - up capital is in agreement with the aggregate total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

Details of Shares held by Non – Executive Directors as on 31.03.2023:

SL No	Name of the Director	No. of Shares Held
1.	Mr. M.M. Venkatachalam	Nil
2.	Mr. N.V. Ravi	Nil
3.	Mr. P. Nagarajan	Nil
4.	Ms. G. Jalaja	Nil
5.	Mr. A Sridhar	Nil
6.	Mr. S Shamsuddin	Nil

Nomination Facility

The Shareholders may avail themselves of the nomination facility under Section 72 of the Companies Act, 2013. The nomination form (Form SH.13) along with instruction, will be provided to the members on request. In case the members wish to avail of this facility, they are requested to write to the Company's Registrars, KFin Technologies Limited (Formerly known as KFin Technologies Private Limited).

Investors are advised to avail this facility especially investors holding securities in single name, to avoid the process of transmission by law. For investors holding shares held in electronic form, the nomination has to be conveyed to their Depository participants directly, as per the format prescribed by them.

DECLARATION OF CODE OF CONDUCT

To

The Members of
Coromandel Engineering Company Limited,

This is to confirm that the Board has laid down a code of conduct for all Board members and senior management of the Company. The code of conduct has also been posted on the website of the Company. It is further confirmed that all the Directors and senior management personnel of the Company have affirmed compliance with the code of conduct of the Company for the year ended 31st March 2023, as envisaged in Regulation 34(3) read with Schedule V of the Listing Regulations.

Place: Chennai
Date: 30th May, 2023

N.VELAPPAN
ASSOCIATE VICE PRESIDENT & MANAGER

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

Pursuant to Regulation 34 (3) read with Schedule V Para-C Sub clause (10) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

The Members

COROMANDEL ENGINEERING COMPANY LIMITED

CIN: L74910TN1947PLC000343

'Parry House',

5th Floor, 43, Moore Street, Chennai – 600 001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **COROMANDEL ENGINEERING COMPANY LIMITED (CIN: L74910TN1947PLC000343)** having its Registered Office at "Parry House", 5th Floor, 43, Moore Street, Chennai- 600001 (hereinafter referred to as "The Company") produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34 (3) read with Schedule V Part-C Sub clause 10 (i) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our knowledge and according to the verifications (including Director Identification Number (DIN) Status at the portal www.mca.gov.in) and based on such examination as well as information and explanations furnished to us, which to the best of our knowledge and belief were necessary for the purpose of issue of this certificate and based on such verification as considered necessary, we hereby certify that none of the Directors as stated below on the Board of the Company as on 31st March 2023 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities Exchange Board of India/Ministry of Corporate Affairs or any such other statutory authority.

S.NO	DIN	NAME OF THE DIRECTOR	DESIGNATION	DATE OF APPOINTMENT
1.	00152619	M M Venkatachalam	Non-Executive - Chairman	31/07/2009
2.	00165666	N V Ravi	Non-Executive- Independent Director	21/02/2012
3.	00110344	P Nagarajan	Non-Executive - Independent Director	30/07/2014
4.	00149278	G Jalaja	Non-Executive - Independent Director	20/03/2015
5.	07913908	A Sridhar	Non-Executive - Non Independent Director	01/05/2021
6.	07954397	S Shamsuddin	Non-Executive - Non Independent Director	26/10/2021

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

**For SRINIDHI SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES**

**PLACE : CHENNAI
DATE : MAY 30 2023**

**CS SRINIDHI SRIDHARAN
CP No. 17990
FCS No. 12510
PR No.655/2020
UIN: S2017TN472300
UDIN: F012510E000427793**

CORPORATE GOVERNANCE CERTIFICATE

The Members

COROMANDEL ENGINEERING COMPANY LIMITED

'Parry House', 5th Floor,
43, Moore Street,
Chennai – 600 001

We have examined all relevant records of **Coromandel Engineering Company Limited**, (CIN: L74910TN1947PLC000343), having its Registered Office at Parry House, 5th Floor, 43, Moore Street, Chennai – 600 001, for the purpose of certifying compliance of the conditions of Corporate Governance under Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) and para C, D and E of Schedule V and Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (hereinafter called "SEBI (LODR) Regulations 2015") for the financial year ended 31st March, 2023. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and on the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied regarding the conditions of Corporate Governance as stipulated Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) and para C, D and E of Schedule V and Regulation 34 (3) of SEBI (LODR) Regulations 2015 for the financial year ended 31st March, 2023.

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.

**For SRINIDHI SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES**

CS SRINIDHI SRIDHARAN

CP No. 17990

FCS No. 12510

PR No.655/2020

UIN: S2017TN472300

UDIN: F012510E000427848

PLACE : CHENNAI

DATE : MAY 30 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COROMANDEL ENGINEERING COMPANY LIMITED

Report on the audit of Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **COROMANDEL ENGINEERING COMPANY LIMITED** ("the Company"), which comprises the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the

Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note No. 15 (c) to the Standalone Financial Statements of the Company, which describes the application filed with NCLT for reduction of entire paid-up preference share capital of the company.

The Company approached NCLT with a Scheme of Reduction of Preference Share capital and NCLT vide its order dated 9th of May 2023, has approved the said extinguishment of the entire obligation of the Company with respect to the Preference Share Capital of Rs 2835.63 lakhs. As per the Board resolution of the Company the extinguishment will come into effect from the date of approval of NCLT which is 9th May 2023. Hence, the effect of extinguishment is not considered in the Financial Statements of the Company for the year ending 31st March 2023.

Consequent to the extinguishment of entire obligations towards preference share capital as approved by the NCLT, the net worth of the Company shall move from Rs (2048.43 lakhs) to Rs 787.20 Lakhs.

Key Audit Matters

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

<p>A) Existence and impairment of Trade Receivables</p> <p>Trade Receivables are significant to the Company's financial statements. The Collectability of trade receivables is a key element of the company's working capital management, which is managed on an ongoing basis by its management. Due to the nature of the Business and the requirements of customers, various contract terms are in place which impacts the timing of revenue recognition. There is a significant element of judgement. Given the magnitude and judgement involved in the impairment assessment of trade receivables, we have identified this as a key audit matter.</p>	<p>We performed audit procedures on existence of trade receivables, which included substantive testing of revenue transactions, obtaining trade receivable external confirmations and testing the subsequent payments received. Assessing the impact of trade receivables requires judgement and we evaluated management's assumptions in determining the provision for impairment of trade receivables, by analyzing the ageing of receivables, assessing significant overdue individual trade receivables and specific local risks, combined with the legal documentations, where applicable.</p> <p>In calculating the Expected Credit Loss as per Ind AS 109 – "Financial Instruments", the company has also considered the estimation of probable future customer default and has taken into account an estimation of possible effect from the pandemic relating to Covid-19.</p> <p>We tested the timing of revenue and trade receivables recognition based on the terms agreed with the customers. We also reviewed, on a sample basis, terms of the contract with the customers, invoices raised, etc., as a part of our audit procedures.</p> <p>Furthermore, we assessed the appropriateness of the disclosures made in note 10 to the financial statements.</p>
<p>B) Revenue recognition (IND AS 115)</p> <p>The application of the standard on recognition of revenue involves significant judgement and estimates made by the management which includes identification of performance obligations contained in contracts, determination of the most appropriate method for recognition of revenue relating to the identified performance obligations, assessment of transaction price and allocation of the assessed price to the individual performance obligations. In case of Fixed Price Contracts Revenue is recognized using the Percentage of Completion computed as per Input method. There exists an inherent risk and presumed fraud risk around the accuracy and existence of revenues. These contracts may involve onerous obligations which requires critical assessment of foreseeable losses to be made by the Group.</p>	<p>Audit procedure involved review of the company's IND AS 115 implementation process and key judgements made by management, evaluation of customer contracts in light of IND AS 115 on sample basis and comparison of the same with management's evaluation and assessment of design and operating effectiveness of internal controls relating to revenue recognition.</p> <p>Based on the procedures performed, it is concluded that management's judgements with respect to recognition and measurement of revenue in light of IND AS 115 is appropriate.</p> <p>Furthermore, the appropriateness of the disclosures made in note 34 to the financial statements was assessed</p>

<p>A) Recognition and measurement of deferred taxes</p> <p>The recognition and measurement of deferred tax items requires determination of differences between the recognition and the measurement of assets, liabilities, income and expenses in accordance with the Income Tax Act and other applicable tax laws including application of ICDS and financial reporting in accordance with IND AS.</p> <p>This involves significant calculations requiring detailed knowledge of applicable tax laws.</p>	<p>The key matter was addressed by performing audit procedures which involved assessment of underlying process and evaluation of internal financial controls with respect to measurement of deferred tax and re-performance of calculations and assessment of the items leading to recognition of deferred tax in light of prevailing tax laws and applicable financial reporting standards on sample basis.</p> <p>The audit procedures performed did not lead to identification of any material misstatement with respect to recognition and measurement of deferred taxes.</p> <p>Furthermore, the appropriateness of the disclosures made in note 7 to the financial statements was assessed.</p>
<p>D) Contingent Liability</p> <p>Assessment of Provisions for taxation, litigations and claims: As at 31st March 2023 Coromandel Engineering Company Limited had disputed tax dues to the tune of Rs 72.03 lakhs.</p>	<p>The Audit addressed this Key Audit Matter by assessing the adequacy of tax Provisions by reviewing correspondence with tax Authorities.</p> <p>Discussing significant litigations and claims with the Company's Internal Legal Team.</p> <p>Reviewing previous judgements made by relevant tax Authorities and opinions given by Company's advisors.</p> <p>Assessing the reliability of the past estimates of the management.</p> <p>Based on the procedures performed, it is concluded that the management's assessment of the outcome of pending litigations and claims is appropriate.</p> <p>Furthermore, the appropriateness of the disclosures made in note 30 to the financial statements was assessed.</p>
<p>E) Accuracy of Unbilled Revenues in Civil Contracts:</p> <p>Unbilled Revenue in Civil Contracts operations is a critical estimate to determine the revenues. This estimate has a high risk of uncertainty as it requires consideration of progress of the work done, efforts till date and efforts to complete the remaining contract performance obligations. (Refer note 13)</p>	<p>Audit Procedure involved evaluating the design of the Internal Controls relating to recording of efforts incurred and estimation of efforts incurred to complete the performance obligations.</p> <p>Performed analytical Procedure and test of details for reasonableness of incurred and estimated efforts.</p> <p>The audit procedures performed did not lead to identification of any material misstatement with respect to recognition and measurement of unbilled revenue.</p>

F) Inventory WIP:

Management judgement is required to establish the carrying value of inventory particularly in relation to determining the appropriate level of provisions in relation to obsolete and Surplus items.

The judgement reflects that inventory is held to support company's operations which results in the company holding inventory for extended periods before utilization. In cases of disputes with land owners we have relied on Management Representation.

Physical Verification of Inventory was conducted as on 31st March 2023. With respect to the Net Realizable value of Inventory the company has provided Management Representations that there is no significant impact on account of Covid as all contracts are based on fixed prices.

Audit procedures include testing the inventory provisions, we assessed the management control and estimation of inventory provisions and their appropriateness. Future salability of inventory was assessed based on past track records

Based on the audit procedure performed, no material discrepancies were identified.

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

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report but does not include the financial statements and our report thereon.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the

accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, 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.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (here in after referred to as the "Order") and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
2. As required by Section 143(3) of the Companies Act, 2013, 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 the Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the 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 31st March, 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (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 Standalone Financial Statements as referred to in Note No. 30 to the Standalone Financial Statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts as at 31st March, 2023;
 - (iii) There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company for the year ended 31st March, 2023.
- (i) Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or

share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(is), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (j) Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any

manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, and

- (k) Based on the audit procedures adopted by us, nothing has come to our notice that has caused us to believe that the representations made by the management under sub clause (i) and (ii) above, contain any material misstatement.
- (l) The Company has not declared any Dividend during the year.
- (m) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

Place: Chennai -17
Date: 30.05.2023

For CNGSN & ASSOCIATES LLP
Chartered Accountants
F.R.No.004915S

C.N Gangadaran
Partner

Membership No 011205
UDIN : 23011205BGPUUR8563

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in our Independent Auditor's Report to the members of the Coromandel Engineering company Limited on the Standalone Financial Statements for the year ended 31st March 2023, we report that:

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment to the best of our knowledge and on the basis of available information.

(B) The Company has maintained proper records showing full particulars, including quantitative details and situation of Intangible Asset to the best of our knowledge and on the basis of available information.
- (b) The Company has a regular program of physical verification of its Property, Plant & Equipment by which Property, Plant & Equipment are verified in a phased periodical manner designed to cover all the items over a period of three years. In accordance with this program, certain Property, Plant & Equipment were verified during the year and no discrepancies were noticed on such verification. In our opinion this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets.
- (c) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties disclosed in the financial statements are held in the name of the Company.
- (d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, clause (i(d)) of Para 3 of Companies (Auditors Report) Order 2020 is not applicable.
- (e) The company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, clause (i(e)) of Para 3 of Companies (Auditors Report) Order 2020 is not applicable..
- ii. (a) Physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion the coverage and procedure of such verification by the management is appropriate; discrepancies of 10% or more in aggregate for each class of inventory were not noticed.
- (b) According to the records of the Company and information and explanations given to us, whether during any point of time of the year, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate from banks or financial institution on the basis of security of current assets; the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company..
- iii. (a) In our opinion and according to the explanations given to us, during the year the company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity [not applicable to companies whose principal business is to give loans]. Accordingly, clause (iii(a)), (iii(b)), & (iii(c)) of Para 3 of Companies (Auditors Report) Order 2020 is not applicable.
- iv. In our opinion and according to the explanations given to us there are no loans, investments, guarantees and securities provided by the Company as specified under Sections 185 and 186 of the Companies Act, 2013. Therefore, the provisions of the paragraph 3(iv) of the order are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder, and hence reporting under clause (v) of the Order is not applicable.
- vi. The Central Government has prescribed the maintenance of cost records under Section

148(1) of the Companies Act, 2013 and the prescribed accounts and records have been made and maintained.

vii. In respect of statutory dues:

a) According to the records of the Company and information and explanations given to us, the Company is regular in depositing undisputed statutory dues including Goods and Service tax, provident fund, employees' state insurance, income-tax, sales-tax,

wealth tax, service tax, duty of customs, duty of excise, value added tax, Goods and service tax, cess and any other statutory dues with the appropriate authorities. There are no undisputed statutory dues outstanding for more than six months.

b) As at 31st March 2023 according to the records of the Company, the following are the particulars of the disputed dues on account of value added tax and entry tax:

Sl. No	Nature of Dues	Amount Disputed (₹ in Lakhs)	Amount paid under protest (₹ in Lakhs)	Forum where Pending
1	Odisha – GST Tran 1 credit reversal	5.43	0.50	Deputy Commissioner of CT & GST, Ganjam, Odisha (FY 2017-2018)
2	Suit filed by vendor	52.01	-	Court of Telangana
3	Tamil Nadu -Entry Tax	2.99	2.99	Additional Commissioner, Chennai (AY 2012-13)
4	Kerala - VAT	5.60	0.66	Assistant Commissioner Commercial Tax officer Ernakulam
5	Suit filed by contractor	6.00	-	Madurai High Court

viii. In our opinion, the company has no transactions that has not been recorded in the books of account and no unrecorded income was disclosed or surrendered as income during the year in the Tax assessments under the Income Tax,1961. Accordingly, clause (viii) of Para 3 of Companies (Auditors Report) Order 2020 is not applicable.

ix. (a) Based on our audit procedures and according to the information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in repayment of loans or borrowings to any lenders.

(b) According to the records of the Company and information and explanations given to us, the company is not a declared willful defaulter by any bank or financial institution or other lender.

(c) According to the records of the Company and information and explanations given to us, term loans were applied for the purpose for which the loans were obtained; if not, the amount of loan so diverted and the purpose for which it is used may be reported.

(d) According to the records of the Company and information and explanations given to us, the funds raised on short term basis have been utilised for short term requirements only. They were not applied for long term requirements.

(e) In our opinion, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, clause (ix(e)) of Para 3 of Companies (Auditors Report) Order 2020 is not applicable.

(f) In our opinion, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, clause (ix(f)) of Para 3 of Companies (Auditors Report) Order 2020 is not applicable

x. (a) To the best of our knowledge and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer.

(b) In our opinion and according to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Accordingly, clause (x(b)) of Para 3 of Companies (Auditors Report) Order 2020 is not applicable.

xi. (a) In our opinion and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) In our opinion, report under sub-section (12) of section 143 of Companies Act and form ADT-4 is not required to be filed by the auditors as clause xi (a) is not applicable. Accordingly, clause (xi(b)) of Para 3 of Companies (Auditors Report) Order 2020 is not applicable.

(c) According to the information and explanation given to us, the company has not received whistle-blower complaints during the year. Accordingly, clause (xi(c)) of Para 3 of Companies (Auditors Report) Order 2020 is not applicable.

xii. In our opinion, the Company is not a Nidhi Company. Accordingly, clause (xii(a), xii(b), xii(c)) of Para 3 of Companies (Auditors Report) Order 2020 are not applicable.

xiii. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards.

xiv. (a) In our opinion and according to the information and explanation given to us,

the company has an internal audit system commensurate with the size and nature of its business.

(b) In our opinion and according to the information and explanation given to us, the reports of the Internal Auditors for the period under audit were considered.

xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with the Directors. Accordingly, clause (xv) of Para 3 of Companies (Auditors Report) Order 2020 is not applicable.

xvi. (a) & (b) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause (xvi(a) and xvi (b)) of Para 3 of Companies (Auditors Report) Order 2020 are not applicable.

(c) & (d) In our opinion and according to the information and explanations given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause (xvi (c) and xvi(d)) of Para 3 of Companies (Auditors Report) Order 2020 is not applicable.

xvii. In our opinion and according to the information and explanations given to us the company has incurred cash losses in the financial year and in the immediately preceding financial year.

Accordingly, clause (xvii) of Para 3 of Companies (Auditors Report) Order 2020 is applicable and the following are the cash losses incurred:

Financial Year	Amount (Rs in lakhs)
2021-22	300.23
2022-23	150.27

xviii. Statutory auditor has not resigned during the year, Accordingly, reporting under clause (xviii) of Para 3 of Companies (Auditors Report) Order 2020 is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios disclosed in note 41 to the financial

statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date

of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. (a) In our opinion and according to the information and explanations given to us, the company is not obliged to transfer the unspent amount to a Fund specified in Schedule VII to the Companies Act. Accordingly, clause (xx(a) and xx(b)) of Para 3 of Companies (Auditors Report) Order 2020 are not applicable
- xxi. In our opinion, the company does not prepare consolidated financials. Accordingly, clause (xxi) of Para 3 of Companies (Auditors Report) Order 2020 is not applicable..

Place: Chennai -17
Date: 30.05.2023

For CNGSN & ASSOCIATES LLP

Chartered Accountants
F.R.No.004915S

C.N Gangadaran
Partner

Membership No 011205
UDIN : 23011205BGPUUR8563

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of the Independent Auditor’s Report of even date)

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

We have audited the internal financial controls over financial reporting of **COROMANDEL ENGINEERING COMPANY LIMITED** (“the Company”) as of 31st March 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be

prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Place: Chennai -17
Date: 30.05.2023

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India..

For CNGSN & ASSOCIATES LLP

Chartered Accountants

F.R.No.004915S

C.N Gangadaran

Partner

Membership No 011205

UDIN : 23011205BGPUUR8563

BALANCE SHEET

(₹ in lakhs)

Particulars		Note No.	As at 31.03.2023	As at 31.03.2022
A	ASSETS			
1	Non-current assets			
	(a) Property, Plant and Equipment	4 a	336.11	492.36
	(b) Right of use Assets	4 b	-	-
	(c) Capital work-in-progress		-	-
	(d) Intangible assets - Under Development	4 c	11.20	-
	(e) Financial Assets			
	(i) Investments	5	-	-
	(ii) Trade receivables	6	-	23.34
	(iii) Other Financial Assets		-	-
	(f) Deferred tax assets (net)	7	1,107.59	1,173.11
	(g) Other non-current assets	8	365.00	365.00
	Total Non - Current Assets		1,819.90	2,053.81
2	Current assets			
	(a) Inventories	9	1,365.15	1,576.00
	(b) Financial Assets			
	(i) Investments		-	-
	(ii) Trade receivables	10	1,955.56	2,155.40
	(iii) Cash and cash equivalents and bank balances	11	1.49	0.86
	(iv) Other Financial assets	12	125.45	146.17
	(c) Other current assets	13	2,128.71	1,214.46
	Total Current Assets		5,576.36	5,092.89
	Total Assets (1+2)		7,396.26	7,146.70
B	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share Capital	14	3,323.36	3,323.36
	(b) Other Equity excluding non-controlling interests	14 a	(5,371.79)	(4,919.85)
	Total equity attributable to owners of the Company		(2,048.43)	(1,596.49)
2	Liabilities			
	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Preference Capital	15	2,835.63	2,835.63
	(ii) Borrowings	16	1,000.00	878.00
	(iii) Trade payables		-	-
	(iv) Other financial liabilities	17	-	-
	(b) Provisions	18	56.03	48.69
	(c) Deferred tax liabilities (Net)		-	-
	(d) Other non-current liabilities		-	-
	Total Non - Current Liabilities		3,891.66	3,762.32
3	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	19	1,442.23	554.16
	(ii) Trade payables - Micro & Small Enterprise	20	235.61	263.86
	(iii) Trade payables - Others	20	1,574.56	1,773.84
	(iv) Other financial liabilities	21	1,462.55	1,339.07
	(b) Provisions		-	-
	(c) Other current liabilities	22	838.08	1,049.94
	Total Current Liabilities		5,553.03	4,980.87
	Total Equity and Liabilities (1+2+3)		7,396.26	7,146.70

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For CNGSN & Associates LLP
Chartered Accountants
F.R.No.004915S

C.N. GANGADARAN
Partner
Membership No.011205

N. VELAPPAN
Manager

On Behalf of the Board

M.M.VENKATACHALAM
Chairman

Chennai
30th May 2023

C. PARVATHI NAGARAJ
Company Secretary

R.SELVAKUMAR
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS

(₹ in lakhs)

Particulars		Note No.	For the Year ended March 31, 2023		For the Year ended March 31, 2022	
I	Revenue from Operations	23	12,651.10		13,299.57	
II	Other Income	24	4.92		3.82	
III	Total Revenue (I + II)			12,656.02		13,303.39
IV	Expenses					
	(a) Materials consumed	25	5025.70		4,782.67	
	(b) Changes in Inventories	26	69.50		748.11	
	(c) Sub-contracting Expenses		5516.01		6,241.35	
	(d) Employee Benefit Expenses	27	1020.18		828.58	
	(e) Finance Cost	28	421.24		471.52	
	(f) Depreciation and Amortisation Expenses	4	222.82		274.12	
	(g) Other Expenses	29	964.40		719.85	
	(h) Total Expenses			13,239.85		14,066.20
V	Profit/(loss) before exceptional items (III-IV)			(583.83)		(762.81)
VI	Exceptional income - waiver of Preference Dividend			198.49		198.49
VII	Profit/(loss) after exceptional items (V-VI)			(385.34)		(564.32)
VIII	Tax expense/(gain)					
	(1) Current tax			-		-
	(2) Deferred tax			65.52		232.36
IX	Net Profit/(loss) after tax			(450.86)		(796.68)
X	Add: Other Comprehensive Income/(Loss)					
	Items that will not be reclassified to Profit or Loss					
	(a) Remeasurements of the defined benefit liabilities / asset			(1.08)		0.21
	(b) Equity instruments through other comprehensive income			-		-
	Other Comprehensive Income/(Loss) Total			(1.08)		0.21
XI	Total Comprehensive Income			(451.94)		(796.47)
XII	Earnings per equity share (Rs)					
	(1) Basic			(1.36)		(2.40)
	(2) Diluted			(1.36)		(2.40)

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For CNGSN & Associates LLP
Chartered Accountants
F.R.No.004915S

C.N. GANGADARAN
Partner
Membership No.011205

N. VELAPPAN
Manager

On Behalf of the Board

M.M.VENKATACHALAM
Chairman

Chennai
30th May 2023

C. PARVATHI NAGARAJ
Company Secretary

R.SELVAKUMAR
Chief Financial Officer

A. Equity Share Capital - Refer Note no 14

(₹ in lakhs)

Balance as at April 01, 2021	3,323.36
Balance as at March 31, 2022	3,323.36
Balance as at March 31, 2023	3,323.36

B. Statement of changes in other Equity - Refer Note no 14a

Particulars	Reserves and Surplus					Items of Other Comprehensive Income	Total
	Capital Reserve	General Reserve	Investment Allowance Reserve	Securities Premium	Retained earnings	Reserve for equity instruments	
Balance at beginning of the Year - April 01, 2021	7.24	629.43	-	2440.80	(7200.85)	13.97	(4109.41)
Loss for the year					(796.68)		(796.68)
Other Comprehensive income for the year					0.21	(13.97)	(13.76)
Total Comprehensive income for the year					(796.47)	(13.97)	(810.44)
Transfer to Gen Reserve					-		-
Balance at end of the year - March 31, 2022	7.24	629.43	-	2440.80	(7997.32)	-	(4919.85)
Loss for the year					(450.86)	-	(450.86)
Other Comprehensive income for the year					(1.08)	-	(1.08)
Total Comprehensive income for the year					(451.94)	-	(451.94)
Balance at end of the year - Mar 31, 2023	7.24	629.43	-	2440.80	(8449.26)	-	(5371.79)

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For CNGSN & Associates LLP
Chartered Accountants
F.R.No.004915S

C.N. GANGADARAN
Partner
Membership No.011205

Chennai
30th May 2023

N. VELAPPAN
Manager

C. PARVATHI NAGARAJ
Company Secretary

On Behalf of the Board

M.M.VENKATACHALAM
Chairman

R.SELVAKUMAR
Chief Financial Officer

CASH FLOW STATEMENT

(₹ in lakhs)

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Cash Flow from Operating Activities		
Net Profit/ (Loss) before tax as per Statement of Profit & Loss	(583.83)	(762.81)
Adjustments for :		
Depreciation and amortisation expenses	222.82	274.12
Finance Cost	421.24	471.52
Interest Income	(4.90)	(0.17)
Dividend Income	-	-
(Profit) / Loss on sale/W.off of assets (Net)	-	-
	639.16	745.47
Operating Profit before working capital changes	55.33	(17.34)
Adjustments for :		
Trade and other Receivables	(675.54)	611.25
Inventories	210.85	605.62
Trade and other Payables	(309.64)	819.00
	(774.33)	2,035.87
Cash Generated from Operations	(719.00)	2,018.53
Direct Taxes Refund/(Paid)(Net)	5.17	(47.95)
Dividend paid	-	-
Net Cash from/(used) in Operating Activities	(713.83)	1,970.58
Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment	(77.76)	(40.43)
Sale of Property, Plant and Equipment	-	0.20
Sale of investment	-	1.41
Interest income	4.90	0.17
Dividend Received	-	-
Waiver of Preference dividend	198.49	198.49
Net Cash from Investing Activities	125.63	159.84
Cash flow from Financing Activities		
Proceeds from Preference Issue	-	-
Loans availed/(repaid) (Net)	1,010.07	(1,661.21)
Finance Charges	(421.24)	(471.52)
Net Cash from/(used in) Financing Activities	588.83	(2,132.73)
Net increase/ (decrease) in Cash and Cash Equivalents	0.63	(2.31)
Opening balance of Cash and Cash Equivalents	0.86	3.17
Closing balance of Cash and Cash Equivalents	1.49	0.86

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For CNGSN & Associates LLP
Chartered Accountants
F.R.No.004915S

C.N. GANGADARAN
Partner
Membership No.011205

Chennai
30th May 2023

N. VELAPPAN
Manager

C. PARVATHI NAGARAJ
Company Secretary

On Behalf of the Board

M.M.VENKATACHALAM
Chairman

R.SELVAKUMAR
Chief Financial Officer

STATEMENT SHOWING THE APPLICABLE KEY ACCOUNTING STANDARDS UNDER IND AS WITH RELATED ACCOUNTING POLICY AND NOTES REFERENCES FOR THE FINANCIAL STATEMENTS

Ind AS No	Description	Accounting Policy No	Note No
2	Inventories	3.8	9
7	Statement of Cash flows	3.16	11
10	Event after the reporting period		41
12	Income tax	3.13	7
16	Property, Plant and Equipment	3.3	4a
18	Revenue	3.9	23, 34
19	Employee benefits	3.12	39
24	Related party disclosures		38
33	Earnings per share	3.15	35
37	Provisions, Contingent liabilities and assets	3.14	6,18,21,30
38	Intangible assets	3.6	4 c
107	Financial instruments - Disclosures	3.17	40
108	Operating segments	3.18	36
113	Fair value measurements	3.1	40
115	Revenue from Contracts	3.9	23,34
116	Leases	3.4	4 b

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**1. CORPORATE INFORMATION**

Coromandel Engineering Company Limited (CEC) was incorporated as a Public Limited Company in the year 1947 and the Equity Shares of the Company are listed in BSE Ltd. CEC is in the business of Construction and Property Development.

2. APPLICATION OF NEW AND REVISED IND AS

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules 2015.

3. SIGNIFICANT ACCOUNTING POLICIES**3.1. Basis of preparation and presentation of Financial Statements**

The financial statements have been prepared and presented in accordance with the Indian Accounting Standards (Ind AS) as prescribed by the Companies (Indian Accounting Standards) Rules, 2015 and Schedule III of the Companies Act, 2013 ("the Act"). The financial statements are presented in Indian Rupees (INR), which is also the functional currency.

The financial statements have been prepared under the historical cost convention, except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of

an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use as in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- a. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- b. Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly;
- c. Level 3 inputs are unobservable inputs for the asset or liability;

3.2. Use of estimates and judgements

The preparation of the financial statements requires the management to make estimates, assumptions and judgements that affect the reported amount of assets and liabilities, income and expenses. Actual amounts could differ from these estimates.

Estimates and underlying assumptions are reviewed on an on going basis.

Revisions to accounting estimates are recognized prospectively.

Judgements are made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements.

3.3. Property, Plant and Equipment

Property, Plant and Equipment are valued at historical cost less accumulated depreciation. Cost includes related taxes, duties, freight, insurance etc. attributable to acquisition and installation of assets and borrowing costs incurred up to the date of commencing operations. Impairment loss is recognised, where applicable; when the carrying value of fixed assets exceeds its market value or the value in use, whichever is higher.

3.4. Leases: Right-of-use asset and Lease liabilities

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments (including in-substance fixed payments), less any lease incentives receivable.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease tenure.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial
- measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally

depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases of property, plant and office equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

3.5. Depreciation

Depreciation on tangible assets is provided as per revised useful life contained in Schedule II of the Companies Act, 2013.

3.6. Intangible Assets and amortization

Intangible assets (computer software) acquired separately are carried at cost less accumulated amortization. Amortization is recognized on a straight-line basis over their estimated useful life as determined under Schedule II of the Companies Act, 2013.

3.7. Investments in equity instruments at FVTOCI

On initial recognition, the Company had made an irrevocable election on instrument by instrument basis, pertaining to investment in equity instruments, to present the subsequent changes in fair value in other comprehensive income .

Dividend on these investments is recognized when the Company's right to receive the dividend is established and recognized in profit and loss in "other income" head..

3.8. Inventories

Materials at site are valued at cost on Weighted Average Method. Work-in-Progress in respect of contracts till attaining a reasonable progress level and in property development, till significant risks and rewards of ownership are transferred, is valued at cost plus proportionate overheads. Unsold land is valued at cost.

3.9. Revenue Recognition

Revenue is recognized to the extent that is probable that the economic benefits will flow to the Company and the revenue can be measured, irrespective of when the payment is being made. Revenue is measured at the fair value of the billing whether received or to be received, net of taxes collected on behalf of the Government.

- i) Revenue in respect of Construction Contracts, is recognised on percentage of completion method.
- ii) In case of Property development, Percentage of completion is arrived at as the proportion of costs incurred (including directly attributable borrowing costs) up to the Balance Sheet date to the estimated total project costs.
- iii) In case of indivisible works contracts, revenues are recognized on percentage completion method, synchronised to the billing schedules agreed by the customers.
- iv) Revenue in respect of billed and unbilled contracts/property development in progress includes recognised profits based on percentage of completion and retention on bills. Provision for expected losses is made irrespective of percentage of completion.
- v) Revenue from Property Development activity is recognised when significant risks and rewards of ownership in the land and/ or building are transferred to the customers.
- vi) Bill raised for value of work done in respect of completed and ongoing contracts including retention on bill is disclosed as proceeds on contracts.
- vii) Sale of goods is recognized when the goods are delivered and titles have passed.

- viii) Sales are recorded net of trade discounts/ rebates exclusive of taxes collected on behalf of Government.

3.10. Other Income

- i) Dividend Income from investments is recognized when the right to receive payment has been established.
- ii) Interest Income from a financial asset is recognized and accrued on time proportion basis.
- iii) Insurance claims are accounted on the basis of claims admitted and to the extent amount recoverable can be measured reliably.

3.11 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of assets that necessarily takes substantial period of time to get ready for intended use are treated as part of the cost of such assets. Borrowing costs attributable to unsold properties that are under development are inventorised and charged to revenue as and when they are sold. All other borrowing costs are recognized in profit and loss in the period they are incurred.

3.12. Employee Benefits

a. Short Term

Short term employee benefits, including accumulated compensated absences, are recognized as an expense as per the Company's scheme, based on expected obligations on undiscounted basis.

b. Long term

i. Leave encashment

This is recognized at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by the employees upto the reporting date.

ii. Provident Fund

Contributions are made to the Company's Employees Provident

Fund Trust in accordance with the fund rules. The interest rate payable by the trust to the beneficiaries every year is notified by the Government. The company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

iii. Superannuation

This is defined contribution plan. Fixed contributions to the Superannuation Fund administered by trustees and managed by Life Insurance Corporation of India are charged to the Statement of Profit and Loss. The Company has no further obligations for future superannuation benefits other than its annual contributions and recognizes such contributions as an expense in the year incurred.

iv. Gratuity

The Company makes annual contribution to a Gratuity Fund administered by trustees and managed by Life Insurance Corporation of India (LIC). Liability for future gratuity benefits is accounted based on actuarial valuation, as at the Balance Sheet date, determined by independent Actuary.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to asset ceiling (if any) and the return on plan assets (excluding net interest), is recognized in Other Comprehensive income in the period in which they occur and this is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of plan amendment.

3.13. Taxation

Provision for current tax is made based on the liability computed in accordance

with the relevant tax rates and tax laws. Current income tax assets and liabilities are measured at the amount expected to be received or payable to taxation authorities.

Deferred tax is recognized on temporary differences between the carrying amount of assets and liabilities in the financial statements and 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 tax differences to the extent that it is probable that taxable profit will be available against which those deductible temporary differences can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

3.14. Provisions & Contingent Liabilities/ Assets:

Provisions are recognized for known liabilities that can be measured where the Company has a present obligation as a result of past event. It is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation.

Contingent Liabilities are disclosed for possible obligation which will be confirmed only by future events not wholly within the control of the Company or present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognized in the financial statements.

3.15. Earnings per share

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

3.16. Cash flow statement

Cash flows are reported using the indirect method, whereby the profit/ (loss) and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The Cash flows from operating, investing and financing activities of the Company are segregated based on available information.

For this purpose, cash comprises of cash on hand and demand deposits with banks. Cash equivalents are short term balances with original maturity of three months or less from the date of acquisition, highly liquid investments

that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.17. Financial instruments

Financial assets and liabilities are recognized where the Company becomes a party to the contractual provisions of the instruments. They are initially measured at fair value.

All regular purchases or sale of financial assets are recognized or derecognized on a trade date basis. All recognized financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

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

3.18 Operating cycle

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realization into cash/cash equivalents, the operating cycle has been determined as 12 months for the purpose of classification of its assets and liabilities.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023**NOTE 4 a PROPERTY, PLANT AND EQUIPMENT**

(₹ in lakhs)

Carrying amounts of:					As at		
					31.03.2023	31.03.2022	31.03.2021
Plant and equipment					318.05	478.14	721.54
Furniture and fittings					1.56	1.06	0.67
Vehicles					0.14	0.18	0.11
Office Equipment					3.74	2.84	2.66
Computers					12.62	10.14	1.27
Total					336.11	492.36	726.25
	Office Buildings	Plant and equipment	Furniture and Fittings	Vehicles	Office Equipment	Computers	Total
Cost or deemed cost							
Balance at April 1, 2021	23.11	3,847.16	1.83	6.20	28.70	45.19	3,952.19
Additions	-	24.63	0.59	0.20	1.57	13.44	40.43
Disposals	-	-	-	-	0.20	-	0.20
Balance at March 31, 2022	23.11	3,871.79	2.42	6.40	30.07	58.63	3,992.42
Additions	-	53.90	0.76	-	2.52	9.39	66.57
Disposals	-	-	-	-	-	-	-
Balance at March 31, 2023	23.11	3,925.69	3.18	6.40	32.59	68.02	4,058.99
	Office Buildings	Plant and equipment	Furniture and Fittings	Vehicles	Office Equipment	Computers	Total
Accumulated depreciation and impairment							
Balance at April 1, 2021	23.11	3,125.62	1.16	6.09	26.04	43.92	3,225.94
Depreciation expense	-	268.03	0.20	0.13	1.19	4.57	274.12
Eliminated on disposals	-	-	-	-	-	-	-
Balance at March 31, 2022	23.11	3,393.65	1.36	6.22	27.23	48.49	3,500.06
Depreciation expense	-	213.99	0.26	0.04	1.62	6.91	222.82
Eliminated on disposals	-	-	-	-	-	-	-
Balance at March 31, 2023	23.11	3,607.64	1.62	6.26	28.85	55.40	3,722.88
	Office Buildings	Plant and equipment	Furniture and Fittings	Vehicles	Office Equipment	Computers	Total
Carrying amount							
Balance at April 1, 2021	-	721.54	0.67	0.11	2.66	1.27	726.25
Additions	-	24.63	0.59	0.20	1.57	13.44	40.43
Disposals	-	-	-	-	0.20	-	0.20
Depreciation expense	-	268.03	0.20	0.13	1.19	4.57	274.12
Balance at March 31, 2022	-	478.14	1.06	0.18	2.84	10.14	492.36
Additions	-	53.90	0.76	-	2.52	9.39	66.57
Disposals	-	-	-	-	-	-	-
Depreciation expense	-	213.99	0.26	0.04	1.62	6.91	222.82
Balance at March 31, 2023	-	318.05	1.56	0.14	3.74	12.62	336.11

Assets pledged as security

Property, Plant and Equipment have been pledged as security for loan from Bank.

Capitalised borrowing cost :

No Borrowing cost has been capitalised on property, plant and equipment for the year ended 31st March 2022 & 31st March 2023

(₹ in lakhs)

NOTE 4 B RIGHT OF USE ASSETS

The company has adopted Ind AS 116 retrospectively from April 1, 2019, however the Company does not have any lease or right of use asset for a tenure exceeding 12 months and hence there is no impact on account of adoption of AS 116.

NOTE 4 C INTANGIBLE ASSETS - UNDER DEVELOPMENT

Carrying amounts of :	As at		
	31.03.2023	31.3.2022	01.04.2021
Software & Licensing	11.20	-	-

Significant intangible assets

The Company does not hold any intangible assets that materially affect the business operations of the company.

ANNEXURE FORMING PART OF - NOTE 4C

Intangible Assets under Development	Amount in CWIP for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in Progress	11.20	-	-	-	11.20
(ii) Projects temporarily suspended	-	-	-	-	-

NOTE 5**NON CURRENT INVESTMENTS**

	Face Value	Quantity as at		Value as at	
		31.03.2023	31.03.2022	31.03.2023	31.03.2022
(A) Instruments at Fair Value Through Other Comprehensive Income (FVTOCI)	Rs.			Rs. Lakhs	Rs. Lakhs
Shares in companies - Non Trade					
Quoted (fully paid up)					
Sri Vajra Granites Ltd	10	100	100	-	-
Un Quoted (fully paid up)					
New India Co-operative Bank Ltd	10	-	-	-	-
Total				-	-

Particulars		As at 31.03.2023	As at 31.03.2022
(a)	Aggregate market value of quoted investments	-	-
	Aggregate carrying value of unquoted investments	-	-
(b)	Financial assets designated at FVTOCI	-	-
	Mandatorily measured at FVTPL	-	-

NOTE 6**TRADE RECEIVABLES**

		As at	
		31.03.2023	31.03.2022
		Rs. Lakhs	Rs. Lakhs
a)	Unsecured, considered good	-	23.34
b)	Doubtful	79.11	79.11
	Less: Provision for doubtful receivables	79.11	79.11
		-	23.34

- a) Trade receivables are generally due between 30 days to 60 days based on submission and certification of invoices.
- b) Credit risk is managed at client and contract level. At the time of entering into contracts, the credit period is mutually agreed and varies from contract to contract.
- c) The Company has evaluated on contract to contract basis for computing credit loss allowance, if any, for the receivables.
- d) Some trade receivables may be past due over 365 days without being impaired considering the certainty of realisation

NOTE 7**DEFERRED TAX ASSET/(LIABILITY) NET**

(₹ in lakhs)

		As at	
		31.03.2023	31.03.2022
a)	Timing Difference		
	- Depreciation	106.36	65.85
	- Expenses allowed on payment basis	12.64	12.64
	- Provision for doubtful receivables and advances	22.01	22.01
b)	Unabsorbed Business losses	966.58	1,072.61
		1,107.59	1,173.11

Deferred tax liabilities are the amounts of income taxes payable in future periods in respect of taxable temporary differences.

Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of:

- (a) deductible temporary differences;
- (b) the carry forward of unused tax losses; and
- (c) the carry forward of unused tax credits.

Particulars	Balance as at 01.04.2022	Recognised in		Balance as at 31.03.2023
		Profit & loss	Other comprehensive Income	
Breakup for deferred tax assets (net):				
Accelerated depreciation for tax purposes	65.85	40.51	-	106.36
Expenses allowed on payment basis	12.64	-	-	12.64
Allowances for doubtful receivables and advances	22.01	-	-	22.01
Carry forward of unused tax losses (Net)	1,072.61	(106.03)	-	966.58
	1,173.11	(65.52)	-	1,107.59

Particulars	Balance as at 01.04.2021	Recognised in		Balance as at 31.03.2022
		Profit & loss	Other comprehensive Income	
Breakup for deferred tax assets (net):				
Accelerated depreciation for tax purposes	29.04	36.81	-	65.85
Expenses allowed on payment basis	12.64	-	-	12.64
Allowances for doubtful receivables and advances	22.01	-	-	22.01
Carry forward of unused tax losses (Net)	1,341.78	(269.17)	-	1,072.61
	1,405.47	(232.36)	-	1,173.11

The Company elected to exercise the option under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. The full impact on account of remeasurement of Deferred Tax Assets and Liabilities due to revised rates, have been recognised in the statement of Profit and Loss for the year ended 31st March 2020.

NOTE 8

(₹ in lakhs)

OTHER NON CURRENT ASSETS

		As at	
		31.03.2023	31.03.2022
	Advance for properties	365.00	365.00
	Less : Provision for doubtful advances	-	-
		365.00	365.00

NOTE 9**INVENTORIES**

		As at	
		31.03.2023	31.03.2022
a)	Raw Materials at cost	461.40	602.75
b)	Work-in-Progress at cost	903.75	903.75
c)	Finished Apartments at cost	-	69.50
		1,365.15	1,576.00

a. The method of valuation of inventories has been stated in Note No. 3.8

b. The above inventories are expected to be recovered in the normal operating cycle of the Company

NOTE 10**TRADE RECEIVABLES (UNSECURED)**

		As at	
		31.03.2023	31.03.2022
	Unsecured - Considered good		
	Outstanding for a period exceeding six months from the due date of payment		
(a)	Unsecured, considered good	45.58	150.64
	Doubtful	-	-
	Less: Provision for doubtful debts	-	-
		45.58	150.64
	Other Receivables		
(b)	Unsecured, considered good	1,909.98	2,004.76
	Doubtful		
	Less: Provision for doubtful debts	-	-
		1,909.98	2,004.76
	Total (a + b)	1,955.56	2,155.40

- a) Trade receivables are generally due between 30 days to 60 days based on submission and certification of invoices.
- b) Credit risk is managed at client and contract level. At the time of entering into contracts, the credit period is mutually agreed and varies from contract to contract.
- c) The Company has evaluated on contract to contract basis for computing credit loss allowance, if any, for the receivables.
- d) * Ageing of Trade Receivables - as follows :

(₹ in lakhs)

Particulars	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
As at March 31, 2023							
(i) Undisputed - Considered Good	-	1,909.98	-	45.58	-	-	1,955.56
(ii) Disputed - Considered Good	-	-	-	-	-	-	-
(iii) Undisputed - Doubtful	-	-	-	-	-	-	-
(iv) Disputed - Doubtful	-	-	-	-	-	-	-
As at March 31, 2022							
(i) Undisputed - Considered Good	-	1,976.75	178.65	-	-	23.34	2,178.74
(ii) Disputed - Considered Good	-	-	-	-	-	-	-
(iii) Undisputed - Doubtful	-	-	-	-	-	-	-
(iv) Disputed - Doubtful	-	-	-	-	-	-	-

*Note : Forming part of Note 6 & Note 10

NOTE 11**CASH AND CASH EQUIVALENTS AND BANK BALANCES**

		As at	
		31.03.2023	31.03.2022
a)	Cash on hand	0.30	0.53
b)	Current Account balance with Banks	1.19	0.33
	Total	1.49	0.86
	Restricted balances		
c)	Margin Money - For Bank Guarantees	-	-
		1.49	0.86

During the year, the Company has not entered into any non-cash transactions on investing and financing activities.

NOTE 12

(₹ in lakhs)

OTHER FINANCIAL ASSETS

		As at	
		31.03.2023	31.03.2022
a)	Deposits	125.45	146.17
		125.45	146.17

NOTE 13**OTHER CURRENT ASSETS**

		As at	
		31.03.2023	31.03.2022
	Loans and Advances to suppliers and subcontractors	444.20	120.85
	Unbilled Contract in progress	1,151.54	563.13
	Advance Tax & TDS receivable	72.97	78.14
	Balance with Statutory Authorities	381.38	406.81
	Others	78.62	45.53
		2,128.71	1,214.46

NOTE 14**EQUITY SHARE CAPITAL**

		As at	
		31.03.2023	31.03.2022
Authorised			
Equity Shares			
	4,00,00,000 (01 April 2022 & 31 March 2023 : 4,00,00,000) equity shares of Rs.10 each	4,000.00	4,000.00
Issued		4,000.00	4,000.00
Equity Shares			
	3,32,77,278 (01 April 2022 & 31 March 2023 : 3,32,77,278) Equity shares of Rs. 10 each #	3,327.73	3,327.73
Subscribed and Paid Up		3,327.73	3,327.73
Equity Shares			
	3,32,33,598 (01 April 2022 & 31 March 2023 : 3,32,33,598) Equity shares of Rs. 10 each	3,323.36	3,323.36
		3,323.36	3,323.36

- Issued Equity Share Capital includes 43680 Equity Shares of Rs. 10/- each issued on Rights basis, kept in abeyance due to a pending legal issue

(₹ in lakhs)

a. Reconciliation of the number of shares outstanding at the beginning and end of the reporting period;		
Equity Shares	31.03.2023	31.03.2022
At the beginning of the period	3,32,77,278	3,32,77,278
Outstanding at the end of the period	3,32,77,278	3,32,77,278

b. Terms/rights attached to equity shares :

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend, if proposed by the Board of Directors, is subject to approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts.

c. Shares in the company held by each shareholder holding more than 5 percent shares							
S No	Name of the Shareholder	As at		As at		As at	
		31.03.2023		31.03.2022		31.03.2021	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Carborundum Universal Limited	3042900	9.16	3042900	9.16	3042900	9.16
2	Cholamandalam Home Finance Ltd	2500100	7.52	2500100	7.52	2500100	7.52
3	Dare Investments Limited	2500100	7.52	2500100	7.52	2500100	7.52
4	Parry Agro Industries Limited	2500100	7.52	2500100	7.52	2500100	7.52
5	Parry Infrastructure Company Private Limited	2500100	7.52	2500100	7.52	2500100	7.52
6	Ambadi Investments Limited	3492579	10.51	3492579	10.51	3492579	10.51

NOTE 14 A**OTHER EQUITY EXCLUDING NON-CONTROLLING INTEREST**

		As at	
		31.03.2023	31.03.2022
a)	Capital Reserve	7.24	7.24
b)	General Reserve		
	As Per last Balance Sheet	629.43	629.43
	Add : Transfer from Statement of Profit and Loss	-	-
	Add : Transfer from Investment allowance reserve	-	-
		629.43	629.43
c)	Securities Premium Account	2,440.80	2,440.80
d)	Retained earnings :		
	Balance as per last financial statement	(7,997.32)	(7,200.85)
	Add : Net profit/(Loss) after tax for the year	(451.94)	(796.47)
	Appropriations :		
	Less : Transfer to General Reserve	-	-
	Balance available for Appropriation	(8,449.26)	(7,997.32)
e)	Items of Other Comprehensive Income :		
	Reserve for equity instruments	-	-
Total (a+b+c+d+e)		(5,371.79)	(4,919.85)

- Capital Reserve includes the amounts received as Capital subsidy from Government of Tamil Nadu and those arising out of amalgamation in earlier years
- General Reserve is a free reserve, retained from Company's profits and can be utilised upon fulfilling certain conditions in accordance with the Companies Act.
- Securities Premium account represents the premium received towards allotment of 16,47,390 Rights issue shares in 2008-09 and 2,99,38,818 Rights issue shares in 2013-14 , net of utilisation for permitted purposes under Companies Act.
- Balance will be utilised in accordance of provisions of Section 52 and Section 68 of the Companies Act.
- Balance in Retained earnings , when positive, can be distributed by the Company as dividends to its equity shareholders, in compliance of the Companies Act and depending on the financial position and dividend policy of the Company.
- Reserve for equity instruments represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through Other Comprehensive income.

ANNEXURE FORMING PART OF NOTE 14

S.No	Promoter Name	No of shares held as at				No of Shares Change during the year	% Change during the year
		March 31, 2023		March 31, 2022			
		Nos.	%	Nos.	%		
1	AMBADI INVESTMENTS LIMITED	3492579	10.51	3492579	10.51	0	0
2	CARBORUNDUM UNIVERSAL LIMITED	3042900	9.16	3042900	9.16	0	0
3	PARRY AGRO INDUSTRIES LIMITED	2500100	7.52	2500100	7.52	0	0
4	DARE VENTURES LIMITED	2500100	7.52	2500100	7.52	0	0
5	PARRY INFRASTRUCTURE COMPANY PRIVATE LTD	2500100	7.52	2500100	7.52	0	0
6	CHOLAMANDALAM HOME FINANCE LIMITED	2500100	7.52	2500100	7.52	0	0
7	MURUGAPPA MANAGEMENT SERVICES PRIVATE LIMITED	1251712	3.77	1251712	3.77	0	0
8	AMBADI ENTERPRISES LTD	1000100	3.01	1000100	3.01	0	0
9	CHOLA BUSINESS SERVICES LIMITED	856398	2.58	856398	2.58	0	0
10	CHOLA INSURANCE DISTRIBUTION SERVICES PRIVATE LTD	800364	2.41	800364	2.41	0	0
11	M M VENKATACHALAM (Mrs. LAKSHMI VENKATACHALAM FAMILY TRUST)	453610	1.36	453610	1.36	0	0
12	CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED	433481	1.30	433481	1.30	0	0
13	ARUN ALAGAPPAN	326610	0.98	326610	0.98	0	0
14	M V SUBBIAH	298547	0.90	298547	0.90	0	0
15	A VELLAYAN	285895	0.86	285895	0.86	0	0
16	A VENKATACHALAM	284935	0.86	284935	0.86	0	0
17	VALLI ARUNACHALAM	160956	0.48	160956	0.48	0	0
18	ARUN ALAGAPPAN	141430	0.43	141430	0.43	0	0
19	M V SUBBIAH	85165	0.26	85165	0.26	0	0
20	A A ALAGAMMAI	77414	0.23	77414	0.23	0	0
21	M V MURUGAPPAN	68910	0.21	68910	0.21	0	0
22	MURUGAPPA EDUCATIONAL AND MEDICAL FOUNDATION	55502	0.17	55502	0.17	0	0
23	M.M.MUTHIAH SONS PRIVATE LTD	48430	0.15	48430	0.15	0	0
24	E.I.D.PARRY (INDIA) LTD.	42938	0.13	42938	0.13	0	0
25	M.A.ALAGAPPAN	41210	0.12	41210	0.12	0	0
26	M.M.MUTHIAH RESEARCH FOUNDATION	38930	0.12	38930	0.12	0	0
27	M V SUBBIAH	35543	0.11	35543	0.11	0	0
28	UMAYAL.R.	33800	0.10	33800	0.10	0	0
29	LAKSHMI CHOCCA LINGAM	28800	0.09	28800	0.09	0	0
30	KARTIK INVESTMENTS TRUST LIMITED	26776	0.08	26776	0.08	0	0
31	VELLACHI MURUGAPPAN	181755	0.55	181755	0.55	0	0
32	M M VENKATACHALAM (M V SUBRAMANIAN FAMILY TRUST)	19479	0.06	19479	0.06	0	0
33	M M VENKATACHALAM (M V MUTHIAH FAMILY TRUST)	19479	0.06	19479	0.06	0	0
34	M V AR MEENAKSHI	16164	0.05	16164	0.05	0	0
35	M M MURUGAPPAN	15479	0.05	15479	0.05	0	0
36	M M MURUGAPPAN	15479	0.05	15479	0.05	0	0
37	M A MURUGAPPAN HOLDINGS LLP	14600	0.04	14600	0.04	0	0
38	M A ALAGAPPAN HOLDINGS PRIVATE LIMITED	14600	0.04	14600	0.04	0	0
39	AR.LAKSHMI ACHI TRUST	13556	0.04	13556	0.04	0	0
40	A M M VELLAYAN SONS P LTD	12094	0.04	12094	0.04	0	0
41	SIGAPI ARUNACHALAM	10000	0.03	10000	0.03	0	0
42	MEYYAMMAI VENKATACHALAM	5232	0.02	5232	0.02	0	0
43	LALITHA VELLAYAN	4560	0.01	4560	0.01	0	0

S.No	Promoter Name	No of shares held as at				No of Shares Change during the year	% Change during the year
		March 31, 2023		March 31, 2022			
		Nos.	%	Nos.	%		
44	V NARAYANAN	3456	0.01	3456	0.01	0	0
45	M A ALAGAPPAN	1600	0.00	1600	0.00	0	0
46	V ARUNACHALAM	816	0.00	816	0.00	0	0
47	M M MURUGAPPAN	5120	0.02	5120	0.02	0	0
48	A M MEYYAMMAI	35400	0.11	35400	0.11	0	0
49	M A M ARUNACHALAM	361610	1.09	361610	1.09	0	0
50	A M MEYYAMMAI	10000	0.03	10000	0.03	0	0
51	M A M ARUNACHALAM	116430	0.35	116430	0.35	0	0
52	M M MURUGAPPAN	451610	1.36	451610	1.36	0	0
53	MEENAKSHI MURUGAPPAN	6400	0.02	6400	0.02	0	0
54	M M MUTHIAH	1800	0.01	1800	0.01	0	0
55	M M MURUGAPPAN	13500	0.04	13500	0.04	0	0
56	M M VEERAPPAN	1800	0.01	1800	0.01	0	0
		24765354	74.52	24765354	74.52	0	0

NOTE 15**PREFERENCE CAPITAL**

(₹ in lakhs)

	As at	
	31.03.2023	31.03.2022
Authorised		
32,00,000(01 April 2022 : 32,00,000) preference shares of Rs.100 each	3,200.00	3,200.00
Issued		
28,35,630 (01 April 2022 :28,35,630) Preference Shares of Rs. 100 each issued on Preferential basis	2,835.63	2,835.63
Subscribed and Paid Up		
28,35,630 (01 April 2022 :28,35,630) Preference Shares of Rs. 100 each issued on Preferential basis	2,835.63	2,835.63

a. Reconciliation of the number of shares outstanding at the beginning and end of the reporting period;

At the beginning of the period	28,35,630	28,35,630
Issued during the period	-	-
Redeemed during the period	-	-
Outstanding at the end of the period	28,35,630	28,35,630

b. Terms/rights attached to preference shares :

The preference shares, carrying a coupon rate of 7% p a, are cumulative in nature and by virtue of agreement with Preference Shareholders, the date of redemption is extended upto 22nd August 2022 for Rs 700 Lakhs . During the Year 2019-20, additional cumulative non convertible preference shares were issued to the tune of Rs 1200 Lakhs on 3rd Sep 19 and Rs 935.63 Lakhs on 24th Oct 19, carrying a coupon rate of 7% p a, redeemable after 5 years. Dividend is waived upto 31st March 2023 for all 28,35,630 shares. Dividend not paid for an year will be paid in arrears, in subsequent year, subject to availability of Profits and other statutory requirements.
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c. Disclosure on preference share capital, in connection with NCLT order Dated 9th May 2023

<ul style="list-style-type: none"> The company had, based on the consent provided by the preference shareholders and Equity shareholders during the FY 2021-22 for complete extinguishment of the rights of preference shareholders and entitlements with respect to the preference shares of the value of Rs.2835.63 lakhs allotted to them had approached the NCLT, Chennai, with a Scheme of Reduction of Preference Share capital. The NCLT vide its order dated 9th of May 2023, has approved the said extinguishment of the entire obligation of the Company with respect to the Preference Share Capital of Rs.2835.63 lakhs. As per the Board resolution of the Company, the extinguishment will come into effect from the date of approval of NCLT which is 9th May 2023. Hence, the effect of extinguishment is not considered in the financial statements of the Company for the year ending 31st March 2023 and as at 31st March 2023. The terms of the order of NCLT in CP No. 42 (CHE) of 2022 dated 9th May 2023 have been fully complied with and duly certified by the Company Secretary and Compliance Officer.

	<ul style="list-style-type: none"> Consequent to the extinguishment of entire obligations towards preference share capital as approved by the NCLT, the net worth of the Company which is (Rs. 2048.43 Lakhs Negative) as on 31st March 2023 will stand improved to Rs.787.20 Lakhs (Positive). The above facts have been taken note of by the Directors as material facts occurring after the Balance Sheet date. The necessary financial effect of the extinguishment of the preference share capital of the company will be given effect in the first quarter of the FY 2023-24.
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NOTE 16**LONG TERM BORROWINGS**

(₹ in lakhs)

		As at	
		31.03.2023	31.03.2022
Secured			
Term Loan from Non Banking Financial Institution (Secured by charge on the PPE Assets of the Company)		-	800.00
Unsecured			
a. Term Loan from Bank - (Secured by charge on the PPE Assets of the Company)		1,000.00	-
b. Term Loan from Bank - Under ECLGS (Emergency Credit Line Guarantee Scheme -COVID 19 package)		-	78.00
		1,000.00	878.00

NOTE 17**OTHER FINANCIAL LIABILITIES**

		As at	
		31.03.2023	31.03.2022
Liability towards fixed dividend on Preference Shares		-	-
		-	-

During the year, the dividend on Preference Shares due at 7% from 01st April 2022 to 31st March 2023 had been waived by the Preference Shareholders.

NOTE 18**LONG TERM PROVISIONS**

		As at	
		31.03.2023	31.03.2022
a) Provision for Employee benefits		56.03	48.69
b) Provision for taxation		-	-
		56.03	48.69

The movement in provision for employee benefits reflects the net additional provision made/settlements during the respective periods

NOTE 19

(₹ in lakhs)

SHORT TERM BORROWINGS

	As at	
	31.03.2023	31.03.2022
Secured		
a) Cash Credit from Banks	1,142.23	154.16
b) Working Capital Loan from Banking Institution (Secured against charge on the present and future current assets)	-	200.00
c) Short term loan from Non Banking Financial Company (Secured against charge on the present and future current assets of Property Development Business)	300.00	200.00
d) Current maturities of long term borrowings	-	-
	1,442.23	554.16

NOTE 20**TRADE PAYABLES**

	As at	
	31.03.2023	31.03.2022
For Goods and Services		
a) Dues of Micro Enterprises and Small Enterprises (Note 31)	235.61	263.86
b) Dues of Others	1,574.56	1,773.84
	1,810.17	2,037.70

a) #Ageing of Trade Payables - as follows :

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
As at March 31, 2023						
(i) MSME - Undisputed	-	235.61	-	-	-	235.61
(ii) Others - Undisputed	-	1,379.25	104.84	36.56	53.91	1,574.56
(iii) MSME - Disputed	-	-	-	-	-	-
(iv) Others - Disputed	-	-	-	-	-	-
As at March 31, 2022						
(i) MSME - Undisputed	-	263.86	-	-	-	263.86
(ii) Others - Undisputed	-	1,642.39	67.20	43.07	21.18	1,773.84
(iii) MSME - Disputed	-	-	-	-	-	-
(iv) Others - Disputed	-	-	-	-	-	-

Note : Forming part of Note 20

NOTE 21**OTHER FINANCIAL LIABILITIES**

(₹ in lakhs)

	As at	
	31.03.2023	31.03.2022
Unsecured		
a) Outstanding Liabilities	1,347.89	1,206.28
b) Interest Payable	2.29	5.86
c) Provision for Employee Benefits	7.82	5.66
d) Other payables	104.55	121.27
	1,462.55	1,339.07

NOTE 22**OTHER CURRENT LIABILITIES**

	As at	
	31.03.2023	31.03.2022
a) Advance from customers-PDD	-	26.80
b) Advance from Customers	820.41	984.60
c) Statutory Liabilities	17.67	38.54
	838.08	1,049.94

NOTE 23**REVENUE FROM OPERATIONS**

	For the year ended	
	31.03.2023	31.03.2022
Sale of Services		
a) Proceeds on contract	12,510.48	12,518.63
b) Proceeds on Property development	69.50	737.72
Other Operating revenues		
c) Scrap and Sundry Sales	71.12	43.22
	12,651.10	13,299.57

NOTE 24**OTHER INCOME**

	For the year ended	
	31.03.2023	31.03.2022
a) Interest Income	4.90	0.17
b) Miscellaneous receipts	0.02	3.65
	4.92	3.82

NOTE 25**MATERIALS CONSUMED**

(₹ in lakhs)

		For the year ended	
		31.03.2023	31.03.2022
a)	Opening stock of Raw Materials	602.75	460.26
b)	Add: Purchases	4,884.35	4,925.16
		5,487.10	5,385.42
c)	Less: Closing stock of Raw Materials	461.40	602.75
		5,025.70	4,782.67

NOTE 26**CHANGES IN INVENTORIES**

		For the year ended	
		31.03.2023	31.03.2022
a)	Opening stock of		
	Work-in-progress	903.75	903.75
	Finished goods	69.50	817.61
b)	Purchase	-	-
c)	Closing stock of		
	Work-in-progress	903.75	903.75
	Finished goods	-	69.50
	(Increase)/ Decrease	69.50	748.11

NOTE 27**EMPLOYEE BENEFIT EXPENSES**

		For the year ended	
		31.03.2023	31.03.2022
a)	Salaries, wages and bonus	847.35	719.40
b)	Contribution to provident and other funds	127.51	74.19
c)	Staff welfare expenses	45.32	34.99
		1,020.18	828.58

NOTE 28**FINANCE COST**

		For the year ended	
		31.03.2023	31.03.2022
a)	Interest expenses	169.48	233.48
b)	Fixed dividend on Preference Shares	198.49	198.49
c)	Processing fees and others	53.27	39.55
		421.24	471.52

NOTE 29**OTHER EXPENSES**

(₹ in lakhs)

	For the year ended	
	31.03.2023	31.03.2022
a) Transport & freight	112.52	91.96
b) Power & fuel	15.82	19.93
c) Rent	54.53	65.49
d) Rates and taxes	11.03	7.61
e) Repairs and maintenance		
- Buildings	-	-
- Plant and Machinery	28.90	18.83
- Others	23.53	17.32
f) Plant hire charges	326.09	155.20
g) Insurance	49.68	49.15
h) Professional and consultancy charges	146.26	134.36
i) Travelling expenses	75.65	61.39
j) Communication and Postage expenses	25.05	21.88
k) Security & Watchward	58.65	43.27
l) Advertisement, Exhibition and Sales Promotion expenses	2.61	2.82
m) Printing and Stationery	9.68	7.02
n) Provision for doubtful debts	12.26	9.69
o) Bank Charges	0.46	0.63
p) Payment to Auditors (see Note 32)	7.33	7.00
q) Directors Sitting Fees	4.10	6.10
r) Miscellaneous expenses	0.25	0.20
	964.40	719.85

(₹ in lakhs)

30 CONTINGENT LIABILITY

	As at	
	March 31, 2023	March 31, 2022
1.1 Estimated amount of contracts remaining to be executed on capital account not provided for	Nil	Nil
1.2. a) Guarantees issued by the Company's bankers for which the Company has given counter guarantees. (Net of guarantees for which liability exists in the books of account)	1,906.51	2,603.83
b) Letter of credits issued by the Company's bankers for which the Company has given counter guarantees	Nil	Nil
1.3. Estimated liability on account of certain taxes and duties not provided for		
i) Sales tax /VAT Andhra Pradesh VAT for 2006-07 & 2007-08 (against which Rs 32.01 L deposited with the Commercial Tax Officer, Hyderabad)	-	43.32
ii) Tamil Nadu-Entry tax for 2012-13 (Entire amount of Rs 2.99 Lacs deposited with the Commercial Tax Officer, Ranipet)	2.99	2.99
iii) Kerala VAT for 2011-12 - tax on disputed turnover and interest thereon (Rs 0.66 Lacs paid, appeal filed)	5.60	5.60
iv) Telangana Order passed by DC, VAT 2010-11 to 2012-13 (Appeal filed before SAT, Hyderabad). deposited Rs. 34.28 L, Stay obtained from HC for additional collection	-	86.50
v) GST - Odisha GST - Trans1 Credit - Reversal - 2017-18 Interest levied on unutilised Trans Credit (Paid Rs.0.50 L)	5.43	-
vi) Income Tax Ay 2016-17, U/s 147 of the IT Act, Order passed by the NeFAC, Error in Apparent of Records - Petition u/s 154 Filed. (Appeal filed by the company before the Commissioner Appeals, Chennai)	-	1,632.37
vii) Suit filed by the Vendor in the Court of Telangana	52.01	-
viii) Suit filed by the Contractor in the court of Madurai High Court	6.00	-

(₹ in lakhs)

	As at	
	March 31, 2023	March 31, 2022
(i) Sundry Creditors include: Principal amount dues to Micro, Small and Medium enterprises in respect of suppliers from whom intimation received on their status under MSME Dev Act, 2006 (Refer Note 20). This is based on information collected by management and relied upon by Auditors	235.61	263.86
NOTE 32 Auditor's Remuneration (included in Note 29)		
Statutory audit fees	4.25	4.25
Tax audit fees	1.40	1.40
Other services	1.68	1.35
Out of pocket expenses	-	-
	7.33	7.00
NOTE 33 Turnover		
Contract revenue	12,579.98	13,256.35
Scrap & sundry sales	71.12	43.22
NOTE 34 Disclosure relating to Contracts		
Contract revenue recognised	12,555.76	12,545.06
Contract costs incurred	11,877.58	11,890.89
Advances received	693.79	870.39
Retention	388.84	284.40
Dues from customers	1,410.58	1,837.24
NOTE 35 Basic/Diluted Earnings Per Share		
- Profit/(loss) attributable to the Equity Shareholders	(450.86)	(796.68)
- No. of Adjusted Equity Shares Outstanding during the year	3,32,33,598	3,32,33,598
- Nominal value of Equity Share (Rs.)	10	10
- Basic Earnings Per Share (Rs.)	(1.36)	(2.40)
- Diluted Earnings Per share (Rs.)	(1.36)	(2.40)
NOTE 36 As the Company's business activity falls within a single significant business segment, viz. "Construction", no separate segment reporting as per Accounting Standard 108 is disclosed		
NOTE 37 Expenditure in Foreign currency	-	-

(₹ in lakhs)

	As at	
	March 31, 2023	March 31, 2022
NOTE 38		
Related Party		
M/s Parry Enterprises India Ltd		
Key Management Personnel		
Mr. N. Velappan, Associate Vice President		
Mr. R.Selvakumar, CFO		
Mrs C. Parvathi Nagaraj, Company Secretary		
Transactions with Related parties		
Payment for services to M/s Parry Enterprises India Ltd (upto 09.08.2021)	-	0.74
Remuneration to Key Management Personnel		
Mr. N. Velappan, Associate Vice President (Part of Previous year)	33.56	35.40
Mr. R.Selvakumar, Chief Financial Officer	18.03	17.03
Mrs. C. Parvathi Nagaraj, Company Secretary	3.00	3.00

NOTE 39**EMPLOYEE BENEFITS****a) Defined Contribution plans :**

The Company operates defined contribution retirement benefit plans for all qualifying employees. The assets of the plans are held separately from those of the Company under the control of trustees. When any employee leaves the plans before full vesting of contributions, the contributions payable by the Company are reduced by the amount of contributions forfeited by said employee.

Contribution to Provident fund and Other funds under defined contribution plans are as follows :

	2022-23	2021-22
Amount recognised in Profit and Loss for the year	74.40	61.67

b) Defined benefit plans :

The Company offers funded defined benefit plans for employees. Under the plans, the employees are entitled to post-retirement benefits amounting to 57.69% of last drawn monthly salary for each year of completed service until retirement age or resignation, subject to having specified years of service with the Company. The defined benefit plans are administered by separate funds, independent of the Company.

The above plans expose the Company to actuarial risks such as Investment, Interest rate, salary and longevity risk. These risks typically arise out of movement in market yields, interest rate movements, rate of increase in salary of participants and their tenure with the Company. Some of the risks are partially offset by counter gains of the fund.

No other Post-retirement benefits are provided to the employees.

The actuarial valuation of the plan assets and present value of defined benefit obligation were carried out as at 31st March, 2023 by a certified actuary of the Institute of Actuaries of India. The present value of defined benefit obligation and the related current service cost and past service cost, were measured using the projected unit credit method.

(₹ in lakhs)

Details of Actuarial Valuation of Gratuity

	2022-23	2021-22
i) Changes in Present Value of Benefit Obligation- Gratuity		
1 Present Value of Benefit Obligation at the beginning of the Period	53.46	46.85
2 Current Service Cost	5.63	5.05
3 Interest Cost	3.45	3.11
4 Benefits Paid	(10.39)	(1.61)
5 Actuarial (Gain)/Loss	1.16	0.06
6 Present value of Benefits Obligation at the end of the period	53.31	53.46
ii) Changes in Fair Value of Plan Assets		
1 Fair Value of Plan Assets at the beginning of the Period	24.58	24.20
2 Expected return on Plan Assets	1.38	1.58
3 Contributions	-	0.13
4 Benefits Paid	(10.39)	(1.61)
5 Actuarial gain/(Loss) on Plan assets	0.08	0.27
6 Fair Value of Plan Assets at the end of the period	15.65	24.58
iii) Amount recognised in the Balance Sheet		
1 Projected Benefit Obligation at the end of the period	53.31	53.46
2 Fair Value of Plan Assets at the end of the period	15.65	24.58
3 Funded Status of the Plan-Liability/(Asset)	37.66	28.88
iv) Amount recognised in the Statement of Profit & Loss/Other Comprehensive Income		
1 Current Service Cost	5.63	5.05
2 Interest Cost	3.45	3.11
3 Expected return on Plan Assets	(1.38)	(1.58)
4 Net Actuarial (Gain)/Loss recognised in Other Comprehensive Income	1.08	(0.21)
5 Net Cost of defined benefit plan for the year	8.77	6.36
Of the above, break up for Net Actuarial (Gain)/Loss are as follows:		
Experience adjustments on plan liabilities-(loss)/gain	(1.30)	(1.27)
Impact of change in assumptions on plan liabilities - (loss)/gain	0.13	1.20
Experience adjustments on plan assets-(loss)/gain	0.09	0.27
v) Principal Actuarial Assumptions		
1 Discount Rate	7.18%	7.14%
2 Estimated Rate of Return on Plan Assets	7.18%	7.14%
3 Expected rate of Salary increases	5%	5%
4 Attrition Rate	5%	5%
5 Mortality Table used-Indian Assured Lives Mortality (2006-08) Ultimate		

Note on Provident Fund :

With respect to the Provident Fund administered by the Trust, the Company shall make good deficiency, if any, between interest to be credited to members as per interest rate notified by Government and the return on investments on the Trust funds for the year.

(₹ in lakhs)

NOTE 40**FINANCIAL INSTRUMENTS****a) Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company's approach on capital management are

- a) Protecting the ability to continue as a going concern, so that return to shareholders and benefits to other stakeholders can be continuously provided
- b) Maintain capital structure in such a manner to minimise the weighted average cost of capital

Debt to Equity Ratio

Particulars	31.03.2023	31.03.2022
Debt (including Preference Capital)	5,277.86	4,267.79
Equity	(2,048.43)	(1,596.49)
Debt to Equity ratio	(2.58)	(2.67)

Covenants relating to various loans have been adhered to as on March 31, 2023.

b) Categories of financial instruments

Particulars	31.03.2023	31.03.2022
i) Financial assets		
Measured at fair value through Profit or Loss (FVTPL) - mandatorily measured	-	-
Measured at Amortised cost		
- cash and bank balances	1.49	0.86
- Other financial assets	2,081.02	2,324.91
Measured at fair value through Other Comprehensive Income (FVTOCI)		
- Investments in equity instruments designated at initial recognition	-	-
ii) Financial liabilities (including borrowings/preference capital and payables)	8,550.58	7,644.55

c) Financial risk management objectives

Based on the Company's activities, it is exposed to market risk, liquidity risk and credit risk. The following explains the manner in which the Company manages the risk.

- i) Market risk arising from interest rate movement on long term borrowings are monitored through trend and sensitivity analysis and managed through negotiations
- ii) Liquidity risk on account of borrowings and other liabilities are monitored through cash flow analysis and managed through having adequate sanctioned undrawn funded and non funded facilities. This addresses the financial liabilities portion.
- iii) Credit risk on account of trade receivables and financial assets measured at amortised cost are measured through ageing analysis, counter party risk analysis and financial analysis, managed through review of credit limits, follow up and secured mode of payment.

The risk management is governed by policies established with approval of Board of Directors. This is also reviewed by the Risk Management Committee of the Board and monitored by the senior management on periodic basis.

The Company does not have any risk associated with foreign currency transactions or price risk from current investments.

(₹ in lakhs)

Fair Value measurements

The Company measures some of the financial assets and liabilities at fair value at the end of the reporting period. The following gives the information on how the fair valuation is done:

Financial assets and financial liabilities	Fair value as at		Fair value Hierarchy	Valuation techniques
	31.03.2023	31.03.2022		
Investments in quoted/actively traded equity instruments at FVTOCI	-	-	-	-
Investments in other equity instruments at FVTOCI	-	-	-	-

There were no changes in the fair value hierarchy levels in the above periods.

Fair value of financial assets and financial liabilities that are not measured at fair value , but requiring fair value disclosures

Financial assets held at amortised cost :	Carrying value as at		Fair value Hierarchy	Fair value
	31.03.2023	31.03.2022		
Non-Current Financial Assets				
Receivables	-	23.34	Level 2	No change
Current Financial Assets				
Receivables	1,955.56	2,155.40	Level 2	No change
Deposits	125.45	146.17	Level 3	No change

Non current financial liabilities				
Borrowings	1,000.00	878.00	Level 2	No change
Preference Capital	2,835.63	2,835.63	Level 2	No change
Other financial liabilities	-	-	Level 2	No change

Current financial liabilities				
Borrowings	1,442.23	554.16	Level 2	No change
Trade payables	1,810.17	2,037.70	Level 2	No change
Other financial liabilities	1,462.55	1,339.07	Level 3	No change

NOTE 41**EVENTS AFTER THE REPORTING PERIOD .**

- The company had, based on the consent provided by the preference shareholders and Equity Shareholders during the FY 2021-22 for complete extinguishment of the rights of preference shareholders and entitlements with respect to the preference shares of the value of Rs.2835.63 lakhs allotted to them had approached the NCLT, Chennai, with a Scheme of Reduction of Preference Share capital. The NCLT vide its order dated 9th of May 2023, has approved the said extinguishment of the entire obligation of the Company with respect to the Preference Share Capital of Rs.2835.63 lakhs.
- As per the Board resolution of the Company, the extinguishment will come into effect from the date of approval of NCLT which is 9th May 2023. Hence, the effect of extinguishment is not considered in the financial statements of the Company for the year ending 31st March 2023 and as at 31st March 2023. The terms of the order of NCLT in CP No. 42 (CHE) of 2022 dated 9th May 2023 have been fully complied with and duly certified by the Company Secretary and Compliance Officer.
- Consequent to the extinguishment of entire obligations towards preference share capital as approved by the NCLT, the net worth of the Company which is (Rs.2048.43 Lakhs Negative) as on 31st March 2023 will stand improved to Rs.787.20 Lakhs (Positive).
- The above facts have been taken note of by the Directors as material facts occurring after the Balance Sheet date. The necessary financial effect of the extinguishment of the preference share capital of the company will be given effect in the first quarter of the FY 2023-24.

NOTE 42**RATIOS :**

Particulars	Numerator	Denominator	As at 31 March 2023	As at 31 March 2022	Variance	Reason for variance (where variance > 25%)
a) Current Ratio,	Current Assets	Current liabilities	100%	102%	-2%	-
(b) Debt-Equity Ratio	Total Debt	Shareholders Equity	(2.58)	(2.67)	-4%	Ratio in negative due to negative networth, in the current year, loans reduced, negative networth increased due to losses and hence variation
(c) Debt Service Coverage Ratio	Earnings available for debt service (PAT+Depreciation & amortization+ Loss on sale of fixed assets+Other non cash adjustments+Any non cash operating expenses)	Debt service (Interest & Lease Payments + Principal repayments)			0%	NA-
(d) Return on Equity Ratio,	Profit available for Equity shareholders (PAT-Preference Dividend)	Average Shareholder's Equity	0%	0%	0%	Negative networth and losses during current year, negative return
(e) Inventory turnover ratio,	COGS or Sales	Average inventory	8.60	7.08	22%	Ratio improved due to higher turnover and lower inventory
(f) Trade Receivables turnover ratio,	Net credit sales (net of sales returns)	Average accounts receivable	6.12	6.13	0%	
(g) Trade payables turnover ratio,	Net credit purchases (net of purchase returns)	Average trade payables	5.48	6.61	-17%	

(₹ in lakhs)

Particulars	Numerator	Denominator	As at 31 March 2023	As at 31 March 2022	Variance	Reason for variance (where variance > 25%)
(h) Net capital turnover ratio	Net sales (net of sales)	Working capital Current assets - Current liabilities	542.27	118.74	357%	Turnover increase, lower working capital on account of higher payables
(i) Net profit ratio,	PAT	Net sales (net of sales)	(0.04)	(0.06)	-41%	lower % of loss on turnover due to improved operations
(j) Return on Capital employed,	PBIT	Capital employed(Tangible net worth + Total debt + DTL) (Tangible net worth = Total assets- Intangible assets- Total liabilities)	(0.05)	(0.11)	-54%	-

NOTE 43

No proceeding has been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

NOTE 44

The Company has not been declared wilful defaulter by any bank or financial institution or any other lender.

NOTE 45

The Company has not had any transactions with Companies struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956, other than the following Companies.

S No.	Name of Struck off Company	Nature of transactions with struck off company	Balance Outstanding As on 31st March 2023 (Rs. In Lakhs)	Balance Outstanding As on 31st March 2022 (Rs. In Lakhs)	Relationship with the Struck Off Companies
1	SUDHA ASSOCIATES (P) LIMITED	Payables	6.50	27.31	Third Party Vendor and not related party of the Company
2	SHRUTHI HOMES AND PAVING BLOCKS PVT LIMITED	Payables		-	Third Party Vendor and not related party of the Company
3	MMR WATER PROOFINGS PVT LIMITED	Payables	0.15	0.15	Third Party Vendor and not related party of the Company

NOTE 46

There are no charges or satisfaction pending to be registered with Registrar of Companies beyond the statutory time limit

NOTE 47

The Company does not have any layers prescribed under clause (87) of section 2 of the Companies Act, 2013, read with the Companies (Restriction on number of Layers) Rules, 2017.

NOTE 48

The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

NOTE 49

The Company has not traded or invested in Crypto Currency or Virtual Currency during the year.

NOTE 50

Utilisation of borrowed funds and share premium:

The Company has not advanced or loaned or invested funds to any other person/(s) or entity/(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- b. Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The Company has not received any fund from any person/(s) or entity/(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b. Provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

NOTE 51

The Company does not have any Core Investment Companies in the group.

NOTE 52**APPROVAL OF FINANCIAL STATEMENTS**

The Financial statements were reviewed and recommended by the Audit committee and has been approved by the Board of Directors in their respective meeting held on 30th May 2023.

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For **CNGSN & Associates LLP**
Chartered Accountants
F.R.No.004915S

C.N. GANGADARAN
Partner
Membership No.011205

Chennai
30th May 2023

N. VELAPPAN
Manager

C. PARVATHI NAGARAJ
Company Secretary

On Behalf of the Board

M.M.VENKATACHALAM
Chairman

R.SELVAKUMAR
Chief Financial Officer

NOTICE OF THE SEVENTY FIFTH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Seventy Fifth Annual General Meeting (AGM) of the Members of COROMANDEL ENGINEERING COMPANY LIMITED will be held on Friday, the 14th day of July, 2023 at 10.00 AM I.S.T through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

ITEM No. 1 - Adoption of Financial Statements

To consider and if deemed fit, to pass, the following resolution as an **Ordinary Resolution**:

To receive, consider and adopt the Board's Report and the Audited Financial Statements of the Company for the financial year ended 31st March, 2023 and the Report of the Auditors thereon.

ITEM No. 2 - Re-appointment of Mr. M M Venkatachalam (DIN: 00152619) as a Director of the Company liable to retire by rotation:

To consider and if deemed fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 152(6) of the Companies Act, 2013 and Article 17.26 of the Articles of Association of the Company, Mr. M M Venkatachalam (DIN: 00152619) who retires by rotation in the Annual General Meeting and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

SPECIAL BUSINESS:

ITEM No. 3 - Appointment of Mr. N. Velappan as Manager of the Company

To consider and if deemed fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013, if any, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Schedule V of the Companies Act, 2013, the consent of the Company be and is hereby accorded to the appointment of Mr. N. Velappan as the "Manager" of the Company from 1st June, 2023 up to 31st May, 2024 on the terms and conditions of appointment and remuneration as given under;

Terms & conditions of the appointment:

a) Period of appointment: From 1st June, 2023 up to 31st May, 2024

b) Remuneration:

S.NO	PARTICULARS	AMOUNT (In Rs.)
1	Basic	Rs. 1,00,000/per month
2	Allowances	Rs. 2,15,000/per month
3	LTA	Not Applicable
4	PF/SAF/Gratuity	Not Applicable
5	Medical Reimbursement & Hospitalization	Rs. 15,000 per annum
6	Car fuel	Rs. 60,000 per annum

c) Tax on the above is to be borne by employee as per statutory requirements.

ITEM No.4 - Ratification of remuneration of Cost Auditor

To consider and if deemed fit, to pass, the following resolution as an **Ordinary Resolution**:

RESOLVED THAT pursuant to Section 148 (3) and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for

the time being in force), the remuneration of Rs.75,000/- (Rupees Seventy-Five Thousand only) plus applicable taxes and payment of such out of pocket expenses as approved by the Board of Directors of the Company to be paid to Mr. N.V. Thanigaimani, Cost Accountant (Membership No.15557) of Thanigaimani & Associates, Cost Accountants for the conduct of the audit of the cost accounting records of the Company for the financial year ending 31st March, 2024 be and is hereby ratified and confirmed.

Place: Chennai
Date: 30th May, 2023

On behalf of the Board

M.M.VENKATACHALAM
Chairman
DIN:00152619

NOTES

The statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business and the relevant details, pursuant to Regulations 36(3) of the SEBI Listing Regulations and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of the Director seeking re-appointment at this AGM is annexed herewith.

General instructions for accessing and participating in the 75th AGM through VC Facility and voting through electronic means including remote e-Voting:

- 1. The 75th Annual General meeting (AGM) of the company will be held over Video Conferencing ("VC") in compliance with framework issued by the Ministry of Corporate Affairs through its Circular No. 20/2020 dated May 05, 2020 read with Circular No. 14/2020 dated April, 08, 2020, Circular no. 17/2020 dated April 13, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No. 02/2022 dated May 5, 2022, Circular No. 10/2022 dated 28th December, 2022, Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular no. SEBI/HO/CFD/CMD21/CIR/P/2021/11 dated 15th January, 2021, Circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 issued by the Securities and Exchange Board of India in this regard. The deemed venue for the 75th AGM shall be the Registered Office of the Company from where the Company Secretary of the Company would be convening and attending the AGM.**
- 2. Since the AGM is being held over video conferencing where physical attendance of members in any case has been dispensed with, a member entitled to attend and vote at the meeting will not be eligible to appoint proxies to attend the meeting instead of him/her. Accordingly, the proxy form and attendance slip are not attached to this notice and the resultant requirement for submission of proxy forms does not arise.**

Pursuant to SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "E-Voting facility provided by listed companies", E-Voting process has been enabled to all the individual demat account holders, by way of single login credential,

through their demat account/websites of depositories/DPs in order to increase the efficiency of the voting process.

- 3. Members who have not registered or who wish to update their e-mail ID, postal address, telephone/mobile numbers, Permanent Account Numbers, bank account details are requested to register/intimate the same with their Depository Participant, if the shares are held by them in electronic form and in case of members holding shares in physical form, all intimations are to be sent to KFin Technologies Limited (Formerly known as Kfin Technologies Private Limited), Registrar and Transfer Agent, at einward.ris@kfintech.com.**
- 4. Corporate members intending to attend the Meeting are requested to send to the Company a certified scanned copy of the Board Resolution authorizing their representatives to attend the AGM through VC and vote on its behalf. The said resolution/ authorization shall be sent to the following e-mail address rsaevoting@gmail.com with a copy marked to evoting@kfintech.com.**
- 5. The Register of Members and the Share Transfer Books of the Company shall remain closed from Friday, 7th July, 2023 to Friday, 14th July, 2023 (both days inclusive), for the purpose of Annual General Meeting.**
- 6. 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/RTA.**
- 7. In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, securities of listed companies can be transferred only in dematerialized form effective 1st April, 2019. In view of the same, Members are advised to dematerialize the shares held by them in physical form forthwith.**
- 8. As per the provisions of the Companies Act, 2013, facility for making nomination is available to individuals holding shares in the Company. The prescribed nomination form can be obtained from the Registrar and Share Transfer Agent (RTA).**

The Securities and Exchange Board of India (SEBI) has recently mandated furnishing of PAN, KYC details (i.e., Postal Address with Pin Code, email address, mobile number, bank account details) and nomination details by holders of securities. Effective from 1st January 2022, any service requests or complaints received from the member, will not be processed by RTA till the aforesaid details/ documents are provided to RTA. On or after 1st October, 2023, in case any of the above cited documents/ details are not available in the Folio(s), RTA shall be constrained to freeze such Folio(s). The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on December 31, 2025, the registrar / the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and/or the Prevention of Money Laundering Act, 2002. Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at <http://www.coromandelengg.com/>.

9. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report for the financial year 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories unless any member has requested for a hard copy of the same. Members may note that the Notice and Annual Report for the financial year 2022-23 will also be available on the Company's website www.coromandelengg.com, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com. For any communication, the shareholders may also send requests to the Company's Registrars KFin Technologies Limited (Formerly known as KFin Technologies Private Limited) at einward.ris@kfintech.com. Please note that the above is in accordance with the various exemptions provided by the MCA and SEBI in connection with conduct of Shareholders' meetings during the year 2023.
10. Members may note that the VC Facility provided by KFin Technologies Limited (Formerly known as KFin Technologies Private Limited) allows participation of up to 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. 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. can attend the 75th AGM without any restriction on account of first-come first-served basis, in accordance with the circulars issued by MCA in this regard.

11. The Member's log-in to the Video Conferencing platform using the remote e-voting credentials shall be considered for record of attendance at the AGM and members attending the AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
12. Since the AGM will be held through VC, the Route Map is not annexed in this Notice.
13. The register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the notice will be available for inspection in electronic mode. Members can send an email for this purpose to cscecl@cec.murugappa.com.

A. Instruction to members for Voting through electronic means:

1. Pursuant to the framework issued by MCA and SEBI and pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide to the members the facility to exercise their right to vote at the 75th Annual General Meeting (AGM) by electronic means. The members may cast their votes using an electronic voting system ('remote e-voting') through the e-Voting services provided by KFinTech, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below:
2. The remote e-voting facility will be available during the following period:
 - Commencement of remote e-voting: From 9.00 a.m. (IST) on Tuesday, 11th July, 2023

- End of remote e-voting: Up to 5.00 p.m. (IST) on Thursday, 13th July, 2023
- 3. The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be disabled by KFintech upon the expiry of the aforesaid period.
- 4. Voting rights shall be reckoned on the paid up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 7th July, 2023.
- 5. The Board of Directors of the Company has appointed Ms. Srinidhi Sridharan of Srinidhi Sridharan & Associates, Company Secretaries (Membership No. FCS No. 12510) (C.P. No. 17990) as the Scrutinizer to scrutinize the remote e-voting process and e-voting at the AGM in a fair and transparent manner.
- 6. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 7th July, 2023 only, shall be entitled to avail the facility of remote e-voting and e-voting at the AGM.
- 7. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a

request at evoting@Kfintech.com. However, if he / she is already registered with KFintech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.

- 8. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under “Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.”
- 9. The details of the process and manner for remote e-Voting and e-AGM are explained herein below:

Step 1: Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access to KFintech e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

Step 3: Access to join virtual meetings (e-AGM) of the Company on KFin system to participate in the e-AGM and vote at the AGM.

Details on Step 1 are mentioned below:

- 1) Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Type of shareholders	Login Method
<p><u>Individual Shareholders holding securities in demat mode with NSDL</u></p>	<p>1. User already registered for IDeAS facility: Visit URL: https://eservices.nsdl.com</p> <ul style="list-style-type: none"> II. Click on the “Beneficial Owner” icon under “Login” under ‘IDeAS’ section. III. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting” IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. <p>2. User not registered for IDeAS e-Services To register click on link : https://eservices.nsdl.com Select “Register Online for IDeAS” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Proceed with completing the required fields. Follow steps given in points 1</p>

	<p>3. Alternatively by directly accessing the e-Voting website of NSDL Open URL: https://www.evoting.nsdl.com/ 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 digits demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. Post successful authentication, you will be requested to select the name of the company and the e-Voting Service Provider name, i.e. Kfintech. On successful selection, you will be redirected to Kfintech e-Voting page for casting your vote during the remote e-Voting period.</p>
<p><u>Individual Shareholders holding securities in demat mode with CDSL</u></p>	<p>1. Existing user who have opted for Easi / Easiest Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com</p> <ol style="list-style-type: none"> I. Click on New System Myeasi II. Login with your registered user id and password. III. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. Kfintech e-Voting portal. IV. Click on e-Voting service provider name to cast your vote. <p>2. User not registered for Easi/Easiest</p> <ol style="list-style-type: none"> I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. III. Follow the steps given in point 1 <p>3. Alternatively, by directly accessing the e-Voting website of CDSL Visit URL: www.cdslindia.com</p> <ol style="list-style-type: none"> I. Provide your demat Account Number and PAN No. II. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. III. After successful authentication, user will be provided links for the respective ESP, i.e. Kfintech where the e- Voting is in progress.
<p><u>Individual Shareholder login through their demat accounts / Website of Depository Participant</u></p>	<ol style="list-style-type: none"> I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility. II. Once logged-in, 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. III. Click on options available against company name or e-Voting service provider – Kfintech and you will be redirected to e-Voting website of Kfintech for casting your vote during the remote e-Voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

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

Login type	Helpdesk details
Securities held with NSDL	Please 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
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

Details on Step 2 are mentioned below:

II) Login method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

Members whose email IDs are registered with the Company/ Depository Participant(s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

- i. Launch internet browser by typing the URL:<https://emeetings.kfintech.com/>
 - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) 7317, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.
 - iii. After entering these details appropriately, click on "LOGIN".
 - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential
- v. You need to login again with the new credentials.
 - vi. On successful login, the system will prompt you to select the "EVEN" i.e. "Coromandel Engineering Company Limited - AGM" and click on "Submit"
 - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
 - viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
 - ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
 - x. You may then cast your vote by selecting an appropriate option and click on "Submit".
 - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xii. Registration of e-mail address: In terms of the Circulars issued by MCA and SEBI, the Company has sent the Annual Report, Notice of e-AGM and e-Voting instructions in electronic form to the registered email addresses of the shareholders unless the shareholder has requested for a hard copy of the same. Therefore, those shareholders who have not yet registered their email address are requested to get their e-mail addresses registered by following the procedure given below:

- i. Members who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFinTech, by accessing the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>. Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to einward.ris@kfintech.com.
- ii. Alternatively, member may send an e-mail request at the email id ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.
- iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

Details on Step 3 are mentioned below:

III) Instructions for all the shareholders for attending the AGM of the Company through VC and e-Voting during the meeting.

- i. Member will be provided with a facility to attend the AGM through VC platform provided by KFinTech. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company/KFinTech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click

on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.

- ii. Facility for joining AGM through VC shall open at least 15 minutes i.e. (9.45 AM) before the commencement of the Meeting.
- iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox22.
- iv. Members will be required to grant access to the webcam to enable VC. Further, Members 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.
- v. Since the Company is required to provide the Members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date and not casting their vote electronically, may cast their vote during the e-AGM.
- vi. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC platform. The Members may click on the voting icon displayed on the screen to cast their votes.
- vii. Members who have cast their votes through remote e-voting may also attend the e-AGM. However, those Members are not entitled to cast their vote again in the e-AGM.
- viii. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
- ix. Facility of joining the AGM through VC shall be available for at least 1000 members on first come first served basis.

- x. Institutional Members are encouraged to attend and vote at the AGM through VC.
- xi. During the 75th AGM, the Chairman shall, after responding to the questions raised by the Members in advance, formally propose to the Members participating through VC Facility to vote on the resolutions as set out in the Notice of the 75th AGM and announce the start of the casting of vote through the e-Voting system. After the Members participating through VC Facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the 75th AGM.
- xii. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than two working days from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- xiii. The results of voting declared along with the Scrutinizer's Report shall be placed on the Company's website www.coromandelengg.com/ and on the website of Kfintech immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange.
- xiv Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting i.e. July 14, 2023.
- xv. Members can submit their questions in advance with regard to the financial statements or any other matter to be placed at the 75th AGM. They may login to <https://emeetings.kfintech.com/>, click on 'Post your Questions' in the window provided in the link during the period from 5th July, 2023 (9:00 a.m. IST) to 10th July, 2023 (5:00 p.m. IST). The Chairman or the concerned person shall respond to the queries. Such questions by the members shall be taken up during the meeting and replied by the company suitably.
- xvii. Members, who would like to ask questions during the 75th AGM with regard to the financial statements or any other matter to be placed at

the 75th AGM, may login to <https://emeetings.kfintech.com/>, click on 'Speaker Registration' in the window provided in the link during the period from 5th July, 2023 (9:00 a.m. IST) to 10th July, 2023 (5:00 p.m. IST). Those Members who have registered themselves as a speaker shall be allowed to ask questions during the 75th AGM, depending upon the availability of time.

- xvii Due to limitations of transmission and co-ordination during the Q&A session, the Company may dispense with the speaker registration during the e-AGM Conference.

The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date viz., 7th July, 2023. However, a person who is not a Member as on the cut-off date should treat this Notice for information purpose only. The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Kfintech upon expiry of the aforesaid period. Once the vote on a resolution is cast by the Member, he will not be allowed to change it subsequently or cast the vote again.

In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:

- i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399
 1. Example for NSDL:
 2. MYEPWD<SPACE>IN12345612345678
 3. Example for CDSL:
 4. MYEPWD<SPACE>1402345612345678
 5. Example for Physical:
 6. MYEPWD <SPACE> XXXX1234567890
- ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com/>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
- iii. Members who may require any technical assistance or support before or during the

AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com .

In case of any query and/or grievance, in respect of voting by electronic means, members may

refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (KFintech Website) at evoting@kfintech.com or call KFintech's toll free No. 1-800-3094-001 for any further clarifications.

ANNEXURE TO THE NOTICE

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 2

Mr. M M Venkatachalam (DIN:00152619), Director is liable to retire by rotation at this AGM in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment. The Company has received requisite consent and Disclosures from him.

Brief profile of Director

Mr. M M Venkatachalam, Chairman is a graduate in Agriculture and has done his Masters in Business Administration from George Washington University, USA. He has been a Director in the Company since 2009. He also holds the post of a Director in other companies like Coromandel International Limited, EID Parry (India) Limited, Ramco Cements Limited, Ramco Systems Limited etc.

The Board considers that the continued association of Mr. M M Venkatachalam would be of immense benefit to the company and hence it is desirable to continue to avail his services as a Director.

Memorandum of Interest

Except Mr. M M Venkatachalam being the appointee, none of the other Directors or Key Managerial Personnel of the Company or their relatives is interested or concerned, financially or otherwise in the aforesaid resolution proposed to be passed as an ordinary resolution.

The Board recommends the resolution set forth in Item no.2 of the Notice for the approval of the members.

Item No.3

Mr. N. Velappan was re-appointed as the Manager of the company by the members for a term commencing from 13th May, 2022 up to 31st May, 2023. As Mr. N. Velappan's tenure as the Manager expired at the close of business hours on 31st May, 2023, the Board based on the recommendation of the Nomination and Remuneration Committee considered the appointment of Mr. N. Velappan as the Manager of the Company at their meeting held on 30th May, 2023 and has recommended his re-appointment for a period from 1st June, 2023 to 31st May, 2024 for the approval of the shareholders at the 75th Annual General Meeting.

Memorandum of Interest

Except Mr. N Velappan, being the appointee, none of the Directors or their relatives or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the aforesaid resolution proposed to be passed as an ordinary resolution.

The Board recommends the resolution set forth in Item No.3 for the approval of the members of the company.

Information about the appointee:

1. Background details: Worked in Industry for 40 years occupying several senior positions, as given below.
2. Past remuneration: Re-Appointed with effect from 1st June, 2023 and past remuneration as Manager is given below.

S. NO	PARTICULARS	AMOUNT (In Rs.)
1	Basic	Rs. 1,00,000/per month
2	Allowances	Rs.2,15,000/per month
3	LTA	Not Applicable
4	PF/SAF/Gratuity	Not Applicable
5	Medical Reimbursement & Hospitalization	Rs. 15,000 per annum
6	Car fuel	Rs. 60,000 per annum

3. Job profile and his suitability

Mr. N. Velappan, aged 62 years, passed his Bachelor of Engineering (Civil) in the year 1983 in first class with distinction from Annamalai University, Chidambaram. His first employment was with Public Works department, Tamil Nadu from June 1983 to September 1984. He joined Coromandel Engineering as a Graduate Engineer Trainee in September 1984 and rose to the level of Associate Vice President in the year 2014. During the 40 years of service, he has worked in Industrial, Commercial, Institutional & Residential Projects.

Mr. N. Velappan was trained in Construction of Silos and Chimneys using Slipform Technique by Interform, Sweden which was applied in Dalmia Cements and T. V. Tower Construction at Shimoga,

Projects. Further, the Company had selected him and sent to Kansas, USA during November 1995 and trained in Pre - Engineered metal building systems through M/S. Butler Manufacturing Company - Kansas, USA. Special Projects handled by him for CEC includes Dalmia Cements, T.V. Tower Anantapur & Shimoga, Construction of RCC Pylons (Boiler Supporting structures) for APSEB through BHEL, PEB Buildings for Ford & Visteon, Auditorium for Alagappa University and Spare Parts ware house for Daimler. He was on transfer to E.I.D. - Parry (India) Limited in between 1993 to 1996 for setting up their Acetic Acid Plant and Neemazal Plant (Green field project) in Cuddalore and re-inducted to CEC in 1996.

He has handled all functions - Tendering, Purchase, Agency - Procurement, Planning, Property Development, Projects, etc. in head office since 1996.

Item No. 4

In accordance with the provisions of Section 148 of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014 (the Rules), the Company is required to appoint a cost

auditor to audit the cost records of Company. On the recommendation of the Audit Committee, the Board has appointed Mr. N.V. Thanigaimani, Cost Accountant (Membership No.15557) of Thanigaimani & Associates, Cost Accountants, as Cost Auditor to conduct the audit of cost accounting records of the company for the financial year 2023-24 at a remuneration of Rs. 75,000/- (Rupees Seventy-Five Thousand only) exclusive of taxes as may be applicable and reimbursement of out of pocket expenses, if any, in connection with the cost audit. The remuneration of the cost auditor is required to be ratified by the members under the provisions of Section 148 of the Companies Act, 2013 and Rule 14 of Companies (Audit and Auditors) Rules, 2014.

Memorandum of Interest

None of the Directors or their relatives or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the aforesaid resolution proposed to be passed as an ordinary resolution.

The Board recommends the resolution set forth in Item no.4 of the Notice for the approval of the members.

Place: Chennai
Date: 30th May, 2023

On behalf of the Board

M.M.VENKATACHALAM
Chairman
DIN:00152619

DETAILS AS REQUIRED UNDER REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 & CLAUSE 1.2.5 OF SECRETARIAL STANDARDS ON GENERAL MEETINGS

Particulars	M M Venkatachalam
DIN	00152619
Date of Birth	24/11/1958
Date of first appointment on the Board	31/07/2009
Shareholding in the Company as on March 31, 2023	Nil
Relationship with other Director/KMP	Not applicable
Qualifications	Graduate in Agriculture and is an MBA from George Washington University, USA.
Number of Meetings attended during the year	4(4)
Directorship in other Companies as on March 31, 2023	<ol style="list-style-type: none"> 1. Coromandel International Limited 2. E.I.D Parry (India) Limited 3. The Ramco Cements Limited 4. Ramco Systems Limited 5. Parry Agro Industries Limited 6. Parry Sugars Refinery India Private Limited 7. USV Private Limited 8. Alampara Hotels And Resorts Private Limited 9. New Ambadi Estates Private Limited 10. Ambadi Investments Limited 11. M M Muthiah Sons Private Limited 12. M M Muthiah Research Foundation 13. Ootacamund Club

<p>Membership/ Chairmanship of committees of other Board</p>	<p>E.I.D Parry (India) Limited</p>	<p>-</p>	<ul style="list-style-type: none"> • Audit Committee – Member • Stakeholders Relationship Committee – Chairperson • Risk Management Committee – Member • Corporate Social Responsibility Committee - Chairperson
	<p>The Ramco Cements Limited</p>	<p>-</p>	<ul style="list-style-type: none"> • Audit Committee – Member • Stakeholders Relationship Committee – Chairperson • Nomination and Remuneration Committee – Member • Risk Management Committee – Member • Corporate Social Responsibility Committee - Chairperson
	<p>Ramco Systems Limited</p>	<p>-</p>	<ul style="list-style-type: none"> • Audit Committee – Member • Nomination and Remuneration Committee – Chairperson • Corporate Social Responsibility Committee – Member • Risk Management Committee – Member
	<p>Parry Agro Industries Limited</p>	<p>-</p>	<ul style="list-style-type: none"> • Stakeholders Relationship Committee – Chairman • Nomination and Remuneration Committee – Member



If undelivered please return to:

COROMANDEL ENGINEERING COMPANY LIMITED

Registered Office :

Parry House, V Floor, 43, Moore Street, Chennai - 600 001

Ph: +91-44-25301700 | www.coromandelengg.com