Kovilpatti Lakshmi Roller Flour Mills Limited
Regd.Office & Flour Mill
75/8, Benares Cape Road
Gangaikondan – 627 352
Tirunelveli District
Tamil Nadu
CIN : L15314TN1961PLC004674
Phone :+91 – 462 – 2486532 (4 Lines)
Mobile: +91 – 94433 – 75445
Fax :+91 – 462 - 2486132
E-Mail: ho@klrf.in
Web : www.klrf.in
GSTN : 33AAACK6029N1ZF

THE FINANCIAL DETAILS AND CAPITAL EVOLUTION OF THE TRANSFEREE AND TRANSFEROR COMPANIES FOR THE PREVIOUS 3 YEARS AS PER THE AUDITED STATEMENT OF ACCOUNTS:

Name of the Company: Kovilpatti Lakshmi Roller Flour Mills Limited

(Rs. in Crores)

	As per the latest unaudited financials for quarter ended (subject to limited review)	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	30.06.2022	**2021-22**	**2020-21**	**2019-20**
Equity Paid up Capital	5.54	5.54	5.54	5.54
Reserves and surplus	45.78	42.77	36.21	31.62
Carry forward losses	-	-	-	-
Net Worth	51.32	48.31	41.75	37.16
Miscellaneous Expenditure	-	-	-	-
Secured Loans	64.62	42.06	23.08	25.91
Unsecured Loans	3.00	3.00	2.35	1.75
Fixed Assets	50.82	51.19	26.34	26.69
Income from Operations	78.07	273.35	223.92	229.96
Total Income	78.44	277.12	224.81	232.47
Total Expenditure	74.24	266.78	218.54	227.32
Profit before Tax	4.20	10.34	6.27	5.16
Profit after Tax	3.05	7.53	4.50	4.25
Cash profit	4.35	11.54	7.91	8.62
EPS (in Rs.)	5.51	13.59	8.12	7.67
Book value per share (in Rs.)	92.62	87.19	75.35	67.05

For Kovilpatti Lakshmi Roller Flour Mills Limited

S. Piramuthu
Company Secretary

Kovilpatti Lakshmi Roller Flour Mills Limited
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Name of the Company: Raya Foods Private Limited

(Rs. in Crores)

Particulars	**As per last Audited Financial Year**
	2021-22
Equity Paid up Capital	2.50
Reserves and surplus	-
Carry forward losses	0.76
Net Worth	1.74
Miscellaneous Expenditure	0.06
Secured Loans	28.93
Unsecured Loans	14.00
Fixed Assets	30.44
Income from Operations	13.47
Total Income	13.68
Total Expenditure	14.71
Profit / (loss) before Tax	(1.03)
Profit / (loss) after Tax	(0.76)
Cash profit/ (loss)	(0.76)
EPS (in Rs.)	(3.43)
Book value per share (in Rs.)	6.95

Note: Raya Foods Private Limited was incorporated on 22nd October 2021. Accordingly, 31st March 2022 is the first audited financial statements of the Company.

For Kovilpatti Lakshmi Roller Flour Mills Limited

S. Piramuthu
Company Secretary

Kovilpatti Lakshmi Roller Flour Mills Limited
Regd. Office: 75/8, Benares Cape Road, Gangaikondan – 627352
Telephone : 0462-2486532 Fax : 0462-2486132 E-mail : ho@klrf.in Website : www.klrf.in
CIN : L15314TN1961PLC004674

Statement of Standalone Unaudited financial results for the quarter ended June 30, 2022

Rs.in.lakhs

Sl No	Particulars	Three months ended			Year ended
		June 30,2022 (unaudited)	Mar 31, 2022 (Audited)	June 30, 2021 (unaudited)	March 31, 2022 (Audited)
	Income from Operations				
1	(a) Revenue from operations	7,807.14	7,174.44	5,524.27	27,334.63
2	(b) Other income (Net)	37.01	268.05	41.74	376.98
3	**Total income (1+2)**	7,844.15	7,442.49	5,566.01	27,711.61
4	**Expenses**				
	a) Cost of materials consumed	5,366.06	4,920.79	3,784.84	18,750.10
	b) Purchase of stock in trade	18.81	74.22	65.57	287.75
	c) Changes in inventories of finished goods, work in progress and stock in trade	10.56	(80.31)	(82.83)	(109.10)
	d) Employees benefits expense	350.48	287.08	361.76	1,422.72
	e) Finance cost	118.74	106.05	75.46	406.02
	f) Depreciation and amortisation expense	129.65	131.11	87.21	400.94
	g) Other expenses	1,429.64	1,456.03	1,126.70	5,519.39
	Total expenses (4)	7,423.96	6,894.97	5,418.71	26,677.82
5	**Profit before exceptional items and tax (3-4)**	420.19	547.52	147.30	1,033.79
6	Exceptional items	-	-	-	-
7	**Profit before tax (5+6)**	420.19	547.52	147.30	1,033.79
8	**Tax expense**				
	Current tax	94.27	99.46	53.00	180.63
	Deferred tax	20.50	43.52	(15.27)	100.14
	Total tax expenses	114.77	142.98	37.73	280.77
9	**Profit/(Loss) for the period from continuing operations (7-8)**	305.42	404.54	109.57	753.02
10	**Profit / (Loss) from discontinued operations**	-	-	-	-
11	Tax expense of discontinued operations	-	-	-	-
12	**Profit / (Loss) from discontinued operations (after tax) (10-11)**	-	-	-	-
13	**Profit/(Loss) for the period (9+12)**	305.42	404.54	109.57	753.02
14	**Other comprehensive income, net of income tax**				
	a) (i) items that will not be reclassified to profit or loss	(6.17)	(35.01)	3.44	(24.70)
	(ii) income tax relating to items that will not be reclassified to profit or loss	1.72	9.74	(0.96)	6.87
	Total other comprehensive income, net of income tax	(4.45)	(25.27)	2.48	(17.83)

Rs.in.lakhs

Sl No	Particulars	Three months ended			Year ended
		June 30,2022 (unaudited)	Mar 31, 2022 (Audited)	June 30, 2021 (unaudited)	March 31, 2022 (Audited)
15	**Total comprehensive income for the period (13+14) (Comprising profit / (loss) and other compregensive income for the period)**	**300.97**	**379.27**	**112.05**	**735.19**
16	Paid-up equity share capital	554.15	554.15	554.15	554.15
	Face value per share (Rs)	10.00	10.00	10.00	10.00
17	Other equity (excluding revaluation reserve)				4,277.33
18	Earning per share (Rs) (not annualised)				
	- Basic	5.51	7.30	1.98	13.59
	- Diluted	5.51	7.30	1.98	13.59

Notes:

1 In accordance with SEBI (LODR) Regulations 2015, the above unaudited financial results for the quarter ended June 30 2022, as reviewed and recommended by the Audit Committee of the Board, has been approved by the Board of Directors at its meeting held on 12th August 2022

2 The statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 (as amended) and other recognised accounting practices and policies to the extent applicable.

3 The figures for the quarter ended March 31, 2022 are the balancing figures between audited figures in respect of the full financial year and unaudited published figures in respect of the financial results upto the third quarter of the respective financial years.

4 Subsequent to the closure of interim period , i.e.,30.06.2022, the Regional PF Commissioner, EPFO, has passed an order on 06/07/2022 against M/s.Servocraft HR Solutions Pvt Ltd, a labour contractor engaged by the company, raising a demand of Rs.249.56 lakhs. The company, being the principal employer, was also copied under the said order pursuant to which, the said amount has been deposited by the Company with the PF Authorities under protest. Further, the Company has taken necessary legal steps to contest this matter before the appropriate appellate forum. In the opinion of the management, no provision is considered necessary. The issue being a non-adjusting event, appropriate disclosure is made in the financial statements as per IND AS 10.

5 Figures for the corresponding quarter / period ended have been regrouped wherever necessary.

for Kovilpatti Lakshmi Roller Flour Mills Limited

Sharath

Sharath Jagannathan
Managing Director
DIN : 07298941

Place: Coimbatore
Date : 12th August, 2022

6 The Company has organised the business into two segments viz. Food and Engineering. This reporting complies with the Ind AS segment reporting

Particulars	Three months ended			Year ended
	June 30,2022 (unaudited)	Mar 31, 2022 (Audited)	June 30, 2021 (unaudited)	March 31, 2022 (Audited)
Segment revenue				
a) Food division	4,491.07	4,614.79	3,687.64	17,268.39
b) Engineering division	3,353.08	2,827.70	1,878.37	10,443.22
Revenue from operations (Net)	**7,844.15**	**7,442.49**	**5,566.01**	**27,711.61**
Segment results				
Profit (+) / Loss (-) before tax and finance cost				
a) Food division	294.58	538.14	258.53	1,273.64
b) Engineering division	244.35	115.43	(35.77)	166.17
Total	538.93	653.57	222.76	1,439.81
Less: Finance Cost	118.74	106.05	75.46	406.02
Profit /(Loss) from continuing operations	420.19	547.52	147.30	1,033.79
Profit/(Loss) from discontinued operations	-	-	-	-
Profit Before Tax	**420.19**	**547.52**	**147.30**	**1,033.79**
Segment assets				
a) Food division	8,646.51	5,623.06	6,939.96	5,623.06
b) Engineering division	6,504.48	6,465.82	3,348.34	6,465.82
b) Other unallocable corporate assets	121.69	259.42	110.79	259.42
Total assets	**15,272.68**	**12,348.30**	**10,399.09**	**12,348.30**
Segment liabilities				
a) Food division	5,022.57	2,423.93	3,303.01	2,423.93
b) Engineering division	4,654.66	4,562.32	2,514.43	4,562.32
b) Other unallocable corporate liabilities	463.02	530.59	294.17	530.59
Total liabilities	**10,140.25**	**7,516.84**	**6,111.61**	**7,516.84**
Capital employed (Segment assets-Segment liabilities)				
a) Food division	3,623.94	3,199.13	3,636.95	3,199.13
b) Engineering division	1,849.82	1,903.50	833.91	1,903.50
Total capital employed in segments	5,473.76	5,102.63	4,470.86	5,102.63
Unallocable corporate assets less corporate liabilities	(341.33)	(271.17)	(183.38)	(271.17)
Total capital employed	**5,132.43**	**4,831.46**	**4,287.48**	**4,831.46**

ARUN & CO
CHARTERED ACCOUNTANTS

CA. A. ARUN, B.Com, F.C.A, CISA(USA)
Proprietor

Limited Review Report

Review report to

The Board of Directors
Kovilpatti Lakshmi Roller Flour Mills Limited
Gangaikondan-627352

1. I have reviewed the accompanying statement of unaudited financial results of Kovilpatti Lakshmi Roller Flour Mills Limited (the "Company") for the quarter ended June 30, 2022 (referred as the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"), as amended from time to time and which has been initialed by me for identification purposes.

   The Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Further, the Management is also responsible to ensure that the accounting policies used in preparation of this Statement are consistent and prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies. My responsibility is to issue a report on the Statement based on my review.

2. I conducted my review of the statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that I plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.

3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. A review is substantially less in scope than an audit conducted in accordance with standards on auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

4. The Statement of the company includes financial information of the Engineering division of the company whose financial information reflect total assets of Rs.6,504.48 lakhs as at 30th June 2022 and the total revenue of Rs.3,353.08 lakhs for upto the period ended on that date. The financial information of the Engineering division has been reviewed by the branch auditors whose reports have been furnished to me by the management and my review in so far as it relates to these branches, is based solely on the report of the branch auditors.

ARUN & CO. TIRUNELVELI FRN:014464S Chartered Accountants

1/1, Mela Kula Pilliyar Kovil Street I Mela Kulavanigarpuram I South Bye Pass Road | Kuruchi, Tirunelveli - 627005.
Phone: 91-89405-04000 I Mob: 91-81485-86886 I Email: aarunca11@gmail.com

5. Based on my review conducted as above, and based on the review reports of the branch auditors as mentioned in Paragraph 4, nothing has come to my attention that causes me to believe that the Statement has not been prepared in all material respects in accordance with Ind AS and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 read with SEBI circular dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For ARUN & CO
CHARTERED ACCOUNTANTS

CA. A. Arun
Membership No. 227831
FRN: 014464S

ARUN & CO. TIRUNELVELI FRN:014464S Chartered Accountants

Place: Coimbatore
Date: August 12, 2022
UDIN: 22227831AOWERA7605

2022
Annual Report

Kovilpatti Lakshmi Roller Flour Mills Limited

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KOVILPATTI LAKSHMI ROLLER FLOUR MILLS LIMITED

CIN : L15314TN1961PLC004674

Board of Directors	**Sudarsan Varadaraj**
	K.Gnanasekaran
	Kalyani Jagannathan
	R.Kannan
	Ashwin Chandran
	Sharath Jagannathan Managing Director
	Suresh Jagannathan Executive Chairman
Chief Financial Officer	**J. Kanna**
Company Secretary	**S. Piramuthu**
Auditor	**M/s Arun & Co** Chartered Accountants, Tirunelveli
Branch Auditors	**M/s VKS Aiyer & Co** Chartered Accountants, Coimbatore
Secretarial Auditor	**M/s MDS & Associates** Company Secretaries in Practice Coimbatore
Bankers	HDFC Bank Ltd RBL Bank Ltd
Registered Office	75/8, Benares Cape Road Gangaikondan Tirunelveli -627352
Administrative Office	8th Floor, Time Square, 62, Balasundaram Road, Coimbatore-641018
Food Division	Gangaikondan-627352
Engineering Division	Periyanaickenpalayam, Coimbatore-641020
Registrar and Share Transfer Agent	Link Intime India Private Limited "Surya" 35, Mayflower Avenue Senthil Nagar, Sowripalayam Road Coimbatore – 641028, Tamilnadu Telephone : +91 422 231 4792 E-mail : coimbatore@linkintime.co.in

NOTICE OF 60TH ANNUAL GENERAL MEETING

Notice is hereby given that the Sixtieth (60th) Annual General Meeting of the Shareholders of Kovilpatti Lakshmi Roller Flour Mills Limited ("the Company") will be held on Wednesday the 14th September, 2022 at 09:15 a.m., Indian Standard Time (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") without the physical presence of shareholders at a common venue to transact the following business;

AGENDA

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the company for the year ended 31st March, 2022 including audited Balance Sheet as at 31st March, 2022, Statement of Profit and Loss and Cash Flow Statement and statement of changes in Equity for the year ended on that date and the reports of the Board of Directors and Auditors thereon.

2. To declare a dividend.

3. To appoint a director in the place of Mr. Sharath Jagannathan (DIN : 07298941), who retires by rotation and being eligible, offers himself for re-appointment.

4. To consider and if thought fit, to pass the following resolution for appointment of Statutory Auditors and to fix their remuneration as an **Ordinary Resolution**:

   "RESOLVED THAT in pursuance of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and as per the recommendation of the Audit Committee and the Board, M/s. Marimuthu and Associates (Firm Registration Number 011207S), Chartered Accountants, Tirunelveli, be and is hereby appointed as the Statutory Auditor of the Company, in the place of the retiring Statutory Auditor M/s. Arun & Co (Firm Registration Number 014464S), Chartered Accountants, Tirunelveli, to hold such office for a period of five consecutive years commencing from the conclusion of this 60th Annual General Meeting till the conclusion of the 65th Annual General Meeting to be held in the year 2027 on a remuneration of a sum of ₹ 8,31,600/-(Rupees eight lakhs thirty one thousand and six hundred only) as statutory audit fee (excluding applicable taxes and out of pocket expenses incurred in connection with the audit) to audit the accounts for the financial year 2022-23 and in respect of the subsequent financial years, as may be approved by the Board of Directors based on the recommendation of the Audit Committee in consultation with the statutory auditor.

   RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

SPECIAL BUSINESS

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

   Re-appointment of Branch Auditors for the financial year 2022 – 23 and to fix their remuneration.

   "RESOLVED THAT pursuant to Section 139, 142 and 143(8) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and as per the recommendation of the Audit Committee and the Board, M/s VKS Aiyer & Co. (Firm Registration No.000066S), Chartered Accountants, Coimbatore, be and are hereby re-appointed as Branch Auditors of the company to hold their office from the conclusion of this 60th Annual General Meeting up to the conclusion of the next 61st Annual General Meeting to audit the books of accounts of the engineering division of the company for the financial year 2022 - 23 on a remuneration of ₹ 7,72,950/- (Rupees seven lakhs seventy two thousand nine hundred and fifty only) excluding applicable taxes and out of pocket expenses incurred in connection with the audit.

   RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

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

   To ratify the remuneration payable to the Cost Auditor for the financial year 2022-23.

   "RESOLVED THAT pursuant to section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the re- appointment of M/s. P. Mohankumar & Co., (Membership Number 18692 / FRN 100490), Cost Accountant, Coimbatore, as Cost Auditor by the Board of Directors to audit the cost records of the Engineering Division of the company for the financial year 2022-23, on a remuneration of ₹ 78,650/- (Rupees seventy eight thousand six hundred and fifty only) plus applicable tax and out of pocket expenses that may be incurred during the course of audit, be and is hereby ratified and approved.

   RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

To grant necessary approval for increasing borrowing powers of the company pursuant to section 180 (1) (c) of the Companies Act, 2013

"RESOLVED THAT in supersession of the special resolution No.10 passed at the Annual General Meeting of the Shareholders of the Company held on 18th September, 2014 and pursuant to the provisions of Section 180(1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include a duly authorized committee thereof for the time being exercising the powers conferred by the Board including the powers conferred by this resolution), to borrow moneys from time to time any sum or sums of monies in any manner as may be required for the purpose of business activities of the Company, with or without security and upon such terms and conditions as they may think fit, notwithstanding that the monies to be borrowed together with monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid- up capital of the company and its free reserves and securities premium, provided that the total amount so borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of ₹ 500 crores (Rupees five hundred crores only).

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such steps as may be necessary, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, for and on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

8. To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

To grant necessary approval for increasing the limits for creation of charge on the assets to secure the borrowings of the company pursuant to section 180 (1) (a) of the Companies Act, 2013

"RESOLVED THAT in supersession of the special resolution No.11 passed at the Annual General Meeting of the Shareholders of the Company held on 18th September, 2014 and pursuant to Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include a duly authorized committee thereof for the time being exercising the powers conferred by the Board including the powers conferred by this resolution),

to create charges including mortgage, pledge, lien and hypothecation in additions to the existing charges, mortgages and hypothecations on such terms and conditions and at such time or times and in such form and manner and with such ranking as to priority as it may think fit, on any of the Company's movable and immovable properties and assets including the whole or substantially the whole of the Company's undertaking, both present and future, as the case may be, in favour of the Lender/s viz., Financial/Investment Institutions, Bank/s and Trustees for the holders of the debentures/ bonds/ other instruments or any other Lender/s, to secure the repayment of the loans/borrowings sanctioned and / or to be sanctioned by them from time to time for a sum not exceeding ₹ 500 crores (Rupees five hundred crores only) and inclusive of interest at the respective agreed rates and all other costs, charges and expenses and all monies payable by the company in respect of such loans/borrowings as may be stipulated in that behalf and agreed to between the Board of Directors and the Lender/s."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to finalise with the Lender/s, agreements and other documents, deeds, if any necessary for creating the security for the purpose, as aforesaid, and do all such acts, deeds matters and things and to execute all such documents, deeds and instruments in writing as may be required incidental and / or expedient for giving effect to this resolution and to resolve any question relating thereto, or otherwise considered by the Board of Directors to be in the best interest of the Company."

9. To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

To approve the variation in the terms of re-appointment of Sri. Suresh Jagannathan (DIN: 00011326), Executive Chairman, for the remaining period of his current tenure.

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and pursuant to Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the Nomination and Remuneration Policy and the Articles of Association of the Company and in modification of the ordinary / special resolution passed through postal ballot process on 6th August, 2020 and 21st December, 2020 respectively, the approval of the members of the Company be and is hereby accorded for the payment of the following revised remuneration to Sri. Suresh Jagannathan (DIN: 00011326), Executive Chairman of the Company for the remaining period of his current tenure with effect from 1st October, 2022, as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and the Board of Directors at their respective meeting(s) held on 27th May, 2022 notwithstanding that the aggregate annual remuneration payable to Sri. Suresh Jagannathan (DIN: 00011326), Executive Chairman, in any year during his tenure, together with the aggregate annual remuneration payable to Sri. Sharath Jagannathan (DIN: 07298941), Managing Director, exceeds 5% of the net profits of the Company as calculated under Section 198 of the said Act;

a. Salary	A total remuneration comprising of salary, allowances, perquisites etc. payable by the company not exceeding INR 138 lakhs per annum with effect from 1st October, 2022.
b. Perquisites	Provident fund: Company's contribution towards provident fund, superannuation fund or annuity fund as per the rules of the Company, to the extent it is not taxable under the Income Tax Act, 1961.
	Gratuity: Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
	Leave encashment: Encashment of leave at the end of the tenure.
	The above perquisites shall not be included in the computation of ceiling on remuneration aforesaid.
c. Commission on net profits	At the discretion of the Board and the amount determined shall be subject to the limits laid down under Section 197 read with Schedule V and 198 of the Companies Act, 2013 or any other applicable law.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the above remuneration shall be payable as minimum remuneration to Sri. Suresh Jagannathan (DIN: 00011326), Executive Chairman, as specified in Schedule V of the Companies Act, 2013 (as amended).

RESOLVED FURTHER THAT the Board of Directors (including its committees thereof) be authorized to alter and vary the above terms of appointment of Sri. Suresh Jagannathan (DIN: 00011326), Executive Chairman, as it may deem fit, proper and necessary subject to the same not exceeding the above limits.

RESOLVED FURTHER THAT Sri. Suresh Jagannathan (DIN: 00011326), during his tenure as Executive Chairman, shall be liable to retire by rotation and the same shall not be treated as break in his service as Executive Chairman.

RESOLVED FURTHER THAT Sri. Suresh Jagannathan (DIN: 00011326), Executive Chairman shall not be entitled to receive sitting fees for attending the meetings of the Board of Directors or any Committees thereof.

RESOLVED FURTHER THAT the Board of Directors be and are hereby severally authorized to take all such steps as may be necessary and/or give such directions as may be necessary, proper or expedient to give effect to the above resolution without being required to seek any further consent or approval of the members and the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

10. To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

To approve the alteration of object clause of the Memorandum of Association of the Company in line with the Companies Act, 2013.

"RESOLVED THAT pursuant to Section 13 and all other applicable provisions, if any, of the Companies Act, 2013 and its Rules made thereunder (including any statutory modification(s) or amendment(s) or re-enactment thereof for the time being in force), the existing Objects Clause (III) of the Memorandum of Association be amended in the manner as follows in accordance with Table A of Schedule I of the Companies Act, 2013:

A. The existing Objects Clause III of the Memorandum of Association be divided into Clause III(A) and Clause III(B) in accordance with Table A of Schedule I of the Companies Act, 2013.

B. The existing Objects Clause III of the Memorandum of Association having the title "The objects for which the company is established are the followings;" and the existing sub-clause(s) (1) to (44) under existing Objects Clause (III) be deleted in full and be substituted with new heading as Objects Clause III(A) with the title as "THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:-" with the following new sub-clause(s) (1) to (6) under the Objects Clause III(A).

1. *To carry on the business of manufacturing, processing, trading in cereals / products from wheat, rice, corn, other cereals and all other agricultural produce.*

2. *To carry on the business of production, manufacture, sale, purchase, processing, refining, deal in, grow, plant, blend, produce, import, export, buy and sell all kinds of agricultural and vegetable produce, food products, cereal products, spices, herbal products, beverages, tea, coffee, cocoa, seeds, fruits, vegetables, milk and milk products, poultry, animal husbandry and products thereof, seafood and other marine products, dairy and dairy products, vegetable and edible oils, provisions of all kinds, and to own, establish and manage cold storage plants and refrigeration equipment and other apparatus for preservation of all kinds of food products, agricultural and dairy produce, poultry products and food stuffs.*

3. *To carry on all kinds of agriculture, horticulture, dairy farming, animal husbandry and other allied activities and to manufacture, import, export, buy, sell, manipulate, prepare for market, canning process, preserve and otherwise deal in oils, vegetable oils and fats, vegetable and artificial ghee, oil made or processed from seeds, coconuts, ground nuts, products of plantation, horticulture, agriculture, agriculture and forest produces, animals and fatty acids, soaps, glycerin, allied products and lubricants made from such oils and others or as by-products.*

4. *To carry on the business of manufacturing, dealing, trading, processing of various kinds of metal-either ferrous, alloys or non-ferrous.*

5. *To generate, consume, purchase, sell, supply and distribute electricity by erection/ installation of wind or hydel or thermal or solar or atomic or by any other power stations in India or elsewhere and to install / erect transmission equipment, feeder lines, sub-station etc., in connection therewith.*

6. *To carry on business as Clearing agents, Shipping agents, commission agents, Freight Contractors, Forwarding agents, Licensing agents, General Brokers, order suppliers and all kinds of Agency business and dealers in all kinds of goods and merchandise, raw or manufactured, of any description, quality, kind and variety.*

C. The new heading as Clause III(B) - "MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III(A) ARE:" with the new sub-clause(s) (1) to (55) be inserted.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized, for and on behalf of the Company, to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding."

11. To consider and if thought fit, to pass, the following resolution as a **Special Resolution:**

To approve the reclassification of the existing authorized share capital and consequent alteration of Clause V (capital clause) of the Memorandum of Association of the Company.

"RESOLVED THAT pursuant to Section 61 and other applicable provisions, if any, of the Companies Act, 2013 and its Rules made thereunder (including any statutory modification(s) or amendment(s) or re-enactment thereof for the time being in force), the approval of the members of the Company be and is hereby accorded for the re-classification of the Authorised Share Capital of the Company from ₹ 15,00,00,000/- (Rupees fifteen crores only) divided into 1,20,00,000 (One Crore Twenty Lakhs) equity shares of ₹ 10/- each and 30,00,000 (Thirty Lakhs) 10% Cumulative Redeemable Preference Shares of ₹ 10/- each to ₹ 15,00,00,000/- (Rupees fifteen crores only) divided into 1,20,00,000 (One Crore Twenty Lakhs) equity shares of ₹ 10/- each and 30,00,000(Thirty Lakhs) Preference Shares of ₹ 10/- each.

RESOLVED FURTHER THAT pursuant to Section 13 and all other applicable provisions, if any, of the Companies Act, 2013 and its Rules made thereunder (including any statutory modification(s) or amendment(s) or re-enactment thereof for the time being in force), the approval of the members of the Company be and is hereby accorded to alter the Memorandum of Association of the Company by substituting the existing Clause V thereof by the following new Clause V as under:

"V. The Authorised Share Capital of the Company is ₹ 15,00,00,000/- (Rupees Fifteen Crores only) divided into 1,20,00,000 (One Crore Twenty Lakhs) equity shares of ₹ 10/- each and 30,00,000 (Thirty Lakhs) Preference Shares of ₹ 10/-each."

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized, for and on behalf of the Company, to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding."

Statement pursuant to Section 102 of the Companies Act, 2013 and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Item No.4

The members of the Company at their 55th Annual General Meeting (AGM) held on September 15, 2017 had appointed M/s Arun & Co., (FRN 014464S), Chartered Accountants, Tirunelveli as the Statutory Auditor of the Company to hold office from the conclusion of the 55th Annual General Meeting until the conclusion of the 60th Annual General Meeting of the Company. M/s Arun & Co., Statutory Auditor retires at the ensuing 60th Annual General Meeting of the Company and accordingly, the Company is required to rotate the Statutory Auditor as they have completed their term as per provisions of Section 139 of the Companies Act, 2013. The retiring statutory auditor were paid an amount of ₹ 7.70 lakhs (excluding applicable taxes and reimbursement of out-of-pocket expenses) for conducting the statutory audit for the financial year ended March 31, 2022 and an amount of ₹ 0.70 lakhs (excluding applicable taxes) were paid to them towards other services rendered by them during the said period, based on the recommendation and approval of the Audit Committee and the Board of Directors.

Pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (as amended) and based on the recommendation of the Audit Committee, the Board of Directors, at their meeting held on May 27, 2022, has recommended the appointment of M/s Marimuthu and Associates (Firm Registration Number 011207S), Chartered Accountants, Tirunelveli, as the Statutory Auditor of the Company for a term of 5 consecutive years commencing from the conclusion of the 60th Annual General Meeting till the conclusion of the 65th Annual General Meeting of the Company ought to be held in the year 2027 on a remuneration as set out in the Ordinary Resolution under Item No.4 of this notice. The appointment is subject to the approval of members of the Company.

M/s Marimuthu and Associates Chartered Accountants, have their office at 58A, Sivapuram, Tirunelveli – 627001, Tamil Nadu. Mr. P. Marimuthu, FCA, Chartered Accountant having a valid Membership No.5770 is the sole proprietor. M/s. Marimuthu and Associates also

holds a valid Peer Review Certificate issued by The Institute of Chartered Accountants of India. The Appointee Statutory Auditor is primarily engaged in Audit and Assurance Services to Listed Companies and various other clients.

M/s. Marimuthu and Associates, Chartered Accountants has given their consent for the proposed appointment and further, confirmed that their appointment, if made, would be within the limits specified under Section 141 of the Act and that they are not disqualified to be appointed as Statutory Auditors in terms of the provisions of Sections 139 and 141 of the Act and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time. The Appointee Statutory Auditor has also furnished a declaration confirming independence as prescribed under the applicable statute.

The remuneration proposed to be paid to the new Statutory Auditor is ₹ 8,31,600/- (Rupees eight lakhs thirty one thousand six hundred only) (excluding applicable taxes and out of pocket expenses incurred in connection with the audit) to audit the accounts for the financial year 2022-23 and in respect of the subsequent financial years, the remuneration payable to them may be approved by the Board of Directors based on the recommendation of the Audit Committee in consultation with the statutory auditor after considering various parameters / market standards. In the opinion of the Board, there will not be any material change in the remuneration payable to the new statutory auditor from that paid to the outgoing (retiring) auditor for the conduct of the statutory audit of the Company.

The Board recommends the ordinary resolution set out in Item No. 4 of the Notice for the approval of the members.

None of the directors and key managerial personnel of the company or their relatives are concerned or interested, financially or otherwise, in the ordinary resolution set out in Item No.4 of the Notice

Item No.5

M/s VKS Aiyer & Co Chartered Accountants, Coimbatore (Firm Registration No. 000066S), was re-appointed as the Branch Auditors at the Annual General Meeting held on 27th August, 2021 and they retire at the ensuing 60th Annual General Meeting. Pursuant to the provisions of Sections 139, 142, 143(8) and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (as amended) and based on the recommendation of the Audit Committee, the Board of Directors, at their meeting held on May 27, 2022, has recommended the re-appointment of M/s VKS Aiyer & Co Chartered Accountants, Coimbatore (Firm Registration No. 000066S), as the Branch Auditors of the Company to hold their office from the conclusion of the 60th Annual General Meeting till the conclusion of the next 61st Annual General Meeting of the Company to audit the accounts of the engineering division of the company for the financial year 2022-23. The re-appointment is subject to the approval of members of the Company.

M/s VKS Aiyer & Co Chartered Accountants, (Firm Registration No. 000066S), is a firm of Chartered Accountants registered with The Institute of Chartered Accountants of India and their office is situated at No.380, VGR Puram, Off Alagesan Road, Saibaba Colony, Coimbatore-641011. M/s VKS Aiyer & Co holds a valid Peer Review Certificate issued by The Institute of Chartered Accountants of India. The appointee Branch Auditors are primarily engaged in Audit and Assurance Services to Listed Companies and various other clients.

M/s VKS Aiyer & Co Chartered Accountants has given their consent for the proposed appointment and further, confirmed that their appointment, if made, would be within the limits specified under Section 141 of the Act and that they are not disqualified to be appointed as Auditors in terms of the provisions of Sections 139 and 141 of the Act and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time. The appointee Branch Auditor has also furnished a declaration confirming independence as prescribed under the applicable statute.

The remuneration proposed to be paid to the Branch Auditors is ₹ 7,72,950/- (Rupees seven lakhs seventy two thousand nine hundred and fifty only) excluding applicable taxes and out of pocket expenses incurred in connection with the audit, to audit the accounts of the engineering division of the company for the financial year 2022 – 23.

The Board recommends the ordinary resolution set out in Item No. 5 of the Notice for the approval of the members.

None of the Directors, Key Managerial Personnel of the company or their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out in Item No.5 of the Notice.

Item No.6

The Board of Directors, based on the recommendation of the Audit Committee, has approved the re-appointment of M/s P. Mohankumar & Co., Cost Accountant (Firm Registration Number: 100490), Coimbatore as Cost Auditor to conduct the audit of the cost records of the engineering division of the company for the financial year 2022-23 and the remuneration payable to him, subject to ratification by the members. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the company. Accordingly, the approval of the members is being sought by way of an ordinary resolution as set out in Item No.6 of this Notice for ratification of the remuneration payable to the Cost Auditor for the financial year 2022 - 23. Your Directors recommend the passing of this resolution.

None of the Directors, Key Managerial Personnel, or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

Item No.7

The members of the company, at their Annual General Meeting held on 18th September, 2014, had approved by way of a Special Resolution passed under 180(1)(c) of the Companies Act, 2013 to borrow over and above the aggregate of the paid up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of ₹ 150 crores (Rupees one hundred and fifty crores only). Considering the future business requirements, the Board of Directors, at their meeting held on 27th May, 2022, has recommended to seek the approval of the members by means of passing a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013 as set out at Item No.7 of this Notice, in order to enable the Board of Directors to borrow money in excess of the aggregate of the paid up share capital, free reserves and securities premium of the Company provided that the total amount so borrowed by the Board of Directors and outstanding at any time not exceeding the sum of ₹ 500 crores (Rupees five hundred crores only). Your Directors recommend the passing of this special resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the special resolution set out at Item No.7 of the Notice.

Item No.8

The members of the company, at their Annual General Meeting held on 18th September, 2014, had approved by way of a Special Resolution under Section 180(1)(a) of the Companies Act, 2013 to create charge on any of the Company's movable and immovable properties and assets in favour of the Lenders to secure the repayment of the loans/ borrowings sanctioned and / or to be sanctioned by them from time to time for a sum not exceeding ₹ 150 crores (Rupees one hundred and fifty crores only). Consequent to the increase in the borrowing limits under Section 180(1)(c), the Board of Directors, at their meeting held on 27th May, 2022, has recommended to seek the approval of the members by means of passing a Special Resolution under Section 180(1)(a) and other applicable provisions of the Companies Act, 2013 as set out at Item No.8 of this Notice, in order to enable the Board of Directors to create charge on the Company's on any of the Company's movable and immovable properties and assets in favour of the Lenders to secure the repayment of the loans/borrowings sanctioned and / or to be sanctioned by them from time to time for a sum not exceeding ₹ 500 crores (Rupees five hundred crores only). Your Directors recommend the passing of this special resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the special resolution set out at Item No.8 of the Notice.

Item No.9

Sri. Suresh Jagannathan (DIN: 00011326) was originally re-appointed as the Managing Director for a period of 3 years with effect from 12th March, 2021 by the members of the Company on an annual remuneration of INR 84 lakhs per annum and commission on net profits. He further informed that since he stepped down as Managing Director, he was re-designated as Executive Chairman, at the Board meeting held on 12th November, 2021, for the remaining period of his current tenure with effect from the said date on the same terms of remuneration.

Sri. Suresh Jagannathan (DIN: 00011326) is one of the Promoters of the Company and he has been serving the Company for over a period of 41 years. Considering his varied experience, skills and knowledge in the field of foods, textiles and engineering industries and in order to effectively remunerate Sri.Suresh Jagannathan (DIN: 00011326), it is proposed to vary the existing terms of his re-appointment by way of increasing and fixing the overall ceiling limit for the annual remuneration payable by the Company to Sri. Suresh Jagannathan (DIN: 00011326), Executive Chairman, without restricting his remuneration to individual income components such as salary, allowances, perquisites etc. for the remaining period of his current tenure with effect from 1st October, 2022, subject to the approval of the shareholders by means of a special resolution.

Further, pursuant to the first proviso under Section II of Part II of Schedule V of the Companies Act, 2013, the payment of remuneration in excess of the limits prescribed under Section II, as applicable, to managerial personnel shall require the approval of the members by means of passing a special resolution.

Further, pursuant to Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, where there is more than one Executive Directors, who are promoters or members of the promoter group, the annual remuneration payable by the Company to such Executive Directors exceeding 5% of the net profits of the Company shall be subject to the approval of the members by a special resolution.

Accordingly, based on the recommendation of the Nomination and Remuneration Committee and the approval of the Audit Committee, the Board of Directors, at their meeting held on 27th May, 2022, has approved and recommended to revise the remuneration structure of Sri. Suresh Jagannathan (DIN:00011326), Executive Chairman, as set out in Item No.9 of the Notice, with an intent to effectively remunerate him.

Considering his varied experience, skills and knowledge in the field of foods, textiles and engineering industries, the Board of Directors opine that the above variation in the terms of re-appointment of Sri. Suresh Jagannathan (DIN: 00011326), Executive Chairman, would be greatly beneficial to the Company.

Pursuant to Section(s) 196(4), 197 and 203 read with Schedule V of the Companies Act, 2013 and pursuant to Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015, the Special Resolution for variation in the terms of re-appointment of the Executive Chairman, as set out under Item No.9 of the Notice, is placed before the members for approval. Your Directors recommends the passing of this Special Resolution.

The general information as required under Part II of Section II of Schedule V of the Companies Act, 2013 (as amended) and the disclosure as required in accordance with Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2) issued by the ICSI has been annexed and forms part of this notice.

Members are informed that the terms of re-appointment of Sri. Suresh Jagannathan (DIN: 00011326), Executive Chairman and the payment of the revised remuneration, as set out under Item No.9 of the Notice, are in conformity with Schedule V of the Companies Act, 2013.

The particulars set out above can also be treated as Memorandum required under the provisions of Section 190 of the Companies Act, 2013.

Sri. Suresh Jagannathan (DIN: 00011326), Executive Chairman (Promoter) and Sri. Sharath Jagannathan (DIN: 07298941), Managing Director (Promoter Group) and their relatives, are directly or indirectly, financially or otherwise, interested or concerned in the Special Resolution set out under Item No.9 of the Notice.

Except the above, none of the other Directors, Key Managerial Personnel or their relatives are directly or indirectly, financially or otherwise, interested or concerned in the Special Resolution set out under Item No.9 of the Notice.

Item No.10

Considering the future business plans and the market opportunities, the Board of Directors, at their meeting held on 27th May, 2022, has proposed to alter the Objects Clause III of the Memorandum of Association of the Company in order to enable the Company to diversify its business activities. Consequently, the provisions contained in the existing Objects Clause of the Memorandum of Association is required to be aligned in accordance with Table A of Schedule I of the Companies Act, 2013.

Pursuant to Section 13 of the Companies Act, 2013, any amendment(s) to the provisions of the Memorandum of Association of the Company requires the consent of the members by way of passing necessary special resolution and such amendment(s) shall be subject to the approval of the Registrar of Companies, Chennai.

Hence, necessary special resolution has been set out in Item No. 10 of the Notice for the approval of the members. Your Directors recommends the passing of this Special Resolution.

A copy of the existing Memorandum of Association of the Company as on date together with the proposed amendment(s) are available for inspection by the members electronically on the Company's website (www.klrf.in) and also, at the Registered Office of the Company

during the normal office hours on all working days other than on Saturdays and Sundays till the date of the ensuing Annual General Meeting.

None of the Directors and the Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said special resolution as set out at Item No.10 of the Notice, except to the extent of their shareholding in the Company, if any.

Item No.11

Members are informed that the present Authorized Capital of the Company is ₹ 15,00,00,000/- (Rupees Fifteen Crores only) divided into 1,20,00,000 (One Crore Twenty Lakhs) equity shares of ₹ 10/- each and 30,00,000 (Thirty Lakhs) 10% Cumulative Redeemable Preference Shares of ₹ 10/- each. In order to enable the issuance of all kinds of preference shares, as and when the need arises, within the purview of the Companies Act, 2013, the Board of Directors, at their meeting held on 27th May, 2022, has recommended to reclassify the existing Authorized Share Capital as ₹ 15,00,00,000/- (Rupees Fifteen Crores only) divided into 1,20,00,000 (One Crore Twenty Lakhs) equity shares of ₹ 10/- each and 30,00,000 (Thirty Lakhs) Preference Shares of ₹ 10/- each, subject to the approval of the members of the Company pursuant to Section 61(1) of the Companies Act, 2013.

Consequent to the re-classification of the Authorised Share Capital, the Clause V of the Memorandum of Association of the Company would be required to be amended so as to reflect the re-classified Authorized Share Capital of the Company. Pursuant to Section 13(1) of the Companies Act, 2013, any alteration in the provisions contained in the Memorandum of Association would require the approval of the members of the Company by way of passing a special resolution.

Hence, necessary special resolution has been set out in Item No. 11 of the Notice for the approval of the members. Your Directors recommends the passing of this Special Resolution.

A copy of the existing Memorandum of Association of the Company as on date together with the proposed amendment(s) are available for inspection by the members electronically on the Company's website (www.klrf.in) and also, at the Registered Office of the Company during the normal office hours on all working days other than on Saturdays and Sundays till the date of the ensuing Annual General Meeting.

None of the Directors and the Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said special resolution as set out at Item No.11 of the Notice, except to the extent of their shareholding in the Company, if any.

Notes:

1. In view of the continuing Covid-19 pandemic, social distancing norms to be followed and the continuing restriction on movement of persons at several places in the country, the Ministry of Corporate Affairs("MCA") has vide its Circular No.2/2022 dated 5th May, 2022 read with Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 Circular No.20/2020 dated 05.05.2020, Circular No. 02/2021 dated 13.01.2021, Circular No.19/2021 dated 08.12.2021 and Circular No. 21/2021 dated 14.12.2021 (collectively referred to as "MCA Circulars") and the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12.05.2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15.01.2021 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62, dated 13.05.2022 (collectively referred to as "SEBI Circulars") has permitted the conduct of the 60th Annual General Meeting ("AGM") through Video Conferencing (VC)/Other Audio Visual Means(OAVM), without the physical presence of the Members at a common venue. The deemed venue for the 60th AGM shall be the Registered Office of the company situated at 75/8,Benares Cape Road, Gangaikondan-627352, Tirunelveli, Tamil Nadu.

   In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") MCA Circulars and SEBI Circulars, the 60th AGM of the Company is being held through VC / OAVM. Members desirous of participating in the 60th AGM through VC/ OAVM, may refer to the procedures mentioned below.

2. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his /her behalf and the proxy need not be a Member of the company. Since this 60th AGM is being held pursuant to the MCA Circulars through VC / OAVM, the physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the 60th AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

3. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to mds@mdsassociates.in with a copy marked to the company to cosec@klrf.in

4. The Register of Members and share transfer books of the company will remain closed from Thursday, 8th September, 2022 to Wednesday, 14th September, 2022 (both days inclusive) as per Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 91 of the Companies Act, 2013.

5. Dividend as recommended by the Board of Directors, if declared at the ensuing Annual General Meeting will be paid within 30 days from the date of declaration to those members whose names appear on the Register of Members in respect of shares held in physical form as well as in respect of shares held in electronic form as per the details received from the depositories for this purpose as at the close of the business hours on Friday, 7th September, 2022 (Record Date).

6. Members holding shares in electronic form may note that bank particulars registered against their depository accounts will be used by the company for payment of dividend, if any. The company or its registrar and share transfer agent, M/s. Link Intime India Private Limited cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the depository participant by the members. Members holding shares in physical form and desirous of registering bank particulars against their respective folios for payment of dividend, are requested to write to the registrar and share transfer agent of the company.

7. Members are advised to utilize the National Electronic Clearing System (NECS) for receiving dividends. Members holding shares in electronic form are requested to contact their respective Depository Participants for availing NECS facility. Members holding shares in physical form are requested to download the ECS form from the website of the Company viz., www.klrf.in and the same, duly filled and signed along with original cancelled cheque leaf may be sent to the Company or to the Registrar and Share Transfer Agent.

8. Details of the Director seeking re-appointment at the 60th Annual General Meeting as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause1.2.5 of the Secretarial Standards on General Meetings (SS-2) is annexed and forms a part of this notice.

9. The company has entered into agreements with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"). The Depository System envisages the elimination of several problems involved in the scrip-based system such as bad deliveries, fraudulent transfers, fake certificates, thefts in postal transit, delay in transfers, mutilation of share certificates, etc. Simultaneously, Depository System offers several advantages like elimination of concept of market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc. Members, therefore, now have the option of holdings and dealing in the shares of the company in electronic form through NSDL or CDSL. Members are encouraged to convert their holding to electronic mode.

10. Members holding shares in electronic form may please note that as per the regulations of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), the company is obliged to print the details on the dividend warrants as furnished by these depositories to the company and the company cannot entertain any request for deletion/change of bank details already printed on dividend warrants as per

the information received from the concerned depositories. In this regard, members should contact their depository participants (DP) and furnish particulars of any changes desired by them.

11. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the company or Registrar and Share Transfer Agent, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such members after making requisite changes thereon.

12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participant(s) in the prescribed form with whom they are maintaining their demat account(s). Members holding shares in physical form can submit their PAN details in the prescribed form to the Company or to M/s. Link Intime India Private Limited, 35, May Flower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore – 641028.

    Further, SEBI vide its circular dated 3rd November 2021 has also mandated that the shareholders holding shares in physical form are required to update their PAN, KYC details, bank details and nomination details with the RTA on or before 1st April 2023, failing which the securities held by such shareholder will be frozen by the RTA. The securities once frozen will revert to normal status only upon receipt of requisite KYC documents or upon dematerialization of the said securities. Shareholders holding shares in physical form may also note that once the securities are frozen, the payment of dividend will be processed only upon receipt of requisite KYC details to the bank account of the shareholder electronically.

    Further, SEBI vide its circular dated 3rd November 2021 has also mandated that the shareholders holding shares in physical form are required to compulsorily link their PAN and Aadhaar. Accordingly, the physical folios in which PAN and Aadhaar are not linked have been frozen by the RTA. The securities once frozen will revert to normal status only upon receipt of requisite KYC documents or upon dematerialization of the said securities.

13. Securities and Exchange Board of India ("SEBI") has mandated that the transfer of securities held in physical form shall not be processed by the Company / its Registrars and Share Transfer Agents with effect from 1st April, 2019. Further, the Securities and Exchange Board of India ("SEBI") vide its Circular No.SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated that the Company or its Registrars and Share Transfer Agents shall issue the securities in dematerialized form only while dealing the requests for issue of duplicate share certificate, transmission or transposition, with effect from 25th January, 2022. As per the said circular, the Company has opened a separate Escrow Demat Account for the purpose of crediting the shares of the Shareholders who fail to submit the letter of confirmation with the respective Depository Participant within the prescribed timeline. The shareholders/claimants shall submit duly filled up Form ISR-4 (hosted on the website of the

Company and the RTA) along with the documents / details specified therein in order to process such requests. Therefore, the members, who are holding share(s) in physical form, are requested to immediately dematerialize their shareholding in the company. Necessary prior intimation in this regard has already been provided to the shareholders.

14. a) Members are requested to notify immediately any change of address including bank particulars:

    i. to their Depository Participants ("DPs") in respect of the shares held in electronic form, and

    ii. to the company or its RTA, in respect to the shares held in physical form together with a proof of address viz, Aadhar/Electricity Bill/Telephone Bill/Ration Card/Voter ID Card/ Passport etc.

    b) In case the registered mailing address is without the Postal Identification Number Code ("PINCODE"), members are requested to kindly inform their PINCODE immediately to the Company / RTA/DPs.

15. Non-Resident Indian("NRI") Members are requested to inform the company or its RTA or to the concerned Depository Participants, as the case may be, immediately:

    a. The change in the residential status on return to India for permanent settlement;(or)

    b. the particulars of the NRE/NRO Account with a Bank in India, if not furnished earlier.

16. Members are requested to update their name, postal address, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., in respect of shares held in dematerialized form with their respective depository participants and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agent, M/s. Link Intime India Private Limited in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021

17. In case of transmission / transposition, the members are requested to forward their requests and other communications directly to the Registrar and Share Transfer Agent (RTA) of the company, M/s. Link Intime India Private Limited, "Surya", 35, Mayflower Avenue, 2nd Floor, Behind Senthil Nagar, Sowripalayam Road, Coimbatore – 641028

18. As per the provisions of Section 72 of the Act, members may file nomination forms in respect of their physical shareholdings. Any member wishing to avail this facility may submit to the company's Registrar & Share Transfer Agent in the prescribed Form SH-13 (hosted on the website of the Company and RTA). Should any assistance be desired, members shall get in touch with the company's Registrar & Share Transfer Agent. Members holding shares in electronic form must approach their Depository Participant(s) for completing the nomination formalities.

19. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company Secretary of the company or its RTA, namely, M/s Link Intime India Private Limited (LIIPL), 35, May Flower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore-641028, Tamil Nadu, by quoting the Folio number or the Client ID number with DPID number.

20. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the company will be entitled to vote at the AGM.

21. Members desirous of receiving any information on the accounts or operations of the company are requested to write to the Company Secretary so as to reach him at least 7 working days before the date of the Annual General Meeting. The same will be replied by the company suitably.

22. Members who have not encashed the dividend warrant(s) in relation to the financial year 2016-17 and 2020-21 are requested to send their claim with a cancelled cheque containing name of the shareholder (for their Bank details) immediately to the Company/ Registrar and Transfer Agent (RTA) for receiving the amounts through electronic channels such as RTGS/ NEFT in lieu thereof. Members are requested to note that pursuant to Section 124 of the Companies Act, 2013 dividends not claimed within seven years from the date of transfer to the company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government under Section 125 of the Companies Act, 2013. The details of unclaimed dividend can be viewed on the company's website www.klrf.in. As per the provisions of Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016, the company will be transferring the share(s), in respect of which the beneficial owner has not encased any dividend during the last seven years, to the IEPF demat account of the IEPF Authority. Details of shareholders whose shares has already been transferred / are liable to be transferred to IEPF are available at the company's website: www.klrf.in. The shareholders whose unclaimed dividend/share has been transferred to the 'Investor Education and Protection Fund', may claim the same from IEPF authority by filing Form IEPF-5 along with requisite documents. Mr. S Piramuthu, Company Secretary, is the Nodal Officer (IEPF) of the Company for the purpose of verification of such claims.

23. In compliance with the aforesaid MCA Circulars and SEBI Circulars, the Notice of the 60th AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ RTA/ Depositories. Members may note that the physical copy of the Annual Report will not be sent. Members may note that the Notice and Annual Report 2021-22 will also be made available on the company's website www.klrf.in, websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of Link Intime India Private Limited https:// instavote.linkintime.co.in. Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.

24. Pursuant to Finance Act, 2020, dividend is taxable in the hands of the shareholders w.e.f. 1st April 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid (if any) to the Members at the prescribed rates in the Income Tax Act, 1961. For the prescribed rates for various categories, the Shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. Shareholders are therefore immediately requested to furnish the necessary documents / declarations to the Company's Registrar and Share Transfer Agent (RTA), Link Intime India Private Limited to enable the Company in applying appropriate TDS percentage on dividend payment. Shareholders are requested to note that in case their PAN is not registered, or having invalid PAN or "specified person" as defined under Section 206AB of the Income Tax Act, 1961, the tax will be deducted at higher rates prescribed under Section 206AA or 206AB, as applicable.

25. Members are requested to note that the 60th Annual General Meeting is scheduled to be held through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) and hence, the route map of the venue is not annexed to this Notice.

26. Registration of email ID and Bank Account details: In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/ Depositories, login details for e-voting are being sent to the registered email address. In case the shareholder has not registered his/her/their email address with the Company/its RTA/Depositories and / or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:

    (i) Kindly login to the website of our RTA, Link Intime India Private Ltd., www.linkintime.co.on. under Investor Services>Email/Bank detail Registration-fill in the details and upload the required documents and submit. OR

    (ii) In the case of Shares held in Demat mode: The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

27. Members holding shares in electronic form may please note that as per the regulations of Securities Exchange Board of India (SEBI), National Security Depository Services Limited (NSDL) and Central Depository Services (India) Limited (CDSL), the company is obliged to print the bank details on the dividend warrants as furnished by these depositories to the company and the company cannot entertain any request for deletion/change of Bank details already printed on dividend warrants as per the information received from the concerned depositories. In this regard, Members should contact their Depository Participants (DP) and furnish particulars of any changes desired by them.

28. As per the green initiative taken by the Ministry of Corporate Affairs, the shareholders are advised to register/update their e-mail address with the Company/RTA in respect of shares held in physical form and with the concerned Depository Participant in respect of shares held in electronic form in order to enable the company to serve documents in electronic mode.

29. Soft copies of the Register of Directors and Key Managerial Personal and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members during the AGM.

30. Voting through electronic means:

    a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company is pleased to provide its members the facility to exercise their right to vote at the 60th Annual General Meeting (AGM) by electronic means and all the business as set out in the said notice may be transacted through e-voting services provided by Link Intime India Private Limited(LIIPL).

    b) Any person, who acquires shares of the company and becomes Member of the company after dispatch of Annual General Meeting Notice and holding shares as of the cut-off date, i.e. 7th September, 2022, may refer to this Notice of the Annual General Meeting, posted on company's website www.klrf.in for detailed procedure with regard to remote e-voting. Any person who ceases to be the member of the company as on the cut-off date and is in receipt of this Notice, shall treat this Notice for information purpose only.

    c) The Members who have cast their vote by remote e-voting may attend the meeting but shall not be entitled to cast their vote again. Once the vote on a Resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

    d) The instructions for members for voting electronically (remote e-voting) are as under:-

        a. The remote e-voting period begins on Sunday, 11th September, 2022 at 9:00 AM (IST) and ends on Tuesday, 13th September, 2022 at 5:00 PM (IST).

        b. During this period, the shareholders of the company, holding shares either in physical form or in dematerialized form, as on 7th September, 2022 (the cut-off date), may cast their vote electronically. The e-voting module shall be disabled by LIIPL for voting thereafter.

The instructions for members for voting electronically are as under: -

Remote e-Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in demat mode, pursuant to SEBI circular dated December 9, 2020:

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	• Existing IDeAS user can visit the e-Services website of NSDL viz.. https://eservices.nsdl.com either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period. • If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online" for "IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp • Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period. • Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	• Existing users who have opted for Easi / Easiest, can login through their user id and password. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. • After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period. • If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration • Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
Individual Shareholders (holding securities in demat mode) & login through their depository participants	• You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. • Upon logging 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. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to"InstaVote" website for casting your vote during the remote e-Voting period.

Type of shareholders	Login Method
Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME.	Individual Shareholders of the company, holding shares in physical form as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under: 1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in 2. Click on **"Sign Up"** under **'SHARE HOLDER'** tab and register with your following details: - **A. User ID:** Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company. **B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. **C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) **D. Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company. • Shareholders/ members holding shares in CDSL demat account shall provide either 'C' or 'D', above • Shareholders/ members holding shares in NSDL demat account shall provide 'D', above • Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above • Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter). • Click "confirm" (Your password is now generated). 3. Click on **'Login'** under **'SHARE HOLDER'** tab. 4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on **'Submit'**. **Cast your vote electronically:** 1. After successful login, you will be able to see the notification for e-voting. Select **'View'** icon. 2. E-voting page will appear. 3. Refer the Resolution description and cast your vote by selecting your desired option **'Favour / Against'** (If you wish to view the entire Resolution details, click on the **'View Resolution'** file link). 4. After selecting the desired option i.e. Favour / Against, click on **'Submit'**. A confirmation box will be displayed. If you wish to confirm your vote, click on **'Yes'**, else to change your vote, click on **'No'** and accordingly modify your vote.

Guidelines for Institutional shareholders:

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

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

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

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e., NSDL/ CDSL, they may contact the respective helpdesk given below

Login Type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at +91 22 2305 8738 or +91 22 2305 8542-43.

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

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

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

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

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

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

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

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

Instructions for members for e-voting on the day of the AGM are as under:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

Instructions for members for attending the AGM through VC/OAVM are as under:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at https://instameet.linkintime.co.in.
2. Members are encouraged to join the Meeting through Desktops/ Laptops than through Mobile Devices for better experience.

3. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

4. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number at cosec@klrf.in on or before 05.00 PM IST on Sunday, 11th September, 2022.

   Note:

   Those shareholders/members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Annual General Meeting.

5. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. Speakers on first come basis will only be allowed to express their views/ask questions during the meeting.

7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting for a short duration of 5 minutes only.

8. Members can join the AGM in the VC/OAVM mode 15 (Fifteen) minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: https://instameet.linkintime.co.in

   - Select the "Company" and 'Event Date' and register with your following details: -

     A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

     Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**

     Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**

Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company

B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/

Company shall use the sequence number provided to you, if applicable.

C. **Mobile No.:** Enter your mobile number.

D. **Email ID:** Enter your email id, as recorded with your DP/Company.

- Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance i.e. on or before 11th September, 2022 with the company on the email id cosec@klrf.in.
2. The first ten speakers on first come basis will only be allowed to express their views/ ask questions during the meeting..
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

<u>Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.</u>

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: +91 22 4918 6175.

InstaMeet Support Desk
Link Intime India Private Limited

Annexure

Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

a) Please download and install the Webex application by clicking on the link https://www.webex.com/downloads.html/

or

b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

Step 1	Enter your First Name, Last Name and Email ID and click on Join Now.
1 (A)	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
1 (B)	If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application. Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now.

e) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the company as on the cut-off date (record date) of September 7, 2022.

f) Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote by remote e-voting shall not vote by e-voting conducted during the Meeting.

g) Mr. M.D Selvaraj, FCS of M/s. MDS & Associates, Company Secretaries, Coimbatore has been appointed as the scrutinizer to scrutinize the remote e-voting and e-voting process at the meeting in a fair and transparent manner and for the purpose of ascertaining the majority.

h) The Chairman shall, at the 60th Annual General Meeting, at the end of discussion on all the resolutions on which voting is to be cast, allow e-voting for all those members who are present at the 60th Annual General Meeting but who have not cast their votes by availing the remote e-voting facility.

i) The Scrutinizer shall after the conclusion of the e-voting at the Annual General Meeting, will first count the votes cast during the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of

the Company and shall make, not later than 48 hours of 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.

j) The results shall be declared within the time stipulated under the applicable laws. The results declared along with the consolidated scrutinizer's report shall be placed on the company's website www.klrf.in and on the website of LIIPL and communicated to the Stock Exchange where the company's shares are listed.

By and on behalf of the Board
For Kovilpatti Lakshmi Roller Flour Mills Limited

S.Piramuthu
Company Secretary
Membership No. F9142

Place : Gangaikondan
Date : May 27, 2022

GENERAL INFORMATION AS REQUIRED UNDER PART II OF SECTION II OF SCHEDULE V OF THE COMPANIES ACT, 2013 (AS AMENDED)

I.	General information			
(1)	Nature of industry	The Company has two main business divisions viz., Food division and Engineering Division. Food division is engaged in the manufacturing of wheat flour and other related food products and the Engineering division is engaged in the manufacturing of casting components for automobiles, earth movers, agricultural machineries, textile machineries, pumps and general engineering industries.		
(2)	Date or expected date of commencement of commercial production	The Company was incorporated on 16th December, 1961 and the commercial operations were commenced subsequently.		
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable		
(4)	Financial performance based on given indicators	Particulars	FY 31.03.2022 (₹ in lakhs)	FY 31.03.2021 (₹ in lakhs)
		Turnover (net)	27,334.63	22,392.14
		Profit/(Loss) before tax	1,033.79	627.27
		Profit/(Loss) after tax	753.03	449.89
		Paid-up Capital	554.14	554.14
		Reserves & Surplus	4,277.33	3,621.28
		Basic Earnings per Share (EPS)	13.59	8.12
(5)	Foreign investments or collaborations, if any	NIL		

II.	Information about the appointee	
(1)	Background details	Sri. Suresh Jagannathan (DIN: 00011326), aged 64 years, have completed his Bachelor of Science from Rensselaer, Polytechnic Institute, New York, USA. He is having wide knowledge and over 41 years of experience in food, textiles and engineering industries. He is one of the Promoters of the Company and he is currently the Executive Chairman of the Company.
(2)	Past remuneration	FY 31.03.2022 – ₹ 63.00 lakhs per annum FY 31.03.2021 - ₹ 59.66 lakhs per annum FY 31.03.2020 - ₹ 42 lakhs per annum
(3)	Recognition or awards	NIL
(4)	Job profile and his suitability	Sri. Suresh Jagannathan (DIN: 00011326), Executive Chairman of the Company, is overseeing the overall management and also responsible to formulate (management team) policies for the Company, the yearly work plan for the board against agreed objectives and to set ethical tone for the Board of Directors among other functions as Executive Chairman. Sri. Suresh Jagannathan (DIN: 00011326) has adequate managerial experience in the relevant field and he is considered suitable for the said position.
(5)	Remuneration proposed	As set out in Item No.9 of this notice
(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Considering his varied experience, skills and knowledge in the field of foods, textiles and engineering industries, along with the responsibility shouldered by him and the industry standard, the remuneration profile is commensurate with the remuneration paid to the managerial personnel in similar other companies.

(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Sri. Suresh Jagannathan (DIN: 00011326) is one of the Promoters of the Company and he is the father of Mr. Sharath Jagannathan (DIN: 07298941), Managing Director of the Company.
III.	Other information	
(1)	Reasons of loss or inadequate profits	The Company has earned profits for the year ended 31.03.2022. The Company is passing a Special resolution in order to enable the Company to pay remuneration to Sri. Suresh Jagannathan (DIN: 00011326), Executive Chairman, in excess of the limits under Table A of Section II of Part of II of Schedule V of the Companies Act, 2013 for the remaining period of his current tenure with effect from 1st October, 2021 and to ensure compliance with Section 196, 197 and other applicable provisions of the Companies Act, 2013 read with Regulation 17(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
(2)	Steps taken or proposed to be taken for improvement	The Company has embarked on a series of strategic and operational measures that is expected to result in the improvement in the present position. The Company has also put in place measures to reduce cost and improve the bottom-line.
(3)	Expected increase in productivity and profits in measurable terms	The Company has taken necessary initiatives to improve its market position and financial performance.
IV.	**Disclosures**	

	The following disclosures shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any, attached to the Financial statement:	
(i)	All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors	The details of the remuneration package of Sri. Suresh Jagannathan (DIN: 00011326) is given under Item No.9 of this Notice of Sixtieth Annual General Meeting. The Company shall make requisite disclosure in relation to the variation in terms of appointment of the Executive Chairman in the Board of Director's report under the heading "Corporate Governance", for the relevant financial year(s).
(ii)	Details of fixed component. and performance linked incentives along with the performance criteria	
(iii)	Service contracts, notice period, severance fees	
(iv)	Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable	

ANNEXURE – DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THE 60TH ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD FOR GENERAL MEETINGS (SS-2) ARE MENTIONED BELOW:

Name	Sri. Sharath Jagannathan
Director Identification Number	07298941
Date of Birth / Age	22-04-1992 / 30 years
Nationality	Indian
Date of first appointment on the Board	25/01/2021
Experience & Areas of expertise	Over 7 years' experience in food and engineering industry and in the field of marketing and general business administration
Inter-se relationship with other Directors	Sri. Sharath Jagannathan (DIN: 07298941), Managing Director (Promoter Group), is the son of Sri. Suresh Jagannathan (DIN: 00011326), Executive Chairman (Promoter)
Qualification	Bachelor of Science in Business Administration, Bryant University, Smithfield, RI (USA)
No. of shares held in the Company (as on 31st March, 2022) (including the shareholding as a beneficial owner)	3,97,129 equity shares (7.17%)
Name of the listed entities from which the Director has resigned in the past three years	Nil
List of other companies in which Directorship held	1. Cape Flour Mills Private Limited, Managing Director 2. RAYA Foods Private Limited, Director 3. Wm McKinnon India Private Limited, Director
Chairman / Member of the Committees of the Board of the other companies in which he is a Director	Nil
Number of Board meetings attended during the last financial year	7 of 7
Remuneration sought to be paid (per annum)	Not applicable
Remuneration last drawn (per annum)	FY 31.03.2022 – INR 73.49 lakhs
Terms and conditions of appointment / re-appointment	In terms of Articles of Association of the Company and the terms of appointment, the Managing Director is liable to retire by rotation

ANNEXURE – DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THE 60TH ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD FOR GENERAL MEETINGS (SS-2) ARE MENTIONED BELOW:

Name	Sri. Suresh Jagannathan
Director Identification Number	DIN: 00011326
Date of Birth / Age	01-05-1957 / 64 years
Nationality	Indian
Date of first appointment on the Board	12.03.1981
Experience & Areas of expertise	Over 41 years of experience in food, textiles and engineering industries and in the field of general business administration
Inter-se relationship with other Directors	Sri. Suresh Jagannathan (DIN: 00011326), Executive Chairman is one of the Promoters of the Company and he is the father of Mr. Sharath Jagannathan (DIN: 07298941), Managing Director (Promoter Group)
Qualification	Bachelor of Science from Rensselaer Polytechnic Institute, New York
No. of shares held in the Company (as on 31st March, 2022) (including the shareholding as a beneficial owner)	15,92,967 equity shares (28.75%)
List of other companies in which Directorship held	1. Cape Flour Mills Private Limited, Chairman 2. Cape Power Private Limited, Chairman 3. McKinnon India Private Limited, Chairman 4. Effectual Precision Dies and Tools Private Limited (formerly "Eltex Precision Dies and Tools Private Limited"), Chairman 5. Wm McKinnon India Private Limited, Chairman 6. Nutriment Retail Private Limited (formerly "Eltex Retail Private Limited) 7. East Deccan Marketing Private Limited (formerly "Eltex Marketing Services Private Limited), Chairman

Name of the listed entities from which the Director has resigned in the past three years	1. Elgi Rubber Company Limited (resigned w.e.f 06/11/2020) 2. Pricol Limited (resigned w.e.f 10/02/2021)
Number of Board meetings attended during the last financial year	7 of 7
Remuneration sought to be paid (per annum)	As set out in Item No.9 of this notice
Remuneration last drawn (per annum)	FY 31.03.2022 - ₹ 63 lakhs per annum
Terms and conditions of appointment / re-appointment	As set out in Item No.9 of this notice

By and on behalf of the Board
For Kovilpatti Lakshmi Roller Flour Mills Limited

S.Piramuthu
Company Secretary
Membership No. F9142

Place : Gangaikondan
Date : May 27, 2022

DIRECTOR'S REPORT

Dear Shareholders,

The Directors present their, Sixtieth Annual Report together with the audited statements of accounts for the year ended 31st March 2022

(₹ in Lakhs)

FINANCIAL RESULTS	**31.03.2022**	31.03.2021
Total Income	**27,711.61**	22,480.80
Profit before finance cost and depreciation	**1,840.75**	1,390.11
Less: Finance cost	**406.02**	422.21
Profit before depreciation and amortisation	**1,434.73**	967.90
Less: Depreciation	**400.94**	340.63
Profit/ (Loss) before tax	**1,033.79**	627.27
Add/Less:Income tax expense - Current tax	**180.62**	202.00
- Deferred tax charge / (credit)	**100.14**	(24.62)
Profit / (Loss) for the year from operations	**753.03**	449.89
Other comprehensive Income net of tax	**(17.83)**	9.92
Total comprehensive income for the year	**735.20**	459.81

REVIEW OF BUSINESS OPERATIONS

During the year ended 31st March 2022, the Company has recorded a total income of ₹ 27,711.61 lakhs as against ₹ 22,480.80 lakhs achieved during the previous year. The profit after tax amounted to ₹ 753.03 lakhs as against profit of ₹ 449.89 lakhs in the previous year. The Profit before interest, Depreciation, Taxes and Amortization (EBIDTA) amounted to ₹ 1,840.75 lakhs as against ₹ 1,390.11 lakhs in the previous year.

There was no change in the nature of business of the Company during the financial year ended 31st March 2022.

The performance of each business segment of the Company has been comprehensively discussed in the management Discussion and Analysis Report (forming part of this Directors' Report).

FINANCE

Your Company continued to avail need based working capital and other credit facilities from HDFC Bank Ltd and RBIL Bank Ltd.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORTS

The Corporate Governance and Management Discussion & Analysis Report, which form an integral part of this Report are annexed to this report. The Company has complied with the

conditions relating to Corporate Governance as stipulated in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Certificate obtained from the Statutory Auditor relating to the above is annexed and form a part of this report.

ALTERATION OF OBJECTS CLAUSE OF THE MEMORANDUM OF ASSOCIATION

In order to enable the Company to diversify its business activities, the Board of Directors, at their meeting held on 27th May, 2022, has proposed to alter the Objects Clause III of the Memorandum of Association of the Company, subject to the approval of the members and confirmation by the Central Government. Consequently, the provisions contained in the existing Objects Clause of the Memorandum of Association is required to be aligned in accordance with Table A of Schedule I of the Companies Act, 2013. Pursuant to Section 13 of the Companies Act, 2013, any amendment(s) to the provisions of the Memorandum of Association of the Company requires the consent of the members by way of passing necessary special resolution and such amendment(s) shall be subject to the approval of the Registrar of Companies, Chennai. Accordingly, necessary special resolution has been set out in the Notice of the Annual General Meeting for the approval of the members. Your Directors recommends the passing of the said Special Resolution.

SHARE CAPITAL

The present Authorized Capital of the Company is ₹ 15,00,00,000/- (Rupees Fifteen Crores only) divided into 1,20,00,000 (One Crore Twenty Lakhs) equity shares of ₹ 10/- each and 30,00,000 (Thirty Lakhs) 10% Cumulative Redeemable Preference Shares of ₹ 10/- each. In order to enable the issuance of all kinds of preference shares, as and when the need arises, within the purview of the Companies Act, 2013, the Board of Directors, at their meeting held on 27th May, 2022, has recommended to re-classify the existing Authorized Share Capital as ₹ 15,00,00,000/- (Rupees Fifteen Crores only) divided into 1,20,00,000 (One Crore Twenty Lakhs) equity shares of ₹ 10/- each and 30,00,000 (Thirty Lakhs) Preference Shares of ₹ 10/- each, subject to the approval of the members. Consequent to the re-classification of the Authorised Share Capital, the Clause V of the Memorandum of Association of the Company would be required to be amended so as to reflect the re-classified Authorized Share Capital of the Company. Pursuant to Section 13(1) of the Companies Act, 2013, any alteration in the provisions contained in the Memorandum of Association would require the approval of the members of the Company by way of passing a special resolution. Accordingly, necessary special resolution has been set out in the Notice of the Annual General Meeting for the approval of the members. Your Directors recommends the passing of the said Special Resolution.

The subscribed and paid-up equity share capital of the company as on 31st March 2022 is ₹ 5,54,14,760/- divided into 55,41,476 equity shares of ₹ 10/- each. During the year under review, the Company has not made any fresh issue of shares or securities.

TRANSFER TO RESERVES

During the year under review, the Company has not transferred any amount to its General Reserves. However, the current year's net profit of ₹ 735.20 lakhs has been carried forwarded in the Balance in Profit & Loss Account.

DIVIDEND

Your Directors recommend a dividend of ₹ 1.80/- per equity share of ₹ 10/- each for the financial year ended 31st March, 2022, subject to deduction of Tax at Source, which if approved at the forthcoming 60th Annual General Meeting, will be paid to those equity shareholders whose names appear in the Register of Members as on 7th September, 2022 (Record Date) in respect of shares held in physical form and in respect of shares held in dematerialized form, the dividend shall be paid on the basis of the beneficial ownership as per the details furnished by the Depositories for this purpose at the end of business hours on 7th September, 2022 (Record Date).

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND(IEPF)

There is no amount of dividend which are lying unclaimed for a period beyond seven years which are required to be transferred to Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

However, during the year under review, the Company had transferred the dividend amount of ₹ 82,829.50 declared in relation to the financial year 2020-21 on the shares already transferred to the designated demat account of the Investor Education and Protection Fund Authority (IEPFA) to the Investor Education and Protection Fund pursuant to Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

COPY OF ANNUAL RETURN

As per the requirements of Section 92(3) and rule 12(1) of the Companies (Management and Administration) Rules, 2014 the copy of the annual return in the prescribed Form MGT-7 for FY 2021-22 is placed on the website of the Company www.klrf.in.

BOARD AND COMMITTEE MEETINGS

Details of the composition of the Board of Directors and its Committees namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, and of the Board and Committee Meetings held during the year under review and the attendance of the Directors at such Board/ Committee Meetings are provided in the Corporate Governance Report under relevant heads which forms a part of this Report.

STATEMENT ON COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating

effectively. The Company has duly complied with Secretarial Standards issued by the Institute of Company Secretaries of India on the meeting of the Board of Directors (SS-1) and General Meetings (SS-2).

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3) (c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that;

a) In the preparation of the annual accounts, the applicable accounting standards have been followed;

b) The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;

c) The Directors have taken proper and sufficient care 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 Directors have prepared the annual accounts for the financial year ended 31st March 2022 on a going concern basis;

e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) The Directors had devised proper systems to ensure compliance with the provision of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION OF INDEPENDENT DIRECTORS

All the Independent directors have given declarations to the effect that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 read with applicable Schedule and Rules issued thereunder and Regulation 25 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 and its corrigendum, effective from 1st January, 2022 and that their name is included in the data bank as per Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014 (as amended).

STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

The Board of Directors have evaluated the Independent Directors during the year 2021-22 and opined that the integrity, expertise and experience (including proficiency) of the Independent Directors is satisfactory.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Board, based on the recommendation of the Nomination and Remuneration Committee, has adopted a policy which inter alia provides the criteria for selection and appointment of Directors, Senior Management, evaluation of the performance of the Directors / Key Managerial Personnel / Senior Management and the remuneration payable to them. The salient features of the said policy have been outlined in the Corporate Governance Report. The Remuneration Policy is placed on the Company's website at www.klrf.in and the abstract of which is furnished as "Annexure - C" and forms part of this report.

STATUTORY AUDITORS

M/s. Arun & Co (Firm Registration Number 014464S) Chartered Accountant, Tirunelveli, who was appointed as the Statutory Auditor of the Company for a period of five consecutive years from the conclusion of 55th Annual General Meeting held on 15th September 2017, retires at the conclusion of the ensuing 60th Annual General Meeting. Since the Company is required to rotate the Statutory Auditors on completion of their term as per the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Audit Committee and the Board of Directors, at their respective meeting(s) held on 27th May, 2022, has recommended the appointment of M/s. Marimuthu and Associates (Firm Registration Number 011207S), Chartered Accountants, Tirunelveli, as the Statutory Auditor of the company in the place of the retiring Statutory Auditor, who shall hold office for a period of five consecutive years from the conclusion of this ensuing 60th Annual General Meeting till the conclusion of the 65th Annual General Meeting ought to be held in the year 2027.

The Company has also obtained necessary consent under Section 139 and eligibility certificate under Section 141 from M/s. Marimuthu and Associates (Firm Registration Number 011207S), Chartered Accountants, Tirunelveli to the effect that his appointment, if made, would be in conformity with the provisions of the Companies Act, 2013 and the appointee Statutory Auditor is holding a valid Peer Review Certificate issued by the Institute of Chartered Accountants of India. Accordingly, necessary ordinary resolution has been included in the Agenda of the Notice convening the ensuing 60th Annual General Meeting of the Company. Your Directors recommend the appointment of new Statutory Auditor.

Further, your Directors wish to place on record their appreciation for the professional services rendered by the retiring Statutory Auditor of the Company during his tenure.

M/s VKS Aiyer & Co (Firm Registration No.000066S), Chartered Accountants, Coimbatore, the Branch Auditors of the Engineering Division of the Company, retires at the conclusion of the ensuing 60th Annual General Meeting and being eligible, the Audit Committee and the Board of Directors, at their respective meeting(s) held on 27th May, 2022, has recommended to re-appoint them as the Branch Auditors for the Engineering Division of the Company to hold such

office from the conclusion of the ensuing 60th Annual General Meeting till the conclusion of the next 61st Annual General Meeting in accordance with the provisions of Section 139 of the Companies Act, 2013. The Company has also obtained necessary consent under Section 139 and eligibility certificate under Section 141 from the appointee Branch Auditors to the effect that their re-appointment, if made, would be in conformity with the provisions of the Companies Act, 2013 and the appointee Branch Auditors are holding a valid Peer Review Certificate issued by the Institute of Chartered Accountants of India. Accordingly, necessary ordinary resolution has been included in the Notice convening the ensuing 60th Annual General Meeting. Your directors recommend the re-appointment of Branch Auditors.

COST AUDITOR AND MAINTENANCE OF COST RECORDS

The Company has made and maintained cost records as prescribed by the Central Government under Section 148 of the Companies Act, 2013. Pursuant to the said provision, the Company is required to appoint a Cost Auditor to audit the cost records pertaining to the Engineering products of the Company. Accordingly, based on the recommendation of the Audit Committee, the Board of Directors, at their meeting held on 27th May 2022, has approved the re-appointment of M/s.P.Mohankumar & Co., Cost Accountant (Firm Registration Number: 100490), Coimbatore as Cost Auditor to audit the cost records pertaining to the Engineering products of the Company for the financial year 2022-23 and the remuneration payable to the Cost Auditor for the said period, subject to ratification by the members by means of passing an Ordinary Resolution.

As required under the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, necessary ordinary resolution seeking members' ratification for the remuneration payable to M/s P. Mohankumar & Co.(Firm Registration Number: 100490), Cost Accountant is included in the Notice convening the Sixtieth Annual General Meeting of the Company.

Further, the Cost Audit Report for the financial year ended 31st March 2022 will be submitted with the Central Government in the prescribed form and manner within the due date stipulated under the Act.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had re-appointed Mr.M.D.Selvaraj, (FCS: 960 / COP: 411 / Peer Review no.985/2020), Proprietor of M/s. MDS & Associates, Company Secretaries, Coimbatore to conduct the Secretarial Audit on the records of the Company. Accordingly, the Secretarial Audit Report in the prescribed Form MR-3 for the financial year ended 31st March 2022 is annexed to this Report as "Annexure-A".

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS

There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditor and the Secretarial Auditor in their respective report(s).

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

There were no instances of frauds identified or reported by the Statutory Auditors during the course of their audit pursuant to Section 143(12) of The Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans / guarantees / securities provided or investments made by the Company under the provisions of Section 186 of the Companies Act, 2013 during the year under review and hence the disclosure relating to such transactions does not arise. In respect of the investments made in prior years, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 and the details of the investments made in the prior years are given in the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All transactions entered into by the Company during the financial year ended 31st March 2022 with its related parties, as defined under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, and 2015, were in the ordinary course of business and on an arm's length basis. During the year, the Company has not entered into any transaction referred to in Section 188 of the Companies Act, with related parties which could be considered material under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, the disclosure of material related party transactions as required under Section 134(3) of the Companies Act in Form AOC-2 is not applicable. Attention of members is drawn to the disclosures of transactions with related parties set out in Notes on Accounts forming part of the financial statements.

Further, the Company has formulated a policy on related party transactions for identification and monitoring of such transactions. The policy on related party transactions, as recommended by the Audit Committee and approved by the Board, is available on the company's website www.klrf.in

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, which affect the financial position of the Company, having occurred since the end of the year and till the date of Report.

STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY

The Company has a structured risk management policy. The risk management process is designed to safeguard the organisation from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are inventories and integrated with the management process such that they receive the necessary consideration during decision making. Further, the provisions of Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to constitution of the Risk Management Committee are not applicable to the Company.

DETAILS ABOUT THE POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Pursuant to the amended provisions of Section 135 of the Companies Act, 2013 read with the Companies (Amendment) Act, 2020 (effective from 22nd January, 2021) the Corporate Social Responsibility Committee ("CSR Committee") was dissolved with effect from 12th November, 2021 and all the roles, responsibilities and functions of the Corporate Social Responsibility Committee, as provided under the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended from time to time) are being discharged by the Board of Directors of the Company in terms of the said provisions of the Act and its Rules with effect from the said date.

The requisite information has also been provided in the Corporate Governance Report forming part of this Directors' Report. Further, based on the approval of the Board of Directors, the Company has also adopted an amended new set of Corporate Social Responsibility Policy which is available on the website of the Company viz.www.klrf.in.

The Annual Report on CSR Activities as per Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as Annexure –D and forms part of this Report.

ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS

The Board has made a formal annual evaluation of its own performance and its Committees and of every Individual Directors including the Independent Directors of the Company.

The Board's own performance was evaluated based on the criteria like structure, governance, dynamics and functioning and review of operations, financials, internal controls etc.

The performance of the Individual Directors including Independent Directors were evaluated based on the evaluation criteria laid down under the Nomination and Remuneration Policy and the Code of Conduct as laid down by the Board. Further, the Independent Directors, at their separate meeting held during the year 2021-22, has evaluated the performance of the Board as a whole, its Chairman and Non-Executive Non-Independent Directors and

other items as stipulated under Schedule IV of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Committees of the Board were evaluated based on the terms of reference specified by the Board to the said Committee, frequency and effectiveness of Committee meetings, quality of relationship of the Committee and the management etc. The Board of Directors were satisfied with the evaluation process which ensured that the performance of the Board, its Committees, Individual Directors including Independent Directors adheres to their applicable criteria.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Sri. Suresh Jagannathan (DIN: 00011326), who was already the Chairman and Managing Director, has stepped down as Managing Director and accordingly, he was re-designated as Executive Chairman of the Company with effect from 12th November, 2021 by the Board of Directors, at their meeting held on 12th November, 2021, based on the recommendation of the Nomination and Remuneration Committee.

Based on the recommendation of the Nomination and Remuneration Committee and the approval of the Audit Committee, the Board of Directors and the members of the Company, Sri. Sharath Jagannathan (DIN: 07298941), who was already the Whole-time Director, was re-designated as the Managing Director of the Company for the remaining period of his current tenure with effect from 12th November, 2021.

Other than the above, there was no change in the composition of the Board of Directors and Key Managerial Personnel of the Company.

In terms of the provisions of Articles of Association of the Company and the terms of appointment, Mr.Sharath Jagannathan (DIN 07298941), Managing Director of the Company, retire by rotation at the ensuing sixtieth annual general meeting and being eligible, he has offered himself for re-appointment. The Board recommends his re-appointment.

Mr. J. Kanna is the Chief Financial Officer and Mr. S. Piramuthu is the Company Secretary and Compliance Officer of the Company.

AUDIT COMMITTEE

Pursuant to Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company has constituted an Audit Committee comprising of four members namely Mr. Sudarsan Varadaraj, Mr.K. Gnanasekaran, Mrs.Kalyani Jagannathan and Mr.Ashwin Chandran, all of them being Independent Directors. Mr. K. Gnanasekaran, an Independent Director, is the Chairman of the Audit Committee.

The Board had accepted all the recommendations of the Audit Committee, whenever made by the said Committee, during the year under review.

The details of composition of the Audit Committee including the terms of reference, the number of meetings held during the year under review and the attendance of Directors at such meetings are provided in the Corporate Governance Report, which forms part of this Directors' Report.

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

A. CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy

Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved

(ii) The steps taken by the Company for utilizing alternate source of energy

The Company has installed 7.00 MW capacity wind energy for captive consumption and new 6.9MW(DC Capacity)/5MW (AC Capacity) Solar energy plant commissioned during the financial year under review for captive consumption.

(iii) The capital investment on energy conservation equipment.

As the impact of measures taken for conservation and optimum utilization of energy are not quantitative, its impact on cost cannot be stated accurately.

B. TECHNOLOGYABSORPTION

i) Company's products are manufactured by using in-house know how and no outside technology is being used for manufacturing activities. Therefore, no technology absorption is required.

ii) EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT

No specific expenditure of recurring or capital nature is involved in research and development directly.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, your Company has earned foreign exchange of ₹ 308.27 lakhs and NIL outflow.

SUBSIDIARY COMPANIES

The company does not have any subsidiaries, associate companies, or joint ventures.

FIXED DEPOSITS

Your company has not accepted any deposits falling within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. Hence, there are no unclaimed or unpaid deposits as on 31st March 2022.

Further, the details of the unsecured loans accepted by the Company from its Directors has been disclosed under the relevant notes to the financial statements.

DISCLOSURE UNDER SECTION 197 (12) AND RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The requisite details relating to ratio of remuneration, percentage increase in remuneration etc., as stipulated under section 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as Annexure-B to this Report.

In terms of provisions of section 197(12) and rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the statement showing the names of the top ten employees in terms of remuneration drawn forms part of this report. Pursuant to the second proviso to section 136(1) of the Act, the Annual Report excluding the said information is being sent to the members of the company. Any member interested in obtaining such information may send an email to cosec@klrf.in

Further, there were no employees who are in receipt of remuneration in the aggregate at the rate of not less than ₹ 1,02,00,000/- if employed throughout the year or ₹ 8,50,000/-per month if employed for part of the year.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company has established a vigil mechanism and adopted a Whistle Blower Policy in accordance with provisions of the Companies Act, 2013 and Listing Regulations, to provide a formal mechanism to the employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Whistle Blower Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. During the year under review, no concerns were received by the Company. The details of the said policy have been given in the Corporate Governance Report forming part of this Directors' Report and also, it has been placed on the Company's website viz., www.klrf.in.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has implemented and evaluated the Internal Financial Controls which provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes and policies, safeguarding of assets, prevention and detection of frauds, accuracy and completeness of accounting records. The Internal Audit Reports were reviewed by the Audit Committee. Further, the Audit Committee annually reviews the effectiveness of the Company's internal control system. The Directors and Management confirm that the Internal Financial Controls (IFC) are adequate and effective with respect to the operations of the Company. A report of Statutory Auditor pursuant to Section143(3)(i) of the Companies Act, 2013 certifying the adequacy of Internal Financial Controls is annexed with the Auditor's report.

LISTING

The equity shares of the Company continue to be listed on BSE Limited and details of listing have been given in the Corporate Governance Report forming part of this Directors' Report

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No significant and/or material orders were passed by any regulator or court or tribunal impacting the going concern status and the Company's operations in future.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR

No applications have been made and no proceedings are pending against the Company under the Insolvency and Bankruptcy Code, 2016 during the year under review.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The disclosure under this clause is not applicable as the Company has not undertaken any one-time settlement with the banks or financial institutions during the year under review.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has put in place an Anti-Sexual Harassment 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 setup to redress the complaints received regarding sexual harassment of women at workplace. All employees (permanent, contractual, temporary and trainees) are covered under this policy. The Company has not received any complaint under the said Act during the year 2021-22 and there are no unresolved complaints as on 31st March, 2022.

ACKNOWLEDGEMENTS

Your directors acknowledge with gratitude, the co-operation and assistance from its bankers. Your Directors would like to thank all Shareholders, Bankers, Customers and Employees in appreciation of their continued support.

May the Almighty Goddess Lakshmi continue to shower HER choicest blessings and Continue to grant us prosperity in the years to come.

By Order of the Board

	Sharath Jagannathan	**Suresh Jagannathan**
	Managing Director	Executive Chairman
Place : Coimbatore	DIN : 07298941	DIN : 00011326
Date : 27th May, 2022		

Annexure-A

FORM NO.MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

[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 pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

The Members,
Kovilpatti Lakshmi Roller Flour Mills Limited
(formerly known as "KLRF LIMITED")
CIN: L15314TN1961PLC004674
75/8, Benares Cape Road
Gangaikondan, Tirunelveli – 627352

I have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Kovilpatti Lakshmi Roller Flour Mills Limited (formerly known as "KLRF Limited") (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of M/s. Kovilpatti Lakshmi Roller Flour Mills Limited's (formerly known as "KLRF Limited") 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31st March, 2022, 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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

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

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 following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
d. 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;
e. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

The following laws, as identified by the management, are specifically applicable to the industry to which the Company belongs;

a. Food Safety and Standards Act, 2006 and its Rules / Regulations made thereon;
b. Legal Metrology Act, 2009 and its Rules made thereon;
c. Standards, Weights and Measures Act, 1976 and its Rules made thereon;
d. The Prevention of Food Adulteration Act, 1954;
e. The Trade Marks Act, 1999;

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

a. Secretarial Standards with respect to Board Meetings (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI);
b. The Listing Agreement entered into by the Company with BSE Limited;

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

I further report that, during the year under review, there were no actions/ events in pursuance of the following Rules/Regulations requiring compliance thereof by the Company:

a. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
b. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021;
c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
f. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; and
g. The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021;

I further report that having regard to the compliance system prevailing in the Company and on the review of quarterly compliance reports taken on record by the Board of Directors and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the labour and environmental laws as applicable to the Company.

I further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same has been subject to review by statutory financial auditor and other designated professionals.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors, Independent Directors and a Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (except in respect of two Board meetings which were convened at shorter notice and conducted in the presence of requisite number of Independent Directors) 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.

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

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

Other than the above, there were no instances of:

- Public / Rights / preferential issue of shares / debentures / sweat equity
- Redemption / buy-back of securities
- Major decision taken by the members in pursuant to section 180 of the Companies Act, 2013
- Merger / amalgamation / reconstruction etc
- Foreign technical collaborations

M D SELVARAJ
MDS & Associates
Company Secretaries
FCS No.: 960; C P No.: 411
UDIN : F000960D000359109
Peer Review No. 985/2020

Place : Coimbatore
Date : 27.05.2022

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

Annexure to the secretarial Audit Report for the financial year ended 31st March, 2022

To
The Members,
Kovilpatti Lakshmi Roller Flour Mills Limited
(formerly known as "KLRF LIMITED")
CIN: L15314TN1961PLC004674
75/8, Benares Cape Road
Gangaikondan
Tirunelveli – 627352

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulation, standards is the responsibility of the management. My examination was limited to the verification of procedures on random 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.

M D SELVARAJ
MDS & Associates
Company Secretaries
FCS No.: 960; C P No.: 411
UDIN : F000960D000359109
Peer Review No. 985/2020

Place : Coimbatore
Date : 27.05.2022

Annexure – B

Particulars of Remuneration of Directors and employees pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. The ratio of the remuneration of each Director to the median remuneration of the employee of the company for the financial year.

Sl.No	Name of the director	Ratio
1	Mr.Suresh Jagannathan – Executive Chairman	18.18:1
2	Mr.Sharath Jagannathan – Managing Director	21.91:1

Sitting fees paid to the non-executive directors have not been considered as remuneration

ii. The percentage increase in remuneration of each director, Managing Director, Whole-time Director, Chief Financial Officer and Company Secretary in the financial year

Sl.No	Name of the director	Percentage
1	Mr.Suresh Jagannathan, Executive Chairman	46.25 %
2	Mr.Sharath Jagannathan, Managing Director	33.33 %
3	Mr.J.Kanna, Chief Financial Officer	26.59 %
4	Mr.S.Piramuthu, Company Secretary	15.83 %

iii. The percentage increase in the median remuneration of employees in the financial year is 8.78 %

iv. Number of permanent employees on the rolls of the Company – 185

v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and exceptional circumstances, if any, for increase in the managerial remuneration.

The average percentile increase granted to employees other than managerial personnel is 11.97% The increase granted to managerial personnel is 30.50 %

vi. We affirm that the remuneration paid to the Directors and Key Managerial Personnel are as per the remuneration policy of the Company.

vii. Particulars of employees ; Rule 5 (2) and 5 (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 – NIL

By Order of the Board

Sharath Jagannathan
Managing Director
DIN : 07298941

Suresh Jagannathan
Executive Chairman
DIN : 00011326

Place : Coimbatore
Date : 27th May, 2022

ANNEXURE - C

EXTRACT OF REMUNERATION POLICY

1. Criteria for appointment/re-appointment and removal of director including independent director, key managerial personnel and senior management:
   a. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
2. Remuneration to Managing Director / Executive Director / Whole-time Director:
   a. The Remuneration / Commission etc. payable to Managing Director / Executive Director / Whole-time Director, etc. including the income components, perquisite, benefits, etc., shall be governed as per the provisions of the Companies Act, 2013 and its rules made there under or any other enactment and the Listing Regulations, including amendments or modifications or re-enactments for the time being in force.
   b. All form of remuneration including its components, perquisites, benefits etc. payable to Managing Director / Executive Director / Whole-time Director, etc. shall be determined and recommended by the Nomination and Remuneration Committee and the same shall be approved by the Audit Committee, Board of Directors and Shareholders.
3. Remuneration to Non- Executive / Independent Directors:
   a. The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
   b. Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
      i. The Services are rendered by such Director in his capacity as the professional; and
      ii. In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
4. Remuneration to Key Managerial Personnel and Senior Management:
   a. The remuneration to Key Managerial Personnel and Senior Management may consist of fixed pay/ commission/ incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
   b. The Fixed pay may include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund etc. as decided from to time.
   c. The incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

ANNEXURE - D

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES (as per annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. Brief outline on CSR Policy of the Company.

Through Kovilpatti Lakshmi Roller Flour Mills Limited (formerly "KLRF Limited") (hereinafter referred to as "KLRF" or "the Company") long standing commitment to service the society, KLRF will strive to attain leadership in business through a socially and environmentally responsible way, while taking care of the interests of the stakeholders.

The Company will work with the primary objective of contributing to the sustainable development of the society and creating a greener and cleaner environment.

The main objective of Company's Corporate Social Responsibility policy is to lay down guidelines for the community centric activities taken up by the Company for the sustainable development of the society and the environment around it. In alignment with vision of the company, KLRF, through its CSR initiatives, will strive to enhance value to the society and the environment through continuous initiatives.

The Company will directly or indirectly take up CSR projects in and around its operational locations in keeping with the laid-out guidelines.

2. Composition of CSR Committee:

The Company had earlier constituted a Corporate Social Responsibility Committee in compliance with Section 135(1) of the Companies Act, 2013 read with Rule 5 of the Companies (Corporate Social Responsibility Policy) Rules, 2014. However, Pursuant to Section 135(9) read with the Companies (Amendment) 2020 (effective from 22nd January, 2021), the requirement under sub-section (a) for constitution of the Corporate Social Responsibility Committee shall not be applicable to the Company and the functions of the Corporate Social Responsibility Committee provided under the said Section shall, in such cases, be discharged by the Board of Directors of the Company. Hence Board of Directors, at their meeting held on 12th November, 2021, had approved and dissolved the Corporate Social Responsibility Committee with effect from 12th November, 2021. All the roles, responsibilities and functions of the Corporate Social Responsibility Committee, as provided under the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended from time to time) are being discharged by the Board of Directors of the Company in terms of the said provisions of the Act and its Rules with effect from the said date.

Prior to the dissolution, the composition of the said committee was as follows:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year (up to 12/11/2021)	Number of meetings of CSR Committee attended during the year (up to 12/11/2021)
1	Mr.Suresh Jagannathan	Executive - Promoter	2	1
2	Mr.Sudarsan Varadaraj	Non Executive - Independent	2	2
3	Mr.K.Gnanasekaran	Non Executive - Independent	2	2
4	Mr.R.Kannan	Non Executive - Non Independent	2	1

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

   The web-link where the Composition of the CSR Committee is disclosed on the website of the Company is https://klrf.in/documents/The%20Present%20Composition%20of%20Board%20and%20Committees-31032021_March(2021)_KLRF.pdf

   The web-link where the CSR policy is disclosed on the website of the Company is https://klrf.in/documents/Amended%20Policy%20on%20CSR_February(2021)_KLRF.pdf

   The web-link where the CSR projects approved by the board are disclosed on the website of the Company is https://klrf.in/documents/Amended%20Policy%20on%20CSR_February(2021)_KLRF.pdf

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).**

   The Company has not carried out Impact assessment of CSR projects in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014 as the same is not applicable to the Company.

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

   There is no amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and hence disclosure under this clause is not applicable to the Company.

6. **Average net profit of the company as per section 135(5)** : ₹ 265.72 lakhs

7. (a) **Two percent of average net profit of the company as per section 135(5) :** ₹ 5.32 lakhs

   (b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** NIL

   (c) **Amount required to be set off for the financial year, if any:** ₹ 0.11 lakhs

   (d) **Total CSR obligation for the financial year (7a+7b-7c):** ₹ 5.21 lakhs

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

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 7.46 lakhs	NIL	Not Applicable	Not Applicable	NIL	Not Applicable

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

The Company has not spent any amount against ongoing projects during the financial year under review.

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

(₹ In lakhs)

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation – Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Plantation of trees	Environment	Yes	Tamil Nadu	Coimbatore	3.86	No	Siruthuli	CSR00000023
2.	Contribution towards health care	Promotion of health care	Yes	Tamil Nadu	Coimbatore	1.50	Yes	Department of Pediatrics, Coimbatore Medical College Hospital	NA

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation – Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
3.	Contribution towards health care	Promotion of health care	Yes	Tamil Nadu	Coimbatore	0.60	Yes	Amrit Centre for Special Needs, Coimbatore	CSR00011048
4	Contribution towards health care	Promotion of health care	Yes	Tamil Nadu	Coimbatore	1.00	Yes	Govt.Hospital, Mettupalayam, Coimbatore	NA
5	Contribution towards health care	Promotion of health care	Yes	Tamil Nadu	Coimbatore	0.50	Yes	Govt.Hospital, Mettupalayam/ Patient welfare society	NA
	Total					7.46			

(d) Amount spent in Administrative Overheads : Nil

(e) Amount spent on Impact Assessment, if applicable : Not applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 7.46 lakhs

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	₹ 5.32 lakhs
(ii)	Total amount spent for the Financial Year	₹ 7.46 lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 2.14 lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹ 2.14 lakhs

9. (a) Details of Unspent CSR amount for the preceding three financial years:

The Company does not have any unspent CSR amount in any of the preceding three financial years and hence disclosure under this clause does not arise.

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

The Company does not have any ongoing projects in any of the preceding financial years and hence disclosure under this clause does not arise.

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

The company has not created or acquired any capital asset through CSR spending in the financial year and hence reporting under this clause does not arise.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

The Company has spent the required amount on CSR activities as per section 135(5) and hence reporting under this clause does not arise.

By Order of the Board

	Sharath Jagannathan	**Suresh Jagannathan**
	Managing Director	Executive Chairman
	DIN : 07298941	DIN : 00011326

Place : Coimbatore
Date : 27th May, 2022

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE, DEVELOPMENTS AND FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Results

The total income of the company for the year is ₹ 27,712 lakhs as against ₹ 22,481 lakhs achieved during the previous year.

The Company earned an EBIDTA of ₹ 1,841 lakhs

The Food division earned an EBIDTA of ₹ 1,274 lakhs on milling of 59,352 Metric tons of wheat accounting for 62 % of the turnover of the Company.

Engineering Division has earned an EBIDTA of ₹ 567 lakhs on 10,775 Metric tons of ferrous castings.

Capital Investment

Our Company has made a total capital investment of ₹ 2,947 lakhs. The company established a 5MW solar power plant for captive usage, which will help reduce power cost.

OPPORTUNITIES, THREATS, RISKS & CONCERNS

Food Division

Wheat output in India during the year 2021-22 is expected to shrink 3% to 106 million tons as against 109 million tons in 2020-21 due to the adverse weather which has also affected the quality of wheat. International wheat prices have soared due to the lower output in India and some other countries along with global supply crunch due to the war at Ukraine. India has exported 7.2 million tons of wheat in 2021-22. FCI has changed their pan India policy resulting in huge increase in wheat cost for South Indian millers. Wheat prices are expected to be volatile during the year 2022-23.

Though the second wave of pandemic affected the HORECA segment during the FY 1st quarter of 2021-22, the industry has returned to normalcy in the last quarter and expected to reach the pre-pandemic levels in 2022-23.

Engineering Division

Indian foundry market is estimated to grow at CAGR of 10% during the period from 2022-2025. Expansion of infrastructure by the government is expected to generate demand for a wide variety of machinery and equipment such as cranes, fans, motors, appliances, pumps, conveyor equipment, etc. which, in turn, will create fresh demand for metal castings. The automotive sector which contributed nearly for 40% of casting requirement, is expected to grow rapidly with introduction of vehicle scrap policy by the Indian government.

SEGMENT-WISE AND PRODUCT-WISE PERFORMANCE

Segment-wise and product-wise results are stated separately under the relevant notes on accounts to the financial statements.

ECONOMIC OUTLOOK FOR THE YEAR

India's underlying economic fundamentals are strong and the turbulence of Ukraine-Russia war will have a short-term impact, whereas the impact on the long-term outlook will be marginal. The results of growth-enhancing policies and schemes (such as production-linked incentives and government's push toward self-reliance) and increased infrastructure spending, leading to a stronger multiplier effect on jobs and income, higher productivity, and more efficiency all leading to accelerated economic growth. The emphasis on manufacturing in India, various government incentives such as lower taxes, and rising services exports on the back of stronger digitization and technology transformation drive will aid in growth. Indian economy is expected to grow by 6.7% in 2022-23, surpassing China and will become the fastest growth country.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Planned periodic reviews are carried out resulting in identification of deficiencies and formulation of time bound action plans to improve efficiency. The adequacy of the internal control systems is periodically reviewed by the Audit Committee. This, supplemented with existing periodical management reviews, will enable the Company to improve its monitoring system at all levels.

The Company has internal control procedures commensurate with its size and the nature of its business for purchase of raw materials, plant and machinery, components, other items and sale of goods.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial performance of the company during the financial year 2021-2022 has been discussed in the Directors' Report and the audited financial statements, which has been prepared in accordance with the requirement of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, discloses a true and fair view of the performance of the company during the said period.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company believes that its people are a key differentiator, especially in knowledge driven, competitive and a global business environment. Adapting work culture to suit the dynamic balancing of people requirements and employee needs is an ongoing process. Fundamental HR processes which enable higher performance orientation, speed, skill and competency development, talent management are corner stones for the success of any organization. The Company is giving direct employment to 185 employees as in the past, the industrial relations continued to remain cordial in all the divisions of the Company.

DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS INCLUDING DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF

Sl. No	Description	31-03-2022	31-03-2021	% change	Explanations, if any
1	Current Ratio	1.43	1.59	(10.06%)	NA
2	Debt Equity Ratio	0.93	0.56	66.07%	Fresh term loan availed for 5 MW solar power plant and ECLGS loan to meet working capital requirement.
3	Debt Service Coverage Ratio	2.93	2.21	32.58%	Increased operating income from both food and engineering division on account of increased volume, cost control, power cost reduction from new solar power plant and reduction in rate of interest
4	Return on Equity Ratio	15.22	11.01	38.24%	Increased profit from both food and engineering division on account of increased volume, cost control, power cost reduction from new solar power plant and reduction in rate of interest.
5	Inventory Turnover Ratio	6.22	5.82	6.87%	NA
6	Trade Receivables turnover ratio	17.07	16.44	3.83%	NA
7	Trade payables turnover ratio	21.04	18.53	13.55%	NA
8	Working capital turnover ratio	13.15	9.88	33.10%	Increased sales with increased volume in both food and engineering division

Sl. No	Description	31-03-2022	31-03-2021	% change	Explanations, if any
9	Net profit ratio	2.69	2.05	31.22%	Increased profit from both food and engineering division on account of increased volume, cost control, power cost reduction from new solar power plant and reduction in rate of interest
10	Return on Capital Employed	19.15	20.65	-7.26%	NA
11	Return on Investment	22.96	15.90	44.40%	Increased profit from both food and engineering division on account of increased volume, cost control, power cost reduction from new solar power plant and reduction in rate of interest

CAUTIONARY STATEMENT

Management Discussion and Analysis forming part of the Directors Report is in Compliance with Corporate Governance Standards incorporated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchange and such statements may be "forward looking" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include Economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

By Order of the Board

Sharath Jagannathan
Managing Director
DIN : 07298941

Suresh Jagannathan
Executive Chairman
DIN : 00011326

Place : Coimbatore
Date : 27th May, 2022

REPORT ON CORPORATE GOVERNANCE

In compliance with Regulation 34(3) read with Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ("Listing Regulations")

1. Company's Philosophy on code of Corporate Governance

The Company firmly believes in and has consistently endeavoured to practice good Corporate Governance. The Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, professionalism and accountability, in all facets of its operations and in all its interactions with its stakeholders, including shareholders, employees, the government and lenders. The Company will endeavour to improve on these aspects on an ongoing basis.

2. Board of Directors

The Board comprises of an Executive Chairman, Managing Director, One Non Executive Non Independent Director and four Non-Executive Independent Directors including a Woman Director. There are four independent directors who bring independent judgement in the board's deliberations and decisions. Accordingly, the composition of the Board of Directors meets the requirement of Section 149 of the Companies Act, 2013 read with Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The composition of the Board of Directors and their attendance at the board meetings held during the year and at the last Annual General Meeting held on 27th August, 2021 and also the number of the other directorships/membership(s) or chairmanships in Committee(s) of other companies as on 31st March, 2022 are as follows;

Name, DIN and Designation of the Director	Category	Attendance Particulars during the year			No.of Directorship held in other Public Limited Companies (*)	No.of Committee positions in all Companies (@)	
		No.of Board meetings held	No.of Board meetings attended	AGM		Chairman	Member
Mr.Suresh Jagannathan (DIN: 00011326) Executive Chairman($)	Executive - Promoter	7	7	Yes	Nil	Nil	1
Mr.Sudarsan Varadaraj & (DIN: 00133533)	Non Executive – Independent	7	7	Absent	5	Nil	2
Mr.K.Gnanasekaran (DIN:00133645)	Non Executive - Independent	7	6	Yes	1	3	1

Name, DIN and Designation of the Director	Category	Attendance Particulars during the year			No.of Directorship held in other Public Limited Companies (*)	No.of Committee positions in all Companies (@)	
		No.of Board meetings held	No.of Board meetings attended	AGM		Chairman	Member
Mr.R.Kannan (DIN: 00951451)	Non Executive – Non Independent	7	7	Yes	Nil	Nil	Nil
Mrs.Kalyani Jagannathan (DIN: 02371318)	Non Executive - Independent	7	2	Yes	Nil	Nil	Nil
Mr.Ashwin Chandran (DIN: 00001884)	Non Executive - Independent	7	7	Yes	5	1	3
Mr.Sharath Jagannathan (DIN: 07298941) Managing Director (#)	Executive – Non Independent	7	7	Yes	Nil	Nil	Nil

* Exclude directorships in private companies and foreign companies, if any

@ only Audit Committee and Stakeholders Relationship Committee are considered

$ Re-designated as Executive Chairman w.e.f 12th November, 2021

\# Re-designated as Managing Director w.e.f 12th November, 2021

Disclosure of Directorships in other Listed Entities as on 31st March, 2022:

Name of the Director	Details of the other listed entities where the Directors hold directorship	
	Name of the Listed Entity	Designation
Mr. Sudarsan Varadaraj (DIN: 00133533)	Elgi Rubber Company Limited	Promoter Chairman and Managing Director
	Super Spinning Mills Limited	Non Executive Independent Director
	Elgi Equipments Limited	Promoter Non Executive Director
Mr. Suresh Jagannathan (DIN: 00011326)	Nil	Nil
Mr. K. Gnanasekaran (DIN: 00133645)	Magna Electro Castings Limited	Non Executive Independent Director

Name of the Director	Details of the other listed entities where the Directors hold directorship	
	Name of the Listed Entity	Designation
Mr. Ashwin Chandran (DIN: 00001884)	Precot Meridian Limited	Promoter Managing Director
Mr. R. Kannan (DIN: 00951451)	NIL	NA
Mrs. Kalyani Jagannathan (DIN: 02371318)	NIL	NA
Mr.Sharath Jagannathan (DIN: 07298941)	NIL	NA

None of the Directors holds directorship in more than 20 Companies (including limit of maximum directorships in 10 public companies) pursuant to the provisions of the Companies Act, 2013. Further, none of the Directors including Independent Directors hold directorships in more than the maximum number of Directorships prescribed under Regulation 17A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per the disclosures received from the Directors, none of the Directors serve as member of more than 10 committees nor they hold Chairmanship in more than 5 committees, as per the requirements of Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015.

The functions, responsibility, role and accountability of the Board are well defined. The detailed reports of the Company activities and performances are periodically placed before the Board for effective decision making.

The Company has held at least one Board meeting in every quarter and the Board has met seven times during the year on 28.05.2021, 16.07.2021, 11.08.2021, 12.11.2021, 09.12.2021, 11.02.2022 and 30.03.2022. The gap between two consecutive meetings has not exceeded one hundred and twenty days. The necessary quorum was present in all the meetings. Agenda papers were circulated to the Directors in advance for each meeting. All relevant information as required under Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 was placed before the Board from time to time.

Shareholdings of Non-Executive Directors

Name of the Director	No. of shares held (as on March 31, 2022)
Mr. R. Kannan	1,450

Other than the above, none of the other Non-Executive directors hold any share in the company.

The Company has not issued any type of Convertible instruments to Non-Executive Directors.

None of the Directors were issued any stock options during the year under review

Directors Inter se relationship

Mr. Suresh Jagannathan (DIN: 00011326), Executive Chairman (Promoter) is the father of Mr. Sharath Jagannathan (DIN: 07298941), Managing Director (Promoter Group). Other than the above, none of the other Directors of the company are related to each other.

Key Board qualifications, expertise and attributes:

The Board of Directors comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective decisions or contributions to the Board, its committees and the management.

The list of core skills / expertise / competencies identified by the Board of Directors as required in the context of Company's business vertical(s) and those already available with the Board are as follows:

Core Skill/Expertise/ Competencies	DESCRIPTION
Industry Skills	• Knowledge /experience in the manufacturing of Engineering and Food products.
	• Knowledge of the flour milling industry, foundry products, business model and the market
	• Broad range of commercial / business experience
Governance Skills	• In-depth knowledge/ experience in the field of finance administration and the ability to analyze and assess the key financial statements
	• Knowledge / experience in the governance, legal compliances and the ability to identify key risks in a wide range of areas.
	• Knowledge / experience of the capital market and its developments
	• Ability to constructively manage crisis, provide leadership
Personal Attributes / Qualities	• Ability to understand the role and fulfillment of the duties and responsibilities of a Director while being transparent in disclosing potential conflict of interest, continue to self-educate on legal responsibility and ability to maintain board confidentiality;
	• Ability to constructively contribute to board discussions and communicate effectively with management and other directors

In the table below, the primary/dominant area(s) of expertise of individual Board members have been highlighted. However, the absence of a mark against a Board member's name does not mean that the member does not possess the corresponding qualification or skill.

Name of the Director	Industry skills	Governance skills	Personal attributes / Qualities
Mr.Suresh Jagannathan DIN: 00011326	✔	✔	✔
Mr.Sudarsan Varadaraj DIN: 00133533	✔	✔	✔
Mr.K.Gnanasekaran DIN: 00133645	✔	✔	✔
Mr.R.Kannan DIN: 00951451	✔	✔	✔
Mrs.Kalyani Jagannathan DIN: 02371318	✔	✔	✔
Mr.Ashwin Chandran DIN: 00001884	✔	✔	✔
Mr.Sharath Jagannathan DIN: 07298941	✔	✔	✔

Familiarization Programme for Independent Directors

In accordance with the provisions of Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended from time to time ("Listing Regulations"), the Company familiarizes its Independent Directors of the company, their roles, rights, responsibilities in the company, nature of the Industry in which the company operates, business model of the company, etc., through various programmes. These include orientation programmes as well as other initiatives to update the Independent Directors on a continuing basis.

The details of the familiarization programmes for Independent Directors conducted during the financial year 2021-22 is available on the Company's website at www.klrf.in

Independent Directors' Meeting

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors was held on 11th February, 2022, without the presence of Non–Executive Directors, Executive Directors and the management team inter alia to consider the following:

a. Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;

b. Evaluation of the performance of the Chairman of the company, taking into account the views of executive directors and non-executive directors; and

c. Evaluation of the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonable perform its duties.

All Independent Directors had attended the meeting except Mrs. Kalyani Jagannathan.

Confirmation on the fulfillment of the conditions of independence:

Based on the declarations received from the Independent Directors, the Board of Directors are of the opinion that the Independent Directors fulfill the conditions specified under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and Section 149(6) of the Act read with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014 (as amended) and are independent of the management.

Resignation of Independent Directors before expiry of tenure:

None of the Independent Directors have resigned before the expiry of his / her tenure during the year under review.

3. Audit Committee

The Company has constituted an Audit Committee in line with the provisions of Regulation 18 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013. This Committee comprises of four Non-Executive Independent Directors as on 31st March, 2022.All the members of the Committee possess experience and expertise in financial and corporate laws and the Chairman of the Committee possess financial management expertise.

The terms of reference, powers and role of this Committee are as prescribed under Section177 of the Companies Act, 2013 and under Regulation18 read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015.

Besides having access to all the required information from within the Company, the Committee can obtain external professional advice whenever required. The Committee acts as a link between the Statutory Auditor, Internal Auditors and the Board of Directors of the Company. It is authorised to select and establish accounting policies, review reports of the Statutory and the Internal Auditors and meet with them to discuss their findings, suggestions and other related matters. The Committee is empowered to recommend the appointment and remuneration payable to the Statutory Auditor, Branch Auditors, Internal Auditors and Cost Auditor of the Company.

The Committee had met 6 times during the financial year under review on 28th May, 2021, 16th July, 2021, 11th August, 2021, 12th November, 2021, 9th December, 2021 and 11th

February, 2022.The necessary quorum was present at these meetings. The composition of the Audit Committee and details of their attendance at the meetings are as follows:

Name of the Member	Category	Attendance	
		Held	Attended
Mr.K.Gnanasekaran (Chairman)	Non Executive - Independent	6	5
Mr.Sudarsan Varadaraj	Non Executive - Independent	6	6
Mr.Ashwin Chandran	Non Executive - Independent	6	6
Mrs.Kalyani Jagannathan	Non Executive - Independent	6	2

The Company Secretary acts as the Secretary to the Committee. The Chief Financial Officer, Branch, Internal and the Statutory Auditors of the Company were also invited to attend the meetings to provide inputs on issues relating to accounts, taxation, internal audit findings, internal financial controls etc. The constitution of the Audit Committee also meets with the requirements under Section 177 of the Companies Act,2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations,2015.

The minutes of the Audit Committee meetings were circulated to the Board, and the Board discussed and took note of the same. The Audit Committee has considered and reviewed the Annual Financial Statements for the financial year 2021-22, before it was placed before the Board of Directors for their approval.

The Chairman of the Audit Committee, Mr.K.Gnanasekaran, was present at the Annual General Meeting of the Company held on 27th August, 2021.

4. Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) has been constituted in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The role, powers and functions of the Nomination and Remuneration Committee are as prescribed under Section178 of the Companies Act, 2013 and the guidelines set out in the SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015 (as amended). The terms of reference of this Committee are as prescribed under regulation19 read with part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015.

The Committee comprises of 3 Non-Executive Independent Directors. During the year under review, the Committee had met four times on 28th May, 2021, 12th November, 2021, 9th December, 2021 and 11th February, 2022 .The composition of the Nomination and Remuneration Committee and the attendance of the members are as given hereunder:

Name of the Member	Category	Attendance	
		Held	Attended
Mr.Ashwin Chandran (Chairman)	Non Executive - Independent	4	4
Mr.Sudarsan Varadaraj	Non Executive - Independent	4	4
Mr.K.Gnanasekaran	Non Executive - Independent	4	3

This Committee would basically look into and determine the Company's policy on Remuneration packages to the Executive Directors and Senior Management. This Committee shall identify the persons, who are qualified to become Directors of the Company/ who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every Director's performance. The Committee shall also formulate the criteria for determining qualifications, positive attributes, independence of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other senior management employees.

While recommending the appointment of the directors, key managerial personnel and senior management personnel, the nomination and remuneration committee considers criteria / attributes like qualification, expertise, skills and experience of them in their respective fields. The nomination and remuneration committee has the discretion to decide whether qualification, skills, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

The board of directors have adopted a nomination and remuneration policy based on the recommendation of the Nomination and Remuneration Committee, which, inter alia, deals with the criteria for appointment of the directors, key managerial personnel and senior management personnel and their remuneration. The brief of the remuneration policy of the company is annexed to this Board's Report and the full policy can be accessed on the company's website at www.klrf.in.

The Chairman of the Nomination and Remuneration Committee, Mr.Ashwin Chandran, was present at the Annual General Meeting held on 27th August, 2021.

Performance evaluation criteria for Independent Directors

The Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates the evaluation of the performance of Independent Directors and Non Independent Directors. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual Directors. Schedule IV to the Companies Act, 2013

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

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

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

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

5. Remuneration of Directors

The remuneration and sitting fees paid to the Directors during the year under review are as given hereunder; (₹ in lakhs)

Name	Service Term	Salary & Perquisites	Sitting Fees	Total
Mr.Suresh Jagannathan, Executive Chairman	12.3.2022 to 11.3.2024	63.00	-	63.00
Mr.R.Kannan	NA	NA	0.78	0.78
Mr.Sudarsan Varadaraj	NA	NA	1.46	1.46
Mr.K.Gnanasekaran	NA	NA	1.22	1.22
Mrs.Kalyani Jagannathan	NA	NA	0.40	0.40
Mr.Ashwin Chandran	NA	NA	1.40	1.40
Mr.Sharath Jagannathan, Managing Director	25.01.2022 to 24.01.2024	73.49	-	73.49

All elements of remuneration package of individual directors has been summarized under major groups viz., salary & perquisites and there is no other benefits, bonuses, stock options, pension etc. other than the details disclosed in the above table.

The remuneration of the Key Managerial Personnel comprises of fixed components viz., salary and other perquisites and there are no performance linked incentives.

There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company.

The Company does not have any Employee Stock Option Scheme and hence, the disclosure of the details of stock option, if any and whether issued at a discount as well as the period over which accrued and over which exercisable does not arise.

The Company does not pay remuneration to any of its Non-Executive Directors except sitting fees for attending the Board meetings / Committee meetings (as applicable) thereof.

No commission has been paid to any Non-Executive Directors for the year 2021-22.

The Remuneration policy of the company along with the criteria of making payments to Non Executive Directors can be accessed on the Company's website www.klrf.in

6. Stakeholders' Relationship Committee

The Board has constituted a Stakeholders Relationship Committee (SRC) pursuant to the applicable provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

The Stakeholders Relationship Committee comprises of the following Directors;

Name of the Member	Category	Status
Mr.K.Gnanasekaran	Non Executive Independent	Chairman
Mr.Suresh Jagannathan	Executive - Promoter	Member
Mr.R.Kannan	Non Executive – Non Independent	Member
Mr.Sudarsan Varadaraj	Non Executive Independent	Member
Mr.Ashwin Chandran	Non Executive Independent	Member

Mr.K.Gnanasekaran, being Chairman of the Stakeholders Relationship Committee is heading the said Committee. The Chairman was present at the Annual General Meeting of the Company held on 27th August, 2021.

The Committee deals in the matters as prescribed under Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 including the matters relating to transfer and transmission of shares, issue of duplicate shares certificates and looks into the shareholders/ Investor complaints, if any, on transfer of shares, non-receipt of dividend, annual report etc., In addition, the Committee looks into other issues including status of dematerialization/ re-dematerialization of shares as well as systems and procedures followed to track investor complaints and suggest measures for improvement from time to time.

The Compliance Officer is Mr.S.Piramuthu, Company Secretary.

The minutes of the Stakeholders Relationship Committee meetings were placed at the subsequent Board Meetings.

The Committee ensures that the investors' grievances and correspondence are attended and resolved expeditiously within the time frames laid down under the Listing Regulations. During the year, no complaint was received from the shareholders.

During the year under review, the Committee had met one time to deliberate on various matters referred above. The constitution of the Stakeholders Relationship Committee meets with the requirements under Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (as amended).

Pursuant to Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate on half-yearly basis confirming due compliance of share transfer formalities by the company from Practicing Company Secretary has been submitted to the Stock Exchange within the stipulated time.

The company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders' ("the Code") in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

Investor complaints:

The company has attended to the investors' grievances and correspondences within a maximum period of 15 days from the date of receipt of the same and there were no investor complaints received during the year 2021-22. Further, there were no pending complaints as on March 31, 2022

Unclaimed shares demat suspense account

In terms of Regulation 39(4) of Securities of Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule VI thereof, the Company has opened a demat account in the name and style "Kovilpatti Lakshmi Roller Flour Mills Limited-Unclaimed Shares Suspense Account". The disclosures with respect to demat suspense account are as follows:

Sl.No	Particulars	No.of cases	No.of equity shares
1	Aggregate number of shareholders and the outstanding equity shares in the suspense account lying at the beginning of the year	17	715
2	Number of shareholders who approached the company for transfer of equity shares from suspense account during the year	Nil	Nil
3	Number of shareholders to whom equity shares were transferred from suspense account during the year	Nil	Nil
4	Transferred to IEPF Authorities	Nil	Nil
5	Aggregate number of shareholders and outstanding equity shares in the suspense account lying at the end of the year	17	715

Voting rights in respect of these shares have been frozen till the rightful owner claims the same. All corporate benefits, if any, on such shares shall be credited to the unclaimed suspense account, as applicable for a period of seven years and thereafter be transferred in accordance with the provisions of Section 124(5) and Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules).

Corporate Social Responsibility (CSR) Committee

The Company had earlier constituted a Corporate Social Responsibility Committee in compliance with Section 135(1) of the Companies Act, 2013 read with Rule 5 of the Companies (Corporate Social Responsibility Policy) Rules, 2014. However, Pursuant to Section 135(9) read with the Companies (Amendment) 2020 (effective from 22nd January, 2021), the requirement under sub-section (a) for constitution of the Corporate Social Responsibility Committee shall not be applicable to the Company and the functions of the Corporate Social Responsibility Committee provided under the said Section shall, in such cases, be discharged by the Board of Directors of the Company. Hence Board of Directors, at their meeting held on 12th November, 2021, had approved and dissolved the Corporate Social Responsibility Committee with effect from 12th November, 2021. All the roles, responsibilities and functions of the Corporate Social Responsibility Committee, as provided under the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended from time to time) are being discharged by the Board of Directors of the Company in terms of the said provisions of the Act and its Rules with effect from the said date.

Management Discussion and Analysis Report

Management Discussion and Analysis Report is given in a separate section forming part of the Directors' Report in this Annual Report.

7. Annual General Meetings

Location and time for last three AGMs held and the special resolutions, if any, passed thereat, are as given below:

Financial Year	Date of Meeting	Time of Meeting	Location	Special Resolutions, if any
2018 - 19	16.09.2019	10:00 a.m., (IST)	75/8, Benares Cape Road Gangaikondan Tirunelveli District-627352	Re-appointment of Mr.K.Gnanasekaran (DIN : 00133645) as an Independent Director for a second term of 5 years with effect from 18.09.2019
2019 - 20	14.09.2020	09:00 a.m., (IST)	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM)	Nil
2020 - 21	27.08.2021	09:15 a.m., (IST)		Nil

Extra Ordinary General Meeting & Postal Ballots

No Extra-Ordinary General Meeting was held during the financial year.

Postal Ballots

During the financial year 2021-22, the Company has passed a special resolution through postal ballot process on 12th January, 2022.

The Board of Directors at their meeting held on 9th December, 2021 had appointed Mr.M.D.Selvaraj, FCS of M/s. MDS & Associates, Company Secretaries, Coimbatore as the Scrutinizer for conducting the aforesaid postal ballot process in a fair and transparent manner and to ascertain the requisite majority.

The Postal Ballot process was carried out as per the procedure laid down in terms of Sections 108,110 and other applicable provisions, if any, of the Companies Act,2013 ('the Act'), read with Rule 22 of the Companies (Management and Administration) Rules,2014 ("Rules") (including any statutory modification or re-enactment thereof or the time being in force) and other applicable provisions of the Act and Rules made thereunder and Regulation 44 of SEBI(Listing Obligations and Disclosure Requirements) Regulations,2015.

Pursuant to Rule 22 of the Companies (Management and Administration) Rules, 2014, Mr.M.D.Selvaraj,FCS of M/s. MDS & Associates, had submitted his report(s) in connection with the aforesaid postal ballot process on 13th January, 2022.

Based on the Scrutinizer's Report dated 13th January, 2022, the Executive Chairman had declared the result of the postal ballot voting on the same day. The details of the ordinary / special resolution(s) passed through postal ballot process during the year and the votes cast thereon are given in the below table:

Sl. No	Brief description of the resolution	No. of valid votes cast through electronic means		Total valid votes	Type of resolution	Date of declaration of voting results
		In favour	Against			
1	Approval for variation in the terms of appointment of Sri. Sharath Jagannathan (DIN: 07298941), Managing Director, effective from 1st December, 2021	32,04,565	35	32,04,565	Special	13.01.2022

No Special Resolution is proposed to be passed through Postal Ballot as on the date of this Report. However, if required, the same shall be passed in compliance with the provisions of Companies Act, 2013, Listing Regulations or any other applicable laws.

8. Means of Communication

a) The quarterly/ half yearly unaudited financial results and the annual audited financial results are normally published in Business Standard (National Daily) and Dina Malar (Regional Newspaper). The financial results are regularly and promptly updated on the website of the company at www.klrf.in.

b) The copies of the results are forwarded to the concerned Stock Exchange (BSE Limited) immediately after they are approved by the Board for dissemination in their website. The Company has a dedicated e-mail ID cosec@klrf.in for registering complaint from the Investors.

c) There were no specific presentations made to Institutional Investors or to the analysts during the year.

9. General Shareholder information

a. Annual General Meeting

Date : 14th September, 2022

Time : 09.15 A.M., (IST)

Venue : The 60th Annual general Meeting will be held through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) for which purpose the Registered Office of the Company situated at 75/8, Benares Cape Road, Gangiakondan-627352 shall be deemed as the venue for the Meeting

b. Financial Year : 1st April to 31st March

c. Dividend payment date : on or before 12th October, 2022

d. Listing on Stock Exchange

The shares are listed at BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001.

Annual listing fees for the year 2021- 22 was paid to BSE Limited.

Type of security	:	Equity
Trading group in stock exchange	:	BSE Limited - X group
Stock Code	:	Scrip ID : KLRFM
Scrip Code	:	507598
ISIN number allotted for equity shares	:	INE014E01015

The shares of the company are regularly traded and in no point of time the shares were suspended for trading in any of the stock exchange.

e. Market Price Data (in Rupees)

Month	Apr' 21	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan' 22	Feb	Mar
High	56.00	69.00	70.95	93.40	93.40	74.90	82.75	90.00	98.10	102.85	104.00	78.00
Low	42.60	48.20	57.35	64.05	66.00	66.55	68.00	68.00	78.70	88.00	59.00	61.55

f. Registrars & Share Transfer Agents

Head Office

M/s Link Intime India Private Limited, C/ 101, 247 Park, L.B.S.Marg Vikroli (West) Mumbai-400083

Ph.: +91 22 4918 6270, E-mail : rnt.helpdesk@linkintime.co.in

Branch

M/s Link Intime India Private Limited " Surya" No.35, May Flower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore-641028

Ph. : +91 422 231 4792 E mail : coimbatore@linkintime.co.in

g. Reconciliation of share capital audit

A qualified Company Secretary in practice has carried out the reconciliation of share capital audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd., (CDSL) and the total issued and listed capital. The reconciliation of share capital audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

h. Share Transfer System

The company's shares are transferable through the depository system in dematerialized form. With effect from 1st April, 2019, the transfer of shares held in physical form by the listed entity / Registrar and Share Transfer Agent are not permitted in accordance with the amended Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013. Further, the Securities and Exchange Board of India ("SEBI") vide its Circular No.SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated that the Company or its Registrars and Share Transfer Agents shall issue the securities in dematerialized form only while dealing the requests for issue of duplicate share certificate, transmission or transposition with effect from 25th January, 2022. Accordingly, our Registrar and Share Transfer Agents, Link Intime India Private Limited has processed the applications / requests received for transmission or transposition within a period of 15 days from the date of receipt of the requisite documents, if the documents are complete in all respects. All request for dematerialization of shares are processed and confirmed to the depositories, NSDL and CDSL within 15 days. The Stakeholders Relationship Committee generally meets as and when necessary to review investor grievances and other related matters as per their terms of reference.

Legal proceedings / disputes on share transfer against the company	:	Nil
Shares under lock-in period	:	Nil

Performance comparison to BSE Sensex

i. Shareholding Pattern as on 31st March, 2022

Particulars	No.of shares held	Percentage of shareholding
Promoters	31,68,685	57.18
Directors and their Relatives	8,350	0.15
Banks / FIs / Mutual Funds	660	0.01
Bodies Corporate / Clearing member	90,272	1.63
NRI / OCBs / Foreign nationals	30,146	0.55
IEPF	59,869	1.08
Public	21,83,494	39.40
Total	55,41,476	100.00

j. Distribution of Shareholding as on 31st March, 2022

Shareholding range	No.of Holders	% of share holders	No.of shares	% of shareholding
1 – 500	4,067	87.03	5,00,440	9.03
501-1000	283	6.06	2,24,907	4.06
1001 – 2000	155	3.31	2,32,327	4.20
2001 – 3000	47	1.01	1,20,475	2.17
3001 – 4000	25	0.54	90,213	1.63
4001 – 5000	22	0.47	1,02,657	1.85
5001 - 10000	36	0.77	2,65,422	4.79
10001 and above	38	0.81	40,05,035	72.27
Total	4,673	100.00	55,41,476	100.00

k. Dematerialisation of shares and liquidity as on 31st March, 2022

Your Company obtained necessary approvals from the NSDL and CDSL for providing demat facilities to our shareholders. The equity shares of the Company are compulsory traded in dematerialized form.

Members holding shares in physical form are requested to consider converting their holdings to dematerialized form at the earliest and avail of the various benefits of dealing in securities in electronic/dematerialized form. The shareholders have the option to hold Company's shares in demat form through the National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL).

Extent of Dematerialisation

Name of the Depository	No.of shares	% to total paid-up capital
Central Depository Services (India) Limited	11,52,580	20.80
National Securities Depository Limited	42,65,483	76.97
Physical	1,23,413	2.23
Total	55,41,476	100.00

l. Outstanding GDRs/ ADR/ Warrants, Convertible Bonds, conversion date and likely impact on equity : NIL

m. Commodity price risk or foreign exchange risk & hedging activities : NIL

n. Plant location

Food Division	:	Gangaikondan, Tirunelveli District
Wind Farms	:	Aralvoimozhi Village,Kanyakumari District Pazhavoor Village, Radhapuram Taluk, Tirunelveli District Dhanukkarkulam Village, Radhapuram Taluk, Tirunelveli District,Parameshwarapuram Village, Radhapuram Taluk,Tirunelveli District
Engineering Division	:	Periyanaickenpalayam, Coimbatore
Solar power plant	:	Gangaikondan, Tirunelveli District

o. Address for correspondence

For annual report, transfer of physical / demat shares, change of address & other query relating to shares of the company and investors correspondence may be addressed to	Link Intime India Private Limited (Unit : Kovilpatti Lakshmi Roller Flour Mills Limited) "Surya" 35, Mayflower Avenue Behind Senthil Nagar, Sowripalayam Road, Coimbatore - 641028 Phone : +91 422 231 4792 E-mail : coimbatore@linkintime.co.in Contact Person Mrs. S. Dhanalakshmi
Contact address for Investors	Mr. S. Piramuthu Company Secretary Regd Office : 75/8, Benares Cape Road, Gangaikondan - 627352, Tirunelveli Dt. Phone : +91 462 248 6532 Fax : +91 462 248 6132 E-mail : cosec@klrf.in

10. Other Disclosures

a. Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large

There are no materially significant related party transactions that would have potential conflict with the interests of the company at large. Details of related party transactions are given elsewhere in the annual report.

All the related party transactions are presented to the Audit Committee and the Board of Directors. Prior omnibus approval has been obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transaction.

b. Details of non compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange, SEBI or any Statutory Authorities on any matter related to capital markets during the last three years

The company has complied with all the requirements of the listing agreement of the Stock Exchange as well as regulations and guidelines of SEBI including SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. No penalties have been levied or strictures have been passed by SEBI, Stock Exchange or any other statutory authority on matters relating to capital markets in the last three years.

c. Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee

The company has adopted a Whistle Blower Policy, to provide a formal mechanism to the employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the company's Code of Conduct. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the company have been denied access to the Audit Committee. Your company hereby affirms that no complaints were received during the year under review.

d. Details of compliance with mandatory requirements and adoption of the non mandatory requirements

The company has complied with all the mandatory requirements of corporate governance norms as enumerated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The company has adopted the non-mandatory requirement of Reporting of internal auditors to Audit Committee as recommended under Regulation 27 (1) read with Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The company has not adopted any other non-mandatory requirements.

e. Policy for determining material subsidiaries

As the company does not have any subsidiaries under the provisions of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the requirement for adopting the Policy for determining "material subsidiaries" does not apply to the company.

Material unlisted subsidiary

During the year, the Company did not have any material unlisted subsidiary companies which are subject to special governance norms in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

f. Policy on dealing with related party transactions

The Company has adopted a Policy on dealing with Related Party Transactions and the same has been disclosed on the website of the company at www.klrf.in

g. Commodity price risk and commodity hedging activities

The company is exposed to the risk of price fluctuation of raw materials as well as finished goods. The company proactively manages these risks through forward booking Inventory management and proactive vendor development practices. The company's reputation for quality, products differentiation and service, coupled with existence of powerful brand image with robust marketing network mitigates the impact of price risk on finished goods.

h. Disclosure of Accounting Treatment

The company has followed the Accounting Standards laid down by the Companies (Indian Accounting Standards) Rules, 2015 in the preparation of its financial statements

i. Disclosure on risk management

Business risk evaluation and management is an ongoing process within the company. The assessment is periodically examined by the Board.

11. General disclosures

- The company does not have any debt instruments or fixed deposits programme or any scheme involving mobilization of funds either in India or abroad that requires credit rating as on 31.03.2022.
- The company has not raised any funds through preferential allotment or qualified institutional placement as specified under Regulation 32(7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015.

- A certificate from a Company Secretary in practice that none of the Directors on the Board of the company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Security Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority has been obtained and is annexed to this report.
- During the year under review, the recommendations made by the different Committees have been accepted and there were no instances where the Board of Directors had not accepted any recommendation of the Committees.
- The company has paid a sum of ₹ 8.40 lakhs as fees on consolidated basis to the Statutory auditor and all entities in the net work firm/ entity of which the Statutory auditor is a part for the statutory audit and other services rendered by them.
- As per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the company has constituted an Internal Complaints Committee. During the year 2021-22, no complaint was received by the committee. As such, there are no complaint pending as at the end of the said financial year.

12. There has been no instance of non-compliance of any requirement of Corporate Governance Report as stated above in sub-par as 2 to11 above.

13. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount': Not applicable

14. The Company has complied with all the mandatory requirements specified in Regulations17 to 27and clauses(b) to (i)of Regulation 46(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015.

Certificate from CEO and CFO

The CEO and CFO certification of the financial statements for the year has been submitted to the Board of Directors, at its meeting held on 27th May, 2022 as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015.

15. Code of conduct for prevention of insider trading

The company has framed a 'Code of conduct to regulate, monitor and report trading by designated persons' based on SEBI (Prohibition of Insider Trading) Regulations, 2015. This code is applicable to all directors / officers / designated employees. The code ensures the prevention of dealing in shares by persons having accessed to unpublished price sensitive information.

The company has also formulated "The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)" in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

The company has also adopted structured database system to monitor and control the Prohibition of Insider Trading as per the SEBI (Prohibition of Insider Trading) Regulations, 2015.

16. Code of Conduct

The Board of Directors have laid down a code of conduct for all Board members and senior management of the Company. The same has been posted on the website of the Company. All Board members and senior management personnel have affirmed their compliance with the code of conduct for the year under review. The Company's Managing Director's declaration to this effect forms a part of this report.

By Order of the Board

	Sharath Jagannathan	**Suresh Jagannathan**
Place : Coimbatore	Managing Director	Executive Chairman
Date : 27th May, 2022	DIN : 07298941	DIN : 00011326

CHIEF EXECUTIVE OFFICER'S DECLARATION ON CODE OF CONDUCT

I hereby affirm and state that all the board members and senior management personnel of the company have given a declaration in accordance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Compliance with the said code of conduct for the financial year 2021-2022.

By Order of the Board

Sharath Jagannathan
Managing Director
DIN : 07298941

Place : Coimbatore
Date : 27th May, 2022

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of Kovilpatti Lakshmi Roller Flour Mills Limited

I have examined the compliance of conditions of Corporate Governance by Kovilpatti Lakshmi Roller Flour Mills Limited ('the Company') for the year ended March 31, 2022 as per Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and as amended from time to time.

Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in listing regulations.

Auditor's Responsibility

My responsibility is limited to examining 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.

I have examined the books of accounts and other relevant records and documents maintained by the company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the company

I conducted my examination in accordance with the Guidance Note on certification of corporate governance issued by the Institute of Chartered Accountants of India (ICAI), the standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India, which requires that I comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

I have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015, during the year ended March 31, 2022, as applicable.

I state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For M/s ARUN & CO
Chartered Accountants
Firm Registration No.0014464S
A. ARUN
Proprietor
Membership No. 227831
UDIN: 22227831AKJLDZ5825

Place : Coimbatore
Date : 27th May, 2022

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members,
Kovilpatti Lakshmi Roller Flour Mills Limited
(formerly known as "KLRF LIMITED")
CIN: L15314TN1961PLC004674
75/8, Benares Cape Road
Gangaikondan, Tirunelveli – 627 352

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s. Kovilpatti Lakshmi Roller Flour Mills Limited (formerly known as "KLRF Limited")** having **CIN: L15314TN1961PLC004674** and having registered office at 75/8, Benares Cape Road, Gangaikondan, Tirunelveli – 627352, Tamil Nadu, India (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company, as stated below for the financial year ended on 31st March, 2022, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sl.No.	Name of the Director	DIN	Date of Appointment in Company
1.	Mr. Suresh Jagannathan Executive Chairman	00011326	12-03-1981
2.	Mr. Sudarsan Varadaraj	00133533	18-11-2020
3.	Mr. Ramasamy Kannan	00951451	01-07-2014
4.	Mr. Karuppuswamy Gnanasekaran	00133645	06-05-2004
5.	Mr. Ashwin Chandran	00001884	01-09-2018
6.	Mrs. Kalyani Jagannathan	02371318	19-03-2015
7.	Mr. Sharath Jagannathan Managing Director	07298941	25-01-2021

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

M D SELVARAJ
MDS & Associates
Company Secretaries
FCS No.: 960; C P No.: 411
UDIN : F000960D000359153
Peer Review No.: 985/2020

Place : Coimbatore
Date : 27th May, 2022

Independent Auditor Report – Standalone Financial Results

The Members of Kovilpatti Lakshmi Roller Flour Mills Limited, Gangaikondan.

Report on the Audit of the Standalone Financial Statements

Opinion

I have audited the standalone financial statements of Kovilpatti Lakshmi Roller Flour Mills Limited ("the Company"), which comprise the balance sheet as at 31st March 2022, and the statement of Profit and Loss, statement of changes in equity, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information in which are included the financial statements/ information for the year ended on that date audited by the branch auditors of the Company's branches located at Coimbatore, Tamilnadu.

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid standalone financial statements give the information required by the Companies Act ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date

Basis for Opinion

I conducted my audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am 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 my audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have determined that there are no key audit matters to be communicated in my report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the Board's Report and the Corporate Governance Report but

does not include the standalone financial statements and my auditor's report thereon.

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

In connection with my audit of the standalone financial statements, my 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 my knowledge obtained during the course of my audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information; I am required to report that fact. I 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act, read with relevant rules issued thereunder.

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the 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 my 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.

I give in "Annexure A" a detailed description of Auditors; responsibilities for Audit of the Standalone Financial Statements.

Other Matter

I did not audit the financial statements/ information of 1 (One) branch included in the stand-alone financial statements of the Company whose financial statements / financial information reflect total assets of ₹ 6,465.82 lakhs as at 31st March 2022 and the total revenue of ₹ 10,443.22 lakhs for the year ended on that date, as considered in the standalone financial statements/ information of these branches have been audited by the branch auditors whose reports have been furnished to me, and my opinion in so far as it relates to the amounts and disclosures included in respect of branch is based solely on the report of such branch auditors.

My opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

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

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

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

(b) In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books and proper returns adequate for the purposes of my audit have been received from the branches not visited by me.

(c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to me and have been properly dealt with by me in preparing this report.

(d) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by me.

(e) In my opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(f) On the basis of the written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) 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 my separate Report in "Annexure C".

(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, in my opinion, and to the best of my information and according to the explanations given to me:

- The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 36 to the financial statements;
- The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

(i)

(A) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security, or the like to or on behalf of the Ultimate Beneficiaries.

(B) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security, or the like from or on behalf of the Ultimate Beneficiaries; and

(C) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to my notice that has caused me to believe that the representations under subclause (i) (A) and (i) (B) contain any material misstatement.

(j) The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

(k) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In my opinion and according to the information and explanations given to me, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 read with Schedule V of the Act. The Ministry of Corporate Affairs has not prescribed any other details under Section 197(16) of the Act which is required to be commented by me.

For M/s ARUN & CO
Chartered Accountants
Firm Registration No.0014464S

A. ARUN
Proprietor
Membership No. 227831
UDIN: : 22227831AJYEBD9993

Place : Coimbatore
Date : 27th May, 2022

Annexure "A" to the Independent Auditor's Report

(Referred to in Auditor's Responsibilities for the Audit of the Financial Statements section of my report to the members of Kovilpatti Lakshmi Roller Flour Mills Limited of even date)

Auditor's Responsibilities for the Audit of the Financial Statements

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

I. 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 my 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.

II. 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, I am also responsible for expressing my opinion on whether the company has an adequate internal financial controls system in place and the operating effectiveness of such controls.

III. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

IV. 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the company to cease to continue as a going concern.

V. Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

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

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of my report to the members of Kovilpatti Lakshmi Roller Flour Mills Limited of even date)

1. (a) In my opinion and according to the information and explanations given to me, the Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment and intangible assets.

   (b) The Company has a program of verification to cover all items of property, plant and equipment in a phased manner over a period of three years, which, in my opinion, is reasonable having regard to the size of the Company and the nature of its assets.

   Pursuant to the program, certain property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to me, no material discrepancies were noticed on such verification.

   (c) In my opinion and according to the information and explanations given to me and based on the examination of the conveyance deeds provided to me, we report that the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

   In respect of immovable properties given as collateral for loans from banks and financial institutions, the title deeds were deposited with the said banks/ financial institutions, and the Company has obtained a confirmation from the said banks that the title deeds are in the name of the Company.

(d) The Company has not revalued its property, plant and equipment (including right of use asset) during the year. Accordingly, paragraph 3 (i) (d) of the Order is not applicable.

(e) In my opinion and according to the information and explanations given to me, there are no proceedings 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. Accordingly, paragraph 3 (i) (e) of the Order is not applicable.

2. (a) The inventories have been physically verified by the management during the year. In my opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification.

(b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and 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.

3. In my opinion and according to information and explanation given to me, the Company has not made investments in/ provided any guarantee or security/ granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties. Accordingly, paragraph 3 (iii) of the Order is not applicable.

4. In my opinion and according to information and explanation given to me, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the order is not applicable.

5. In my opinion and according to the information and explanations given to me, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year. Accordingly, paragraph 3 (v) of the Order is not applicable.

6. The Central Government of India has prescribed the maintenance of cost records under sub-section (1) of section 148 o the Act for the activities of the Engineering division of the company and based on the report of the branch auditors I am of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the same.

7. In my opinion and according to the information and explanations given to me:

(a) Amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited by the Company with the appropriate authorities.

(b) No undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(c) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty, Value Added Tax and Goods and Service Tax which have not been deposited as at March 31, 2022 on account of dispute are given below:

Statute	Nature of dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where the dispute is pending
Tamil Nadu Value Added Tax Act	TNVAT	25.05	FY 2008-09 to 2013-14	Commercial Tax Appellate Tribunal, Madurai

8. In my opinion and according to the information and explanations given to me, there are no transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, paragraph 3 (viii) of the Order is not applicable.

9. (a) In my opinion and according to the information and explanations given to me, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) In my opinion and according to the information and explanations given to me, the Company is not declared as a wilful defaulter by any bank or financial institution or other lender.

(c) In my opinion and according to the information and explanations given to me, the term loans obtained during the year were applied for the purpose for which they were availed.

(d) In my opinion and according to the information and explanations given to me, funds raised on short term basis have not been utilised for long term purposes.

(e) The Company does not have any subsidiaries/ associates/ joint-ventures and accordingly, paragraphs 3 (ix) (e) and 3 (ix) (f) of the Order are not applicable.

10. (a) In my opinion and according to the information and explanations given to me, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x) (a) of the Order is not applicable.

(b) In my opinion and according to the information and explanations given to me, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, paragraph 3 (x) (b) of the Order is not applicable.

11. (a) To the best of my knowledge and according to the information and explanations given to me, no fraud by the Company or no material fraud on the Company by any person has been noticed or reported during the year. Accordingly, paragraph 3 (xi) (a) of the Order is not applicable.

    (b) Since there is no fraud by the Company or no material fraud on the Company by any person has been noticed or reported during the year, paragraph 3 (xi) (b) of the Order is not applicable.

    (c) To the best of my knowledge and according to the information and explanations given to me, no whistle-blower complaints, have been received by the Company during the year.

12. The Company is not a Nidhi Company and accordingly, Paragraphs 3 (xii) of the Order is not applicable.

13. In my opinion and according to the information and explanations given to me, the transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14. (a) In my opinion and according to the information and explanations given to me, the Company has an internal audit system, commensurate with the size and nature of its business.

    (b) The reports of the internal auditors for the year under audit were considered by me, as part of my audit procedures.

15. In my opinion and according to the information and explanations given to me, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable.

16. (a) In my opinion and according to the information and explanations given to me, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

    (b) In my opinion and according to the information and explanations given to me, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

    (c) In my opinion and according to the information and explanations given to me, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3 (xvi) (c) of the Order is not applicable.

    (d) In my opinion and according to the information and explanations given to me, the Company is not a Core Investment Company (CIC) and it does not have any other companies in the Group. Accordingly, paragraph 3 (xvi) (d) of the Order is not applicable.

17. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

18. There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3 (xviii) of the Order is not applicable.

19. In my opinion and according to the information and explanations given to me and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, my knowledge of the board of directors and management plans, there are no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

20. In my opinion and according to the information and explanations given to me, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

21. In my opinion and according to the information and explanations given to me, the Company does not have investments in subsidiaries/ associates or joint venture companies. Accordingly, paragraph 3 (xxi) of the Order is not applicable.

For M/s ARUN & CO
Chartered Accountants
Firm Registration No.0014464S

A. ARUN
Proprietor
Membership No. 227831
UDIN: 22227831AJYEBD9993

Place : Coimbatore
Date : 27th May, 2022

Annexure "C" to the Independent Auditor's Report

(Referred to in paragraph 2 (g)under 'Report on Other Legal and Regulatory Requirements' section of my report to the Members of Kovilpatti Lakshmi Roller Flour Mills Limited 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")

I have audited the internal financial controls over financial reporting of Kovilpatti Lakshmi Roller Flour Mills Limited ("the Company") as of March 31, 2022, in conjunction with my audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

My responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that I 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.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My 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 in the financial statements, whether due to fraud or error.

I believe that the audit evidence I have obtained, is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial control system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Opinion

In my opinion and according to the information and explanations given to me, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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 M/s ARUN & CO
Chartered Accountants
Firm Registration No.0014464S

A. ARUN
Proprietor
Membership No. 227831
UDIN: 22227831AJYEBD9993

Place : Coimbatore
Date : 27th May, 2022

Balance Sheet as at March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
I. ASSETS			
Non-current assets			
Property, Plant and equipment	4	**5,118.77**	2,634.01
Capital work in progress		**50.22**	2.50
Investment Property		**-**	-
Goodwill			
Intangible assets	4	**11.10**	14.85
Intangible assets under development		**-**	-
Biological assets other than bearer plants		**-**	-
Financial assets			
i. Investments	5	**45.86**	45.86
ii. Trade Receivables			
iii. Loans			
iv. Other financial assets	6	**205.57**	117.33
v. Deferred Tax Assets (net)			
Other non-current assets	7	**7.74**	1.25
Total non-current assets		**5,439.26**	2,815.80
Current assets			
Inventories	8	**4,717.97**	4,075.02
Financial assets			
i. Investments			
ii. Trade receivables	9	**1,629.57**	1,572.71
iii. Cash and cash equivalents	10	**20.76**	17.84
iv. Bank balances other than above	11	**2.61**	1.40
v. Loans			
vi. Other Financial Assets			
Current tax Assets (Net)			
Other current assets	12	**538.13**	418.03
Total current assets		**6,909.04**	6,085.00
Total Assets		**12,348.30**	8,900.80
II. EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	**554.14**	554.14
Other equity	14	**4,277.33**	3,621.28
Total equity		**4,831.47**	4,175.42
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	15	**2,367.42**	682.25

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ii. Lease Liabilities			
iii. Trade Payables			
a. Total outstanding dues of micro enterprises and small enterprises		-	-
b. Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
iv. Other Financial Liabilities			
v. Provisions			
Deferred Tax Liabilities (net)	16	**318.44**	225.17
Other Non current Liabilities			
Total non-current liabilities		**2,685.86**	907.42
Current liabilities			
Financial liabilities			
i. Borrowings	17	**2,138.98**	1,860.74
ii. Lease Liabilities			
iii. Trade payables	18		
a. Total outstanding dues of micro enterprises and small enterprises		**314.97**	358.32
b. Total outstanding dues of creditors other than micro enterprises and small enterprises		**975.02**	950.52
iv. Other financial liabilities		-	-
Provisions	19	**180.63**	202.00
Other current liabilities	20	**1,221.37**	446.38
Current Tax Liabilities (Net)			
Total current liabilities		**4,830.97**	3,817.96
Total liabilities		**7,516.83**	4,725.38
Total Equity and Liabilities		**12,348.30**	8,900.80

The accompanying notes form an integral part of the financial statements

In accordance with my report of date attached

For M/s Arun & Co
Chartered Accountants
(FRN No. 014464S)

A. Arun
Chartered Accountant
Membership No.227831

Place : Coimbatore
Date : May 27, 2022

For and on behalf of the Board

Suresh Jagannathan
Executive Chairman
DIN : 00011326

Sharath Jagannathan
Managing Director
DIN : 07298941

J. Kanna
Chief Financial Officer

S. Piramuthu
Company Secretary
Membership No. FCS 9142

Statement of profit and loss for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
	Continuing Operations			
A	**Income**			
	Revenue from operations	21	**27,334.63**	22,392.14
	Other income	22	**376.98**	88.66
	Total income		**27,711.61**	22,480.80
B	**Expenses**			
	Cost of materials consumed	23	**18,750.10**	15,410.26
	Purchase of Stock in Trade		**287.75**	218.09
	Changes in inventories of finished goods	24	**(109.10)**	81.51
	Employee Benefits Expense	25	**1,422.72**	1,304.67
	Depreciation and amortisation expense	26	**400.94**	340.63
	Other expenses	27	**5,519.39**	4,076.16
	Finance costs	28	**406.02**	422.21
	Total expenses		**26,677.82**	21,853.53
C	**Profit before exceptional items and tax**		**1,033.79**	627.27
	Exceptional items		**-**	-
D	**Profit / (Loss) before tax from continuing operations**		**1,033.79**	627.27
	Income tax expense	29	**-**	
	Current tax		**180.62**	202.00
	Deferred tax charge/ (credit)		**100.14**	(24.62)
E	**Profit for the year from continuing operations**		**753.03**	449.89
	Profit/ (loss) from discontinued operations before tax expense		**-**	-
	Tax charge/ (credit) from discontinued operations		**-**	-
F	**Profit/(loss) from discontinued operations**		**-**	-
G	**Profit for the year**		**753.03**	449.89
H	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	Remeasurement of post employment benefit obligations		**(24.70)**	13.74
	Income tax relating to these items		**6.87**	(3.82)
	Other comprehensive income for the year, net of tax		**(17.83)**	9.92
	Total comprehensive income for the year		**735.20**	459.81
	Earnings per share	30		
	Basic earnings per share		**13.59**	8.12
	Diluted earnings per share		**13.59**	8.12

The accompanying notes form an integral part of the financial statements

In accordance with my report of date attached
For M/s Arun & Co
Chartered Accountants
(FRN No. 014464S)
A. Arun
Chartered Accountant
Membership No.227831
Place : Coimbatore
Date : May 27, 2022

Sharath Jagannathan
Managing Director
DIN : 07298941

J. Kanna
Chief Financial Officer

For and on behalf of the Board
Suresh Jagannathan
Executive Chairman
DIN : 00011326

S. Piramuthu
Company Secretary
Membership No. FCS 9142

Cash Flow Statement for the year ended 31st March, 2022 ₹ in lakhs

	Particulars	31.03.2022	31.03.2021
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before income tax	**1,033.79**	627.27
	Adjustments for		
	Depreciation and amortisation expense	**400.94**	340.63
	(Profit)/ Loss on sale of fixed asset	**(240.44)**	7.67
	Interest received	**(4.93)**	(6.41)
	Dividend income	**(0.05)**	(0.05)
	Finance costs	**406.02**	422.21
		1,595.33	1,391.32
	Change in operating assets and liabilities		
	(Increase)/ decrease in other financial assets	**(88.24)**	88.35
	(Increase)/ decrease in inventories	**(642.95)**	(456.09)
	(Increase)/ decrease in trade receivables	**(56.86)**	(419.94)
	(Increase)/ decrease in other assets	**(121.31)**	(19.86)
	(Increase)/ decrease in other non-current assets	**(6.49)**	5.23
	Increase/ (decrease) in provisions and other liabilities	**753.63**	238.53
	Increase/ (decrease) in trade payables	**(18.85)**	199.11
	Cash generated from operations	**1,414.26**	1,026.65
	Less : Income taxes paid (net of refunds)	**(202.34)**	(193.40)
	Net cash from / (used in) operating activities (A)	**1,211.92**	833.25
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of PPE (including changes in CWIP)	**(2,994.45)**	(208.34)
	Sale proceeds of PPE	**305.01**	6.71
	(Purchase)/ disposal proceeds of investments	**-**	-
	(Investments in)/ Maturity of fixed deposits with banks	**-**	-
	Dividend received	**0.05**	0.05
	Interest income	**4.93**	6.41
	Net cash used in investing activities (B)	**(2,684.46)**	(195.17)
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from issues of shares (including premium)	**-**	-
	Proceeds from/ (repayment of) long term borrowings (net)	**1,685.17**	(89.88)
	Proceeds from/ (repayment of) short term borrowings (net)	**278.23**	(132.64)
	Dividends paid (including dividend distribution tax)	**(81.91)**	-
	Finance costs	**(406.02)**	(422.21)
	Net cash from/ (used in) financing activities (C)	**1,475.47**	**(644.73)**
	Net decrease in cash and cash equivalents (A+B+C)	**2.93**	(6.65)
	Net cash flows from discontinued operations	**-**	-
	Cash and cash equivalents at the beginning of the financial year	**17.84**	24.49
	Cash and cash equivalents at end of the period	**20.77**	17.84

Notes:

1. The above cash flow statements have been prepared under indirect method prescribed in Ind AS 7 "Cash Flow Statements"
2. Components of cash and cash equivalents

Balance with banks		
- in current accounts	**14.04**	1.61
Cash on Hand	**6.73**	16.23
	20.77	17.84

In accordance with my report of date attached
For M/s Arun & Co
Chartered Accountants
(FRN No. 014464S)

A. Arun
Chartered Accountant
Membership No.227831
Place : Coimbatore
Date : May 27, 2022

Sharath Jagannathan
Managing Director
DIN : 07298941

J. Kanna
Chief Financial Officer

For and on behalf of the Board
Suresh Jagannathan
Executive Chairman
DIN : 00011326

S. Piramuthu
Company Secretary
Membership No. FCS 9142

Statement of Changes in Equity for the year ended March 31, 2022

(1) Current reporting period

Balance at 1st April 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at 31st March 2022
554.14	Nil	Nil	Nil	554.14

(2) Previous reporting period

Balance at 1st April 2020	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at 31st March 2021
554.14	Nil	Nil	Nil	554.14

(B) Other Equity

Particulars	General Reserve	Securities Premium	Other Comprehensive Income	Retained Earnings	Capital Reserve	Total
For the year ended 31st March, 2022						
Balance as at March 31,2021	**994.97**	**2,090.07**	**6.97**	**508.56**	**20.71**	**3,621.28**
Additions / (Deductions) during the year (Net)	-	-	24.70	673.86	-	698.56
Total Comprehensive Income for the year	-	-	(17.81)	(24.70)	-	(42.51)
Balance as at March 31,2022	**994.97**	**2,090.07**	**13.86**	**1,157.72**	**20.71**	**4,277.33**
For the year ended 31st March, 2021						
Balance as at March 31,2020	**994.97**	**2,090.07**	**10.80**	**44.93**	**20.71**	**3,161.48**
Additions / (Deductions) during the year	-	-	(13.74)	449.89	-	436.15
Total Comprehensive Income for the year	-	-	9.91	13.74	-	23.65
Balance as at March 31,2021	**994.97**	**2,090.07**	**6.97**	**508.56**	**20.71**	**3,621.28**

In accordance with my report of date attached
For M/s Arun & Co
Chartered Accountants
(FRN No. 014464S)
A. Arun
Chartered Accountant
Membership No.227831
Place : Coimbatore
Date : May 27, 2022

Sharath Jagannathan
Managing Director
DIN : 07298941

J. Kanna
Chief Financial Officer

For and on behalf of the Board
Suresh Jagannathan
Executive Chairman
DIN : 00011326

S. Piramuthu
Company Secretary
Membership No. FCS 9142

Notes to Financial Statements for the year ended March 31, 2022

1 Corporate Information

Kovilpatti Lakshmi Roller Flour Mills Limited was established in 1964 with an initial milling capacity of 15,600 MT per annum and has since expanded to 74,900 MT per annum. The wheat products are marketed in varied SKUs across Tamilnadu and Kerala. The engineering division producing ferrous castings with an installed capacity of 12,000 MT per annum caters to a range of clients in the automotive, capital equipment, pumps & valves and general engineering sectors.

2 Basis of preparation of financial statements

Basis of preparation and presentation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest Lakhs (up to two decimals).

The financial statements are approved for issue by the Company's Board of Directors on May 27, 2022

2A Critical accounting estimates and management judgments

In application of the accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical

experience and other factors that are considered to be relevant.

Information about significant areas of estimation, uncertainty and critical judgements used in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Property, Plant and Equipment and Intangible Assets

The residual values and estimated useful life of PPEs and Intangible Assets are assessed by the technical team at each reporting date by taking into account the nature of asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement and maintenance support. Upon review, the management accepts the assigned useful life and residual value for computation of depreciation/ amortisation. Also, management judgement is exercised for classifying the asset as investment properties or vice versa.

Current tax

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

Deferred Tax Assets (including MAT Credit Entitlement)

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

Fair value

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Impairment of Trade Receivables

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

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

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

Defined Benefit Plans and Other long term benefits

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

Fair value measurement of financial instruments

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

Provisions and contingencies

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore vary from the figure estimated at end of each reporting period.

2B Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

1) Ind AS 109 – Annual Improvements to Ind AS (2021) - The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

2) Ind AS 116 – The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

The amendments listed above did not have any impact on the amounts recognised in prior periods and not expected to significantly affect the current or future periods.

3 Significant Accounting Policies

a) Current versus non-current classification

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

An asset is treated as current when it is:

i) Expected to be realised or intended to be sold or consumed in normal operating cycle

ii) Held primarily for the purpose of trading

iii) Expected to be realised within twelve months after the reporting period, or

iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

i) It is expected to be settled in normal operating cycle

ii) It is held primarily for the purpose of trading

iii) It is due to be settled within twelve months after the reporting period, or

iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified approximately 5 months as its average operating cycle.

b) Fair value measurement

The Company has applied the fair value measurement wherever necessitated at each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i) In the principal market for the asset or liability;

ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non - financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and the best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 : Quoted (unadjusted) market prices in active market for identical assets or liabilities;

Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

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

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company has designated the respective team leads to determine the policies and procedures for both recurring and non - recurring fair value measurement. External valuers are involved, wherever necessary with the approval of Company's board of directors. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

For the purpose of fair value disclosure, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risk of the asset or liability and the level of the fair value hierarchy as explained above. The component wise fair value measurement is disclosed in the relevant notes.

c) Revenue Recognition

Sale of goods

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue on sale of goods is recognised when the risk and rewards of ownership is transferred to the buyer, which generally coincides with the despatch of the goods or as per the inco-terms agreed with the customers.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. It comprises of invoice value of goods including excise duty and after deducting discounts, volume rebates and applicable taxes on sale. It also excludes value of self-consumption.

Sale of services

Income from sale of services is recognised when the services are rendered as per the terms of the agreement and when no significant uncertainty as to its determination or realisation exists.

Export entitlements

Export entitlements from Government authorities are recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Company, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Interest Income

Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend income

Dividend income is recognized when the company's right to receive dividend is

established by the reporting date, which is generally when shareholders approve the dividend.

d) Property, plant and equipment and capital work in progress

Presentation

Property, plant and equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs of a qualifying asset, if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Advances paid towards the acquisition of tangible assets outstanding at each balance sheet date, are disclosed as capital advances under other non-current assets and the cost of the tangible assets not ready for their intended use before such date, are disclosed as capital work in progress.

Component Cost

All material/ significant components have been identified and have been accounted separately. The useful life of such component are analysed independently and wherever components are having different useful life other than plant they are part of, useful life of components are considered for calculation of depreciation.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the statement of profit and loss as incurred.

Machinery spares/ insurance spares that can be issued only in connection with an item of fixed assets and their issue is expected to be irregular are capitalised. Replacement of such spares is charged to revenue. Other spares are charged as revenue expenditure as and when consumed.

Derecognition

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

e) Depreciation on property, plant and equipment

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life on a straight line method. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less 5% being its residual value.

Depreciation is provided on straight line method, over the useful lives specified in Schedule II to the Companies Act, 2013.

Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion/disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded / sold. Additions to fixed assets, costing ₹ 5000 each or less are fully depreciated.

The residual values, estimated useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

f) Intangible assets

Intangible assets acquired separately

Intangible assets acquired separately are measured on initial recognition at cost. The cost of a separately acquired intangible asset comprises (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and (b) any directly attributable cost of preparing the asset for its intended use.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Useful life and amortisation of intangible assets

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Subsequent cost and measurement

Subsequent costs are capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures, including expenditure on internally-generated intangibles, are recognised in the statement of profit and loss as incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

g) Inventories

Inventories are carried at the lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Raw materials and stores & consumables are valued at weighted average rate.

h) Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value. However, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified on the basis of their contractual cash flow characteristics and the entity's business model of managing them.

Financial assets are classified in four categories:

- Debt instruments at amortised cost

- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

The Company classifies a debt instrument as at amortised cost, if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTOCI

The Company classifies a debt instrument at FVTOCI, if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes finance income, impairment losses and reversals and foreign exchange gain or loss in the profit and loss statement. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

The Company classifies all debt instruments, which do not meet the criteria for categorization as at amortized cost or as FVTOCI, as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. Where the Company makes an irrevocable election of equity instruments at FVTOCI, it recognises all subsequent changes in the fair value in OCI, without any recycling of the amounts from OCI to profit and loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Financial assets are measured at FVTPL except for those financial assets whose contractual terms give rise to cash flows on specified dates that represents SPPI, are measured as detailed below depending on the business model:

Classification	Name of the financial asset
Amortised cost	Trade receivables, Loans given to employees and related parties, deposits, interest receivable, unbilled revenue and other advances recoverable in cash.
FVTOCI	Equity investments in companies other than subsidiary and associate, if an option exercised at the time of initial recognition.
FVTPL	Other investments in equity instruments, mutual funds, forward exchange contracts (to the extent not designated as a hedging instrument).

Derecognition

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

b) Financial assets that are debt instruments and are measured at FVTOCI

c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Loss (ECL) at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, the Company considers all contractual terms of the financial instrument

(including prepayment, extension, call and similar options) over the expected life of the financial instrument and Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the profit and loss. The balance sheet presentation of ECL for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, which reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

For impairment purposes, significant financial assets are tested on individual basis at each reporting date. Other financial assets are assessed collectively in groups that share similar credit risk characteristics. Accordingly, the impairment testing is done on the following basis:

Name of the financial asset	Impairment Testing Methodology
Trade Receivables	Expected Credit Loss model (ECL) is applied. The ECL over lifetime of the assets are estimated by using a provision matrix which is based on historical loss rates reflecting current conditions and forecasts of future economic conditions which are grouped on the basis of similar credit characteristics such as nature of industry, customer segment, past due status and other factors that are relevant to estimate the expected cash loss from these assets.

Other financial assets	When the credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. When there is significant change in credit risk since initial recognition, the impairment is measured based on probability of default over the life time. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL and as at amortised cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to profit and loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement

of profit or loss. The company has not designated any financial liability as at fair value through profit and loss.

Classification	Name of the financial liability
Amortised cost	Borrowings, Trade payables, Interest accrued, Unclaimed / Disputed dividends, Security deposits and other financial liabilities not for trading.
FVTPL	Foreign exchange Forward contracts being derivative contracts do not qualify for hedge accounting under Ind AS 109 and other financial liabilities held for trading.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward and options contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

Derivatives fair valued through profit or loss

This category has derivative financial assets or liabilities which are not designated as hedges.

Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets / liabilities in this category are presented as current assets / current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance Sheet date.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another

from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

S.No	Original classification	Revised classification	Accounting treatment
1	Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
2	FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
3	Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.

4	FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
5	FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
6	FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

i) Foreign currency transactions and translations

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date at which the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate, if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

The Company enters into forward exchange contract to hedge its risk associated with Foreign currency fluctuations. The premium or discount arising at the inception of a forward exchange contract is amortized as expense or income over the life of the

contract. In case of monetary items which are covered by forward exchange contract, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference. Any profit or loss arising on cancellation of a forward exchange contract is recognized as income or expense for that year.

j) Borrowing Costs

Borrowing cost include interest computed using Effective Interest Rate method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction, production of a qualifying asset are capitalised as part of the cost of that asset which takes substantial period of time to get ready for its intended use. The Company determines the amount of borrowing cost eligible for capitalisation by applying capitalisation rate to the expenditure incurred on such cost. The capitalisation rate is determined based on the weighted average rate of borrowing cost applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing cost that the Company capitalises during the period does not exceed the amount of borrowing cost incurred during that period. All other borrowings costs are expensed in the period in which they occur.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

k) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future tax liability, is recognised as an asset viz. MAT Credit Entitlement, to the extent there is convincing evidence that the Company will pay normal Income tax and it is highly probable that future economic benefits associated with it will flow to the Company during the specified period. The Company reviews the "MAT Credit Entitlement" at each Balance Sheet date and writes down the carrying amount of the same to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income tax during the specified period.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Where there is deferred tax assets arising from carry forward of unused tax losses and unused tax created, they are recognised to the extent of deferred tax liability.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

l) Retirement and other employee benefits

Short-term employee benefits

A liability is recognised for short-term employee benefit in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Defined contribution plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund and superannuation fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Compensated absences

As per the policy of the Company, compensated absences are not entitled to be carried forward to the subsequent financial year and paid within the reporting period. Accordingly, no liability towards compensated absences are recognised in these financial statements.

Other long term employee benefits

Liabilities recognised in respect of other long-term employee benefits are measured 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 up to the reporting date.

m) Leases

(a) As a lessee:

At inception of a contract, the company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Initially, as a lessee, the company recognises a right-of-use asset and a lease liability and measure the right-of-use asset at cost. The company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the company shall use the lessee's incremental borrowing rate. After the commencement date, the company measures the right-of-use asset applying a cost model.

Subsequently, the company measures the lease liability by:

(a) increasing the carrying amount to reflect interest on the lease liability;

(b) reducing the carrying amount to reflect the lease payments made; and

(c) remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company elects not to apply the requirements to either short-term leases or leases for which the underlying asset is of low value, the company recognises the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The Company applies another systematic basis if that basis is more representative of the pattern of the lessee's benefit. Short term leases are leases with a lease term of 12 months or less.

(b) As a Lessor

As a lessor, the company classifies each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

In case of a financial lease, at the commencement date, the company recognises assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease. Subsequently, the company recognises finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the

lease. Any modification to a finance lease shall be accounted as a separate lease if the modification increases both the scope of the lease and the consideration for the lease.

In case of an operating lease, the company recognises lease payments from operating leases as income on either a straight-line basis or another systematic basis or the company applies another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished. In case of any modification to an operating lease, the company accounts for as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

The respective leased assets are included in their balance sheet based on their nature.

n) Impairment of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

o) Provisions, Contingent liabilities and Contingent assets

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are discounted, if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Necessary provision for doubtful debts, claims, etc., are made if realisation of money is doubtful in the judgement of the management.

Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. Contingent liabilities are disclosed separately.

Show cause notices issued by various Government authorities are considered for evaluation of contingent liabilities only when converted into demand.

Contingent assets

Where an inflow of economic benefits is probable, the Company discloses a brief description of the nature of the contingent assets at the end of the reporting period, and, where practicable, an estimate of their financial effect.

p) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances with original maturity of less than 3 months, highly liquid investments that are readily convertible into cash, which are subject to insignificant risk of changes in value.

q) Cash Flow Statement

Cash flows are presented using indirect method, whereby profit / (loss) before 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.

Bank borrowings are generally considered to be financing activities. However, where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents for the purpose of Cash flow statement.

r) Earnings per share

The basic earnings per share are computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

4 Property, Plant and Equipment and Intangible Assets

PARTICULARS	Tangible Assets								Intangible Assets	
	Land	Buildings	Plant and Equipment	Furniture and Fittings	Vehicle	Office Equipment	Electrical Equipment	Total	Intangible	Total
Cost as at March 31, 2021	**213.86**	**797.58**	**2,288.18**	**42.02**	**322.47**	**60.95**	**88.34**	**3,813.40**	**51.84**	**51.84**
Additions for 2021-22	-	221.72	2,676.14	0.48	9.57	24.54	14.27	2,946.72	-	-
Transfer from other Divisions	-	-	-	-	-	-	-	-	-	-
Disposals/Adjustments	0.71	38.08	-	0.32	208.36	-	-	247.47	-	-
Cost as at March 31, 2022	**213.15**	**981.22**	**4,964.32**	**42.18**	**123.68**	**85.49**	**102.61**	**6,512.65**	**51.84**	**51.84**
Depreciation/ Amortisation										
As at March 31, 2021	**-**	**129.23**	**820.30**	**18.81**	**147.73**	**16.60**	**46.72**	**1,179.39**	**36.99**	**36.99**
Charge for the year 21-22	-	34.95	294.63	7.48	31.58	10.12	18.43	397.19	3.75	3.75
Ind AS Adjustments	-	-	-	-	-	-	-	-	-	-
Transfer from other Divisions	-	-	-	-	-	-	-	-	-	-
Disposals	-	20.36	-	0.30	162.04	-	-	182.70	-	-
As at March 31, 2022	**-**	**143.82**	**1,114.93**	**25.99**	**17.27**	**26.72**	**65.15**	**1,393.88**	**40.74**	**40.74**
As at March 31, 2022	213.15	837.40	3,849.39	16.19	106.41	58.77	37.46	5,118.77	11.10	11.10
As at March 31, 2021	213.86	668.35	1,467.88	23.21	174.74	44.35	41.62	2,634.01	14.85	14.85

Note:

1. All immovable properties of the company are held in the name of the company only. Hence, additional information to be provided for immovable properties not held in the name of the company does not arise.

Note 4 - Capital Work-in Progress

Particulars	As at March 31, 2022	As at March 31, 2021
Capital Work-in Progress	50.22	2.50
Total	50.22	2.50

1. There is no CWIP whose completion is overdue or has exceeded its cost compared to its original plan.

2. There is no intangible assets under development.

Capital Work in Progress ageing schedule for the year ended March 31,2022 are as follows:

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
-Projects in progress	50.22	-	-	-	50.22
-Projects temporarily suspended	-	-	-	-	-

Capital Work in Progress ageing schedule for the year ended March 31,2021 are as follows:

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
-Projects in progress	2.50	-	-	-	2.50
-Projects temporarily suspended	-	-	-	-	-

Notes to Financial Statements for the year ended 31st March, 2022

		31.03.2022	31.03.2021
5	**Non-current investments**		
	Investment in equity instruments at FVTPL		
	Trade - Unquoted		
	M/s Cape Power Private Limited [1,800 (previous year : 1,800) fully paid equity shares of ₹ 10/-]	**0.18**	0.18
	M/s Suryadev Alloys and Power Private Limited		
	(1) [500 (previous year : 500) fully paid (Class-C) equity shares of ₹ 136/-] &	**0.68**	0.68
	(2) [1,50,000 (previous year : 1,50,000) fully paid equity (Class -B) equity shares of ₹ 10/- each with a premium of ₹ 20 per share]	**45.00**	45.00
	Total non-current investments	**45.86**	45.86
	Aggregate amount of quoted investments	**-**	-
	Aggregate market value of quoted investments	**-**	-
	Aggregate cost of unquoted investments	**45.86**	45.86
	Aggregate amount of impairment in value of investments	**-**	-

* In respect investments made pursuant to power purchase agreements, the exit price is equivalent to the initial investment. Accordingly, the fair value of those investments have been considered at the original investment value as per Ind AS 113

6	**Other non- current financial assets**		
	(Unsecured, considered good unless otherwise stated)		
	Deposits with government authorities and others	**205.57**	117.33
	Unamortised interest expense	**-**	-
		205.57	117.33
7	**Other non-current assets**		
	(Unsecured, considered good unless otherwise stated)		
	Capital advances	**-**	0.47
	Tax pending for adjustments	**7.74**	0.78
		7.74	1.25
8	**Inventories**		
	Raw Materials and components	**3,963.53**	3,447.39
	Work-in-progress	**300.70**	222.85
	Finished products (Other than acquired for trading)	**220.05**	193.37
	Stores and spares	**188.45**	168.31
	Impurities, Runner and Riser	**45.24**	43.10
		4,717.97	4,075.02

		31.03.2022	31.03.2021
9	**Trade receivables**		
	Secured & considered good	-	-
	Unsecured & considered good	**1,682.64**	1,628.62
	Having significant increase in credit risk		
	Credit Impairment		
	Less: Provision for doubtful debts	**(53.07)**	(55.91)
		1,629.57	1,572.71

9A Trade Receivables as on 31.03.2022

Particulars	Outstanding for the following period from due date of payments					Total
	Less than 6 months	6 months - 1 year	1 -2 years	2 -3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	1,678.24	-	-	-	-	1,678.24
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	0.32	-	-	-	0.32
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	4.08	4.08

9B Trade Receivables as on 31.03.2021

Particulars	Outstanding for the following period from due date of payments					Total
	Less than 6 months	6 months - 1 year	1 -2 years	2 -3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	1,624.54	-	-	-	-	1,624.54
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	4.08	4.08

	31.03.2022	31.03.2021
10 Cash and cash equivalents		
Cash on hand	**6.73**	16.23
Balances with banks		
In current accounts	**14.03**	1.61
In deposit account (margin money deposits)	**-**	-
	20.76	17.84
11 Other Bank Balances		
Earmarked balances	**2.61**	1.40
	2.61	1.40
12 Other current assets		
(Unsecured, considered good)		
Advance to suppliers	**30.40**	21.50
Prepaid expenses	**44.63**	38.69
Balances with statutory agencies	**279.06**	340.36
Others	**184.04**	17.48
	538.13	418.03
13 Capital		
Authorised Share Capital		
1,20,00,000 Equity shares of ₹ 10 each	**1,200.00**	1,200.00
30,00,000 10% cumulative Redeemable Preference shares of ₹ 10/- each	**300.00**	300.00
	1,500.00	1,500.00
Issued Share Capital		
56,40,430 (Previous year 56,40,430) equity shares of ₹ 10 each	**564.04**	564.04
	564.04	564.04
Subscribed and fully paid-up share capital		
55,41,476 (Previous year 55,41,476) equity shares of ₹ 10 each	**554.14**	554.14
	554.14	554.14

* 98,954 partly paid shares were forfeited on March 25, 1998 vide board resolution dated March 25, 1998

Notes:

1) Reconciliation of number of equity shares subscribed

Balance as at the beginning of the year	**55,41,476**	55,41,476
Add: Issued during the year	**-**	-
Balance at the end of the year	**55,41,476**	55,41,476

2) The Company has no Holding or Subsidiary Companies.

3) There are no bonus shares, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

	31.03.2022	31.03.2021

4) Rights, preferences and restrictions in respect of equity shares issued by the Company

a. The company has issued only one class of equity shares having a par value of ₹ 10 each. The equity shares of the company having par value of ₹ 10/- rank pari-passu in all respects including voting rights and entitlement to dividend.

b. In the event of liquidation, shareholders will be entitled to receive the remaining assets of the company after distribution of all preferential amounts. The distribution will be proportionate to the number of equity shares held by the shareholder.

5) Shareholders holding more than 5% of the total share capital

Name of the shareholder	**31.03.2022**		31.03.2021	
	No of shares	**% of Holding**	No of shares	% of Holding
Mr. Suresh Jagannathan	**11,69,286**	**21.10%**	12,05,011	21.75%
M/s Cape Flour Mills Private Limited	**11,07,089**	**19.98%**	11,07,089	19.98%
Mr.V Jagannathan, Individual and Jointly with Mr.Suresh Jagannathan & Mrs.J.Chandrakanthi	**-**	**-**	1,35,416	2.44%
Mr.Sharath Jagannathan	**3,97,129**	**7.17%**	3,31,749	5.99%
Mr.Suresh Jagannathan jointly with Mrs.J.Chandrakanthi	**4,23,681**	**7.65%**	3,17,920	5.74%

(1) Current reporting period

Balance at 1st April 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at 31st March 2022
554.14	Nil	Nil	Nil	554.14

(2) Previous reporting period

Balance at 1st April 2020	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at 31st March 2021
554.14	Nil	Nil	Nil	554.14

14 Other Equity

Capital reserve	**20.71**	20.71
Securities premium reserve	**2,090.07**	2,090.07
General reserve	**994.97**	994.97
Other comprehensive income	**13.86**	6.97
Retained earnings	**1,157.72**	508.56
Total	**4,277.33**	3,621.28

		31.03.2022	31.03.2021
a)	Capital Reserve		
	Balance at the beginning and end of the year	**20.71**	20.71
b)	Securities Premium Reserve		
	Balance at the beginning of the year	**2,090.07**	2,090.07
	Additions/ (deductions) during the year	**-**	-
	Balance at the end of the year	**2,090.07**	2,090.07
c)	General reserve		
	Balance at the beginning and end of the year	**994.97**	994.97
d)	Other comprehensive income		
	Balance at the beginning of the year	**6.97**	10.80
	Transfer to profit and loss account	**24.70**	(13.74)
	Deductions/Adjustments during the year	**(17.81)**	9.91
	Balance at the end of the year	**13.86**	6.97
e)	Balance in profit and loss account		
	Balance at the beginning of the year	**508.56**	44.93
	Dividend	**(79.16)**	-
	Net profit for the period	**1,033.79**	627.27
	Transfer from other comprehensive income	**(24.70)**	13.74
	Current tax	**(180.63)**	(202.00)
	Deferred tax	**(100.14)**	24.62
	Income tax provision for earlier years written back	**-**	-
	Balance at the end of the year	**1,157.72**	508.56
15	**Long Term Borrowings**		
	Term loans (secured)		
	From Banks	**2,791.79**	861.18
	From NBFC's	**30.88**	37.41
		2,822.67	898.59
	Less : Current maturities due within 1 year (refer note 19 below)	**455.25**	216.34
		2,367.42	682.25
16	**Deferred Tax Liability / (Asset) - Net**		
	Deferred Tax Liability		
	On fixed assets	**166.28**	(16.83)
	On expenses allowed under income tax on payment basis	**(0.90)**	(0.22)
	Others	**12.52**	(7.57)
	Opening Balance	**225.17**	245.97
	Net deferred tax liability / (asset)	**403.07**	221.35
	Deferred Tax Asset		
	Carried forward losses	**-**	-
	Others	**(6.87)**	3.82
		(6.87)	3.82
	Net deferred tax liability/ (asset)	**396.20**	225.17
	MAT credit entitlement	**(77.76)**	-
		318.44	225.17

	31.03.2022	31.03.2021
17 Current liabilities - Financial Liabilities: Borrowings		
Secured		
Loans repayable on demand		
From Banks	**1,383.73**	1,409.40
Current maturities of long-term debt	**455.25**	216.34
Unsecured		
Loans from directors	**300.00**	235.00
Inter corporate loans	**-**	-
	2,138.98	1,860.74
Also refer note 42 for terms and conditions and security details		
18 Trade payables		
Due to Micro, Small and Medium enterprises *	**314.97**	358.32
Due to others	**975.02**	950.52
	1,289.99	1,308.84

* Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management represents the principal amount payable to these enterprises. There are no interest due and outstanding as at the reporting date. Also refer note 36.

Trade Payables as on 31.03.2022

Particulars	Outstanding for the following period from due date of payments*				Total
	Less than 1 year	1 -2 years	2 -3 years	More than 3 years	
(i) MSME	314.97	-	-	-	314.97
(ii) Others	935.04	-	39.98	-	975.02
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-		-

Trade Payables as on 31.03.2021

Particulars	Outstanding for the following period from due date of payments*				Total
	Less than 1 year	1 -2 years	2 -3 years	More than 3 years	
(i) MSME	202.62	-	-	-	202.62
(ii) Others	1,064.68	36.59	4.95	-	1,106.22
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-		-

19 Provisions (Current)		
Provision for tax (net of advance tax)	**180.63**	202.00
	180.63	202.00

		31.03.2022	31.03.2021
20	**Other current liabilities**		
	Statutory dues payable	**33.66**	72.92
	Employee benefits payable	**99.09**	106.88
	Other expenses payable	**1,058.40**	238.08
	Advance and deposits from customers etc.,	**30.22**	28.50
		1,221.37	446.38
21	**Revenue from operations**		
	(a) Sale of products		
	Wheat, wheat products and impurities	**16,755.88**	15,779.67
	Sheet metal components	**-**	203.68
	Castings	**10,361.14**	6,256.55
	(b) Sale of services – fabrication charges	**-**	1.91
	(c) Other operating revenues – sale of scrap and gunnies	**217.61**	150.33
		27,334.63	22,392.14
22	**Other income**		
	Dividend Income	**0.05**	0.05
	Interest Income	**4.93**	6.41
	Profit on sale of fixed assets (net)	**249.11**	6.47
	Other non operating income	**82.66**	40.34
	Rental Income	**31.65**	35.39
	Provision no longer required	**2.83**	-
	Liabilities no more payable	**5.75**	-
		376.98	88.66
23	**Cost of materials consumed**		
	Wheat	**13,311.52**	12,509.67
	Iron materials	**5,438.58**	2,900.59
		18,750.10	15,410.26
24	**Changes in inventories of work-in-progress, stock in trade and finished goods**		
	Opening Balance		
	Work-in-progress	**222.85**	262.77
	Finished goods	**232.62**	274.21
		455.47	536.98
	Closing Balance		
	Work-in-progress	**300.70**	222.85
	Finished goods	**263.87**	232.62
		564.57	455.47
	Total changes in inventories - Increase / (Decrease)	**109.10**	(81.51)

		31.03.2022	31.03.2021
25	**Employee benefits expense**		
	Director's remuneration and fees	**141.75**	77.70
	Salaries, wages and bonus	**1,099.33**	1,059.84
	Contribution to provident and other funds	**78.88**	69.06
	Staff welfare expenses	**97.24**	70.36
	Contribution to gratuity fund	**5.52**	27.71
		1,422.72	1,304.67
26	**Depreciation and amortisation expense**		
	Depreciation of property, plant and equipment	**397.19**	336.41
	Amortisation of intangible assets	**3.75**	4.22
		400.94	340.63
27	**Other expenses**		
	Fabrication Charges	**1,342.74**	875.30
	Power and Fuel	**1,026.85**	802.48
	Stores, spares and packing material	**1,663.61**	1,178.31
	Repairs to machineries	**338.21**	310.44
	Repairs to others	**320.84**	262.41
	Commission and discount	**49.44**	43.28
	Freight	**203.17**	119.20
	Auditors' fees and expenses [refer note 27 (a)]	**8.40**	11.44
	Rent and office maintenance	**51.11**	39.09
	Rates and taxes	**19.48**	14.37
	Advertisement and Sales promotion expenses	**114.33**	64.50
	CSR expenditure [refer note 27 (b)]	**7.46**	2.18
	Printing and stationery	**18.59**	8.75
	Postage and telephone	**7.49**	7.93
	Travelling	**80.19**	45.73
	Legal and professional charges	**162.75**	147.91
	Data processing	**31.34**	25.95
	Bank charges	**11.95**	25.10
	Loss on sale of fixed assets / Fixed assets discarded & Written off	**8.67**	14.14
	Miscellaneous expenses	**52.40**	47.30
	Foreign exchange loss	**0.37**	1.95
	Provision for bad & doubtful trade receivables	**-**	28.40
		5,519.39	4,076.16

		31.03.2022	31.03.2021
27 (a)	**Auditors' fees and expenses**		
	Statutory Audit fees	**7.70**	7.70
	Fees for other services	**0.70**	3.74
		8.40	11.44
27 (b)	**Expenditure on Corporate Social Responsibility**		
	(i) Gross amount required to be spent on Corporate Social Responsibility during the year	**5.32**	2.08
	(ii) Amount spent during the year on		
	(i) Construction and/ or acquisition of any asset	**-**	-
	(ii) Other purposes [other than (i) above)]	**7.46**	2.19
		7.46	2.19
	(iii) (Excess) Amount spent during the year	**(2.14)**	(0.11)
28	**Finance Cost**		
	Interest - Banks and financial institutions	**346.00**	391.85
	Interest - Others	**60.02**	30.36
		406.02	422.21
29	**Income tax expense**		
(a)	**Income tax expense**		
	Current tax		
	Current tax on profits for the year	**180.62**	202.00
	Total current tax expense	**180.62**	202.00
	Deferred tax		
	Deferred tax adjustments	**100.14**	(24.62)
	Total deferred tax expense/(benefit)	**100.14**	(24.62)
	Income tax expense	**280.76**	177.38
b)	**The income tax expense for the year can be reconciled to the accounting profit as follows:**		
	Profit before tax from continuing operations	**1,033.79**	627.27
	Income tax expense calculated at effective rates	**180.62**	202.00
	Effect of expenses that are not deductible in determining taxable profit	**100.14**	(24.62)
	Income tax expense	**280.76**	177.38
c)	**Income tax recognised in other comprehensive income**		
	Deferred tax		
	Remeasurement of defined benefit obligation	**6.87**	(3.82)
	Total income tax recognised in other comprehensive income	**6.87**	(3.82)

d) Movement of deferred tax expense during the year ended March 31, 2022

Deferred tax (liabilities)/assets in relation to	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Property, plant, and equipment and Intangible Assets	(527.36)	(166.28)	-	(693.64)
Expenses allowable on payment basis under the Income Tax Act	186.55	0.90	-	187.45
Remeasurement of financial instruments under Ind AS	-		-	-
Other temporary differences	115.64	(12.52)	6.87	109.99
Total	(225.17)	(177.90)	6.87	(396.20)
MAT Credit entitlement	-	77.76		77.76
Total	(225.17)	(100.14)	6.87	(318.44)

e) Movement of deferred tax expense during the year ended March 31, 2021

Deferred tax (liabilities)/assets in relation to	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Property, plant, and equipment and Intangible Assets	(544.19)	16.83	-	(527.36)
Expenses allowable on payment basis under the Income Tax Act	186.33	0.22	-	186.55
Remeasurement of financial instruments under Ind AS				-
Other temporary differences	111.89	7.57	(3.82)	115.64
Total	(245.97)	24.62	(3.82)	(225.17)
MAT Credit entitlement	-	-		-
Total	(245.97)	24.62	(3.82)	(225.17)

		31.03.2022	31.03.2021
30	**Earnings per share**		
	Profit / (loss) for the year attributable to owners of the Company	**753.03**	449.89
	Number of ordinary shares outstanding (previous year weighted average)	**55,41,476**	55,41,476
	Basic earnings per share (₹)	**13.59**	8.12
	Diluted earnings per share (₹)	**13.59**	8.12
	Nominal Value of equity shares (₹)	**10.00**	10.00
31	**Earnings in foreign currency**		
	FOB value of exports	**308.27**	182.56
		308.27	182.56
32	**Expenditure in foreign currency**		
	Travel expenses	**-**	-
	Other expenses	**-**	-
		-	-
33	**Value of Imports (on C.I.F basis)**		
	Raw Materials	**-**	-
	Machinery	**-**	-
		-	-

34 Value of imported and indigenous Raw materials, Packing materials consumed and Consumable Spares during the financial year and the percentage of each to the total consumption

Particulars	**For the year ended March 31, 2022**		For the year ended March 31, 2021	
	Value	**Percentage (%)**	Value	Percentage (%)
Imported	**-**	**-**	-	-
Indigenous	**19,037.85**	**100.00**	15,628.35	100.00
	19,037.85	**100.00**	15,628.35	100.00

35 Disclosures required by the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 are as under

(a)	The principal amount remaining unpaid at the end of the year	314.97	358.32
(b)	The delayed payments of principal amount paid beyond the appointed date during the year	-	-
(c)	Interest actually paid under Section 16 of MSMED Act	-	-
(d)	Normal Interest due and payable during the year, for all the delayed payments, as per the agreed terms	-	-
(e)	Total interest accrued during the year and remaining unpaid	-	-

* This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

		31.03.2022	31.03.2021
36	**Commitments and Contingent Liability**		
	Contingent Liability		
	Disputed Liabilities		
	Sales Tax	**25.05**	91.95
37	**Operating Segments**		
	The company is engaged in the business of "Food Processing and Engineering" and therefore has two reportable segments as per Ind AS 108 "Operating Segments" namely 'Foods Division' and 'Engineering Division'.		
	Segment Revenue		
	a) Foods division	**17,268.39**	15,984.01
	b) Engineering division	**10,443.22**	6,496.79
	Revenue from operations (Net)	**27,711.61**	22,480.80
	Segment Results		
	Profit (+) / Loss (-) before tax and finance cost		
	a) Foods division	**1,273.64**	1,060.39
	b) Engineering division	**166.17**	(10.91)
	Total	**1,439.81**	1,049.48
	Less : Finance Cost	**406.02**	422.21
	Profit /(Loss) from continuing operations	**1,033.79**	627.27
	Profit/(Loss) from discontinuing operations	**-**	-
	Profit Before Tax	**1,033.79**	627.27
	Segment Assets		
	a) Foods division	**5,623.06**	5,231.83
	b) Engineering division	**6,465.82**	3,399.91
	b) Other unallocable corporate assets	**259.42**	269.06
	Total assets	**12,348.30**	8,900.80
	Segment Liabilities		
	a) Foods division	**2,423.93**	1,753.53
	b) Engineering division	**4,562.32**	2,514.37
	b) Other unallocable corporate liabilities	**530.59**	462.64
	Total liabilities	**7,516.84**	4,730.54
	Capital Employed (Segment assets-Segment liabilities)		
	a) Foods division	**3,199.13**	3,478.30
	b) Engineering division	**1,903.50**	885.54
	Total capital employed in segments	**5,102.63**	4,363.84
	Unallocable corporate assets less corporate liabilities	**(271.17)**	(193.58)
	Total Capital Employed	**4,831.46**	4,170.26

Disclosure relating to geographical area of operation

The manufacturing facilities of the Company is situated in India and no non-current assets are held outside India. The exports of the company are less than 10% of the total turnover and accordingly, no disclosure in respect of revenue from external customers based on geographical location is provided.

		31.03.2022	31.03.2021
38	**Operating lease arrangements**		
	As Lessee		
	The Company has entered into operating lease arrangements for certain facilities. The leases are cancellable at the option of either party to lease and may be renewed based on mutual agreement of the parties.		
	Lease payments recognised in the Statement of Profit and Loss	**43.81**	39.09
39	**Government Grants**		
	The details of Government Grants received by the Company are as follows :		
	Duty drawback on exports	**0.69**	0.48

There are no unfulfilled conditions and other contingencies attached to government assistance that has been recognised in the financial statements.

40 Disclosure of shareholding of promoters

Shares held by promoters at the end of the year		**As at March 31, 2022**		As at March 31, 2021		% Change During the year
S. No	Promoter name	**No of Shares**	**%of Total Shares**	No of Shares	%of Total Shares	
1	Mr. Suresh Jagannathan	**11,69,286**	**21.10%**	12,05,011	21.75%	-0.65%
2	M/s Cape Flour Mills Private Limited	**11,07,089**	**19.98%**	11,07,089	19.98%	0.00%
3	Mr.V Jagannathan, Individual and Jointly with Mr.Suresh Jagannathan & Mrs.J.Chandrakanthi	**-**	**-**	1,35,416	2.44%	-2.44%
4	Mr.Sharath Jagannathan	**3,97,129**	**7.17%**	3,31,749	5.99%	1.18%
5	Mr.Suresh Jagannathan jointly with Mrs.J.Chandrakanthi	**4,23,681**	**7.65%**	3,17,920	5.74%	1.91%

41 Details of Long Term Borrowings

Terms and conditions of long term loans taken from banks

i) Rupee term loan availed from HDFC Bank Ltd.,

a) Carries interest @ 10% pa., (3year MCLR+1.70%) The loan is repayable on 60 monthly instalments. The loan matures in March, 2023. The loan is secured by exclusive charge on the specified flour mill, foundry and wind mill machineries including wind mill lands and buildings for 3 nos 250 KW mills situated at Aralvoimozhi Village.

b) Carries interest @ 8.60% pa., (1year MCLR+1.40%) The loan is repayable on 72 monthly instalments. The loan matures in May, 2025. The loan is secured by exclusive charge on the specified assets created by term loan amount and pari passu first charge on the land and building of foundry division situated at Periyanaickenpalayam, Coimbatore.

c) Carries interest @ 9.25% pa., (1year MCLR+1.60%) The loan is repayable on 75 monthly instalments. The loan matures in June, 2027. The loan is secured by exclusive charge on the specified assets created by term loan amount and pari passu first charge on the land and building of foundry division situated at Periyanaickenpalayam, Coimbatore.

d) Carries interest @ 7.75% pa., (3M T.Bill + 3.90%) The is repayable on 78 monthly instalments. The loan matures in April, 2029. The loan is secured by way of exclusive charge on specific assets created out of term loan being solar power plant at Gangaikondan and Collateral security of vacant land admeasuring to the extent of 25.42 acres situated in SF no 1472/2A1A, 1472/2A1B, 1472/2A1C, 1472/1B2F at Gangaikondan village at Tirunelveli - 627352 owned by M/s. Blue Mountain Plantations Pvt Ltd and M/s.Florentine Agro Pvt Ltd and M/s.Super Plantations Pvt Ltd.

e) Working Capital Term loan under ECGLS from HDFC Limited carrying interest rate at 8.25% (1year MCLR+1.05%). The loan is repayable on 48 instalments. The loan matures in May 2025. The loan is secured by second charge on the existing primary & collateral security provided to the bank.

ii) Working Capital Term loan from HDFC Limited carrying interest rate at 9.25% (3 year MCLR+1.70%). The loan is repayable on 60 instalments. The loan matures in February 2023. The loan is secured by a charge on the fixed assets purchased out of term loan, being plant and machinery.

iii) Vehicle loan availed from Sundaram Finance Ltd. The loan is repayable on monthly basis and are secured by the respective vehicles.

42 Details of Short Term Borrowings

Terms and conditions of short term loans taken from banks and financial institutions

i) Working capital loans from HDFC Bank Ltd. carries an interest rate @ 8% p.a. (3 MT Bill+ Spread 1.65 %) and secured by pari-passu first charge on all the current assets and pari-passu second charge on flour mill and sheet metal immovable assets except those under exclusive charge to the extent mortgaged.

ii) Working capital pledge loan from RBL Bank Ltd. carries an interest rate @ 9% (1 year MCLR + 0.50 %) p.a. and secured by hypothecation of commodity being funded under lock & key model, Warehouse Receipt.

All loans are guaranteed by Executive Chairman of the Company, except vehicle loans.

43 Financial Instruments

Capital management

The Company manages its capital to ensure that entities in the Company will be able to continue as a going concern, while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity, long-term borrowings and other short-term borrowings.

For the purposes of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders.

Gearing Ratio:	31.03.2022	31.03.2021
Debt	**2,822.67**	898.59
Less: Cash and bank balances	**20.76**	17.84
Net debt	**2,801.91**	880.75
Total equity	**4,831.47**	4,175.42
Net debt to equity ratio (%)	**57.99%**	21.09%
Financial assets		
a. Measured at amortised cost		
Other non-current financial assets	**205.57**	117.33
Trade receivables	**1,629.57**	1,572.71
Cash and cash equivalents	**20.76**	17.84
Bank balances other than above	**2.61**	1.40
b. Mandatorily measured at fair value through profit or loss (FVTPL)		
Investments	**45.86**	45.86
Financial liabilities		
a. Measured at amortised cost		
Borrowings (Long term)	**2,822.67**	898.59
Borrowings (short term)	**2,138.98**	1,860.74
Trade payables	**1,289.99**	1,308.84
Other financial liabilities	**-**	-
b. Mandatorily measured at fair value through profit or loss (FVTPL)		
Derivative instruments	**-**	-

Financial risk management objectives

The treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using natural hedging financial instruments and forward contracts to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risk, the use of financial derivatives, and the investment of excess liquidity. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company actively manages its currency and interest rate exposures through its finance division and uses derivative instruments such as forward contracts and currency swaps, wherever required, to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by appropriate levels of management.

Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company actively manages its currency rate exposures through a centralised treasury division and uses natural hedging principles to mitigate the risks from such exposures. The use of derivative instruments, if any, is subject to limits and regular monitoring by appropriate levels of management.

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

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
As on March 31, 2022 (all amounts are in lakhs)							
EUR	-	-	-	0.07	-	0.07	0.07
In INR	-	-	-	5.90	-	5.90	5.90
As on March 31, 2021 (all amounts are in lakhs)							
EUR	-	-	-	0.03	-	0.03	0.03
in INR	-	-	-	2.44	-	2.44	2.44

Foreign currency sensitivity analysis

Movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues from its operations. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures. The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 2%, which represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 2% change in foreign currency rates.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Interest rate risk management

The Company is exposed to interest rate risk because it borrow funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied. Further, in appropriate cases, the Company also effects changes in the borrowing arrangements to convert floating interest rates to fixed interest rates.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 25 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The 25 basis point interest rate changes will impact the profitability approximately by INR 9.51 Lakhs for the year (Previous INR 10.74 Lakhs)

Credit risk management

Credit risk arises when a customer or counterparty does not meet its obligations under a customer contract or financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and from its financing/ investing activities, including deposits with banks, mutual fund investments, investments in debt securities and foreign exchange transactions. The Company has no significant concentration of credit risk with any counterparty.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, margin money and other financial assets excluding equity investments.

(a) Trade Receivables

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and, based on the evaluation, credit limit of each customer is defined. Wherever the Company assesses the credit risk as high, the exposure is backed by either bank, guarantee/letter of credit or security deposits.

The Company does not have higher concentration of credit risks to a single customer. As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

(b) Investments, Cash and Cash Equivalents and Bank deposits

Credit Risk on cash and cash equivalents, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions, who have been assigned high credit rating by international and domestic rating agencies.

Investments of surplus funds are made only with approved banks as fixed deposits. Investments primarily represent investments pursuant to power purchase agreement with power generation companies. These investments do not have any market risk as the Company will get back the face value when terminating the agreement.

Offsetting related disclosures

Offsetting of cash and cash equivalents to borrowings is available only to the bank in the event of a default. Company does not have the right to offset in case of the counter party's bankruptcy, therefore, these disclosures are not required.

Liquidity risk management

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company invests its surplus funds in bank fixed deposits, which carry minimal mark to market risks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

Liquidity tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
March 31, 2022				
Trade payables	1,289.99	-	-	1,289.99
Borrowings (including interest accrued thereon upto the reporting date)	444.50	1,817.30	560.87	2,822.67
	1,734.49	1,817.30	560.87	4,112.66
March 31, 2021				
Trade payables	1,308.84	-	-	1,308.84
Borrowings (including interest accrued thereon upto the reporting date)	216.34	671.38	10.87	898.59
	1,525.18	**671.38**	**10.87**	**2,207.43**

	31.03.2022	31.03.2021
Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required):	Nil	Nil

44 Related party disclosure

a) List of parties having significant influence

Holding company	The Company does not have any holding company
Subsidiaries	The Company does not have any subsidiaries and joint ventures
Associate Companies	The Company does not have any associate companies
Entities in which directors or their relatives are interested	The Lakshmi Textile Suppliers
	Ellargi & Co
	Cape Flour Mills Private Limited
	Cape Power Private Limited
	Raya Foods Private Limited
	Mckinnon India Private Limited
	Super Springs Private Limited
	Wm Mckinnon India Private Limited (Formerly known as "Prokop Eltex India Private Limited")
	Elgi Rubber Company Limited
	Kaapi Machines (India) Private Limited
	Probat Kaapi (India) Private Limited
	Eltex Marketing LLP
	Eltex Precision Dies and Tools Private Limited
	Elgi Ultra Limited (formerly known as "Elgi Ultra Industries Limited")
	Elgi Equipments Limited

Key management personnel and their relatives

Mr. Suresh Jagannathan	Executive Chairman (w.e.f. 12.11.2021)
Mr. Sharath Jagannathan	Managing Director (w.e.f. 12.11.2021)
Mr. J.Kanna	Chief Financial Officer
Mr. S. Piramuthu	Company Secretary

b) Transactions during the year

S. No.	Particulars	Amount	
		March 31, 2022	March 31, 2021
1	Purchase of goods		
	The Lakshmi Textile Suppliers	**9.70**	7.68
	Ellargi & Co	**0.17**	3.08
	Cape Flour Mills Private Limited	**335.26**	197.41
	Mckinnon India Private Limited	**0.75**	1.09
	Wm Mckinnon India Private Limited (Formerly known as "Prokop Eltex India Private Limited")	**12.69**	7.85
	Elgi Ultra Limited (Formerly known as Elgi Ultra Industries Limited)	**8.69**	0.17
	Eltex Marketing LLP	**0.70**	1.04

S. No.	Particulars	Amount	
		March 31, 2022	March 31, 2021
2	Sale of goods		
	Cape Flour Mills Private Limited	**38.05**	0.68
	Mckinnon India Private Limited	**38.17**	22.78
	Wm Mckinnon India Private Limited (Formerly known as "Prokop Eltex India Private Limited")	**4.43**	53.45
	Raya Foods Private Limited	**116.97**	-
3	Services availed/ rendered		
	Super Springs Private Limited		0.09
	Mckinnon India Private Limited	**2.72**	0.64
	Wm Mckinnon India Private Limited (Formerly known as "Prokop Eltex India Private Limited")	**144.90**	52.35
	Cape Flour Mills Private Limited	**2.04**	2.08
	Eltex Marketing LLP	**0.24**	0.24
	Elgi Ultra Limited (Formerly known as Elgi Ultra Industries Limited)	**-**	0.05
	Elgi Equipments Limited	**4.51**	-
	Probat Kaapi (India) Private Limited	**-**	0.20
	Mr.Suresh Jagannathan	**34.46**	33.36
	Eltex Precision Dies and Tools Private Limited	**0.32**	-
4	Purchase of power		
	Cape Power Private Limited	**26.17**	26.01
5	Lease Security Deposit Received		
	Mckinnon India Private Limited	**-**	0.70
	Wm Mckinnon India Private Limited (Formerly known as "Prokop Eltex India Private Limited")	**-**	7.00
6	Remuneration to Key Managerial Personnel & their relatives		
	Mr. Suresh Jagannathan	**63.00**	59.66
	Mr. Sharath Jagannathan	**73.49**	34.56
	Mr. J.Kanna	**32.82**	25.92
	Mr. S Piramuthu	**18.21**	13.69
c)	**Balances outstanding at the end of the year**	**Nil**	Nil

45 Retirement benefit plans

Defined contribution plans

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the Provident Fund.

The total expense recognised in profit or loss of ₹ 78.88 Lakhs (previous year ₹ 69.06 Lakhs) represents contribution paid to these plans by the Company at rates specified in the rules of the plan.

Defined benefit plans

(a) Gratuity

Gratuity is payable as per Payment of Gratuity Act, 1972. In terms of the same, gratuity is computed by multiplying last drawn salary (basic salary including dearness Allowance if any) by completed years of continuous service with part thereof in excess of six months and again by 15/26. The Act provides for a vesting period of 5 years for withdrawal and retirement and a monetary ceiling on gratuity payable to an employee on separation, as may be prescribed under the Payment of Gratuity Act, 1972, from time to time. However, in cases where an enterprise has more favourable terms in this regard the same has been adopted.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	**March 31, 2022**	March 31, 2021
Discount Rate	**7.46% p.a.**	7.19% p.a.
Salary Escalation	**6.50% p.a.**	6.50% p.a.

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:

	March 31, 2022	March 31, 2021
	₹ Lakhs	₹ Lakhs
Current service cost	**20.10**	11.39
Net interest expense	**13.80**	14.67
Return on plan assets (excluding amounts included in net interest expense)	**13.11**	14.62
Components of defined benefit costs recognised in profit or loss	**47.01**	40.68
Remeasurement on the net defined benefit liability comprising:		
Actuarial (gains)/losses recognised during the period	**23.55**	(14.93)
Components of defined benefit costs recognised in other comprehensive income	**23.55**	(14.93)
Total	**70.56**	25.75

I. The current service cost and the net interest expense for the year are included in the 'employee benefits expense' in profit or loss and the remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:

Particulars	**March 31, 2022**	March 31, 2021
Present value of defined benefit obligation	**238.31**	203.11
Fair value of plan assets	**(204.35)**	(205.34)
Net liability/ (asset) arising from defined benefit obligation	**33.96**	(2.23)
Funded	**33.96**	(2.23)
Unfunded	**-**	-
	33.96	(2.23)

The above provisions are reflected under 'Provision for employee benefits' (short-term provisions) [Refer note 20]

Particulars	**March 31, 2022**	March 31, 2021
Movements in the present value of the defined benefit obligation in the current year were as follows:		
Opening defined benefit obligation	**203.11**	216.17
Current service cost	**20.10**	11.39
Interest cost	**13.80**	14.67
Actuarial (gains)/losses	**23.55**	(14.93)
Benefits paid	**(22.25)**	(24.19)
Closing defined benefit obligation	**238.31**	203.11
Movements in the fair value of the plan assets in the current year were as follows:		
Opening fair value of plan assets	**205.34**	185.39
Return on plan assets	**14.26**	13.60
Contributions	**8.15**	31.73
Benefits paid	**(22.25)**	(24.19)
Actuarial gains/(loss)	**(1.14)**	(1.19)
Closing fair value of plan assets	**204.36**	205.34

Sensitivity analysis

In view of the fact that the Company for preparing the sensitivity analysis considers the present value of the defined benefit obligation which has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

(b) Compensated absences

As per the policy of the Company, the compensated absences are not entitled to be carried forward to the subsequent financial year and are paid at the end of the reporting period. Accordingly, no liability towards compensated absences are recognised in these financial statements.

The accompanying notes form an integral part of the financial statement.

46 The title deeds of immovable properties which are freehold, based on the registered sale deeds/transfer deed/conveyance deed/scheme of arrangements approved by Hon'ble High Courts & appropriate authorities and property tax receipts, are held in the name of the Company as at Balance Sheet date.

In respect of immovable properties of Land that have been taken on lease and disclosed as fixed assets in the financial statements and the buildings constructed on such leasehold land, whose lease deeds have been pledged as security for credit facilities taken from the banks, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement

47 The company has no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

48. Ratios

Sl. No	Description	31-03-2022	31-03-2021	% change	Explanations, if any
1	Current Ratio	1.43	1.59	(10.06%)	NA
2	Debt Equity Ratio	0.93	0.56	66.07%	Fresh term loan availed for 5 MW solar power plant and ECLGS loan to meet working capital requirement.
3	Debt Service Coverage Ratio	2.93	2.21	32.58%	Increased operating income from both food and engineering division on account of increased volume, cost control, power cost reduction from new solar power plant and reduction in rate of interest
4	Return on Equity Ratio	15.22	11.01	38.24%	Increased profit from both food and engineering division on account of increased volume, cost control, power cost reduction from new solar power plant and reduction in rate of interest.
5	Inventory Turnover Ratio	6.22	5.82	6.87%	NA
6	Trade Receivables turnover ratio	17.07	16.44	3.83%	NA
7	Trade payables turnover ratio	21.04	18.53	13.55%	NA
8	Working capital turnover ratio	13.15	9.88	33.10%	Increased sales with increased volume in both food and engineering division

Sl. No	Description	31-03-2022	31-03-2021	% change	Explanations, if any
9	Net profit ratio	2.69	2.05	31.22%	Increased profit from both food and engineering division on account of increased volume, cost control, power cost reduction from new solar power plant and reduction in rate of interest
10	Return on Capital Employed	19.15	20.65	-7.26%	NA
11	Return on Investment	22.96	15.90	44.40%	Increased profit from both food and engineering division on account of increased volume, cost control, power cost reduction from new solar power plant and reduction in rate of interest

49 No Scheme of Arrangement is approved u/s. 230 to 237 of the Companies Act for the company.

50 Expenditure Incurred on Corporate Social Responsibility (CSR) Activities:

Profit Before Tax as per Section 198 of the Act:	**₹ in Lakhs**
Financial Year - 2018 - 19	(188.90)
Financial Year - 2019 - 20	322.74
Financial Year - 2020 - 21	663.34
Total	**797.18**
Average Profit Before Tax as per Section 135(5) of the Act	**265.72**
a) 2% of Average Profit to be Spent for CSR Activities	5.32
b) CSR Expenditure Incurred	7.46
c) Excess amount spent for the financial year	2.14

d) Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
e) Amount available for set off in succeeding financial years	2.14
f) Nature of CSR activities	Protection of Environment
	Promoting Healthcare
g) Details of related party transactions	Nil
h) Movement in provision with respect to a liability incurred	Nil

51 The Company's borrowings from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

52 The company is not declared as a wilful defaulter by any bank or financial institution.

53 The company has no relationship with struck-off companies.

54 The company does not have any subsidiary and hence, the compliance under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 does not arise.

55 The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to or in any other person or entity, 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.

56 The company has not been received any funds from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

57 The company has no income which has been surrendered or disclosed as income during the year in any of the tax assessments under the Income Tax Act 1961.

58 The company has not traded/invested in crypto currency/virtual currency during the financial year.

59 Loans and Advances in the nature of loan granted to Promoter, KMP and related parties: Nil

60 There are no charges or satisfaction of charges that are yet to be registered with Registrar of Companies beyond the statutory period.

61 The company has not issued any securities for a specific purpose.

62 The company has utilised the borrowings from banks and financial institutions for the purpose for which it was availed.

63 There were no significant events that occurred after the Balance Sheet date apart from the ones mentioned in "Material Changes and commitments affecting the financial position between the end of the fiscal and date of the report' in the Board's report.

64 The Code on Social Security 2020 has been notified in the Official Gazette on 29th September 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. Impact, if any of the change will be assessed and accounted in the period in which the said Code becomes effective and the rules framed thereunder are published.

In accordance with my report of date attached
For M/s Arun & Co
Chartered Accountants
(FRN No. 014464S)

A. Arun
Chartered Accountant
Membership No.227831

Place : Coimbatore
Date : May 27, 2022

Sharath Jagannathan
Managing Director
DIN : 07298941

For and on behalf of the Board

Suresh Jagannathan
Executive Chairman
DIN : 00011326

J. Kanna
Chief Financial Officer

S. Piramuthu
Company Secretary
Membership No. FCS 9142

Kovilpatti Lakshmi Roller Flour Mills Limited

Registered Office 75/8, Benares Cape Road
Gangaikondan - 627352, Tirunelveli District.
Telephone : +91 462 248 6532 Fax : +91 462 248 6132
E-mail : ho@klrf.in Website : www.klrf.in
CIN : L15314TN1961PLC004674

2022

Annual Report

RAYA Foods Private Limited

RAYA FOODS PRIVATE LIMITED

CIN : U15490TZ2021PTC037362

Board of Directors	**Sharath Jagannathan** Director
	Kaavya Sharath Jagannathan Director
	Raj Kumar Agarwal Director
Auditor	**M/s Arun & Co** Chartered Accountants, Tirunelveli
Bankers	HDFC Bank Ltd
Registered Office	8th Floor, Time Square, 62/4, A.T.T. Colony, Balasundaram Road, Coimbatore - 641018
Factory Address	Thiruvandarkoil, Puducherry 605102

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NOTICE OF 1ST ANNUAL GENERAL MEETING

Notice is hereby given that the 1st Annual General Meeting of the members of the Company will be held on Monday, the 29th day of August, 2022 at 10:30 am (IST) at 8th Floor, Time Square, 62/4, A.T.T. Colony, Balasundaram Road, Coimbatore – 641 018, Tamil Nadu, India, the Registered Office of the Company, to transact the following business;

AGENDA

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the period ended 31st March, 2022 including Balance Sheet as at 31st March 2022 and the Statement of Profit and Loss and Cash Flow Statement for the period ended on that date and the reports of the Directors and Auditors thereon.

2. To consider the re-appointment of M/s. Arun & Co as the Statutory Auditors of the Company and in this regard, if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with relevant rules made thereunder (including any statutory amendments, modifications or re-enactments thereof for the time being in force), M/s. Arun & Co., (having Firm Registration Number: 0014464S), Chartered Accountants, Tirunelveli, be and are hereby re-appointed as the Statutory Auditor of the Company to hold office for a period of 5 consecutive years from the conclusion of this 1st Annual General Meeting till the conclusion of the 6th Annual General Meeting which ought to be held in the year 2027, at a remuneration as may be decided by the Board of Directors in consultation with the Auditor."

SPECIAL BUSINESS

3. To consider the appointment of Mr. Raj Kumar Agarwal (DIN: 09399020) as Director of the Company and in this regard, if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 and the relevant Rules made thereunder (including any statutory amendments, modifications or re-enactments thereof for the time being in force) and the Articles of Association of the Company, Mr. Raj Kumar Agarwal (DIN: 09399020), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 8th December, 2021 and who holds office up to the date of this 1st Annual General Meeting in accordance with the provisions of Section 161(1) of the Companies Act, 2013, be and is hereby appointed as Director of the Company."

Statement setting out the material facts pursuant to Section 102(1) of the Companies Act, 2013:

Item No.3

The Board of Directors of the Company had appointed Mr. Raj Kumar Agarwal (DIN: 09399020) as an Additional Director of the Company with effect from 8th December, 2021. Pursuant to Section 161(1) of the Companies Act, 2013, he holds his office up to the date of this 1st Annual General Meeting.

Considering the experience, skills and expertise knowledge possessed by the appointee Director, the Board opines that Mr. Raj Kumar Agarwal (DIN: 09399020) fulfils the conditions prescribed in the Companies Act, 2013 and the relevant Rules made thereunder for his appointment as a Director and it is desirable to continue to avail his services as a Director of the Company and his continued association would highly benefit the Company.

In accordance with the Secretarial Standard (SS) - 2, the qualification, experience and expertise of Mr. Raj Kumar Agarwal (DIN: 09399020) is disclosed in the Annexure to the notice.

Accordingly, the Board of Directors recommends the ordinary resolution set out in Item No.3 of the Notice for the approval of the members of the Company.

Except Mr. Raj Kumar Agarwal (DIN: 09399020), being the appointee Director, none of the other Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out in Item No.3 of the Notice.

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member. The instrument appointing proxy should be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting. A proxy form for the AGM is enclosed.

2. Pursuant to Rule 19(2) of the Companies (Management and Administration) Rules, 2014 a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

3. Members may note that M/s. Arun & Co, (having Firm Registration Number: 0014464S), Chartered Accountants, Tirunelveli, who was appointed as the first auditor of the Company by the Board of Directors, retires at this 1st Annual General Meeting and being eligible, the retiring auditor has given his consent for re-appointment. Accordingly, the Board has recommended the re-appointment of M/s. Arun & Co, (having Firm Registration Number:

0014464S), Chartered Accountants, Tirunelveli as the Statutory Auditor of the Company for a period of 5 consecutive years as per the resolution set out in Item No.2 of this notice.

4. Since the Company was incorporated on 22nd October, 2021, the question of transfer of the amount of dividend remaining unclaimed / unpaid for a period beyond seven years to the Investor Education and Protection Fund established by the Central Government under Section 125 of the Companies Act, 2013 does not arise.

5. Members are requested to note that the venue of the 1st Annual General Meeting is situated at 8th Floor, Time Square, 62/4, A.T.T. Colony, Balasundaram Road, Coimbatore-641 018, Tamil Nadu, India and the route map containing the complete particulars of the venue of the 1st Annual General Meeting is attached to this Notice.

6. Particulars of the Director seeking appointment at the ensuing 1st Annual General Meeting is annexed in accordance with the Secretarial Standards on General Meetings (SS-2) and forms part of this Notice.

By and on behalf of the Board
For Raya Foods Private Limited

Sharath Jagannathan
Director
DIN: 07298941

Place : Coimbatore
Date : 3rd August, 2022

Route map to the venue of the 1st Annual General Meeting of Raya Foods Private Limited

Annexure pursuant to the Secretarial Standard on General Meetings (SS) - 2 issued by The Institute of Company Secretaries of India ("ICSI")]

Particulars of Director seeking appointment at this Annual General Meeting of Raya Foods Private Limited

Name	Mr. Raj Kumar Agarwal
DIN	09399020
Date of Birth	25/12/1982
Age	39 years
Nationality	Indian
Qualification	Graduate in Commerce and Diploma in Flour Milling Technology from Central Food Technological Research Institute (CFTRI)
Experience and Area of Expertise	Over 20 years in the field of flour milling and food industry
Date of first Appointment on the Board	08/12/2021
Inter-se relationship with other Director / Manager and other KMP	Not related
No. of Shares held in the Company	Nil
Board Position held	Non-Executive Director
Terms and Conditions of Appointment / Re-appointment	As set out in Item 3 of the Notice
Remuneration sought to be paid	Nil
Remuneration last drawn (if applicable)	Not Applicable
Number of Board Meetings attended during the year	1 (One)
Other Directorships held	Cape Power Private Limited (CIN: U40100TN2012PTC084953) – Director
Chairmanship / Membership in the Committees of the Board of Other Companies	Nil

By and on behalf of the Board
For Raya Foods Private Limited

Sharath Jagannathan
Director
DIN: 07298941

Place : Coimbatore
Date : 3rd August, 2022

DIRECTORS' REPORT

Your Directors have pleasure in presenting the 1st Annual Report of the company together with the audited financial statements for the period from 22nd October, 2021 (date of incorporation) to 31st March 2022.

(₹ in Lakhs)

FINANCIAL HIGHLIGHTS **Particulars**	**Period from 22-10-2021 to 31-03-2022**
Total Income	1,368.24
Profit / (Loss) before Depreciation & Amortization and Finance Cost	**(8.87)**
Less: Finance Costs	66.98
Less: Depreciation and amortization	27.31
Profit/ (Loss) Before Tax	**(103.16)**
Add/(Less)	
(1). Current tax	(0.00)
(2). Deferred tax	26.90
Profit / (Loss) After Tax	**(76.26)**

OPERATIONS REVIEW:

The Company was incorporated in the name and style as "RAYA Foods Private Limited" on 22nd October, 2021 and accordingly, the first financial year of the Company was closed on 31st March, 2022. The Declaration of Commencement of Business has been duly filed with the Registrar of Companies, Coimbatore in the prescribed Form INC 20A on 31st October, 2021 in compliance with the provisions of Section 10A of the Companies Act, 2013.

The Company is engaged in the business of flour milling and selling of flour produced from wheat and all other food products. There was no change in the nature of business of the Company during the period under review.

During the period ended 31st March 2022, the Company has earned a total income of Rs.1,368.24 lakhs and has incurred a net loss (after tax) of Rs.76.26 lakhs. The loss before charging interest, depreciation, taxes and amortization (EBIDTA) amounted to Rs.8.87 lakhs.

DIVIDEND

In view of loss incurred, your directors do not recommend any dividend for the period ended 31st March, 2022.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since the Company was incorporated on 22nd October, 2021, the question of transfer of the amount of dividend remaining unclaimed / unpaid for a period beyond seven years to Investor Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013 does not arise.

TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013

The Company has not transferred any amount to its reserves during the period under review. However, the current year loss of Rs.76.26 lakhs has been carried forwarded and shown under the head Surplus/deficit in Statement of Profit and Loss.

SHARE CAPITAL

Pursuant to Section 61(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, the Company has obtained the requisite approval of its members, at their Extra-Ordinary General Meeting held on 30th October, 2021 and increased its Authorised Share Capital from Rs.15,00,000/- (Rupees Fifteen Lakhs only) divided into 1,50,000 (One Lakh Fifty Thousand) Equity Shares of Rs.10/- (Rupees Ten only) each to Rs.2,50,00,000/- (Rupees Two Crores and Fifty Lakhs only) divided into 25,00,000 (Twenty Five lakh) Equity Shares of Rs.10/- (Rupees Ten only) each and complied with the provisions of the Act. Further, the Clause V of the Memorandum of Association of the Company was suitably amended to reflect the increased Authorised Share Capital and complied with the provisions of the Act.

During the period under review, the Company has issued and allotted 24,80,000 (Twenty Four Lakhs and Eighty Thousand only) Equity Shares of Rs.10/- each at par to the existing equity shareholders on rights basis and complied with the provisions of Section 62(1)(a) and other applicable provisions of the Companies Act, 2013.

Accordingly, the issued, subscribed and paid-up capital of the Company is Rs.2,50,00,000/- (Rupees Two Crores and Fifty lakhs only) consisting of 25,00,000 equity shares of Rs. 10/- each as on 31st March, 2022.

Other than the above, there were no fresh issue of shares during the year under review.

COPY OF ANNUAL RETURN

Since the Company does not have a separate corporate website, the Annual Return of the Company for the period ended 31.03.2022 as required under Section 92(3) of the Companies Act, 2013 is available for inspection to the members at the registered office of the Company during the normal working hours of the Company up to the date of the ensuing 1st Annual General Meeting.

MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company has met 7 (Seven) times during the period from 22nd October, 2021 to 31st March, 2022.

During the period under review, the Company is not required to constitute any committee under the Companies Act, 2013.

STATEMENT ON COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

The Company has duly complied with Secretarial Standards issued by the Institute of Company Secretaries of India on meeting of the Board of Directors (SS-1) and General Meetings (SS-2).

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) of the Companies Act 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;

(b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;

(c) the directors have taken proper and sufficient care 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 directors have prepared the annual accounts on a going concern basis; and

(e) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

There were no instances of frauds identified or reported by the Auditors pursuant to Section 143(12) of the Companies Act, 2013.

DECLARATION BY INDEPENDENT DIRECTORS

The Company, being a Private Limited Company, does not require to appoint Independent Directors in accordance with Section 149(4) of the Companies Act, 2013 and hence, the declaration on meeting the criteria of independence under Section 149(6) of the Companies Act, 2013 is not applicable to the Company.

STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

The provisions relating to the appointment of Independent Directors are not applicable to our Company and hence the Company is not required to disclose the statement regarding opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the independent directors appointed during the year.

COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT, PAYMENT OF REMUNERATION AND OTHER MATTERS PROVIDED UNDER SECTION 178(3) OF THE COMPANIES ACT, 2013

The provisions of Section 178(1) of the Companies Act, 2013 relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. Arun & Co (having Firm Registration Number: 0014464S) Statutory Auditor, in his report for the period ended 31st March, 2022.

The Company, being a Private Limited Company, the provisions of Section 204 of the Companies Act, 2013 relating to the submission of Secretarial Audit Report is not applicable

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

The Company has not given any loans or made investments or provided any guarantee or security under the provisions of Section 186 of the Companies Act, 2013 during the year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions entered into with the related parties as defined under the Companies Act, 2013 are in the ordinary course of business and on an arm's length basis. The material contracts / transactions entered into by the Company with its related parties pursuant to Section 188 of the Companies Act, 2013 has been disclosed in Form AOC-2 and attached to this report as Annexure-1. The details of the transactions entered into by the Company with its related parties has been disclosed in the relevant notes forming part of the financial statements.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

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

A. CONSERVATION OF ENERGY

a. Steps taken or impact on conservation of energy: The Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.

b. Steps taken for utilising alternate sources of energy: NIL

c. Capital investment on energy conservation equipment: No specific investment has been made in reduction on energy conservation equipment. As the impact of measures taken for conservation and optimum utilization of energy are not quantitative, its impact on cost cannot be stated accurately.

B. TECHNOLOGY ABSORPTION

(i) Efforts made towards technology absorption: Company's products are manufactured by using in-house know how and no outside technology is being used for manufacturing activities. Therefore, no technology absorption is required.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution: NIL

(iii) Information regarding imported technology (imported during the last three years reckoned from the beginning of the financial year)

Details of technology imported	Year of Import	whether the Technology has been fully absorbed	If not absorbed, areas where absorption has not taken place, and the reasons thereof
NIL	NA	NA	NA
NIL	NA	NA	NA

(iv) **Expenditure incurred on research and development:** No specific expenditure of recurring or capital nature is involved in research and development directly.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the period under review, your company has not earned any foreign exchange earnings nor incurred any expenditure in foreign currency.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company does not have any risk management policy. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The Company is not required to constitute an Audit Committee of the Board as the provisions of Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are not applicable to the Company.

The Company is not required to establish a vigil mechanism since it does not satisfy the conditions prescribed under Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of the Board and its Powers) Rules, 2014 and hence, disclosure regarding the details of such mechanism in this report is not applicable.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

ANNUAL EVALUATION OF THE BOARD ON ITS OWN PERFORMANCE AND OF THE INDIVIDUAL DIRECTORS

The Company, being a Private Limited Company, the Section 134(3)(p) of the Companies Act, 2013 read with Rule 8(4) of the Companies (Accounts) Rules, 2014 relating to annual evaluation of the Board on its own performance and that of its Committees and Individual Directors is not applicable to the Company.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Company was incorporated on 22nd October, 2021 with the following Directors named as First Directors of the Company as per the Articles of Association:

1. Mr. Sharath Jagannathan (DIN: 07298941)
2. Mrs. Kaavya Sharath Jagannathan (DIN: 09173759)

Mr. Raj Kumar Agarwal (DIN: 09399020) was appointed as an Additional Director of the company by the Board of Directors with effect from 8th December, 2021. Pursuant to Section 161 of the Companies Act, 2013, he holds such office up to the date of this 1st Annual General Meeting and hence, necessary resolution has been included in the notice of the ensuing 1st Annual General Meeting seeking approval of the members for regularizing the appointment of Mr. Raj Kumar Agarwal (DIN: 09399020) as Director of the Company. Your Directors recommend his appointment.

Other than the above, there were no changes in the composition of the Board of Directors of the company during the period under review.

The Company, being a Private Limited Company, the provisions of Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 relating to the appointment of key managerial personnel, is not applicable to the Company.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiaries or Joint ventures or Associate Companies.

FIXED DEPOSITS

Since the Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013, there are no deposits remaining unclaimed or unpaid as on 31st March 2022 and accordingly, the question of default in repayment of deposits or payment of interest thereon during the period does not arise.

The details of the unsecured loans accepted from the Directors have been duly disclosed in the relevant notes to the financial statements.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

There have been no significant and material orders passed by the regulators/courts/ tribunals impacting the going concern status and company's operation in the future.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has implemented the Internal Financial Controls which provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes and policies, safeguarding of assets, prevention and detection of frauds, accuracy and completeness of accounting records. The Directors confirm that the Internal Financial Controls (IFC) are adequate with respect to the operations of the Company. A report of Auditors pursuant to Section 143(3) (i) of the Companies Act, 2013 certifying the adequacy of Internal Financial Controls is annexed with the Auditors report.

STATUTORY AUDITORS

Pursuant to Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. Arun & Co, (having Firm Registration No. 0014464S), Chartered Accountants, Tirunelveli, were appointed as first auditor of the Company and they will retire at the ensuing 1st Annual General Meeting. Hence, it has been proposed to re-appoint M/s. Arun & Co, (having Firm Registration No. 0014464S), Chartered Accountants, Tirunelveli as the Statutory Auditor of the Company for a period of 5 consecutive years till the conclusion of the 6th Annual General Meeting which out to be held in the financial year 2027 in accordance with Section 139 of the Companies Act, 2013. Necessary resolution has been included in the Notice of the 1st Annual General Meeting of the Company. Your Directors recommend the re-appointment of statutory auditor.

The Company has obtained necessary consent and certificate from M/s. Arun & Co., Chartered Accountants, to the effect that their appointment, if made, would be in conformity with the provisions of the Companies Act, 2013.

DISCLOSURE ON COST RECORDS

The Company is not required to maintain cost records under Section 148(1) of the Companies Act, 2013 and hence, the provisions relating to maintenance of cost records, as prescribed under Section 148(1) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 (as amended), is not applicable.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR

No applications have been made and no proceedings are pending against the Company under the Insolvency and Bankruptcy Code, 2016 during the period under review.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The disclosure under this clause is not applicable as the Company has not undertaken any one-time settlement with the banks or financial institutions during the year under review.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

During the year under review, there was no complaint received from any employee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and no complaint is outstanding as on 31.03.2022.

PARTICULARS OF EMPLOYEES

The Company, being a private limited company, the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 does not apply to the Company.

ACKNOWLEDGEMENT

Your Directors wish to place on record the assistance rendered by the bankers.

Your Directors also with to thank all the employees of the company for the sincere service rendered by them.

May the Almighty Goddess Lakshmi continue to shower upon our company HER choicest blessings and grant us prosperity in the years to come.

By and on behalf of the Board
For Raya Foods Private Limited

Place : Coimbatore	**Sharath Jagannathan**	**Kaavya Sharath Jagannathan**
Date : 3rd August, 2022	Director	Director
	DIN: 07298941	DIN: 09173759

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 arm's length transactions under third proviso thereto.

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

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

Sl. No.	Name of the Related Party	Nature of Relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions	Value of Transaction per annum	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1.	Cape Flour Mills Private Limited (CIN: U51101TN1992PTC045579)	Mr. Sharath Jagannathan (DIN: 07298941), Director of the Company along with his relative is interested as Director and holds shares. Mrs. Kaavya Sharath Jagannathan (DIN: 07298941), Director of the Company is interested through her relative.	Purchase and sale of goods / materials of any kind; Availing and rendering of services of any kind	For a period from 12th November, 2021 to 31st March, 2026	The price/charges payable are determined based on the prevailing market price and the proposed transaction would be carried out as a part of the business requirements in the ordinary course of business of the Company on an arm's length basis.	a) Aggregate sum of transactions during the period from 12.11.2021 to 31.03.2022 not exceeding Rs. 10 crores b) Aggregate sum of transactions during the period from 01.04.2022 to 31.03.2026 not exceeding Rs. 10 crores per annum	09.11.2021	Nil
2.	Kovilpatti Lakshmi Roller Flour Mills Limited (CIN: L15314TN1961PLC004674)	Mr. Sharath Jagannathan (DIN: 07298941), Director of the Company along with his relative is interested as Key Managerial Personnel and holds shares (belonging to Promoter / Promoter Group). Mrs. Kaavya Sharath Jagannathan (DIN: 07298941), Director of the Company is interested through her relative.	Purchase and sale of goods / materials of any kind; Availing and rendering of services of any kind	For a period from 12th November 2021 to 31st March, 2026	The price/charges payable are determined based on the prevailing market price and the proposed transaction would be carried out as a part of the business requirements in the ordinary course of business of the Company on an arm's length basis.	a) Aggregate sum of transactions during the period from 12.11.2021 to 31.03.2022 not exceeding Rs. 10 crores b) Aggregate sum of transactions during the period from 01.04.2022 to 31.03.2026 not exceeding Rs. 10 crores per annum	09.11.2021	Nil

Sl. No.	Name of the Related Party	Nature of Relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions	Value of Transaction per annum	Date(s) of approval by the Board, if any	Amount paid as advances, if any
3.	Kovilpatti Lakshmi Roller Flour Mills Limited (CIN: L15314TN1961PLC004674)	Mr. Sharath Jagannathan (DIN: 07298941), Director of the Company along with his relative is interested as Key Managerial Personnel and holds shares (belonging to Promoter / Promoter Group). Mrs. Kaavya Sharath Jagannathan (DIN: 07298941), Director of the Company is interested through her relative.	Royalty towards use of registered trademark	For a period from 12th November, 2021 to 31st March, 2026	The price/charges payable are determined based on the prevailing market price and the proposed transaction would be carried out as a part of the business requirements in the ordinary course of business of the Company on an arm's length basis.	a) Aggregate sum of transactions during the period from 12.11.2021 to 31.03.2022 not exceeding Rs. 2 lakhs. b) Aggregate sum of transactions during the period from 01.04.2022 to 31.03.2026 not exceeding Rs. 2 lakhs per annum.	09.11.2021	Nil
4.	Eltex Marketing LLP (LLPIN: AAJ-6049)	Mr. Sharath Jagannathan (DIN: 07298941), Director of the Company along with his relative is interested as Designated Partner/s. Mrs. Kaavya Sharath Jagannathan (DIN: 07298941), Director of the Company is interested as relative of Designated Partner.	Purchase and sale of goods / materials of any kind; Availing and rendering of services of any kind	For a period from 12th November 2021 to 31st March, 2026	The price/charges payable are determined based on the prevailing market price and the proposed transaction would be carried out as a part of the business requirements in the ordinary course of business of the Company on an arm's length basis.	a) Aggregate sum of transactions during the period from 12.11.2021 to 31.03.2022 not exceeding Rs. 1.00 crore b) Aggregate sum of transactions during the period from 01.04.2022 to 31.03.2026 not exceeding Rs. 1.00 crore per annum	09.11.2021	Nil

By and on behalf of the Board
For Raya Foods Private Limited

Place : Coimbatore
Date : 3rd August, 2022

Sharath Jagannathan
Director
DIN: 07298941

Kaavya Sharath Jagannathan
Director
DIN: 09173759

INDEPENDENT AUDITORS' REPORT

To

The Members of **RAYA Foods Private Limited**

Report on the audit of the financial statements

Opinion

I have audited the accompanying financial statements of RAYA Foods Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2022, and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its Loss and cash flows for the year ended on that date.

Basis for opinion

I conducted my audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am 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 my audit of the financial statements under the provisions of the Act and the rules thereunder, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the code of ethics.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701 is not applicable to the Company as it is an unlisted company.

Management's responsibility for the financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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, I am also responsible for expressing my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

I 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 I identify during my audit.

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

Report on other legal and regulatory requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of

India in terms of sub-section (11) of section 143 of the Companies Act, 2013, I give in Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

(a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit;

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

(c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;

(d) In my opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014, as amended from time to time;

(e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2022 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 my separate report in "Annexure B". My report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

(g) The Company being a private limited company, 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 respect of whether the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act is not applicable; and

(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, in my opinion and to the best of my information and according to the explanations given to me;

   a. The Company does not have any pending litigations which would impact its financial position;

   b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

c. This is the first year of operation of the company and no dividend was declared during the year. Hence, the question of transfer of amounts to the Investor Education and Protection Fund by the Company does not arise.

d. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts,

   i. 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(ies), 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; and

   ii. 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.

   iii. Based on audit procedures carried out by me, that I have considered reasonable and appropriate in the circumstances, nothing has come to my notice that has caused me to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

e. In my opinion and according to the information and explanations given to me, the company has not declared or paid any dividend during the year, and hence compliance with section 123 of the Companies Act, 2013, is not applicable.

For **ARUN & CO**
Chartered Accountants
Firm Registration No.014464S

(CA. A. ARUN)
Proprietor
Membership No. 227831
UDIN : 22227831APJXCI1848

Place : Coimbatore
Date : 03-08-2022

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of my report to the members of RAYA Foods Private Limited of even date)

1. (a) In my opinion and according to the information and explanations given to me, the Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment and intangible assets.

   (b) The Company has a program of verification to cover all items of property, plant and equipment in a phased manner over a period of three years, which, in my opinion, is reasonable having regard to the size of the Company and the nature of its assets.

   Pursuant to the program, certain property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to me, no material discrepancies were noticed on such verification.

   (c) In my opinion and according to the information and explanations given to me and based on the examination of the conveyance deeds provided to me, I report that the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

   In respect of immovable properties given as collateral for loans from banks and financial institutions, the title deeds were deposited with the said banks/ financial institutions, and the Company has obtained a confirmation from the said banks that the title deeds are in the name of the Company.

   (d) The Company has not revalued its property, plant and equipment (including right of use asset) during the year. Accordingly, paragraph 3 (i) (d) of the Order is not applicable.

   (e) In my opinion and according to the information and explanations given to me, there are no proceedings 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. Accordingly, paragraph 3 (i) (e) of the Order is not applicable.

2. (a) The inventories have been physically verified by the management during the year. In my opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification.

   (b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and 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.

3. In my opinion and according to information and explanation given to me, the Company has not made investments in/ provided any guarantee or security/ granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties. Accordingly, paragraph 3 (iii) of the Order is not applicable.

4. In my opinion and according to information and explanation given to me, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the order is not applicable.

5. In my opinion and according to the information and explanations given to me, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year. Accordingly, paragraph 3 (v) of the Order is not applicable.

6. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.

7. In my opinion and according to the information and explanations given to me:

   (a) Amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, cess and other material statutory dues have been generally regularly deposited by the Company with the appropriate authorities.

   (b) No undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, cess and other material statutory dues were in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

   (c) There are no statutory dues referred to in sub-clause (a), which have not been deposited on account of dispute.

8. In my opinion and according to the information and explanations given to me, there are no transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, paragraph 3 (viii) of the Order is not applicable.

9. (a) In my opinion and according to the information and explanations given to me, the Company has not defaulted in repayment of loans or other borrowings or in the

payment of interest thereon to any lender during the year.

(b) In my opinion and according to the information and explanations given to me, the Company is not declared as a wilful defaulter by any bank or financial institution or other lender.

(c) In my opinion and according to the information and explanations given to me, the term loans obtained during the year were applied for the purpose for which they were availed.

(d) In my opinion and according to the information and explanations given to me, funds raised on short term basis have not been utilised for long term purposes.

(e) The Company does not have any subsidiaries/ associates/ joint-ventures and accordingly, paragraphs 3 (ix) (e) and 3 (ix) (f) of the order are not applicable.

10. (a) In my opinion and according to the information and explanations given to me, the company has been incorporated during this financial year. The paid-up capital of Rs.2,50,00,000/- has been bought in by the respective shareholders. Other than that, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x) (a) of the Order is not applicable.

(b) In my opinion and according to the information and explanations given to me, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, paragraph 3 (x) (b) of the Order is not applicable.

11. (a) To the best of my knowledge and according to the information and explanations given to me, no fraud by the Company or no material fraud on the Company by any person has been noticed or reported during the year. Accordingly, paragraph 3 (xi) (a) of the Order is not applicable.

(b) Since there is no fraud by the Company or no material fraud on the Company by any person has been noticed or reported during the year, paragraph 3 (xi) (b) of the Order is not applicable.

(c) To the best of my knowledge and according to the information and explanations given to me, no whistle-blower complaints, have been received by the Company during the year.

12. The Company is not a Nidhi Company and accordingly, Paragraphs 3 (xii) of the Order is not applicable.

13. In my opinion and according to the information and explanations given to me, the transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14. (a) In my opinion and according to the information and explanations given to me, the Company has an internal audit system, commensurate with the size and nature of its business.

    (b) The reports of the internal auditors for the year under audit were considered by me, as part of my audit procedures.

15. In my opinion and according to the information and explanations given to me, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable.

16. (a) In my opinion and according to the information and explanations given to me, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

    (b) In my opinion and according to the information and explanations given to me, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

    (c) In my opinion and according to the information and explanations given to me, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3 (xvi) (c) of the Order is not applicable.

    (d) In my opinion and according to the information and explanations given to me, the Company is not a Core Investment Company (CIC) and it does not have any other companies in the Group. Accordingly, paragraph 3 (xvi) (d) of the Order is not applicable.

17. This is the first year of the operation of the company. The Company has incurred cash losses of Rs.76 lacs in the financial year.

18. There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3 (xviii) of the Order is not applicable.

19. In my opinion and according to the information and explanations given to me and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial

statements, my knowledge of the board of directors and management plans, there are no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

20. In my opinion and according to the information and explanations given to me, the provisions of Section 135 of the Companies Act, 2013 are not applicable to the company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

21. In my opinion and according to the information and explanations given to me, the Company does not have investments in subsidiaries/ associates or joint venture companies. Accordingly, paragraph 3 (xxi) of the Order is not applicable.

For **ARUN & CO**
Chartered Accountants
Firm Registration No.014464S

(CA. A. ARUN)
Proprietor
Membership No. 227831
UDIN : 22227831APJXCI1848

Place: Coimbatore
Date : 03-08-2022

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2 (f) under 'Report on other legal and regulatory requirements' **section of my report to the Members of RAYA Foods Private Limited 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")

I have audited the internal financial controls over financial reporting of RAYA Foods Private Limited ("the Company") as at March 31, 2022, in conjunction with my audit of the financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

The board of directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' responsibility

My responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the guidance note require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My 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 in the financial statements, whether due to fraud or error.

I believe that the audit evidence I have obtained, is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial control system over financial reporting.

Meaning of internal financial controls over financial reporting

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

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

Opinion

In my opinion and according to the information and explanations given to me, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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 **ARUN & CO**
Chartered Accountants
Firm Registration No.014464S

(CA. A. ARUN)
Proprietor
Membership No. 227831
UDIN: 22227831APJXCI1848

Place: Coimbatore
Date : 03-08-2022

Balance Sheet as at March 31, 2022

(All amounts are in Indian Rupees, unless otherwise stated)

	Particulars	Note No.	Figures as at the end of current reporting period 31-03-2022
I.	**EQUITY AND LIABILITIES :**		
(1)	**Shareholders' funds :**		
	(a) Share Capital	1	2,50,00,000
	(b) Reserves and Surplus	2	(76,26,076)
	(c) Money received against share warrants		-
(2)	**Share application money pending allotment**		**-**
(3)	**Non - Current liabilities :**		
	(a) Long-term borrowings	3	31,67,99,049
	(b) Deferred tax liabilities (Net)		-
	(c) Other Long term liabilities		-
	(d) Long Term Provisions		-
(4)	**Current Liabilities :**		**-**
	(a) Short-term borrowings	4	11,25,49,772
	(b) Trade payables	5	
	(i) total outstanding dues of micro enterprises and small enterprises; and		18,93,919
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises.		11,79,295
	(c) Other current liabilities	6	17,79,068
	(d) Short - term provisions	7	45,78,731
	Current liabilities total		**12,19,80,784**
	Total		**45,61,53,758**
II.	**ASSETS :**		
	Non - current assets :		
(1)	(a) Property, Plant and Equipment & Intangible Assets		
	(i) Property, Plant and Equipment	20A	30,44,21,479
	(ii) Intangible assets		-
	(iii) Capital work-in-progress		-
	(iv) Intangible assets under development		6,63,013
	(b) Non-current investments		-
	(c) Deferred tax assets (net)		26,89,973
	(d) Long-term loans and advances	8	83,699
	(e) Other non-current assets		-

Particulars	Note No.	Figures as at the end of current reporting period 31-03-2022
(2) Current assets :		
(a) Current investments		-
(b) Inventories	9	11,54,43,888
(c) Trade receivables	10	1,19,77,940
(d) Cash and cash equivalents	11	20,005
(e) Short term loans and advances		-
(f) Other current assets	12	2,08,53,761
Current assets total		**14,82,95,594**
Total		**45,61,53,758**

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

In accordance with my report of date attached

For M/s Arun & Co
Chartered Accountants
(FRN No. 014464S)

For and on behalf of the Board

A. Arun
Chartered Accountant
Membership No.227831
UDIN: 22227831APJXCI1848

Sharath Jagannathan
Director
DIN : 07298941

Kaavya Sharath Jagannathan
Director
DIN : 09173759

Place : Coimbatore
Date : 03-08-2022

Statement of profit and loss for the year ended March 31, 2022

(All amounts are in Indian Rupees, unless otherwise stated)

	Particulars	Note No.	Figures for the current reporting period 31-03-2022
Revenue :			
I.	Revenue from operations	13	13,47,10,840
II.	Other income	14	21,12,802
III.	**Total Income (I + II)**		**13,68,23,642**
IV.	**Expenses:**		
	a) Cost of Raw materials consumed	15	10,61,07,810
	b) Purchases of Stock-in-Trade	16	3,35,61,620
	c) Changes in inventories of finished goods work-in-progress and Stock-in-Trade	17	(1,84,42,465)
	d) Employee benefits expense	18	20,92,706
	e) Finance costs	19	66,97,847
	f) Depreciation and amortization expense	20	27,30,807
	g) Other expenses	21	1,43,91,366
	Total Expense		**14,71,39,691**
V.	**Profit before exceptional and extraordinary items and tax (III - IV)**		(1,03,16,049)
	Exceptional items		-
VII.	**Profit before extraordinary items and tax (V - VI)**		(1,03,16,049)
VIII.	Extraordinary Items		-
IX.	**Profit before tax (VII - VIII)**		**(1,03,16,049)**
X.	**Tax expense:**		
	(1). Current tax		-
	(2). Deferred tax		26,89,973
XI.	**Profit / (Loss) for the period from continuing operations (IX - X)**		**(76,26,076)**
XII.	Profit / (Loss) from discontinuing operations		-
XIII.	Tax expense of discontinuing operations		-
XIV.	Profit / (Loss) from Discontinuing operations (after tax) (XII - XIII)		-
XV.	**Profit / (Loss) for the period (XI + XIV)**		**(76,26,076)**
XVI.	**Earnings per equity share:**		
	(1). Basic		(3.43)
	(2). Diluted		(3.43)

In accordance with my report of date attached

For M/s Arun & Co
Chartered Accountants
(FRN No. 014464S)

For and on behalf of the Board

A. Arun
Chartered Accountant
Membership No.227831
UDIN: 22227831APJXCI1848

Sharath Jagannathan
Director
DIN : 07298941

Kaavya Sharath Jagannathan
Director
DIN : 09173759

Place : Coimbatore
Date : 03-08-2022

Cash Flow Statement for the year ended 31st March, 2022
(All amounts are in Indian Rupees, unless otherwise stated)

	Particulars	31.03.2022	
a)	**Cash flow from operating activities**		
	Net Profit /(Loss) before tax	(1,03,16,049)	
	Adjustments for:		
	Depreciation	27,30,807	
	Operating profit before working capital changes	(75,85,242)	
	Adjustments for:		
	Increase/Decrease in:		
	Trade payable	30,73,214	
	Short term provisions	45,78,731	
	Inventories	(11,54,43,888)	
	Trade receivables	(1,19,77,940)	
	Other current liabilities	17,79,068	
	Long term loans and advance	(83,699)	
	Other current assets	(2,08,53,761)	
		(14,65,13,517)	
	Direct Taxes & Others (Net)	-	
	Net Cash from operating activities		**(14,65,13,517)**
b	**Cash flow from Investing activities**		
	Purchase of fixed assets	(30,78,15,299)	
	Net cash from Investing activities		**(30,78,15,299)**
c	**Cash flow from financing activities**		
	Increase in Share capital	2,50,00,000	
	Increase/ Decrease in long term borrowings	31,67,99,049	
	Increase/ Decrease in short term borrowings	11,25,49,772	
	Net Cash from financing activities		**45,43,48,821**
	Net Increase / Decrease in cash and cash equivalents(a+b+c)		**20,005**
	Cash and cash equivalents as at the beginning of the year		-
	Cash and cash equivalents as at the close of the year		20,005

In accordance with my report of date attached

For M/s Arun & Co
Chartered Accountants
(FRN No. 014464S)

For and on behalf of the Board

A. Arun
Chartered Accountant
Membership No.227831
UDIN: 22227831APJXCI1848

Sharath Jagannathan
Director
DIN : 07298941

Kaavya Sharath Jagannathan
Director
DIN : 09173759

Place : Coimbatore
Date : 03-08-2022

Notes to Financial Statements : **(in Rupees)**

Particulars	31-03-2022
1 Share Capital :	
a) Authorised :	
25,00,000 Equity Shares of Rs.10/-each.	2,50,00,000
(P.Y Nil)	
b) Issued, Subscribed and Fully Paid up :	
25,00,000 Equity Shares of Rs.10/-each	2,50,00,000
(P.Y Nil)	2,50,00,000

c) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:

	No of Shares
At the beginning of the year	20,000
Add : Shares allotted during the year	24,80,000
At the end of the year	25,00,000

d) Terms and rights attached to Equity Shares:

The Company has only one class of equity shares having par value of Rs.10/- per share. Each shareholder is entitled to one vote per share. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

e) Shareholders holding more than 5% shares **31-03-2022**

Shareholders	No of Shares	% of Holding
Sri.Sharath Jagannathan	12,50,000	50.00%
Smt.Kaavya Sharath Jagannathan	12,50,000	50.00%
Total	**25,00,000**	**100.00%**

f) Shareholding of Promoters

Shares held by promoters at the end of the year

Promoter name	No of Shares	% of total shares	% Change during the year
Sri.Sharath Jagannathan	12,50,000	50.00%	-
Smt.Kaavya Sharath Jagannathan	12,50,000	50.00%	-
Total	**25,00,000**	**100.00%**	**-**

Particulars		31-03-2022
2	**Reserves and Surplus :**	
	Surplus in Statement of Profit and Loss:	
	Opening balance	-
	Add : Profit / (Loss) for the year	(76,26,076)
		(76,26,076)
	Less : Appropriations & Others:	**-**
	Closing balance	**(76,26,076)**
	Total	**(76,26,076)**
3	**Long Term Borrowing :**	
	Secured Loan :	
	Term Loan from HDFC Bank Ltd (*)	18,52,99,049
	Unsecured Loan:	
	Unsecured Loan from directors	13,15,00,000
	Total	**31,67,99,049**

(*) Details of security for long term borrowing:

The Term loan from HDFC Bank Limited are secured by land and buildings and plant & machinery (hypothecated assets) and carries the rate of interest at 8 % p.a (i.e., Repo rate + spread 4 %). The term loan is repayable in 72 months.

4	**Short Term Borrowings :**	
	a) Secured Loans :	
	Loan repayable on demand (#)	
	Open Loan from HDFC Bank Ltd for working capital	8,36,47,698
	b) Unsecured Loans :	
	Loans and advances from related parties	85,00,000
	c) Current Maturities of Long-term Debt	2,04,02,074
	Total	**11,25,49,772**

(#) Details of security for short term borrowing:

The cash credit and WCDL pledge from HDFC Bank Limited are secured by stock in trade, book debts and receivables and carries the rate of interest at 8 % p.a. (i.e.,Repo rate + spread 4 %)

Particulars		31-03-2022
5	**Trade Payables :**	
	Total outstanding dues of micro enterprises and small enterprises	18,93,919
	Total outstanding dues of creditors other than micro enterprises and small enterprises	11,79,295
	Total	**30,73,214**
6	**Other Current - Liabilities :**	
	TDS/TCS payable	3,98,704
	GST payable	11,108
	Other liabilities	13,69,256
	Total	**17,79,068**
7	**Short Term Provision :**	
	Provision for Employee benefits & Other expenses	45,78,731
	Total	**45,78,731**
8	**Long-Term Loans and advances :**	
	Unsecured but considered good :	
	Security deposit	83,699
	Total	**83,699**
9	**Inventories :**	
	(Valued at lower of cost and net realisable value unless otherwise stated and certified by the management)	
	a) Raw materials - in godown	9,50,97,588
	b) Work-in-progress	-
	c) Finished goods and impurities (At realisable value)	1,84,31,084
	d) Stores and spares	53,884
	e) Packing materials	18,49,950
	f) Wheat empty gunnies (At realisable value)	11,382
	Total	**11,54,43,888**

Particulars	31-03-2022
10 Trade receivables :	
Unsecured but considered good :	
i) Trade receivables outstanding for a period exceeding six months from the date they are due for payment	-
ii) Other trade receivables	1,19,77,940
Total	**1,19,77,940**
11 Cash and Cash Equivalents :	
a) Balance with Banks : current account	-
b) Balance with Banks: deposit account	-
c) Cash on hand	20,005
Total	**20,005**
12 Other Current Assets :	
Advance to suppliers	1,94,00,000
Other advances	88,732
Prepaid expenses	5,44,085
Other receivables	45,306
Income tax paid, deducted and collected at source	2,21,972
Preliminary expenses not written off	5,53,666
Total	**2,08,53,761**
13 Revenue from operations :	
Sale of Products :	
Wheat products	13,47,10,840
Total	**13,47,10,840**
14 Other Income :	
Discount received from suppliers	17,35,342
Rent received	6,685
Miscellaneous receipts	3,70,775
Total	**21,12,802**
15 Cost of Raw materials consumed :	
Inventory at the beginning of the year	-
Add : Purchases	20,12,05,398
Less: Inventory at the end of the year	9,50,97,588
Total	**10,61,07,810**

	Particulars	31-03-2022
	Details of Materials Consumed:	
	Wheat	10,61,07,810
16	**Purchase of stock in trade:**	
	Wheat products	3,35,61,620
	Total	**3,35,61,620**
17	**Changes in Inventories of Finished goods, work in progress and stock in trade :**	
	Inventory at the beginning of the year :	
	Finished goods and impurities	-
	Work in progress	-
	Wheat empty gunnies	-
	Total	**-**
	Inventory at the end of the year :	
	Finished goods and impurities	1,84,31,083
	Work in progress	-
	Wheat empty gunnies	11,382
		1,84,42,465
	Increase / (Decrease)	**1,84,42,465**
18	**Employee benefit expenses :**	
	Salary, wages and stipend	17,11,755
	Bonus,exgratia and performance incentive	36,737
	Contribution to PF and Other funds	48,639
	Welfare expenses	2,95,575
	Total	**20,92,706**
19	**Finance Costs :**	
	Interest	66,97,847
	Total	**66,97,847**
20	**Depreciation and amortization expense :**	
	Depreciation	27,30,807
	Total	**27,30,807**
21	**Other expenses :**	
	Consumption of stores and packing materials	27,56,562
	Bank charges	19,10,335
	Power and Fuel	37,17,479
	Rent and office maintenance	28,800

Particulars	31-03-2022
Repairs to building	2,83,521
Repairs to machineries	3,56,615
Insurance	1,28,392
Rates and taxes	13,94,771
Auditor fees and expenses	62,000
Professional and legal expenses	36,866
Other manufacturing expenses	47,662
Sales promotion expenses	8,37,757
Miscellaneous expenses	28,30,606
Total	**1,43,91,366**

In accordance with my report of date attached

For M/s Arun & Co
Chartered Accountants
(FRN No. 014464S)

For and on behalf of the Board

A. Arun
Chartered Accountant
Membership No.227831
UDIN: 22227831APJXCI1848

Sharath Jagannathan
Director
DIN : 07298941

Kaavya Sharath Jagannathan
Director
DIN : 09173759

Place : Coimbatore
Date : 03-08-2022

Schedule 20 A - Property, Plant and Equipment & Intangible Assets (Amount in Rupees)

S. No	Classification	Original Cost				Depreciation and amortization				Net Block	
		Opening	Addition	Deletion	Closing	Depreciation upto 31.03.2021	Depreciation for the year	Deletion	Depreciation upto 31.03.2022	As on 31.03.2021	As on 31.03.2022
I	**Property, Plant and Equipment**										
1	Land	-	4,97,29,781	-	4,97,29,781	-	-	-	-	-	4,97,29,781
2	Buildings								-		-
	Buildings - RCC	-	16,02,40,406	-	16,02,40,406	-	16,89,109	-	16,89,109	-	15,85,51,297
3	Plant and Machinery								-	-	-
	Plant & Machinery - other than CPP - Single Shift	-	7,65,87,000	-	7,65,87,000	-	6,96,628	-	6,96,628	-	7,58,90,372
4	Motor Vehicles								-	-	-
	Motor Vehicles	-	5,37,600	-	5,37,600	-	56,669	-	56,669	-	4,80,931
5	Computers and data processing units								-	-	-
	Data Processing Equipments - End Devices	-	1,15,499	-	1,15,499	-	8,117	-	8,117	-	1,07,382
6	Electrical Installations & Equipments	-	1,99,42,000	-	1,99,42,000	-	2,80,284	-	2,80,284	-	1,96,61,716
	TOTAL - (A)	**-**	**30,71,52,286**	**-**	**30,71,52,286**	**-**	**27,30,807**	**-**	**27,30,807**	**-**	**30,44,21,479**
II	**INTANGIBLE ASSETS:**										
7	Intangible Assets	-	-	-	-	-		-	-	-	-
	TOTAL - (B)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

S. No	Classification	Original Cost				Depreciation and amortization				Net Block	
		Opening	Addition	Deletion	Closing	Depreciation upto 31.03.2021	Depreciation for the year	Deletion	Depreciation upto 31.03.2022	As on 31.03.2021	As on 31.03.2022
III	**Intangible Assets under Development**										
8	Intangible Assets	-	6,63,013	-	6,63,013	-	-	-	-	-	6,63,013
	TOTAL - (C)	**-**	**6,63,013**	**-**	**6,63,013**	**-**	**-**	**-**	**-**	**-**	**6,63,013**
	GRAND TOTAL	**-**	**30,78,15,299**	**-**	**30,78,15,299**	**-**	**27,30,807**	**-**	**27,30,807**	**-**	**30,50,84,492**

NOTES ON ACCOUNTS:

Summary of significant accounting policies and other explanatory information forming part of financial statements as at 31st March 2022.

Corporate Information:

RAYA Foods Private Limited was incorporated under the Companies Act, 2013 on 22nd October 2021 with an initial milling capacity of 96,300 MT per annum. The Company is engaged in manufacturing of wheat and related food products. The wheat products are marketed in various SKUs across Tamil Nadu and Puducherry.

1. Accounting Policies:

a. General:

The company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis.

b. Fixed Assets:

Fixed assets are accounted on historical cost basis. Depreciation on assets has been provided on straight line method basis. The company has purchased an existing flour mill during the year. The useful life of the assets purchased are taken as per the valuation report by a registered valuer. Other than that, the useful life of the assets are as provided in Schedule II of Companies Act 2013. Current market value of the Fixed Assets are higher than values stated and there is no impairment.

c. Investments:

Investments are stated at cost. Provision for diminution in value of long-term investments is made if the diminution is other than temporary.

For the partly disposal of long-term investment, the carrying amount to be allocated to that part is determined on the basis of the average carrying amount of the total holding of the investment.

d. Inventories:

i) Inventories other than finished goods are valued at lower of cost and net realizable value. Cost

included expenses incurred in bringing the inventories up to the present location and condition.

ii) Finished goods are valued at net realizable value.

e. Foreign Currency Transactions:

Foreign currency transactions are recorded at the rates prevailing at the date of transactions. Any exchange difference on realization is accounted in the Profit and Loss Account.

f. Employee Benefits

1. Leave salary:

The leave salary entitlement is computed on calendar year basis.

i. **Workers:** The workers are entitled to avail the leave earned during the previous calendar year, in the current calendar year without any carry forward to future periods. There is no statutory provision for leave encashment. Hence there is no outstanding liability towards leave encashment as per accounting standard 15.

ii. **Administrative Employees:** The leave encashment entitlement is computed for the financial year and payment will be made in succeeding year after retaining 30 days leave as leave encashment benefit on retirement. Provision is made in the accounts of the financial year for the payments made in the succeeding year. But no provision is made for the outstanding liability of 30 days accrual, towards uncertainty of leave availing by the employees.

2. Defined contribution plan:

Contribution to Provident Fund, ESI and family pension fund being fixed contribution are absorbed in the accounts.

3. Defined Benefit plan:

Gratuity: - This being the first year of the operation of the company, the provisions of gratuity are not applicable to the company.

4. Number of employees who were employed during the whole or part of the year and are in receipt of or entitled to receive emoluments amounting to Rs.1,02,00,000/- per year or Rs.8,50,000/- per month if employed for part of the year – NIL

5. Remuneration to Auditors:

Particulars	**31-03-2022**
Statutory Audit Fees	50,000
Other Services (Statutory Auditor)	12,000
Total	**62,000**

6. Expenditure in foreign currency Nil

7. Value of imports on CIF basis Nil

8. Earnings in foreign exchange Nil

9. Raw Materials Consumed

	Value	**%**
Wheat – Indigenous	Rs.10,61,07,810	100
- Imported	-	-
Total	**Rs. 10,61,07 810**	**100**

10 Interest payable to directors and their relatives Rs. 30,01,841/-

11 Deferred tax is accounted for in respect of all timing differences.

12 The company has not accepted any public deposits. Hence the provisions of section 73 to section 76 of the Companies Act 2013 are not applicable.

13 Disclosure with regards to Micro, Small and Medium Enterprises

(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year – Principal amount due is **Rs. 18,93,919/-**

(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year – **Nil**

(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006 – **Nil**

(d) the amount of interest accrued and remaining unpaid at the end of each accounting year - **Nil**

(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 – **Nil**

14 There are no pending litigations as at 31.03.2022.

15 Related parties' disclosure (Related party disclosure as required under accounting standard 18 prescribed by I.C.A.I)

a. Related Parties

Sri. Sharath Jagannathan	Director
Smt. Kaavya Sharath Jagannathan	Director
Sri. Raj Kumar Agarwal	Director

b. Enterprise over which the related parties can exercise significant influence, and which had transactions with the reporting enterprise during the relevant financial year:

Kovilpatti Lakshmi Roller Flour Mills Limited
Cape Power Private Limited
Mckinnon India Private Limited
Eltex Marketing LLP
Cape Flour Mills Private Limited

c. The following are the transactions with related parties in terms of AS 18 issued by the Institute of Chartered Accountants of India.

Name of the related party	Relationship	Nature of Transaction	As on 31-03-2022 (Amount in Rupees)
Kovilpatti Lakshmi Roller Flour Mills Limited	Director Interested Concern	Purchase of goods	1,16,96,618/-
Cape Power Private Limited	Director Interested Concern	Loan taken	40,00,000/-
		Interest paid	73,644/-
Mckinnon India Private Limited	Director Interested Concern	Loan taken	45,00,000/-
		Interest paid	82,849/-
Smt. Kaavya Sharath Jagannathan	Director	Loan taken	13,15,00,000/-
		Interest	30,01,841/-
Eltex Marketing LLP	Designated partner	Purchase of goods	32,27,500/-
Cape Flour Mills Private Limited	Director Interested Concern	Purchase of goods	5,30,64,140/-

d. Related Parties Balances outstanding (payable)

Particulars	**31.03.2022**
Cape Power Private Limited	Rs.40,00 000/-
Mckinnon India Private Limited	Rs.45,00,000/-
Smt Kaavya Sharath Jagannathan	Rs.13,42,01,657/-

16. Earnings per share

Particulars	**31.03.2022**
Profit / (Loss) for the year (Rs. in lakhs)	(76.26)
Number of equity shares outstanding	25,00,000
Weighted average number of equity shares outstanding	22,22,733
Basic earnings per share (Rs.)	(3.43)
Diluted earnings per share (Rs.)	(3.43)
Nominal value of equity shares (Rs.)	10/-

17. Trade Receivables ageing schedule:

(A) Year ended 31.03.2022 **(Amount in Rupees)**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 Months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	1,19,77,940	-	-	-	-	1,19,77,940
(ii) Undisputed Trade Receivables - considered Doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables -considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables -considered doubtful	-	-	-	-	-	-
Unbilled Dues	-	-	-	-	-	-

18. Trade Payables ageing schedule

(A) Year ended 31.03.2022 **(Amount in Rupees)**

Particulars	Outstanding for following periods from due date of payment				
	Less than one year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	18,93,919	-	-	-	18,93,919
(ii)Others	11,79,295	-	-	-	11,79,925
Disputed dues	-	-	-	-	-
(iii) MSME	-	-	-	-	-
(iv) Others	-	-	-	-	-

19 Capital Work in Progress

(a) Ageing schedule **(Amount in Rupees)**

Amount in CWIP for a period of					
CWIP	**Less than one year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

20 Intangible assets under development

(a) Ageing schedule **(Amount in Rupees)**

Amount in Intangible assets under development for a period of					
Intangible Assets under development	**Less than one year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	6,63,013	-	-	-	6,63,013
Projects temporarily Suspended	-	-	-	-	-

22 Additional Regulatory Information:

a. The title deeds of all the immovable properties are held in the name of the company.

b. The Company has not revalued its Property, Plant, and Equipment during the year.

c. The Company has not advanced any loans or advances in the nature of loans to promoters, directors, KMPs and related parties

d. The Company does not hold any Benami property.

e. The Company has borrowings from banks on the basis of security of current assets. No material deviations are there from the quarterly returns or statements of current assets filed by the Company with banks or financial institutions.

f. The company is not a declared wilful defaulter by any bank or financial institution or other lenders.

g. The company had no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

h. There are no charges yet to be registered with the Registrar of Companies beyond the statutory period.

i. The company has no subsidiary as prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on Number of Layers) Rules, 2017.

j. Company Ratios:

PARTICULARS	Numerator	Denominator	Current Year	Previous Year	Change
(a) Current Ratio	Current Assets	Current Liabilities	1.22	-	-
(b) Debt-Equity Ratio	Total Debts	Total Equity	17.17	-	-
(c) Debt Service Coverage Ratio	Earnings before Interest, Tax & Exceptional Items	Interest + Principal Repayments	(0.54)	-	-
(d) Return on Equity Ratio	Profit after Tax	Net worth	(0.44)	-	-
(e) Inventory turnover ratio	Cost of Goods Sold (Cost of Material Consumed+ Purchases + Changes in Inventory + Manufacturing Expenses Manufacturing Expenses)	Average inventories	1.65	-	-
(f) Trade Receivables turnover ratio	Revenue from Operations	Average Trade Receivables	22.49	-	-
(g) Trade payables turnover ratio	Total Purchases	Average Accounts Payable	11.25	-	-
(h) Net capital turnover ratio Capital	Revenue from Operations	Average Working	65.47	-	-
(i) Net profit ratio	Profit After Tax (after exceptional items)	Revenue From Operations	(0.06)	-	-
(j) Return on Capital Employed	Profit Before Interest and Tax (PBIT)	Capital Employed	(0.59)	-	-
(k) Return on investment (Equity)	Profit Before Interest and Tax (PBIT)	Capital Employed (Equity)	(0.41)	-	-

k. The Company has not made any Scheme of Arrangements in terms of sections 230 to 237 of the Companies Act, 2013.

l. The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies) including foreign entities (Intermediaries).

m. The Company has no transaction not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

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

o. Since this is the first year of operation of the company, previous year figures are not available.

In accordance with my report of date attached

For M/s Arun & Co
Chartered Accountants
(FRN No. 014464S)

For and on behalf of the Board

A. Arun
Chartered Accountant
Membership No.227831
UDIN: 22227831APJXCI1848

Sharath Jagannathan
Director
DIN : 07298941

Kaavya Sharath Jagannathan
Director
DIN : 09173759

Place : Coimbatore
Date : 03-08-2022

RAYA Foods Private Limited
CIN : U15490TZ2021PTC037362
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Coimbatore - 641018