

## SURYAAMBA SPINNING MILLS LIMITED

A-101, Kanha Apartment, 128, Chhaoni, Katol Road, Nagpur-440 013 (MS)  
Ph.# 0712-2591072, 2591406 Fax # 0712-2591410 CIN: L18100TG2007PLC053831  
Mail: mail@suryaamba.com, Website: www.suryaamba.com

August 18, 2023

Department of Corporate Services-CRD  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai - 400 001

Scrip Code: 533101

**Sub: Annual General Meeting (AGM) - Notice of AGM and Annual Report of the Company for the Financial Year 2022-23**

Dear Sir / Madam,

Pursuant to Regulation 30, 34, 42 and 44 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we hereby notify as under:

1. The 16<sup>th</sup> Annual General Meeting ("AGM") of the Company will be held on **Saturday, September 09, 2023 at 12:30 p.m.** (IST) through Video Conferencing / Other Audio Visual Means in accordance with relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India ("Circulars").
2. In terms of the said Circulars, the **AGM notice including e-voting instructions and Annual Report 2022-23** have been sent to all the members of the Company whose email addresses are registered with the Company / Depository Participants / Registrar and Transfer Agent. AGM Notice may be referred for detailed instructions on registering email addresses(s) and voting /attendance for the AGM.
3. The Company has provided the facility to vote by electronic means (remote e-voting as well as e-voting at the AGM) on all resolutions as set out in the AGM notice to those members, who are holding shares either in physical or in electronic form as on the cut-off date.
4. **Notice of the AGM along with the Annual Report 2022-23** is enclosed and is also being sent to all the members of the Company whose email addresses are registered with the Company / Depository Participants / Registrar and Transfer Agent.

The Annual Report and AGM Notice is also being uploaded on the website of the Company: [www.suryaamba.com/investors](http://www.suryaamba.com/investors).

You are requested to take note of the same.

Thanking you,  
Yours faithfully,  
For Suryaamba Spinning Mills Limited

**KRITI LADHA** Digitally signed by KRITI LADHA  
Date: 2023.08.18 14:57:20 +05'30'

Kriti Ladha  
Company Secretary & Compliance Officer  
Membership No.: ACS 61729  
Encl.: As above



# **SURYAAMBA SPINNING MILLS LIMITED**

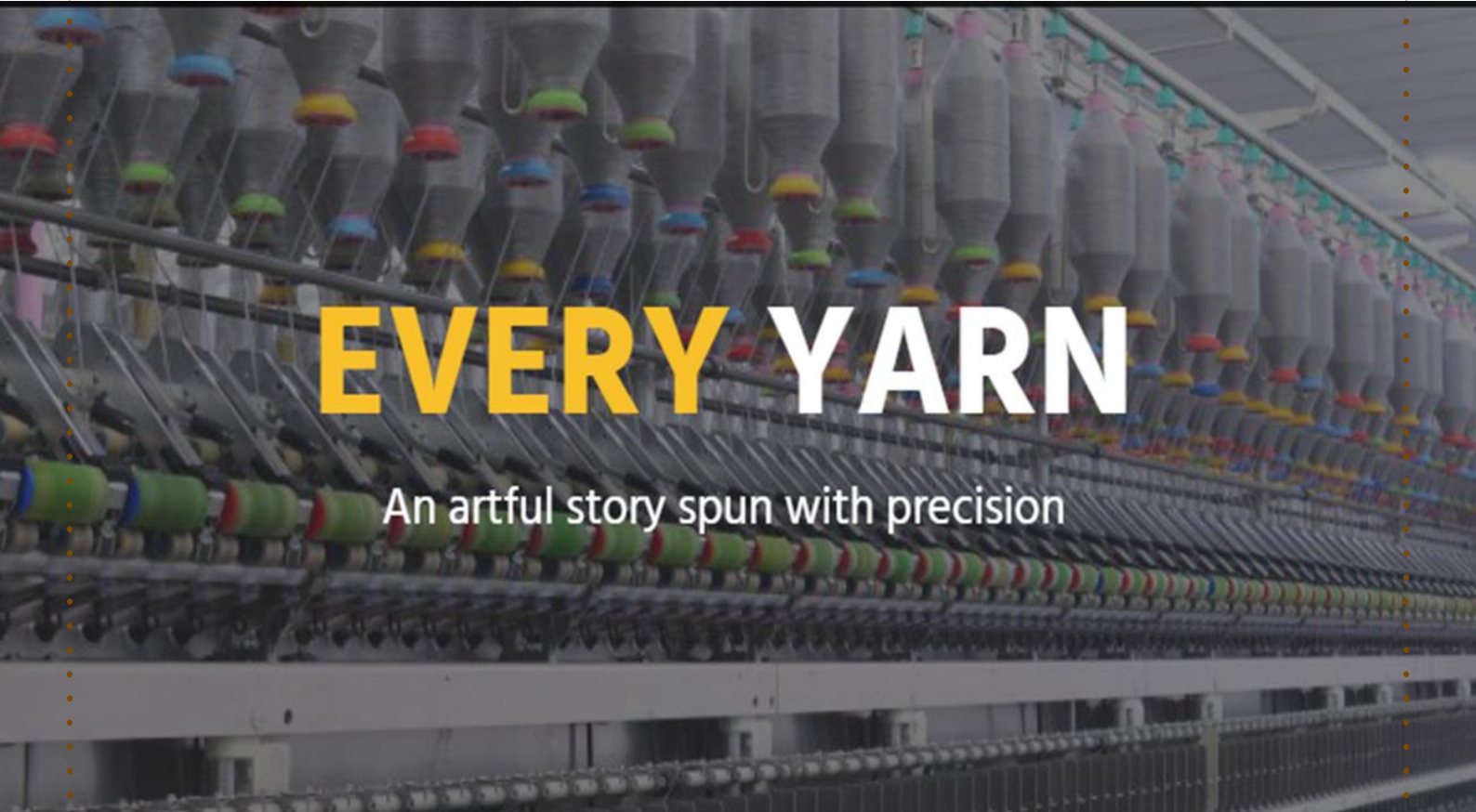
## **2022-23**



**16TH ANNUAL REPORT**

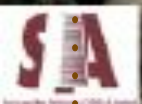
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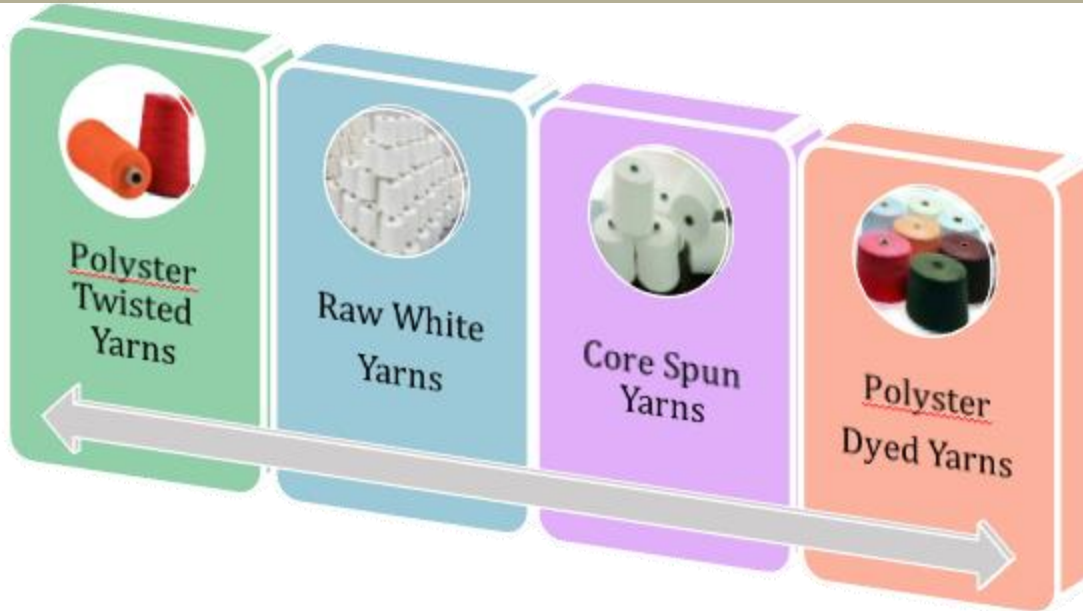


# EVERY YARN

An artful story spun with precision



## *Our versatile product portfolio....*



# CORPORATE SNAP SHOT

## Moving Ahead with Agility and Stability

Suryaamba Spinning Mills Limited (Suryaamba), is a leading manufacturer of speciality synthetic spun yarns, offering wide product range from 100% polyester and viscose spun yarns as well as blended synthetic yarns, used for weaving. We have capitalized on growing opportunities strengthening our market presence at domestic and in over 20 countries across the globe. We continuously stride and offers innovative product range, specifically tailor-made for the customers. We believe the right strategic insights complemented with technical advancement and superior quality is the foundation of our products.

### Our Vision



- ▲ Our rooted values enable us to envision to grow better.
- ▲ Remain at the forefront in high-quality textile products manufacturing.
- ▲ Create value for shareholders and allied industries.
- ▲ Remain efficient & positive in developing new markets and products.
- ▲ Endeavour for the ultimate customer satisfaction.
- ▲ Satisfy requirement with right use of technology and right Attitude

### Our Mission



- ✦ Provide superior quality products at competitive prices and establish a brand value in the international area.
- ✦ Exceed industry standards with exceptional customer and technical service.
- ✦ Maintain our competitive strategic position through leading edge technology.
- ✦ To be the most reliable supplier across textile value chain.
- ✦ Provide a safe, fulfilling and rewarding work environment for employees

### Our Values



- ▲ Customer centricity
- ▲ Integrity
- ▲ Excellence
- ▲ Innovation
- ▲ Ethics



## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**Shri Virender Kumar Agarwal**

Chairman & Managing Director

**Smt. Seema Agarwal**

Joint Managing Director

**Shri Mayank Agarwal**

Whole-time Director

**Shri Amit Goela**

Independent Director

**Shri Sushil Kapadia**

Independent Director

**Shri Nilesh Panpaliya**

Independent Director

### KEY MANAGERIAL PERSONNEL

**Shri Gajanan N. Chhawsaria**

Chief Financial Officer

**Smt. Kriti Ladha**

Company Secretary & Compliance Officer

### REGISTERED OFFICE

1<sup>st</sup> Floor, Surya Towers,

105, S P Road, Secunderabad (T.G) – 500 003

Tel. No. 040-27813360

CIN: L18100TG2007PLC053831

Website: [www.suryaamba.com](http://www.suryaamba.com)

Email: [samba.ngp@gmail.com](mailto:samba.ngp@gmail.com)

### FACTORY

Survey No. 300, Nayakund, Parseoni Road, Dist.

Nagpur (M.H.) – 441 105

### BANKERS

**State Bank of India**

Industrial Finance Branch,

Bharat Nagar, Nagpur (M.H.) – 440 033

### STATUTORY AUDITORS

**Manish N. Jain & Co.**

Chartered Accountants, Nagpur

### INTERNAL AUDITORS

**Miss Shreyata Khakole**

Chartered Accountants, Nagpur (upto 5.08.2022)

**M/s Haziyani & Associates**

Chartered Accountants, Nagpur (from 06.08.2022)

### AUDIT COMMITTEE

**Shri Amit Goela** Chairman

**Shri Sushil Kapadia** Member

**Smt. Seema Agarwal** Member

### STAKEHOLDERS' RELATIONSHIP COMMITTEE

**Shri Amit Goela** Chairman

**Shri Sushil Kapadia** Member

**Smt. Seema Agarwal** Member

### NOMINATION AND REMUNERATION COMMITTEE

**Shri Amit Goela** Chairman

**Shri Sushil Kapadia** Member

**Shri Nilesh Panpaliya** Member

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

**Smt. Seema Agarwal** Chairperson

**Shri Mayank Agarwal** Member

**Shri Amit Goela** Member

### REGISTRAR & SHARE TRANSFER AGENTS

**KFin Technologies Limited**

(Formerly known as "KFin Technologies Private Limited")

Karvy Selenium Tower B, Plot

No 31 & 32 Financial District,

Nanakramguda, Serilingampally, Mandal,

Hyderabad (TG) – 500032

Ph. No. 040-6716 2222, 3321 1000

E-mail: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

[/kfinkart.support@kfintech.com](mailto:/kfinkart.support@kfintech.com) / [reachus@kfintech.com](mailto:reachus@kfintech.com)

Website: <https://www.kfintech.com>

### CORPORATE OFFICE

A-101, Kanha Apartment,

128, Chhaoni, Katol Road,

Nagpur (M.H.) – 440 013

### SECRETARIAL AUDITORS

**M/s Aarju Agrawal & Associates, Nagpur**

Practicing Company Secretaries

### COST AUDITORS

**G.R. Paliwal & Co., Nagpur**

Cost Accountants

**LISTED** on BSE Limited

BSE Scrip Code: 533101



# NOTICE

**NOTICE** is hereby given that the 16<sup>th</sup> (Sixteenth) Annual General Meeting of the Members of Suryaamba Spinning Mills Limited (CIN: L18100TG2007PLC053831) will be held on Saturday, September 9, 2023 at 1230 PM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) for which purpose the Registered office of the Company situated at 1st Floor, Surya Towers, 105, S P Road, Secunderabad (T.G) - 500003 shall be deemed as the venue for the Meeting and the proceedings of the Annual General Meeting shall be deemed to be made thereat, to transact the following businesses:

## **ORDINARY BUSINESS:**

### **1. ADOPTION OF FINANCIAL STATEMENTS**

To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** the audited financial statements of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon as circulated to the Members, be and are hereby considered and adopted."

### **2. DECLARATION OF DIVIDEND**

To declare dividend on equity shares for the financial year ended March 31, 2023 and, in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** dividend at the rate of ₹1/- (Rupees one only) per equity share of ₹10/- (Rupees ten only) each fully paid-up of the Company, as recommended by the Board of Directors, be and is hereby declared for the financial year ended March 31, 2023 and the same be paid out of the profits of the Company."

### **3. APPOINTMENT OF SHRI MAYANK AGARWAL AS A DIRECTOR LIABLE TO RETIRE BY ROTATION**

To appoint a Director in place of Shri Mayank Agarwal (DIN: 02749089), who retires by rotation and, being eligible, offers himself for re-appointment and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, ("the Act") Shri Mayank Agarwal (DIN: 02749089), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

## **SPECIAL BUSINESS:**

### **4. RATIFICATION OF REMUNERATION OF COST AUDITORS OF THE COMPANY**

To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2024 and, in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") 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), the Cost Auditors M/s. G. R. Paliwal & Co., Cost Accountants, Nagpur, (FRN: 100058) appointed by the Board to conduct the audit of the cost records of the Company for the financial year ending March 31, 2024, at a remuneration of ₹50,000/- (Rupees Fifty Thousand Only) (plus applicable tax and reimbursement of out of pocket expenses incurred in connection with the audit), be and is hereby ratified."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."





#### 5. APPOINTMENT OF SMT. NEERAJA KARTIK (DIN: 08945443) AS AN INDEPENDENT DIRECTOR

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, Smt. Neeraja Kartik (DIN: 08945443), who was appointed as an Additional Director of the Company with effect from August 12, 2023 under Section 161 of the Act and who holds office up to the date of this Annual General Meeting and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 years commencing from August 12, 2023.”

**“RESOLVED FURTHER THAT** the Board of Directors and/or the Company Secretary be and are hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution”.

#### 6. RECLASSIFICATION OF AUTHORISED SHARE CAPITAL AND CONSEQUENT ALTERATION OF MEMORANDUM OF ASSOCIATION.

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

**“RESOLVED THAT** pursuant to the provisions of Section 13, 61 and 64 of Companies Act, 2013 (“the Act”) read with Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions, if any, and the provisions of the Memorandum of Association and Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to reclassify the Authorized Share Capital of the Company as below:

The authorized share capital of the Company comprising of ₹20,00,00,000 (Rupees Twenty crores) divided into 50,00,000 (Fifty lakhs) Equity Shares of ₹10 each and 15,00,000 (Fifteen lakhs) Preference Shares of ₹100 each be and is hereby reclassified into 2,00,00,000 (Two crores) equity shares of ₹10 each aggregating to ₹20,00,00,000 (Rupees Twenty crores) Equity Share Capital with power to reclassification, be and is hereby reclassified by shifting the unissued portion part of the preference share capital as mentioned above into Equity Share Capital of the Company or and attach thereto respectively such preferential, priority, deferred, qualified or special rights, privileges, conditions or restrictions, whether in regard to dividend, voting, return of capital, distribution of assets or otherwise, as may be determined in accordance with the laws, rules and regulations from time to time and to vary, modify or abrogate such rights, privileges, conditions or restrictions in such manner as may from time to time be provided by the regulations/ resolutions of the Company or are provided for in the Articles of Association of the Company and to consolidate or sub-divide or reorganize shares or issue shares of higher or lower denominations;

**RESOLVED FURTHER THAT** pursuant to Section 13, 61 and 64 and all other applicable provisions, if any, of the Companies Act, 2013 and subject to the approval from the shareholders of the Company, consent of the Board of Directors be and is hereby accorded to substitute the existing clause V of the Memorandum of Association of the Company with the following new Clause V:

“The Authorized Share Capital of the Company is ₹20,00,00,000 (Rupees Twenty Crores) divided into 2,00,00,000 (Two



cores) Equity Shares of ₹10/- (Rupees Ten Only) each.”

**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, any one of the Directors, Chief Financial Officer and Company Secretary of the Company be and is hereby authorized severally to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, desirable or expedient and to sign, execute and submit all the requisite documents with the appropriate authority including filing of requisite documents with the Registrar of Companies.”

**“RESOLVED FURTHER THAT** all actions taken by the Board or Committee(s) duly constituted for this purpose in connection with any matter(s) referred or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects.”

By the Order of Board of Directors  
For Suryaamba Spinning Mills Limited

**Kriti Ladha**  
**Company Secretary & Compliance Officer**  
**M. No.: ACS 61729**

Date: May 29, 2023

Place: Nagpur

**Registered Office:**

1<sup>st</sup> Floor, Surya towers, 105,

S P Road, Secunderabad, TG 500003

Phone: (040) 27813360

E-mail: [samba.ngp@gmail.com](mailto:samba.ngp@gmail.com)

Website: [www.suryaamba.com](http://www.suryaamba.com)

**CIN: L18100TG2007PLC053831**

**ISIN: INE360J0101**

**Notes:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”) setting out material facts concerning the business under Item Nos. 4 to 6 of the accompanying Notice, is annexed hereto. The Explanatory Statement also contains the relevant details of the Director as required by Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard – 2 (“SS-2”) on General Meetings issued by the Institute of Company Secretaries of India (“ICSI”).
2. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and the Ministry of Corporate Affairs, Government of India (“MCA”) vide General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 21/2021, 02/2022 and 10/2022 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 14, 2021, May 5, 2022 and December 28, 2022, respectively (“MCA Circulars”) has allowed conducting of Annual General Meeting (“AGM”) by Companies through Video Conferencing/ Other Audio -Visual Means (“VC/ OAVM”) facility upto September 30, 2023, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020. The Securities and Exchange Board of India (“SEBI”) also vide its Circular No. SEBI/HO/ CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/ CMD2/CIR/P/2022/62 dated May 13, 2022, and Circular No. SEBI/HO/ CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 (“SEBI Circulars”) has provided certain relaxations from compliance with certain provisions of the SEBI Listing Regulations. In compliance with these Circulars, provisions of the Act and the SEBI Listing Regulations, the 16<sup>th</sup> AGM of the Company is being conducted through VC/OAVM facility, which does not require physical presence of members at a common venue. The deemed venue for the 16<sup>th</sup> AGM shall be the Registered Office of the Company.



3. In terms of the MCA Circulars, physical attendance of members has been dispensed with and therefore, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by members under Section 105 of the Act will not be available for the 16<sup>th</sup> AGM. However, pursuant to Section 112 and Section 113 of the Act, representatives of the members may be appointed for the purpose of voting through remote e-Voting, for participation in the 16<sup>th</sup> AGM through VC/ OAVM facility and e-Voting during the 16<sup>th</sup> AGM.
4. In terms of the MCA Circulars and relevant circulars issued by SEBI, the Notice of the 16<sup>th</sup> AGM and Annual Report for the financial year ended March 31, 2023 is being sent only through electronic mode to those members whose email addresses are registered with the Company/ Depository Participants (“DPs”) and will also be available on the website of the Company at [www.suryaamba.com](http://www.suryaamba.com), on the website of BSE Limited at [www.bseindia.com](http://www.bseindia.com) and also on the website of National Securities Depository Limited (“NSDL”) at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). Since the 16<sup>th</sup> AGM will be held through VC/ OAVM facility, the Route Map is not annexed in this Notice.
5. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, SS-2 issued by the ICSI and Regulation 44 of SEBI Listing Regulations read with MCA Circulars, the Company is providing remote e-Voting facility to its members in respect of the business to be transacted at the 16<sup>th</sup> AGM and facility for those members participating in the 16<sup>th</sup> AGM to cast vote through e-Voting system. For this purpose, NSDL shall provide facility of voting and participation through VC/ OAVM facility.
6. Members may join the 16<sup>th</sup> AGM through VC/ OAVM facility by following the procedure as mentioned below which shall be kept open for the members from 12:00. IST i.e. 30 minutes before the time scheduled to start the 16<sup>th</sup> AGM and the Company may close the window for joining the VC/ OAVM facility 30 minutes after the scheduled time to start the 16<sup>th</sup> AGM.
7. Members may note that the VC/ OAVM facility provided by NSDL, allows participation of at least one thousand members on a first-come-first-served basis. The large members (i.e. members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders’ Relationship Committee, Auditors, etc. can attend the 16<sup>th</sup> AGM without any restriction on account of first-come-first-served basis.
8. Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the 13th AGM through VC/OAVM facility. Corporate Members intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case maybe, to attend the AGM through VC/OAVM or to vote through remote e-Voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at [csaarjuagrawal@gmail.com](mailto:csaarjuagrawal@gmail.com) with a copy marked to with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [csuryaamba@gmail.com](mailto:csuryaamba@gmail.com).
9. Attendance of the members participating in the 16<sup>th</sup>AGM through VC/ OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

#### Book Closure and Dividend:

10. The Register of Members and the Share Transfer Books of the Company will be closed from **Saturday, September 2, 2023 to Saturday, September 9, 2023**, both days inclusive. If the dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source will be made within 30 days from the date of declaration as under:
  - (a) To all the Beneficial Owners as at the end of the day on **Friday, September 1, 2023** in the list of beneficial owners to be furnished by the National Securities Depository Limited and Central Depository Services (India) Limited (“CDSL”) in respect of the shares held in electronic form; and



(b) To all Members in respect of shares held in physical form after giving effect to valid transmission and transposition in respect of valid requests lodged with the Company as of the close of business hours on **Friday, September 1, 2023**.

11. General instructions for accessing and participating in the 16<sup>th</sup>AGM through VC/ OAVM facility and voting through electronic means including remote e-Voting: -

**A. Instructions for Remote e-Voting:**

- **The remote e-Voting period will commence from September 6, 2023 at 9:00 A.M. IST and end on September 8, 2023 at 5:00 P.M. (IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., September 1, 2023, may cast their vote electronically. The voting right of members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.**
- A person who is not a member as on the cut-off date should treat this Notice of the 16<sup>th</sup> AGM for information purpose only.
- The details of the process and manner for remote e-Voting are explained herein below:
- Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>
- Step 2: Cast your vote electronically on NSDL e-Voting system.

**Step1: How to Log-into NSDL e-Voting website?**

**I. Login method for e-Voting and joining virtual meeting for Individual Members holding securities in demat mode**





In terms of SEBI circular dated December 9, 2020 on “e-Voting facility provided by Listed Companies”, e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat account(s)/ websites of Depositories/ Depository Participant(s) (“DPs”) in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (“ESP”) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process.

Members are advised to update their mobile number and e-mail address with their DPs in order to access e-Voting facility.

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

Type of Members	Login Method
Individual members holding securities in demat mode with NSDL	<p><b>Users registered for NSDL IDEAS facility:</b></p> <p>a) Visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> 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.</p> <p>b) You will be prompted 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.</p> <p>c) Click on the Company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-</p>



	<p>Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p><b>Users not registered for NSDL IDeAS facility:</b></p> <p>Option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</p> <p><b>e-Voting website of NSDL</b></p> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a> 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.</p>
	<p>A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site where in you can see e-Voting page.</p> <p>Click on the Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
	<p><b>e-Voting mobile application of NSDL</b></p> <p>Shareholders/ Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <p> App Store  Google Play</p> <div style="display: flex; justify-content: space-around;">   </div>
<p>Individual members holding securities in demat mode with Central Depository Services (India) Limited (CDSL)</p>	<p><b>Existing users who have opted for Easi/Easiest</b></p> <p>a) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</p> <p>b) After successful login, the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by the Company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</p> <p>c) If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a>.</p>



	<p>Click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>d) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual members (holding securities in demat mode) login through their depository participants	<p>a) Members can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility.</p> <p>b) Upon logging in, you will be able to See-Voting option.</p> <p>c) Click One-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</p> <p>d) Click on the Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.</p>

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

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

Login type	Help desk details
Individual members holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL Help desk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 022-48867000 and 022-24997000
Individual members holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL Help desk by sending a request at <a href="mailto:helpdeskevoting@cdslindia.com">helpdeskevoting@cdslindia.com</a> or contact 1800 22 55 33

## II. Login method for e-Voting and joining virtual meeting for Individual Members holding securities in demat mode and members holding securities in physical form

- Visit the e-Voting website of NSDL. Open web browser by typing the URL: <https://www.evoting.nsdl.com> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/ OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e., IDEAS, you can log-in at <https://eservices.nsdl.com> with your existing IDEAS login.

Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e., Cast your vote electronically.



d. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
i. For members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
ii. For members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****
iii. For members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example, if folio number is 001*** and EVEN is 124143 then user ID is 124143001***

e. Password details for members other than Individual members are given below:

- i. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- ii. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- iii. How to retrieve your 'initial password'?

➤ If your email address is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email address. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

➤ If your email address is not registered, please follow steps mentioned below in '**Process for those members whose email addresses are not registered**'.

f. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:

- i. Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- ii. "Physical User Reset Password?" (If you are holding shares in physical form) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- iii. If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- iv. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

g. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

h. Now, you will have to click on "Login" button.



- i. After you click on the “Login” button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system**

How to cast your vote electronically?

- a) After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
- b) Select “EVEN” of the Company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/ OAVM” link placed under “Join Meeting”.
- c) Now you are ready for e-Voting as the Voting page opens.
- d) Cast your vote by selecting appropriate options i.e., assent or dissent, verify/ modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- e) Upon confirmation, the message “Vote cast successfully” will be displayed.
- f) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- g) Once you confirm your vote on the resolution(s), you will not be allowed to modify your vote.

**General Guidelines for Members for e-Voting**

- a) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/ Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- b) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-Voting user manual for shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 022-48867000 and 022-24997000 or send a request to Shri Sanjeev Yadav, Assistant Manager or Ms. Pallavi Mhatre, Senior Manager, NSDL at the designated email address: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) who will also address the grievances connected with the voting by electronic means. Members may also write to the Company Secretary at the Company’s email address [cssuryaamba@gmail.com](mailto:cssuryaamba@gmail.com).

Process for those members whose **email address are not registered with the depositories** for procuring user id and password and **registration of email address for e-Voting for the resolutions** set out in this Notice:

- a) In case shares are held in physical form, please provide Folio No., Name of Member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card) and AADHAAR (self-attested scanned copy of Aadhar Card) to the Company’s email address at [cssuryaamba@gmail.com](mailto:cssuryaamba@gmail.com).
- b) In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account Statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhar Card) to the Company’s email address at [cssuryaamba@gmail.com](mailto:cssuryaamba@gmail.com).
- c) If you are an individual member holding securities in demat mode, you are requested to refer to the login method explained at Step 1 (I) i.e., Login method for e-Voting and joining virtual meeting for individual members holding securities in demat mode.
- d) Alternatively, shareholders/ members may send a request to NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.





- e) In terms of SEBI Circular dated December 9, 2020, on e-Voting facility provided by listed companies, individual members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participant(s). Members are required to update their mobile number and email address correctly in their demat account in order to access e-Voting facility.

**B. Instructions for members for participating in the 16<sup>th</sup>AGM through VC/ OAVM are as under:**

- a) The members will be provided with a facility to attend the 16<sup>th</sup>AGM through VC/ OAVM through the NSDL e-Voting system. Members may access the same by following the steps mentioned above for “Access to NSDL e-Voting system”. The link for VC/ OAVM will be available in “Shareholder/ Member login” where the EVEN (“E-voting Event Number”) of the Company will be displayed. After successful login, the members will be able to see the link of “VC/ OAVM” placed under the tab “Join Meeting” against the name of the Company. On clicking this link, the members will be able to attend the 16<sup>th</sup>AGM. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID/ Password may retrieve the same by following the remote e-Voting instructions mentioned above in the Notice, to avoid last minute rush.
- b) Members may join the Meeting through Laptops, Smartphones and Tablets. Further, members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, MS Edge or Firefox. Please note that participants connecting from Smartphones or Tablets or through Laptops 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 glitches.
- c) Members can submit questions in advance with regard to the financial statements or any other matter to be placed at the 16<sup>th</sup>AGM, from their registered email address, mentioning their name, DP ID and Client ID number/ folio number and mobile number, to reach the Company’s email address at [cssuryaamba@gmail.com](mailto:cssuryaamba@gmail.com) at least 48 hours in advance before the start of the meeting. Such questions by the members shall be taken up during the meeting and replied by the Company suitably.
- d) Members who would like to express their view/ ask questions during the 16<sup>th</sup>AGM with regard to the financial statements or any other matter to be placed at the 16<sup>th</sup>AGM, need to pre- register themselves as a speaker by sending a request from their registered email address mentioning their name, DP ID and Client ID number/ folio number and mobile number, to reach the Company’s email address at [cssuryaamba@gmail.com](mailto:cssuryaamba@gmail.com) at least 48 hours in advance before the start of the meeting. Those members who have pre-registered themselves as a speaker will be allowed to express their view/ ask questions during the 16<sup>th</sup> AGM, depending upon the availability of time.
- e) When a pre-registered speaker is invited to speak at the meeting, but he/ she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
- f) The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the 16<sup>th</sup>AGM.
- g) Institutional Investors who are members of the Company, are encouraged to attend and vote in the 16<sup>th</sup>AGM through VC/ OAVM facility.

**C. Instructions for Members for e-Voting during the 16<sup>th</sup>AGM are as under:**

- a) Members may follow the same procedure for e-Voting during the 16<sup>th</sup> AGM as mentioned above for remote e-Voting.
- b) Only those members/ shareholders, who will be present in the 16<sup>th</sup> AGM through VC/ OAVM facility and have not cast their vote on the Resolution(s) through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the 16<sup>th</sup>AGM.



- c) Members who have cast their vote by remote e-Voting prior to the 16<sup>th</sup> AGM may also participate in the 16<sup>th</sup> AGM through VC/ OAVM facility. However, they shall not be entitled to cast their vote again.
- d) The helpline details of the person who may be contacted by the member needing assistance with the use of technology, before or during the 16<sup>th</sup>AGM shall be the same persons mentioned for remote e-Voting and reproduced here for convenience:

Shri Sanjeev Yadav, Assistant Manager or Ms. Pallavi Mhatre, Senior Manager, NSDL, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai- 400013, email address: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) ; telephone nos.: 022-48867000 sand 022-24997000

Members may also write to the Company Secretary at the Company's email address [cssuryaamba@gmail.com](mailto:cssuryaamba@gmail.com).

#### Other Guidelines for Members

- a) The voting rights of members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date **of September 1, 2023**.
- b) Any person holding shares of the Company in physical form and non-individual members, who acquires shares of the Company and becomes member after the Notice is sent through e-mail and holds shares as on the cut-off date i.e. September 2, 2023, may obtain, the User ID and password by sending a request to NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or the Company's email address at [cssuryaamba@gmail.com](mailto:cssuryaamba@gmail.com). However, if you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on [www.sevoting.nsdl.com](http://www.sevoting.nsdl.com) or call on 022-48867000 / 022-24997000. In case of individual members who acquires shares of the Company in demat mode and becomes a Member of the Company after sending of the Notice and holds shares as on the **cut-off date i.e. September 1, 2023**, may follow steps mentioned in the Notice of the AGM under "Log-in to NSDL e-Voting system."
- c) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the 16<sup>th</sup>AGM.
- d) During the 16<sup>th</sup>AGM, the Chairman shall, after response to the questions raised by the members in advance or as a speaker at the 16<sup>th</sup>AGM, formally propose to the members participating through VC/ OAVM facility to vote on the resolutions as set out in the Notice of the 16<sup>th</sup>AGM and announce the start of the casting of vote through the e-Voting system. After the members participating through VC/ OAVM facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the 16<sup>th</sup>AGM.
- e) **Smt. Aarju Agrawal, Practicing Company Secretary, Partner of M/s Aarju Agrawal & Associates, Nagpur, have been appointed as the Scrutinizer** to scrutinize the remote e-Voting process and casting vote through the e-Voting system during the meeting in a fair and transparent manner.
- f) The Scrutinizer shall after the conclusion of e-Voting at the 16<sup>th</sup>AGM, first download the votes cast at the 16<sup>th</sup>AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, who shall then countersign and declare the result of the voting forthwith.
- g) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at [www.suryaamba.com](http://www.suryaamba.com) and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the declaration of Results by the Chairman or a person authorized by him. The Results shall also be simultaneously forwarded to BSE Limited.



12. Electronic copy of the Annual Report for the financial year ended March 31, 2023 along with the Notice of the 16<sup>th</sup> AGM of the Company, inter-alia indicating the process and manner of e-Voting is being sent to all the members whose email addresses are registered with the Company/ DPs for communication purposes unless any member has requested for a hard copy of the same. In case any member is desirous of obtaining hard copy of the Annual Report for the financial year ended March 31, 2023 and Notice of the 16<sup>th</sup>AGM of the Company, may send request to the Company's email address at [cssuryaamba@gmail.com](mailto:cssuryaamba@gmail.com) mentioning Folio No./ DP ID and Client ID. Members, whose email address is not registered with the Company or with their respective Depository Participant(s), and who wish to receive the Notice of the 16<sup>th</sup>AGM and the Annual Report for the financial year ended March 31, 2023 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:
- Members holding shares in physical form may send scan copy of a signed request letter mentioning the folio number, complete address, email address to be registered along with scanned self-attested copy of the PAN and any document (such as Driving License, Passport, Bank Statement, AADHAAR) supporting the registered address of the Member, by email to the Company's email address at [cssuryaamba@gmail.com](mailto:cssuryaamba@gmail.com).
  - Members holding shares in demat mode may update the email address through their respective DPs.
13. **The dividend for the financial year ended March 31, 2023, as recommended by the Board of Directors, if approved by the members at the AGM, will be paid on or after September 9, 2023, to those members whose names appear in the Register of Members of the Company or Register of Beneficial Owners maintained by the Depositories as on September 1, 2023.**
14. Members holding shares in electronic form are hereby informed that bank particulars registered with their respective DPs, with whom they maintain their demat accounts, will be used by the Company for payment of dividend.
15. Members holding shares in physical/electronic form are required to submit their bank account details, if not already registered, as mandated by SEBI.
16. Members holding shares in dematerialised mode are requested to register complete bank account details with the DPs and members holding shares in physical mode are requested to update bank details with the Company's RTA, KFin Technologies Limited.
17. In case the Company is unable to pay the dividend to any member by the electronic mode, due to non-availability of the details of the bank account, the Company shall dispatch the dividend warrants to such member by post.
18. As per the Income Tax Act, 1961 ("IT Act"), dividends paid or distributed by the Company after April 1, 2020, shall be taxable in the hands of the members and the Company shall be required to deduct tax at source ("TDS") at the prescribed rates from the dividend to be paid to the members, subject to approval of members in the ensuing AGM. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof.
19. A separate email communication will be sent to the members informing the relevant procedure to be adopted by them/documents to be submitted for availing the applicable tax rate. The said communication and draft of the exemption forms and other documents will be made available on the Company's website at [www.suryaamba.com](http://www.suryaamba.com). The resident and non-resident members should upload the scanned copies of the requisite documents at website of **KFin Technologies Limited** at <https://www.kfintech.com/forms/reg/submission-of-form-15g-15h.html> on or before August 31, 2023 to enable the Company to determine the appropriate TDS/ withholding tax rate, as may be applicable.
20. Transfer of Unclaimed Dividend Amounts to the Investor Education and Protection Fund ("IEPF"):
- Pursuant to the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends that are unpaid or unclaimed for a period of 7 (seven) years from the date of their transfer are required to be transferred by the Company to the IEPF,



administered by the Central Government. Further, according to the said IEPF Rules, shares in respect of which dividend has not been claimed by the shareholders for 7 (seven) consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

- b) The dividend amount and shares transferred to the IEPF can be claimed by the concerned members from the IEPF's Authority after complying with the procedure prescribed under the IEPF Rules. The details of the unclaimed dividends are also available on the Company's website at [www.suryaamba.com](http://www.suryaamba.com) and the said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link [www.iepf.gov.in](http://www.iepf.gov.in).
21. SEBI has mandated the updation of PAN, contact details, Bank account, specimen signature and nomination details, against folio / demat account. PAN is also required to be updated for participating in the securities market, deletion of name of deceased holder and transmission / transposition of shares. As per applicable SEBI Circular, PAN details are to be compulsorily linked to Aadhaar details by the date specified by Central Board of Direct Taxes. Members are requested to submit PAN, or intimate all changes pertaining to their bank details, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, specimen signature (as applicable) etc., to their DP in case of holding in dematerialised form or to Company's RTA, LIPL through Form ISR-1, Form ISR-2 and Form ISR-3 (as applicable) available on the Company's website at [www.suryaamba.com](http://www.suryaamba.com) and on the website of **KFin Technologies Limited** at <https://www.kfintech.com> in case of holdings in physical form.
22. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, the members are advised to dematerialize their holdings.
23. Members may note that SEBI vide its Circular no. SEBI/ HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialised form only while processing certain prescribed service requests. Further SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2022/65 dated May 18, 2022 has simplified the procedure and standardized the format of documents for transmission of securities. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR-4 & ISR-5, as the case may be, the formats of which are available on the Company's website at [www.suryaamba.com](http://www.suryaamba.com) and on the website of **KFin Technologies Limited** at <https://www.kfintech.com>. Members are requested to note that any service request would only be processed after the folio is KYC Compliant.
24. In accordance with the provisions of Section 72 of the Act and SEBI circulars, the facility for nomination is available for the members of the Company in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting the Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form No. ISR-3 or Form No. SH-14, as the case may be. The said forms are available on the Company's website at [www.suryaamba.com](http://www.suryaamba.com). Members are requested to submit the said details to their respective DP, in case the shares are held by them in dematerialised form and to the Company/ KFin Technologies Limited, in case the shares are held by them in physical form.
25. Members may note that, in terms of the SEBI Listing Regulations, equity shares of the Company can only be transferred in dematerialised form.
26. Documents referred to in the accompanying Notice of the 16<sup>th</sup>AGM and the Explanatory Statement shall be made available at the commencement of the meeting and shall remain open and accessible to the members during the continuance of the 16<sup>th</sup> AGM. During the 16<sup>th</sup>AGM, Members may access the scanned copy of these documents, upon Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>.



27. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act shall be made available at the commencement of the meeting and shall remain open and accessible to the members during the continuance of the 16<sup>th</sup> AGM. During the 16<sup>th</sup> AGM, Members may access the scanned copy of these documents, upon Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>.
28. Details as required under Regulation 36 of the Listing Regulations and SS-2 issued by ICSI, in respect of the Director seeking re-appointment at the 16<sup>th</sup> AGM, forms an integral part of this Notice. Requisite declarations have been received from the Director seeking re-appointment.

#### EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

As required under Section 102(1) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, this Explanatory Statement contains relevant and material information, as detailed herein, to enable the Members to consider for approval of the Resolution Nos. 4. & 7 to 11.

##### Item No. 4

The Board of Directors at its Meeting held on May 29, 2023, upon the recommendation of the Audit Committee, approved the appointment of **M/s. G. R. Paliwal & Co., Cost Accountants, Nagpur, (FRN: 100058)**, as Cost Auditors of the Company to conduct the audit of the cost records of the Company on a remuneration of ₹50,000/- plus reimbursement of out of pocket expenses incurred in connection with the audit) for the financial year ending March 31, 2024.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (as amended from time to time), the remuneration as mentioned above, payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors for the financial year ending March 31, 2024 as set out in the Ordinary Resolution for the aforesaid services to be rendered by them.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the proposed Resolution.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

##### Item No. 5

The Board of Directors upon the recommendation of the Nomination and Remuneration Committee, appointed **Smt. Neeraja Kartik (DIN: 08945443)** as an Additional Director with effect from August 12, 2023 pursuant to Section 161(1) of the Companies Act, 2013 ("the Act") and as an Independent Director pursuant to Section 149 of the Act. In terms of the provisions of Section 161(1) of the Companies Act, 2013, Smt. Neeraja Kartik will hold office only up to the date of ensuing Annual General Meeting.

The Company has received consent in writing to act as Director in Form DIR-2 and intimation in Form DIR-8 to the effect that she is not disqualified u/s 164(2) of the Act to act as Director. The Company has also received declaration from her that she meets the criteria of independence as prescribed u/s 149(6) of the Act. In the opinion of the Board, Smt. Neeraja Kartik fulfils the conditions specified in the Act and rules made thereunder for her appointment as an Independent Director of the Company and is independent of the management.

Smt. Neeraja Kartik, being eligible and offering herself for appointment, is proposed to be appointed as an Independent Director for a First Term of 5 (Five) years commencing from August 12, 2023.



The Board upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on August 12, 2023 has approved the appointment of Smt. Neeraja Kartik as an Independent Director and recommends the same for the approval by the Shareholders of the Company.

Except Smt. Neeraja Kartik, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 5 of this Notice.

Other information about Smt. Neeraja Kartik, pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standard-2 on General Meetings issued by ICSI are attached as Annexure to the Notice.

#### Item No.6

The Board of Directors vide resolution passed in Board meeting dated August 12, 2023 decided to alter the Capital clause of the Memorandum of Association of the Company, to re-classify (un-issued capital) the Authorized Share Capital of the Company with the approval of the shareholders of the Company.

The present Authorized Share Capital of the Company is ₹ 20,00,00,000/- (Rupees Twenty Crores only) Including Equity Share Capital of ₹5,00,00,000/- (Rupees Five Crores only) and Preference Share Capital of ₹15,00,00,000/- (Rupees Fifteen Crores only) Company proposes to amend its Share Capital Clause specified in Memorandum of Association of Company by reclassifying the Preference Share Capital component of Authorized share capital by shifting the unissued part of preference share capital as mentioned above into Equity Share Capital and reclassify part of Authorized share capital which will be reflected in Clause V of Memorandum of Association of the Company as mentioned in the resolution.

Save and except for the shares of the Company held by them, none of the Directors or Key Managerial Personnel of the Company or their relatives, are in any way, concerned or interested, financially or otherwise, in the said resolution.

By the Order of Board of Directors  
For Suryaamba Spinning Mills Limited

Date: May 29, 2023

Place: Nagpur

**Registered Office:**

1<sup>st</sup> Floor, Surya towers, 105,

S P Road, Secunderabad, TG 500003

Phone: (040) 27813360

E-mail: [samba.ngp@gmail.com](mailto:samba.ngp@gmail.com)

Website: [www.suryaamba.com](http://www.suryaamba.com)

CIN: L18100TG2007PLC053831

ISIN: INE360J0101

**Kriti Ladha**  
**Company Secretary & Compliance Officer**  
**M. No.: ACS 61729**



## ANNEXURE TO THE NOTICE

Details of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting.  
[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards]

Name of the Directors:	Shri. Mayank Agarwal	Smt. Neeraja Kartik
Date of Birth	March 11, 1990	September 12, 1978
Nationality	Indian	Indian
Director Identification Number	02749089	08945443
Date of first appointment on the Board	August 01, 2009	August 12, 2023
Qualifications	Industrial Engineering from Michigan University, USA and MFAB (Masters in Family Administered Business) from Indian School of Business, Hyderabad.	Qualified Chartered Accountant, Registered Insolvency Professional (IP), holding Bachelor's Degree in Commence
Resume / Expertise in specific functional areas	Overall Business Management including functional expertise in Sales, Marketing, Finance, Strategic planning and Corporate Management.	She has more than 20 years Post Qualification experience, employed with biggest Audit and accounting firms in India like Lovelock and Lewis consulting Pvt. Ltd (PWC) and E-serve international (a member of Citigroup) for the first 4 Years of her career Partner at K.S. Murlidharan and Co. which is a 35-year-old firm from Chennai handling Audits and consulting assignments for some major PSU bank and Companies. Currently Insolvency Professional.
Relationships between directors inter-se	Son of Shri Virender Kumar Agarwal and Smt. Seema Agarwal.	Not related to any of the Directors or KMP of the Company.
Number of Meetings of the Board attended during the year	Four out of Four	-
No. of equity shares held in the Company	270997	NIL
Directorship in other public or listed Companies as on March 31, 2023	NIL	Director in Nakshatra Finvest Limited & Whole time Director in Nakshatra Insolvency Resolution Professionals Limited
Chairmanship/ Membership of Committees of other Board	NIL	NIL



## DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Sixteenth Annual Report on the business and operations of the Company together with the Audited Financial Statements for the financial year ended March 31, 2023 ("year under review").

### 1. FINANCIAL SUMMARY AND STATE OF COMPANY'S AFFAIRS

A summary of your Company's financial results for the Financial Year 2022-23 is as under:

Particulars	As at year ended March 31, 2023	As at year ended March 31, 2022
Revenue from operations	24,833.46	22,665.59
Other income	191.79	121.73
<b>Total Revenue</b>	<b>25,025.25</b>	<b>22,787.32</b>
<b>Earnings Before Interest, Taxes, Depreciation and Amortization</b>	<b>2,243.61</b>	<b>2,805.86</b>
Less : Finance Cost	556.81	473.43
Less : Depreciation and Amortization Expense	628.37	489.26
<b>Profit before Tax</b>	<b>1,058.43</b>	<b>1,843.20</b>
Less :Tax Expenses	267.55	398.41
<b>Profit for the period</b>	<b>790.88</b>	<b>1,444.79</b>
Other Comprehensive Income (net of tax)	(6.09)	16.48
<b>Total Comprehensive Income</b>	<b>784.80</b>	<b>1,461.26</b>
Earnings per share	26.97	49.28
<b>Retained Earnings - Opening Balance</b>	<b>3,398.65</b>	<b>1,949.11</b>
Add: Profit for the year	784.80	1,461.27
Dividend including dividend tax paid	29.32	11.72
Transfer to General Reserves	-	-
<b>Retained Earnings - Closing Balance</b>	<b>4,154.14</b>	<b>3,398.65</b>

### 2. INDIAN ACCOUNTING STANDARD

The Company has adopted Indian Accounting Standards (Ind AS) and the financial statements have been prepared as per the Indian Accounting Standard Rules, 2015, as prescribed under Section (133) of the Companies Act, 2013 read with relevant Rules issued thereunder and the other Accounting Principles generally accepted in India.

### 3. DETAILS OF OPERATIONS

The year under review was stressful one. Sluggishness in demand resulted to stress on selling prices of Yarn products, following with continuous drop in Raw material (Fiber) prices and Crude Oil prices, coupling with earthquake in Turkey and other parts of the world, Russia-Ukraine War imposition of sanctions on IRAN by the US and also resulting to the Rupee depreciation.

Due to operational pause, demand implosion and complete halt of supply chains as business began to shift their focus to protecting the well-being of employees and other stakeholders.

The revenue from operations during the financial year 2022-23 stood at ₹24,833.46 lakhs as compared to ₹22,665.59 lakhs in the previous financial year. Domestic revenue constitutes ₹18,295.85 Lakhs of total revenue from operations





and export revenue constitutes ₹6,317.31 Lakhs of total revenue from operations. There is increase in domestic revenue by 22.85% whereas decrease in export revenue by 16.39%.

The operating profit (EBIDTA) of the Company has decreased from ₹2,805.86 lakhs in the previous year to ₹2,243.61 lakhs in the current year, resulted into decrease of 20.03 %.

Your Company recorded a net profit of ₹784.80 lakhs in the current year as compared to ₹1461.27 lakhs in the previous year, registering a significant decrease of 46.29 %. The Company has reported Earnings per Share of ₹26.97 during the current year against ₹49.28 in the previous year.

#### 4. DIVIDEND

Your Directors are pleased to recommend a dividend of ₹1/- per share for the year ended March 31, 2023, subject to shareholders' approval at the forthcoming 16<sup>th</sup> Annual General Meeting (AGM) of the Company. The total outgo on account of dividend to the shareholders will be ₹29.32 Lakhs (subject to deduction of TDS as per Section 194 of the Income Tax Act, 1961).

#### 5. TRANSFER TO RESERVE

The Company has transferred Nil to the general reserve out of the amount available for appropriations for the financial year ended March 31, 2023.

#### 6. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, read with rules made there under, the details / due dates for transfer of unclaimed / unpaid dividend to the Investors Education & Protection Fund (IEPF) by the Company are given in General Shareholders Information Section of Corporate Governance Report, forming part of this Annual Report.

The details of unclaimed dividend / shares are available on the website of the Company viz. [www.suryaamba.com/investors](http://www.suryaamba.com/investors).

#### 7. FINANCE

Your Company continues to focus on judicious management of its working capital. Receivables, inventories and other working capital parameters were kept under strict check through a process of continuous monitoring.

##### RATING

During the financial year 2022-23, India Ratings and Research (Ind-Ra) has affirmed Company a Long Term Issuer Rating of 'IND BBB'. The Outlook is stable. The instrument wise rating actions are given below:

Instrument Type	Maturity Date	Size of Issue (million)	Rating/ Outlook	Rating Action
Fund-based limit	-	INR 215	IND BBB/Stable	Affirmed
Non-fund-based working capital limit	-	INR 57.9	IND A3+	Affirmed
Term Loan	April 2028	INR 269.55 (reduced from INR 300.85)	IND BBB/Stable	Affirmed

##### DEPOSITS



During the year under review the Company has not accepted any deposits in pursuance of Chapter V Companies (Acceptance of Deposits) Rules, 2014.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

During the year under review, the Company has not granted any loans, neither provided guarantees nor made any investments covered in the register maintained under section 186 of the Companies Act, 2013.

#### **8. SHARE CAPITAL**

There was no change in the share capital of the Company during the financial year under review.

The Paid up equity share capital of the Company as on 31st March, 2023 is ₹293.19 Lakhs. During the year under review. Company has neither issued any shares with differential rights as to dividend, voting or otherwise nor granted any stock options or sweat equity under any scheme.

#### **9. DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to the requirements under Section 134 of the Companies Act, 2013 with respect to the Directors' Responsibility Statement, the Board of Directors of the Company hereby confirms:

(a) that in the preparation of the annual accounts for the Financial Year ended March 31, 2023, the applicable accounting standards have been followed;

(b) that 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 as at March 31, 2023, and Profit and Loss Statement of the Company for that period;

(c) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) that the directors have prepared the annual accounts for the financial year ended March 31, 2022, ongoing concern basis;

(e) that the directors have laid down internal controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

(f) that 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;

#### **10. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149 OF THE COMPANIES ACT, 2013.**

The Independent Directors have submitted the Declaration of Independence, as required pursuant to Section 149 (7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in Sub-Section (6) of section 149 of Companies Act, 2013

#### **11. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

##### Re-appointment of Directors

- In accordance with the provisions of the Companies Act, 2013 and in terms of Articles of Association of the Company, Shri Mayank Agarwal (DIN: 02749089), Whole-time Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

##### Independent Directors

All the Independent Directors of the Company have been appointed for a fixed term of 5 (five) consecutive years from the date of their respective appointment / regularization in the AGM and they are not liable to retire by rotation. All



Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Listing Regulations, 2015.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the fields of strategy, planning and execution, management and leadership, functional and managerial experience, legal and risk management, corporate governance systems and practices, finance, banking and accounts and they hold highest standards of integrity.

### **Board Effectiveness**

#### Familiarization Policy:

Pursuant to Regulation 25(7) of Listing Regulations, 2015, the Board has framed a policy to familiarize the Independent Directors about the Company. The policy is available on the website of the Company [www.suryaamba.com](http://www.suryaamba.com). The familiarization policy of the Company seeks to familiarize the Independent Directors with the working of the Company, their roles, rights and responsibilities, vis-a-vis the Company, the industry in which the Company operates, business model, etc.

#### Board Evaluation:

Pursuant to the provisions of the Act and Listing Regulations, 2015, the Board has carried out an evaluation of its own performance and that of the directors individually, as well as the evaluation of the working of the Board Committees. The manner of evaluation has been explained in the Corporate Governance Report.

Criteria for selection of Directors, KMPs and Senior leadership positions and their remuneration

The Board on the recommendation of the Nomination and Remuneration Committee has framed a policy for selection and appointment of Directors, Senior Management Personnel and their remuneration. The policy is available on the Company's website [www.suryaamba.com](http://www.suryaamba.com). The policy contains, inter-alia, principles governing directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of directors, etc.

#### Key Managerial Personnel

Pursuant to the provisions of Sections 2(51) and 203 of the Act read with The Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following are the Key Managerial Personnel of the Company:

- ❖ Shri Virender Kumar Agarwal, Managing Director;
- ❖ Smt. Seema Agarwal, Joint Managing Director;
- ❖ Shri Mayank Agarwal, Wholetime Director;
- ❖ Shri Gajanan N. Chhawsaria, CFO; and
- ❖ Smt. Kriti Ladha, Company Secretary & Compliance Officer.

## **12. MEETINGS OF THE BOARD**

A calendar of prospective meetings is prepared and circulated in advance to the Directors. The details of Board and Committee meetings held during the year under review, are given in the Corporate Governance Report forming part of this Annual Report. The gap between these meetings was within the prescribed period under the Act and Listing Regulations, 2015

## **13. COMMITTEES OF THE BOARD**



Currently the Board has four Committees:

1. The Audit Committee
2. The Nomination and Remuneration Committee
3. Corporate Social Responsibility Committee
4. Stakeholders Relationship Committee

#### **Audit Committee**

The Audit Committee consists of Shri Amit Goela, Chairman, Shri Sushil Kapadia, Member and Smt. Seema Agarwal, Member. All the recommendations made by the Audit Committee were accepted by the Board.

#### **Nomination and Remuneration Committee**

The Nomination and Remuneration Committee consists of Shri Amit Goela, Chairman, Shri Sushil Kapadia, Member and Shri Nilesh Panpaliya, Member.

Policy on directors' appointment and remuneration and other details:

The Company follows a policy on remuneration of directors and other senior managerial personnel. The Policy is recommended by the Nomination and Remuneration Committee and approved by the Board. More details of the same is given in the Corporate Governance Report.

#### **Corporate Social Responsibility Committee**

The Corporate Social Responsibility consists of Smt. Seema Agarwal, Chairman, Shri Mayank Agarwal, Member and Shri Amit Goela, Member.

This policy encompasses the Company's philosophy for giving back to society as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for the welfare & sustainable development of the community at large.

#### **Corporate Social Responsibility Policy**

The core theme of the Company's CSR policy is giving back to the society from which it draws its resources by extending helping hand to the needy and the underprivileged.

Corporate Social Responsibility is the commitment of business to contribute for sustainable economic development. It is the contribution of the corporate sector for philanthropic causes like education, health, water, sanitation, animal welfare, environment and community development. In alignment with vision of the company, through its CSR initiatives will continue to enhance value creation in the society, through its services, conduct & initiatives, so as to promote sustained growth of the society, in fulfilment of its role as a Socially Responsible Corporate, with environmental concern.

The Report on Corporate Social Responsibility as per Rule 8 of (Corporate Social Responsibility Policy) Rules, 2014 is enclosed as **Annexure-I**.

#### **Stakeholders Relationship Committee**

Stakeholders Relationship Committee consists of Shri Amit Goela, Chairman, Shri Sushil Kapadia, Member and Smt. Seema Agarwal, Member. The Scope of the committee shall include considering and resolving the grievances of the security holders of the company which may arise due to any of the reasons cited in the Stakeholders Relationship Committee of the company.



## 14. AUDITORS

### Statutory Auditors:

At the Annual General Meeting (AGM) held on August 13, 2020, **Manish N Jain & Co., Chartered Accountants (ICAI Firm Registration Number 138430W)**, were appointed as Statutory Auditors of the Company to hold office for a period of five years and their appointment will be subject to the ratification of members at every Annual General Meeting. However, pursuant to the Companies (Amendment) Act, 2017, the ratification of the auditors at every annual general meeting of the company has been dispensed with.

The Report given by the Auditors on the financial statements of the Company is part of this Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report. The Auditor's Report to the Shareholders for the year under review does not contain any qualification or adverse remark.

### Secretarial Auditor

The Board has appointed M/s Aarju Agrawal & Associates, a firm of Practicing Company Secretaries, Nagpur as the Secretarial Auditors to conduct Secretarial Audit of the Company for the Financial Year 2022-23 in compliance with the provisions of Section 204 of the Companies Act, 2013.

The Secretarial Audit Report issued by M/s Aarju Agrawal & Associates in Form MR-3 is enclosed as **Annexure-II**. The Report of the Secretarial Auditor annexed to this Report is self-explanatory and does not call for any further clarification. In addition to the above and pursuant to SEBI circular dated June 29, 2021, a report on Secretarial Compliance for F.Y. 2022-23 has been submitted to stock exchanges. There are no observations, reservations or qualifications in the said report.

### Internal Auditor

The Board of Directors of the Company have appointed **Miss Shreyata Khakole, Chartered Accountants** having Membership Number: 174018 as Internal Auditors to conduct Internal Audit of the Company for the Financial Year 2022-23. They have confirmed their eligibility and have granted their consent to act as Internal Auditors of the Company for the financial year 2022-23. But due to preoccupation of work resigned as Internal Auditor of the Company w.e.f. **August 05, 2022**.

**M/s Haziyani & Associates, Chartered Accountants having Membership Number: FRN 030087C** were appointed as Internal Auditor of the Company to conduct the Internal Audit of the Company for the Financial Year 2022-23, w.e.f. **August 06, 2022**. They have confirmed their eligibility and have granted their consent to act as Internal Auditors of the Company.

### Cost Auditor:

The Board of Directors have appointed **M/s. G. R. Paliwal & Co., Cost Accountants (Firm Reg. No.100058), Nagpur** for conducting the cost audit of the Company for the financial year 2022-23, in compliance to the provisions of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit Rules,) 2014, on the recommendations made by the Audit Committee and has recommended his remuneration for the approval of Members at the ensuing Annual General Meeting.

As required under the Act, the remuneration payable to the Cost Auditor is required to be placed before the members in a general meeting for their ratification. Accordingly, a resolution seeking member's ratification for the remuneration payable to M/s. G. R. Paliwal & Co., Cost Accountants is included in the Notice convening the 16<sup>th</sup> AGM of the Company.

## 15. REPORTING OF FRAUDS BY AUDITORS



During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of frauds committed by the Company by its Officers or Employees, to the Audit Committee under Section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

## 16. PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given below:

### Remuneration to Directors:

Name of the Director & Designation	Remuneration in the FY			*Ratio of Remuneration to MRE	Ratio of Remuneration	
	2022-23 ₹ in lakhs	2021-22 ₹ in lakhs	% of Increase from Previous Year		Revenue	Net Profit
Shri Virender Kumar Agarwal [Managing Director]	47.38	30.02	57.83 %	35.94 times	0.0014 times	0.05 times
Smt. Seema Agarwal [Joint Managing Director]	44.16	24.29	81.80 %	33.5 times	0.0013 times	0.04 times
Shri Mayank Agarwal [Whole-time Director]	34.94	19.23	81.70 %	26.5 times	0.0011 times	0.03 times

### Remuneration to Key Managerial Personnel (KMP):

Name & Designation of KMP	Remuneration in the FY			*Ratio of Remuneration to MRE	Ratio of Remuneration	
	2022-23 ₹ in lakhs	2021-22 ₹ in lakhs	% of Increase from Previous Year		Revenue	Net Profit



Shri Gajanan Chhawsaria [Chief Financial Officer]	19.29	17.47	10.42 %	14.63 times	0.0006 times	0.02 times
Smt. Kriti Ladha [Company Secretary]	3.45	3.16	9.18 %	2.62 times	0.0001 times	0.00 times

\* Median Remuneration Employee

\*\* Based on annualized salary and rounded off to two decimals

**Note:**

- ❖ Independent Non-Executive Directors receives only sitting fees, which are not considered above.
- ❖ Figures have been rounded off wherever necessary.
- a. The Median Remuneration of Employees (MRE) excluding Whole Time Director was ₹1,31,839/-
- b. In the financial year, there was an increase of (37.25%) in the median remuneration of employees.
- c. There are 829 permanent employees on the rolls of Company as on March 31, 2023.
- d. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – N.A.
- e. It is affirmed that the remuneration is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees adopted by the Company.

Details of employee remuneration as required under provisions of Section 197(12) of the Companies Act, 2013 and Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms an integral part of this annual report. The above Annexure is not being sent along with this annual report to the members of the Company in line with the provisions of the Act. Members who are interested in obtaining these particulars may write to the Company Secretary at [cssuryaamba@gmail.com](mailto:cssuryaamba@gmail.com).

## 17. CORPORATE GOVERNANCE REPORT

The report on Corporate Governance as per Regulation 34(3) read with Schedule V of the SEBI Listing Regulations is included as a part of this Annual Report. The requisite certificate from Manish N Jain & Co., confirming the compliance with the conditions of Corporate Governance is attached to the Report on Corporate Governance.

## 18. MANAGEMENT DISCUSSION AND ANALYSIS

In terms of provisions of Regulation 34(2) of SEBI Listing Regulations report on Management Discussion & Analysis for the year under review is provided in a separate section forming part of this Annual Report.

## 19. VIGIL MECHANISM/WHISTLE BLOWER POLICY

Your Company has in place a vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of your Company's Code of Conduct. Under the vigil mechanism of the Company, which also incorporates a whistle blower policy in terms of Regulation 22 of the Listing Regulations,



2015, protected disclosures can be made by a whistle blower through an e-mail, or dedicated telephone line or a letter to the Chairman of the Audit Committee. Adequate safeguards are provided against victimization to those who avail of the vigil mechanism. The Policy on vigil mechanism/whistle blower policy may be accessed on the Company's website [www.suryaamba.com](http://www.suryaamba.com) Employees who join the Company newly are apprised of the availability of the said policy as a part of their induction schedule.

The above is in compliance of Section 177 (9) & (10) of the Companies Act, 2013 and in terms of Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 20. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

## 21. CHANGE IN THE NATURE OF BUSINESS

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

Material changes and Commitments, if any, affecting the financial position of the Company occurred after the closure of financial year till the time of adoption of this report.

No other material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company. Further, there is no change in the nature of business of the Company.

## 22. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Your Company did not enter into any material related party transactions with Promoters, Directors, Key Managerial Personnel or other designated persons.

All Related Party Transactions are placed before the Audit Committee and also the Board for approval. Prior omnibus approval of the Audit Committee is obtained on an annual basis for transactions which are of a foreseeable and repetitive nature. A detailed statement of such Related Party Transactions entered into pursuant to the omnibus approval so granted are placed before the Audit Committee for their review on a quarterly basis. Suitable disclosures as required by the Indian Accounting Standards (Ind AS 24) have been made in the notes to Financial Statements.

The Company has formulated a Related Party Transactions Policy for the purpose of identification and monitoring of such transactions. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website [www.suryaamba.com](http://www.suryaamba.com).

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

The information with respect to Conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Act read with Rule 8 of Companies (Accounts) Rules, 2014, are provided in the **Annexure III** to this Report.

## 24. RISK MANAGEMENT POLICY

The Company has policy for identifying risk and established controls to effectively manage the risk. Further the company has laid down various steps to mitigate the identified risk. The audit committee has additional oversight in





the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Declaration with the compliance with the code of conduct by Members of the board and Senior Management personnel.

The Company has complied with the requirements about code of conduct for Board members and Sr. Management Personnel.

The said policy is available on the website of the Company [www.suryaamba.com](http://www.suryaamba.com) .

## 25. MECHANISM FOR BOARD EVALUATION

The board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the schedule IV of the Companies Act, 2013 and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Directors evaluation was broadly based on the parameters such as understanding of the Company's vision, objective, skills, knowledge and experience, participation and attendance in Board/ Committee meetings; governance and contribution to strategy; interpersonal skills etc.

The Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as evaluation of the working of its Board Committees. A structured questionnaire was prepared covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board Culture, execution and performance of specific duties, obligations and governance.

A meeting of the Independent Directors was also held which reviewed performance of non-independent directors, performance of the board as a whole and performance of the chairman after taking in to account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

## 26. POLICY ON SEXUAL HARASSMENT

The Company has adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act; 2013. The Company regularly conducts awareness programmes for its employees.

### Disclosure pertaining to sexual harassment of women at workplace

During the Financial year ended March 31, 2023 the Company has neither received any complaints nor there are any pending complaints pertaining to sexual harassment, and the Company had created Internal Complaints committee.

## 27. ENVIRONMENT, HEALTH AND SAFETY

The Company considers it is essential to protect the Earth and limited natural resources as well as the health and wellbeing of every person. The Company strives to achieve safety, health and environmental excellence in all aspects of its business activities. Acting responsibly with a focus on safety, health and the environment is part of the Company's DNA.

## 28. SECRETARIAL STANDARDS



The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI). A certificate of compliances issued by the Secretarial Auditor M/s. Aarju Agrawal & Associates dated July 02, 2023 is enclosed as **Annexure-II** and forms part of this Report.

### 29. SUBSIDIARY, JOINT VENTURE OR ASSOCIATES COMPANY

The Company does not have any subsidiaries, joint venture and Associates Company during the year under review.

### 30. GREEN INITIATIVE

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies. Further, as per the provisions of Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Company may send financial statements and other documents by electronic mode to its members. Your Company has decided to join the MCA in its environmental friendly initiative.

Accordingly, henceforth Company propose to send documents such as notices of General Meetings, Annual Report and other communications to its shareholders via electronic mode to the registered E- mail addresses of the shareholders. To support this green initiative of the Government in full measure, shareholders are requested to register/update their latest E-mail addresses with their depository Participant (D.P.) with whom they are having Demat Account or send the same to the Company via E-mail at: - [cssuryaamba@gmail.com](mailto:cssuryaamba@gmail.com) or [samba.ngp@gmail.com](mailto:samba.ngp@gmail.com). We solicit your valuable co- operation and support in our endeavor to contribute our bit to the Environment.

### 31. SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

### 32. HUMAN RESOURCE/INDUSTRIAL RELATIONS

The Company recognizes human resource as its most valuable asset and it has built an open, transparent and meritocratic culture to nurture this asset. The Company is of firm belief that the Human Resources are the driving force that propels a Company towards progress and success. The Company has a team of able and experienced professionals to look after the affairs of the Company. The Company's employees at all levels have extended their whole hearted co-operation for the excellent performance of the Company.

### 33. APPRECIATION & ACKNOWLEDGMENT

The Company is grateful to its Customers, Shareholders, Suppliers, vendors, investors and academic partners Banks & Financial institutions, Central & State Government Authorities for their confidence reposed and constant support.

The Board of Directors also place on record their sincere appreciation of the contribution made by the employees at all levels, the consistent growth of the Company was made possible by their hard work, loyalty, dedication, coordination and support.

**By Order of the Board of Directors**

**VIRENDER KUMAR AGARWAL**

**Managing Director**

**DIN : 00013314**

**SEEMA AGARWAL**

**Joint Managing Director**

**DIN: 01430206**

**Place: Nagpur**

**Date : May 29, 2023**



**ANNEXURE -I****ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY**

[Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014]

**1. Brief Outline on CSR Policy of the Company.**

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the CSR Committee framed the Corporate Social Responsibility Policy (CSR Policy) and the same was adopted by the Board of Directors on June 29, 2020.

The CSR policy of the Company encompasses its philosophy towards Corporate Social Responsibility and lays down the guidelines and mechanism for undertaking Corporate Social Responsibility Projects for welfare & sustainable development of the community at large. The CSR policy is also available on the Company's website at the link: <http://www.suryaamba.com/CSR.pdf>

The Company has identified health, education, environment protection, social development, women empowerment as the areas where assistance is provided on a need-based and case-to-case basis. Your Company persisted with participation in such activities at the local grass root level during the year.

The Company's CSR Policy seeks to touch and transform people's lives by promoting education, health care and employment opportunities. Indeed, it seeks to evaluate the quality of people especially the disadvantaged sections of the society.

**Identified Areas of Engagement:**

1. Promoting education, including special education and employment enhancing vocational skills among children and women.
2. Eradicating hunger and poverty and malnutrition and sanitation and making available safe drinking water and
3. Animal Welfare.
4. Promoting health care including preventive health care.

**2. Composition of CSR Committee:**

The CSR Committee comprises of the following:

S. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Smt. Seema Agarwal	Chairman	2	2
2	Shri Mayank Agarwal	Member	2	2
3	Shri Amit Goela	Member	2	2

**3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company - <https://www.suryaamba.com./policies/J>**

4. 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: Not Applicable
5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable**
6. Average Net profits of the Company of the three Financial Years as per section 135(5):

(₹in Lakhs)

Net Profit for the preceding three Financial year	2019-20 (₹)	2020-21 (₹)	2021-22 (₹)
	749.58	498.65	1843.19
Average	1,030.473		
Prescribed CSR Expenditure (2% of Average Net Profits)	20.60947		

7. (a) Two percent of average net profit of the company as per section 135(5) of the Act - ₹20.60 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 - Nil  
 (d) Total CSR obligation for the financial year (7a+7b-7c). - ₹ 6.03 Lakhs

The Company has spent ₹6.03 Lakhs on the identified areas as approved by the Board for the Financial Year ended March 31, 2023. The details are as below: -

(₹in Lakhs)

S. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs Wise	Amount spent projects or programs Subheads (1) Direct expenditure on projects or programs. (2) Overheads	Cumulative expenditure up to the reporting period 1st April, 2022 to 31st March, 2023	Amount Spent: Direct or through implementing agency
1	Healthcare	• Conducting free medical checkups of villagers	Nayakund, Dist. Nagpur	3.50	3.50	3.50	Suryaamba Foundation, Nagpur
2.	Promotion of Education	• Distribution of books and other stationery items to poor children	Nayakund, Dist. Nagpur	0.12	0.12	0.12	Direct
3.	Religious	• Donation for gaushalas and medical facilities for old and sick cows	Nayakund, Dist. Nagpur	0.07	0.07	0.07	Direct



4.	Healthcare and Sanitation	• Distribution of sanitary pads in rural areas	Nayakund, Dist. Nagpur	1.84	1.84	1.84	Direct
5.	Environment sustainability	• Conducting tree plantation drive	Nayakund, Dist. Nagpur	0.15	0.15	0.15	Direct
6.	Promotion of Sport activities	• Provided open gymnasium equipment	Nayakund, Dist. Nagpur	0.35	0.35	0.35	Direct
	Total			6.03	6.03	6.03	

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

The Company has made the commitment for spending the ₹20.6097 Lakhs towards Corporate Social Responsibilities to make the aggregate spending equivalent to at least two percent (2%) of the average net profit of the Company made during the three immediately preceding financial year. During the year ₹6.03 Lakhs has been paid towards Corporate Social Responsibility.

- (b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable  
(c) Details of CSR amount spent against other than ongoing projects for the financial year: Not Applicable  
(d) Amount spent in Administrative Overheads: NIL  
(e) Amount spent on Impact Assessment, if applicable: NIL  
(f) Excess amount for set off, if any: NIL

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

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

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 – No capital asset was created or acquired during the financial year 2022-23 through CSR spend. (Asset-wise details – Not applicable)

- (a) Date of creation or acquisition of the capital asset(s). – NA  
(b) Amount of CSR spent for creation or acquisition of capital asset. – NA  
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. – NA  
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). – NA

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135 (5) of the Act: Not Applicable

**All the legal compliance relating to CSR has been duly made by the Company in respect of committee, policy etc. New Form CSR-2 specified by the Ministry of Corporate Affairs (MCA) has been duly filed by the Company.**

**The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR Objectives and Policy of the Company.**

Place: Nagpur  
Date : May 29, 2023

MAYANK AGARWAL  
Member of CSR Committee  
DIN : 02749089

SEEMA AGARWAL  
Chairman of CSR Committee  
DIN : 01430206



**ANNEXURE -II****Form No. MR-3  
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2023

**[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
**The Members,**  
**SURYAAMBA SPINNING MILLS LIMITED**  
CIN: - L18100TG2007PLC053831  
Surya Towers, 1<sup>st</sup> Floor,  
105, Sardar Patel Road,  
Secunderabad-500 003 (T.G.), India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Suryaamba Spinning Mills Limited** bearing CIN: - **L18100TG2007PLC053831** (hereinafter referred to as "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.

**Auditor's responsibility**

My responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. I have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the Audit Period from April 01, 2022 to March 31, 2023("the Audit Period") generally 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 made available to me and maintained by the Company for the Financial Year ended on March 31, 2023 according to the applicable 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) 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;
- (v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):



- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation s, 2018 and amendments from time to time- **(Not applicable to the Company during the audit period);**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat equity) Regulations, 2021- **(Not applicable to the Company during the audit period);**
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulation s, 2021- **(Not applicable to the Company during the audit period);**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the Client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- **(Not applicable to the Company during the audit period);**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- **(Not applicable to the Company during the audit period);**
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) The following are other laws specifically applicable to the Company, namely: -
- The Employee's Provident Fund & Miscellaneous Provision Act, 1952
  - Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
  - Industries (Development & Regulation) Act, 1951
  - The Water (Prevention & Control of Pollution) Act, 1974
  - The Air (Prevention & Control of Pollution) Act, 1981
  - Environment (Protection) Act, 1986
  - Industries Disputes Act, 1947
  - The Employees Compensation Act, 1948
  - Equal Remuneration Act, 1976
  - The Noise Pollution (Regulation & Control) rules, 2000
  - Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008
  - Information Technology Act, 2000
  - Foreign Trade Policy 2015-20 valid till Sept 30<sup>th</sup>, 2022 for a further period of six months, w.e.f. October 1<sup>st</sup>, 2022
  - The Maternity Benefit Act, 1961
  - The payment of Gratuity Act, 1972
  - The Minimum Wages Act, 1948
  - The Payment of Bonus Act, 1965
  - The Payment of Wages Act, 1936
  - The Factories Act, 1948
  - The Contract Labour (Regulation & Abolition) Act, 1970
  - The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959
  - The Industrial Employment (Standing Orders) Act, 1946
  - The Water (Prevention and Control of Pollution) Cess Act, 1977
  - Maharashtra Shops and Establishments Act, 1948
  - Maharashtra Labour Welfare Act, 1948



- Land Revenue Laws of the State of Telangana
- Acts as prescribed under Direct tax and Indirect Tax
- Income Tax Act, 1961
- Goods and Service Tax Act, 2017
- Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013
- The National and Festival Holidays Act 1963 (Relevant State Acts)

I report that the applicable financial laws, such as the Direct and Indirect Tax Laws, have not been reviewed under my audit as the same falls under the review of statutory audit and by other designated professionals.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) pertaining to Board and General Meetings.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (hereinafter referred to as "the listing regulation") and Uniform Listing Agreement(s) entered with BSE Limited;

During the audit period under review, to the best of my knowledge and belief and according to the information and explanations given to me, the Company has generally complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above, to the extent applicable except mentioned below:

- As per Section 56 of the Companies Act, 2013 the company was required to transmitted the shares of Shri Ravinder Agrawal who has passed away on 6<sup>th</sup> October, 2018 and whose shareholding is still reflecting under Promoter's category in the Shareholding Pattern of the Company holding 100 Equity Shares in physical mode and whose transmission of shares could have already been processed earlier but could not have been done so far and it is still under process.

Please expedite the process of transmission of shares and rectify the same in Shareholding Pattern of the Company at the earliest.

- As per Regulation 23(9) of SEBI (LODR) Regulations, 2015 the company was required to file the disclosure of related party transactions for the half year ended on September, 2022 within period prescribed there under. However, due to technical glitch faced by the company while submitting the same. The company was unable to upload the same on due time.

With respect to aforesaid non-compliance under regulation 23(9) of SEBI (LODR) Regulation, 2015, the Company had received notice from BSE (bearing reference no. SEBI circular no.

SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020) through which the BSE had levied a fine of ₹82,600/- (including GST of ₹ 12,600 @ 18%) for above non-compliance.

Subsequently, as per circular issued by the BSE dated March 31, 2022, The Company made the payment of processing fees of ₹10,000 plus GST @ 18% i.e. 11,800 for processing the waiver request dated January 10<sup>th</sup>, 2023. Now, waiver request still in process. The management had not received any response from BSE.

- The Company has duly filed forms with Ministry of Corporate Affairs (MCA) within the stipulated time allowed under the Companies Act, 2013 except some forms required pursuant to provisions of Companies Act, 2013 and rules made thereunder.

**I further report that;**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review. The re-appointment of Shri Virender Kumar Agrawal as Managing





Director and Smt. Seema Agrawal as Joint Managing Director were carried out in compliance with the provisions of the Act and Listing Regulations.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice 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 and Committee(s) 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 applicable laws, rules, regulations and guidelines etc.

**I further report that**, during the audit period there were no specific events/actions occurred which had bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

**For Aarju Agrawal & Associates**  
**Company Secretaries**  
**CS Aarju Agrawal**  
**Proprietor**  
**ACS No.: A42507**  
**CP No.: 15770**  
**UDIN: A042507E000532964**  
**P/R No.: 2871/2023**

**Place: Nagpur**  
**Date: July 02, 2023**

**Encl. Annexure-I**

**Note: This report is to be read with my letter of even date which is annexed as 'ANNEXURE-I and forms an integral part of this report.**



**ANNEXURE - I**

To,  
The Members,  
**SURYAAMBA SPINNING MILLS LIMITED**  
CIN: - L18100TG2007PLC053831  
Surya Towers, 1<sup>st</sup> Floor, 105, Sardar Patel Road,  
Secunderabad-500 003 (T.G.), India

Dear Sir/Madam,

**Sub.: My report of even date is to be read along with this letter.**

1. Maintenance of secretarial record 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 and I rely on Auditors Independent Assessment on the same.
4. Where ever 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, regulations, standards is the responsibility of management. My examination was limited to the verification of process followed by Company to ensure adequate Compliance.
6. The Secretarial Audit report 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.
7. I have relied upon the information provided by the Management with respect to related party transactions for its compliance.

**For Aarju Agrawal & Associates**  
**Company Secretaries**  
**CS Aarju Agrawal**  
**Proprietor**  
**ACS No.: A42507**  
**CP No.: 15770**  
**UDIN: A042507E000532964**  
**P/R No.: 2871/2023**

**Place: Nagpur**  
**Date: July 02, 2023**



**ANNEXURE -III****CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2023, is given below and forms part of the Board's Report.

The information as per Section 134 of the Companies Act, 2013 has to be presented:

**A. Conservation of energy****i. The steps taken or impact on conservation of Energy:**

Synchronized Maintenance schedules, installed horizon series, screw, and compressor, conducted regular energy audit and taken immediate steps to curtail power consumption

**ii. The Steps taken by the Company for utilising alternate sources of Energy:**

The company looks to explore the possibility of solar power as a green energy. There was no major capital investment on energy conservation equipment's during the year.

**iii. The Capital Investment on energy conservation equipments: Nil****B. Technology absorption:**

The Company is continuously making efforts for adaptation of latest technology at its unit to improve the performance, quality and cost effectiveness of its products, upgrading its plant and Machinery. The Company focuses to pioneer the launch of new products that have been successful in the market to adapt at its unit.

The Company has been continuously improving the quality of its existing products and entered into new products and also to reduce the cost of production and optimum energy utilization.

The Company has not imported any technology during the last three years reckoned from the beginning of this financial year 2022-23. Therefore, no such disclosure on details of technology imported, year of import and absorption of technology are applicable.

During the year the company has not made any expenditure on research & development.

**C. Foreign exchange earnings and outgo:**

The details of foreign exchange earnings in terms if actual inflow and outflows during the year are detailed in Note No. 41 of the Financial Statements.

**By Order of the Board of Directors**

Place: Nagpur  
Date : May 29, 2023

**VIRENDER KUMAR AGARWAL**  
Managing Director  
DIN : 00013314

**SEEMA AGARWAL**  
Joint Managing Director  
DIN : 01430206



## **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,

The Members of  
**Suryaamba Spinning Mills Limited**  
1<sup>st</sup> Floor, Suryatowers, 105, S P Road,  
Secunderabad-500 003 T.G. IN

I have examined the relevant disclosures provided by the Directors ( as enlisted in Table A) of **Suryaamba Spinning Mills Limited** bearing **CIN L18100TG2007PLC053831**, having registered office at 1<sup>st</sup> Floor, Surya towers, 105, S P Road, Secunderabad-500 003 T.G (hereinafter referred to as ‘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 Knowledge and based on the following:

- i. Documents available on the website of the Ministry of Corporate Affairs;
- ii. Verifications of Directors Identification Number (DIN) status on the website of the Ministry of Corporate Affairs;
- iii. Disclosures provided by the Directors ( as enlisted in Table A) of the Company; and
- iv. Debarment list of the Bombay Stock Exchange,

I hereby certified that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority as on March 31, 2023.

Sr. No.	Name of the Directors	DIN	*Date of appointment in the Company
1	Virender Kumar Agarwal	00013314	May 5, 2007
2	Seema Agarwal	01430206	January 1, 2009
3	Mayank Agarwal	02749089	August 1, 2009
4	Sushil Kapadia	01730944	November 11, 2018
5	Amit Goela	01754804	July 18, 2011
6	Nilesh Panpaliya	08499844	July 3, 2019

\*the date of appointment is as per the MCA Portal.

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

**For Aarju Agrawal & Associates**  
**Company Secretaries**  
**CS Aarju Agrawal**  
**Proprietor**  
**ACS No.: A42507**  
**CP No.: 15770**  
**UDIN: A042507E000502967**  
**P/R No.: 2871/2023**

**Place: Nagpur**  
**Date: June 26, 2023**



## **CORPORATE GOVERNANCE REPORT**

The Board of Directors present the Company's Report on Corporate Governance pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") as amended, for the financial year ended March 31, 2023

### **1. SURYAAMBA'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Governance reflects the culture and values of a Company's board and management. For years, Suryaamba Spinning Mills Limited ("the Company") has promoted practices, standards and resources to maximize the shareholder value legally, ethically and on a sustainable basis while ensuring fairness, transparency and accountability to benefit all stakeholders comprising customers, vendors, investors, regulators, employees and the society at large.

The Company believes that good governance in a Company enhances the confidence, trust and enthusiasm of its stakeholders. Suryaamba has worked diligently to integrate ethical analysis into defining its corporate culture with an aim of achieving social responsibility and return.

Our Board recognizes the importance of maintaining high standards of corporate governance, which underpins our ability to deliver consistent financial performance and value to our stakeholders. In line with the above philosophy, the Company continuously strives for excellence and focuses on enhancement of long-term stakeholder value through adoption of best governance and disclosure practices. The Company has a strong legacy of fair, transparent and ethical governance practices and continues to make progressive actions that promote excellence within our business and the marketplace.

The Company maintains a comprehensive set of compliance policies and procedures which assist us in complying with the law and conducting our business in an honest, ethical, and principled way.

The Company's Code of Business Conduct and Ethics, Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons as framed under the SEBI (Prohibition of Insider Trading) Regulations, 2015 demonstrates our values and commitment to ethical business practices, integrity and regulatory compliances.

At Suryaamba, we believe good corporate governance is an essential part of well-managed, successful business enterprise that delivers value to the shareholders. Our robust governance framework is based on the following principles:

- Fairness and equitable treatment towards stakeholders to encourage active co-operation between the Company and its stakeholders.
- Timely and accurate disclosure of all material matters relating to the Company, including the financial situation, performance, ownership, and governance of the Company is ensured.
- Board members act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Company in addition to the shareholders coupled with the intention of ensuring appropriate composition and size of the Board.
- Channels for disseminating information provide for equal, timely and cost-efficient access to relevant information by users.
- Continually reinforcing a culture across the organization for acting lawfully, ethically and responsibly.
- As part of Corporate Social Responsibility, believing in working and supporting sustainable projects both for



people & planet and providing valuable contribution to social and economic development; and

- Continuous and on-going focus on training, development and integration of employees across all levels to achieve Company's objectives.

*"Corporate governance is concerned with holding the balance between economic and social goals and between individual and communal goals. The governance framework is there to encourage the efficient use of resources and equally to require accountability for the stewardship of those resources. The aim is to align as nearly as possible the interests of individuals, corporations and society". (Sir Adrian Cadbury, UK, Commission Report: Corporate Governance 1992).*

The Company has always adhered to good corporate governance practices and maintained the highest levels of fairness, transparency, accountability, ethics and values in all facets of its operations.

The Company believes that high standards of Corporate Governance are the critical to ensure the business success. We feel proud that we have laid a strong foundation stone for good governance long back. The Company has always believed in conducting its affairs in a fair and transparent manner and in maintaining the highest ethical standards in its dealings with all its constituents. Suryaamba mission is to constantly review its systems and procedures to achieve the highest level of Corporate Governance in the overall interest of all the stakeholders.

The Company firmly believes in following the best standards of business practices and ethics to conduct its operations and follows the principle of transparency, integrity, accountability and equity while dealing with its shareholders, lenders, employees, government, other stakeholders and society at large. The Company's philosophy on Corporate Governance is in line with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (hereinafter called as "Listing Regulations"). The Company has Professionals on its Board of Directors who are actively involved in the deliberations of the Board on all important policy matters.

The Company's Governance framework is based on the following principles:

- Appropriate Composition of Board of Directors where every member is having expertise in their domain.
- Availability of information to the members of Board and Committees enabling them to discharge their fiduciary duties.
- Timely disclosure of material, operational and financial information to the stakeholders.
- Proper business conducted by the Board and Senior Management.
- System and processes are in place for internal control.

A Report on Compliance with the Principles of Corporate Governance as prescribed by the Securities & Exchange Board of India (SEBI) in Chapter IV read with Schedule V of the Listing Regulations is given below:

## 2. BOARD OF DIRECTORS ('Board')

### Composition of Board

The Board of Directors is at the core of our Corporate Governance and oversees Management that protects Long term Interests of all the stakeholders. Your Management believe that well informed and Independent Board is necessary to ensure High Standard of Corporate Governance. The composition of the Board of the Company is in conformity with Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The Board consists of experienced and eminent professionals with expertise in varied fields. The Regulation 17 of SEBI Listing Regulations prescribes that the Board of the Company should have the optimum combination of Executive and Non-executive directors. The composition of the Board, an optimum mix of Independent, Non-executive and Executive Directors, and the Listing Regulations as amended from time to time. The profile of Directors is available at <https://www.suryaamba.com>. The day-to-day management of the Company, under the superintendence of the Board, is vested with the Managing Director, who is supported by a competent Management team. He is responsible for the business performance, driving growth and implementation of the strategic decisions taken at the Board level.



We are pleased to inform that Company's Board is an optimal mix of Executive, Non-Executive and Independent Directors so as to maintain its Independence in Governance and Management of the Company. The present strength of the Board as on 31st March, 2023 is Six Directors. Shri Virender Kumar Agarwal is Managing Director of the Company and is one of the promoters of the Company. Smt. Seema Agarwal is Joint Managing Director of the Company. Shri Mayank Agarwal is Whole Time Director of the Company. Accordingly, the Company's Board consists of three Independent Directors namely, Shri Amit Goela, Shri Sushil Kapadia and Shri Nilesh Panpaliya.

**Shri Sushil Kapadia, Independent Director of the Company shall complete his second term of appointment of 5 (five) consecutive years on November 10, 2023.**

**The Board on the recommendation of Nomination and Remuneration Committee has proposed appointment of Smt. Neeraja Kartik, as an Independent Director of the Company for a term of 5(five) years w.e.f. August 12, 2023 to August 11, 2028. The resolutions for her appointment has been proposed to the members in the notice of the Annual General Meeting of the Company.**

Thus, the Company is in the compliance with the Regulation 17(b) of SEBI LODR Regulations, 2015 in respect of the Board Composition

The composition of the Board and Directorship / Committee positions of the Directors in other companies are as follows:

**a) Composition, category of Directors and attendance record for the year 2022-23**

The Board of the Company is broad-based and consists of eminent personalities from Industrial, Managerial, Technical, Financial and Marketing backgrounds. The Company is managed by the Board of Directors in co-ordination with the Senior Management Team. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements. The Company has a Judicious Combination of Executive and Non-Executive Directors. The Companies Act, 2013 and regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 govern the composition of the Board of Directors. The Board comprises a combination of Executive and Non-Executive Directors. Presently it consists of Six Directors out of which three are Executive Directors and three are Non-Executive Independent Directors. The Company has Executive Chairman. Non-Executive Directors bring independent views and judgment in the decision-making process of the Board.

Constitution of the Board, there category, participation of Directors at meetings of the Board during the year 2022-23 and attendance at the last Annual General Meeting held on August 13, 2022.

Name of Director	Category	No of Board Meetings		Attendance at the last AGM
		Held	Attended	
Shri Virender Kumar Agarwal	Executive/Promoter	4	4	Present
Smt. Seema Agarwal	Executive/Promoter	4	4	Present
Shri Mayank Agarwal	Executive/Promoter	4	4	Present
Shri Amit Goela	Non-Executive Independent	4	4	Present
Shri Sushil Kapadia	Non-Executive Independent	4	4	Present
Shri Nilesh Panpaliya	Non-Executive Independent	4	4	Present

**b) Number of other Companies' Directorships & Committee Membership / Chairmanship:  
Board Procedures and Information Supplied to the Board:**

As per the provisions of Section 173 of the Companies Act, 2013 and the rules made thereunder, read with Listing Regulations, every Company is required to hold minimum four number of Board Meetings every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive Board Meetings.



Your Company holds generally at least four Board Meetings in a year, one in each quarter to review the financial results and other items of the agenda and the gap between the two Board Meetings do not exceed four calendar months. Apart from the four scheduled Board meetings, additional Board meetings are also convened to address the specific requirements of the Company. Urgent matters are also approved by the Board by passing resolutions through circulation. Every Director on the Board is free to suggest any item for inclusion in the agenda for the consideration of the Board.

The Board has complete access to all information with the Company. All Board meetings are governed by a structured agenda given well in advance. The minutes of proceedings of each Board and Committee meeting are recorded and entered in the Minutes book within 30 days from the conclusion of the meeting.

The information pertaining to mandatory items as specified in the Listing Regulations, Companies Act, 2013 and other applicable laws, along with other business issues, is placed before the Board. The Members of the Board have complete freedom to express their opinion and decisions are taken after detailed discussion.

**c) Number of Board meetings:**

In compliance with the provisions of Regulation 17 of the Listing Regulations, the intervening period between two Board Meetings was within the maximum gap of one hundred and twenty days. We are pleased to report that the Company held four Board Meetings during the year, i.e.

- ▲ May 16, 2022
- ▲ August 06, 2022
- ▲ November 05, 2022
- ▲ February 11, 2023

**d) Disclosure of relationships between inter-se:**

The Promoter Executive Directors are relatives of each other in terms of Section 2(77) of the Companies Act, 2013, disclosure of relationships between Directors inter-se is as given below:

S.No.	Executive Directors	Relationship with other Directors
1.	Shri Virender Kumar Agarwal	Husband of Smt. Seema Agarwal /Father of Shri Mayank Agarwal
2.	Smt. Seema Agarwal	Wife of Shri Virender Kumar Agarwal /Mother of Shri Mayank Agarwal
3.	Shri Mayank Agarwal	Son of Shri Virender Kumar Agarwal and Smt. Seema Agarwal

No inter-se relationship with any of the Non-Executive Independent Directors of the Company.

**e) Number of shares and convertible Instruments held by Non-Executive Directors:**

None of the Non-Executive Directors of the Company held shares and convertible Instruments.

**f) Details of familiarization programmes imparted to independent Directors: [www.suryaamba.com](http://www.suryaamba.com)**

**g) List of Board's skills/expertise/competencies fundamental for the effective functioning of the Company:**

<b>Global Business</b>	Understanding the dynamics of global business relating to the operations of the Company.
<b>Strategy &amp; Planning</b>	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments
<b>Governance</b>	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values





<b>Leadership</b>	Experience in significant enterprise, distinct roles and responsibilities through organization structure, risk management and talent development and succession planning
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**h) Confirmation that in the opinion of the board, the independent directors fulfil the conditions specified in these regulations and are independent of the management:**

The Board of Directors be and is hereby confirm that in the opinion of the Board, the Independent Directors fulfil the conditions specified by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are independent of the management.

**i) Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure:**

None of the Independent Directors of the Company were resigned from the board during the year under review.

**3. BOARD COMMITTEE**

**3.1 AUDIT COMMITTEE**

The Audit committee of the Board of directors was constituted in conformity with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

**a) Brief description of terms of reference:**

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Scrutiny and review of all financial transactions, inter corporate loans, investments, funds utilization, related party transactions and the general financial condition of the Company;
- iii. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company and approval of remuneration of auditors;
- iv. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- v. Reviewing, with the management, the periodic financial statements and auditor's report thereon before submission to the Board for approval;
- vi. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- vii. Evaluation of internal financial controls and risk management systems;
- viii. To review the functioning of the Whistle Blower mechanism;
- ix. To review statement of deviations in reporting to monitoring agencies.

**b) Composition, names of the members and Chairman:**

In compliance with Regulation 18 of SEBI (LODR) Regulations, 2015 and section 177 of the Companies Act, 2013 the Board of Directors of the Company has constituted an Audit Committee comprising of the following three Non-Executive Independent Directors:

S. No.	Name of the Member	Designation
1.	Shri Amit Goela	Chairman
2.	Shri Sushil Kapadia	Member
3.	Smt. Seema Agarwal	Member

**c) Meetings and Attendance during the year:**

During the year 2022-23, four Audit Committee meetings were held on:



- ▲ May 16, 2022
- ▲ August 06, 2022
- ▲ November 05, 2022
- ▲ February 11, 2023

The attendance of each member of the Committee is given below:

S. No.	Name of the Member	Number of meetings attended
1.	Shri Amit Goela	4
2.	Shri Sushil Kapadia	4
3.	Smt. Seema Agarwal	4

### 3.2 NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration committee of the Board of directors was constituted in conformity with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations and its role has been the same as stipulated in the Act and the Regulations mentioned above.

#### A. Brief description of terms of reference:

The functioning and terms of reference of the Nomination and Remuneration committee are as prescribed under the erstwhile listing agreement and the Listing Regulations. It determines the Company's policy on all elements of the remuneration packages of the directors including the executive directors and Key management personnel. The role of the committee includes the following:

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board of directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees;
- ii. Formulation of criteria for evaluation of performance of Independent directors and the Board of directors;
- iii. Devising a policy on diversity of Board of directors;
- iv. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommending to the Board of directors for their appointment and removal;
- v. Performance evaluation of independent directors; and
- vi. Recommend to the board, all remuneration, in whatever form, payable to senior management.

#### B. Composition, names of the members and Chairman:

In compliance with Regulation 19 of SEBI (LODR) Regulations, 2015 and section 178 of the Companies Act, 2013, the Board of Directors of the Company has constituted Nomination and Remuneration Committee comprising of the following three Non-Executive Independent Directors:

S. No.	Name of the Member	Designation
1.	Shri Amit Goela	Chairman
2.	Shri Sushil Kapadia	Member
3.	Shri Nilesh Panpaliya	Member

All the members of the Committee are Non-Executive and Independent Directors.

#### C. Meetings and Attendance during the year

During the year 2022-23, two Nomination and Remuneration Committee meetings were held on:



- ▲ May 16, 2022
- ▲ August 06, 2022

The attendance of each member of the Committee is given below:

S. No.	Name of the Member	Number of meetings attended
1.	Shri Amit Goela	2
2.	Shri Sushil Kapadia	2
3.	Shri Nilesh Panpaliya	2

#### D. Performance evaluation criteria:

The Company has devised a Policy for Performance Evaluation of Independent Directors, Board, Committees and other individual Directors. The performance evaluation of Independent Directors shall be done by the entire Board of Directors (excluding the director being evaluated). On the basis of the report of performance valuation, it shall be determined whether to extend or continue the term of appointment of the Independent Director. Independent Directors are expected to provide an effective monitoring role and to provide help and advice for the executive directors. The broad issues considered in evaluating Independent Directors are:

- Contribution to and monitoring Corporate Governance practices.
- Ability to contribute to address top management issues.
- Active participation in long term strategic planning.
- Commitment to the fulfilment of obligations and responsibilities.

#### REMUNERATION

##### Executive Directors

The Nomination and Remuneration Committee recommends to the Board, the Compensation of the Managing Directors and Executive Director of the Company keeping in view Company's financial status, past performance, past remuneration and future growth potential.

The remuneration of the Non-Executive Directors' of the Company is decided by the Board of Directors, based on the recommendation of Nomination and Remuneration Committee. None of the Non-Executive Directors of the Company is entitled to receive any payment from the Company other than by way of sitting fees for attending the Meetings of Boards and its Committees. The remuneration package comprises of salary, perquisites and allowances, commission, contributions to Provident and other Retirement Benefit Funds.

The tenure of office of the Managing Director, Joint Managing Directors and Whole Time Director is for 5 years from their respective dates of appointment with three months' notice period. There is no separate provision for payment of severance fees.

Presently, the Company does not have a stock options scheme for its Directors.

##### Non-Executive Directors:

Non-Executive Independent Directors were only paid sitting fees for attending Board and Board Committee meetings for the FY 2022-23

None of the Non-Executive Directors held any shares in the Company.

No stock options were issued by the Company during the year under report.

Further apart from sitting fee, non-executive directors are entitled to claim reimbursement of out of pocket expenses incurred for the purpose of attending various meetings and no remuneration is paid to the non-executive directors.



A detail of remuneration paid to the Directors during the year 2022-23 is as given below:

Name of the Director	Salary & Perquisites	Contribution to PF	Sitting Fees*	Commission	Total	No. of shares held
Shri Virender Kumar Agarwal	45.00	2.376	-	-	47.376	12,06,191
Smt. Seema Agarwal	42.00	2.160	-	-	44.160	6,42,250
Shri Mayank Agarwal	33.00	1.944	-	-	34.944	2,70,997
Shri Amit Goela	-	-	0.15	-	0.15	NIL
Shri Sushil Kapadia	-	-	0.15	-	0.15	NIL
Shri Nilesh Panpaliya	-	-	0.15	-	0.15	NIL

\*The above excludes conveyance and out of pocket expenses.

The Nomination and Remuneration Policy of the Company can be accessed at the Company's website at the link <http://www.suryaamba.com/investors/policies/>

### 3.3 STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee is empowered, inter alia, to review all matters connected with the Company's share transfers and transmissions and redressal of shareholders'/investors' complaints like non-transfer of shares, non-receipt of dividend, Annual Report etc.

The composition and the terms of reference of Committee are in line with the requirements of provisions of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulations.

#### A. Brief Description of the terms of reference:

The terms of reference of the Stakeholder Relationship Committee are extensive covering the mandatory requirements under Regulation 20(4) read with Part D of Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013, which includes attending and resolving investors' grievances / complaints of security holders included but not limited to the matters pertaining to transfer of shares, issue of duplicate share certificates, non-receipt of annual report and non-receipt of declared dividend, etc.

#### B. Composition & attendance in committee meeting(s):

The Stakeholders Relationship Committee consists of One Non-Executive Independent Directors and Two Executive Directors of the Company. The Company Secretary is the Compliance Officer of the Company and is responsible for attending to complaints / grievances of the members.

S. No.	Name of the Member	Designation
1.	Shri Amit Goela	Chairman
2.	Shri Sushil Kapadia	Member
3.	Smt. Seema Agarwal	Member

#### C. Meetings and Attendance during the year

During the year under review, two Stakeholder Relationship Committee were held on:

- ▲ August 06, 2022
- ▲ November 05, 2022



S. No.	Name of the Member	Number of Meetings attended
1.	Shri Amit Goela	2
2.	Shri Sushil Kapadia	2
3.	Smt. Seema Agarwal	2

The status of the shareholder's complaints is as follows:

1.	Number of Shareholders complaints received so far	Nil
2.	Number of Shareholders complaints not resolved to the satisfaction of shareholders	Nil
3.	Number of pending complaints	Nil

### 3.4 CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee of the Board of directors was constituted in conformity with the requirements of Section 135 of the Companies Act, 2013.

#### A. Brief description of terms of reference:

The terms of reference of the CSR Committee includes but is not limited to the following:

- i. formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- ii. recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- iii. monitor the Corporate Social Responsibility Policy of the Company from time to time.

#### B. Composition, names of the members and Chairman:

In compliance with Section 135 of the Companies Act, 2013, the Board of Directors of the Company has constituted a Corporate Social Responsibility Committee. The Corporate Social Responsibility Committee (CSR) presently comprises of three directors including one independent director i.e. Shri Amit Goela. (in compliance of Law).

S. No.	Name of the Member	Designation
1.	Smt. Seema Agarwal	Chairman
2.	Shri Mayank Agarwal	Member
3.	Shri Amit Goela	Member

#### C. Meetings and Attendance during the year

During the year under review i.e. 2022-23 two Corporate Social Responsibility Committee meeting was held on:

- ▲ May 16, 2022
- ▲ February 11, 2023

S. No.	Name of the Member	Number of meetings attended
1.	Smt. Seema Agarwal	2
2.	Shri Mayank Agarwal	2
3.	Shri Amit Goela	2

#### D. Report on CSR activities:

A report on CSR activities as prescribed under the Act and rules made thereunder is annexed to the Board Report.



#### 4. GENERAL BODY MEETINGS

##### A. Location, date and time for last three Annual General meetings are:

Financial Year	Date	Venue	Time
2021-22	August 13, 2022	Through Video Conferencing /Other Audio Visual Means	12 Noon
2020-21	July 24, 2021	Through Video Conferencing /Other Audio Visual Means	12 Noon
2019-20	August 13, 2020	Through Video Conferencing /Other Audio Visual Means	12:30 P.M.

##### B. Special Resolution passed in the previous three (3) Annual General Meetings (AGMs)

Date	No. of Special Resolutions Passed
August 13, 2022	4
July 24, 2021	0
August 13, 2020	1

##### C. Special Resolutions passed through Postal Ballot:

During the year under review, no resolutions were put through by Postal Ballot. Further, no special resolution is being proposed to be passed through Postal Ballot.

Person who conducted the postal ballot exercise: NA

Procedure for postal ballot - Does not arise

#### 5. MEANS OF COMMUNICATION

##### A. Financial Results:

The quarterly, half-yearly and annual results of the Company were normally published by the Company in the newspapers.

Annual reports with audited financial statements are sent to the shareholders through permitted mode.

The quarterly and annual financial results are forthwith uploaded on the designated portals of the Stock Exchanges where the Company's shares are listed viz., BSE Online Portal of BSE Limited (BSE).

##### B. Newspapers in which Quarterly results normally published:

The results are normally published within 48 hours of declaration in Business Standard (English Daily, Hyderabad and Mumbai) and Nava Telangana (Telugu Daily, Hyderabad).

##### C. Website, where the results and other official news releases are displayed

The results are also displayed on the Company's website: [www.suryaamba.com](http://www.suryaamba.com)

##### D. Whether it also displays official news releases:

Press releases made by the Company from time to time are also displayed on the Company's website.



**E. BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):**

BSE's Listing Centre is a web-based application designed for Corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre. Material events or information as detailed in Regulation 30 of the Listing Regulations are uploaded on portal of BSE Limited.

**F. Reminders to Shareholders:**

Reminders for claiming unclaimed shares lying with the Company which are liable to be transferred to the Investor Education and Protection Fund Authority are sent to the Shareholders as per Company records.

The Company proposes to send documents like shareholders meeting notice/ other notices, audited financial statements, Directors' report, auditor's report or any other document, to its members in electronic form at the email address provided by them and/or made available to the company by their depositories. Members who have not yet registered their email id (including those who wish to change their already registered email id) may get the same registered/ updated either with their depositories or by writing to the Company at [cssuryaamba@gmail.com](mailto:cssuryaamba@gmail.com).

**G. SCORES (SEBI complaints redressal system):**

SEBI processes investor complaints in a centralized web based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge complaint against a Company for his grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI.

**H. Exclusive email ID for Investors:**

The Company has designated the email-id – [cssuryaamba@gmail.com](mailto:cssuryaamba@gmail.com) exclusively for investor servicing.

**I. Presentations to Institutional Investors or Analysts:**

During the year under review, no presentations were made to the investors or analyst and no official news releases were made. Further, Management Discussion and Analysis Report forms a part of this Report.

**6. GENERAL SHAREHOLDER INFORMATION****A. Annual General Meeting**

Date : September 09, 2023  
Time : 12:30 p.m.

Venue : Will be held through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) means

**B. Financial Calendar** : 1<sup>st</sup> April to 31<sup>st</sup> March.

**C. Date of Book closure** : September 03, 2023 to September 09, 2023 (Both days inclusive)

**D. Dividend Payment Date** : Within 30 days from the date of Annual General meeting.

**E. Listing on Stock Exchanges** : BSE Limited.

Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001.  
Scrip Code: 533101

The company has paid listing fees to the BSE for the year 2023-24.

**Financial Calendar:**

Financial Year: 1<sup>st</sup> April to 31<sup>st</sup> March



For the financial year ended March 31, 2023, results were announced on:

- First Quarter – August 06, 2022
- Half Yearly – November 05, 2022
- Third Quarter – February 11, 2023
- Fourth Quarter and Annual – May 29, 2023

**Tentative financial calendar:**

- Next financial year – 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2023, results will be announced tentatively (subject to change) by:
- First Quarter Results & Limited Review – On or before August 14, 2023
- Second Quarter Results & Limited Review – On or before November 14, 2023
- Third Quarter Results & Limited Review – On or before February 14, 2024
- Audited Annual Results (2021-22) – On or before May 30, 2024
- Annual General meeting for the year ending March 31, 2024 – On or before September 30, 2024.

**F. Market Price Data:**

Monthly high and low quotations as well as the volume of shares traded at BSE for the financial year 2022-23 are as follows:

Month	High Price (₹)	Low Price (₹)	Closing Price (₹)	Volume
April 2022	248.40	180.2	224.20	59454
May 2022	247.95	179.40	218.25	91653
June 2022	234	171	197.80	28736
July 2022	214	188	197.90	21007
August 2022	219	183	192.05	51949
September 2022	219.45	188.30	194.10	41635
October 2022	215	187	194.55	33987
November 2022	213.95	183	194.35	26206
December 2022	214.85	185	199.35	23951
January 2023	218	188	190.25	14564
February 2023	200.70	139	166.15	27507
March 2023	200	140.75	165.35	21511

**H. Registrar & Transfer Agents:**

Members may correspond with the Company's RTA, quoting their folio numbers/ DP ID and Client ID at the following addresses:

**KFin Technologies Limited**

(Formerly known as "KFin Technologies Private Limited")

Selenium Building, Tower B, Plot No.31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad- 500 032, Telangana.

Ph. No. 040-6716 2222, 3321 1000

E-mail: einward.ris@kfintech.com, kfinkart.support@kfintech.com /reachus@kfintech.com

Website: <https://www.kfintech.com>

**I. Share Transfer System:**





KFin Technologies Limited, Hyderabad, is the Company's Registrars and Share Transfer Agents. Share Transfers are registered and returned in the normal course within a period of less than 15 days from the date of receipt, if the documents are in order in all respects, in line with Schedule VII to the Listing Regulations. Request for dematerialization of shares are processed and confirmation is given to the respective depositories, i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 15 days. The Registrars and Share Transfer Agents were delegated the power of share transfer to expedite the transfer formalities.

It is in line with Schedule VII of the LODR and Reg. 40 of the Listing Regulations.

Pursuant to Regulation 40(9) of the Listing Regulations, certificates, on half yearly basis have been issued by a Company Secretary in- Practice (PCS) for due compliance of share transfer formalities by the Company and a quarterly Reconciliation of Share Capital Audit is carried out by qualified PCS, to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

**J. Distribution schedule and shareholding pattern as on March 31, 2023:**

As on March 31, 2023				
Range of Equity Shares Held	Shareholders		Shareholding	
	Number	%	Number	%
1-5000	2366	92.86	21,26,050	7.25
5001- 10000	91	3.57	6,90,940	2.36
10001- 20000	37	1.45	5,40,500	1.84
20001- 30000	15	0.59	3,81,620	1.30
30001- 40000	13	0.51	4,48,940	1.53
40001- 50000	5	0.20	2,16,570	0.74
50001- 100000	5	0.20	3,33,190	1.14
100001 & Above	16	0.63	2,45,81,630	83.84
<b>TOTAL</b>	<b>2548</b>	<b>100.00</b>	<b>2,93,19,440</b>	<b>100.00</b>

**K. Dematerialization of Shares & Liquidity:**

The Company's shares have been mandated for compulsory trading in demat form. Valid demat requests received by the Company's Registrar are confirmed within the statutory period.

International Securities Identification Number (ISIN) allotted for the Company by NSDL and CDSL is INE360J01011.

In case a member wants his shares to be dematerialized, he may send the shares along with the request through his depository participant (DP) to the Registrars, KFin Technologies Limited.

The Company's Registrars promptly intimate the DPs in the event of any deficiency and shareholders are also kept abreast. Pending demat requests in the records of the Depositories, if any, are continually reviewed and appropriate action initiated.

As on March 31, 2023, 29,11,148 shares out of total 29,31,944 shares of the Company representing 99.29 % of the Company's share capital were held in dematerialized form.

**L. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on Equity:**

We have no GDRs/ADRs or any commercial instrument.



**M. Commodity price risk or foreign exchange risk and hedging activities:**

The Company is not carrying on any Commodity Business and has not undertaken any hedging activities.

**N. Plant Location:**

Nagpur Plant	Survey No. 300, Nayakund, Parseoni Road, Near Ramtek Dist. Nagpur- 441105, Maharashtra.
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**O. Address of Correspondence:**

For share transfer /dematerialization of shares, payment of dividend and any other query relating to the shares	KFin Technologies Limited Selenium Building, Tower B, Plot No.31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad- 500 032, Telangana. Fax No. – 040-23001153 040-6716 2222, 3321 1000 E-mail: einward.ris@kfintech.com, kfinkart.support@kfintech.com / reachus@kfintech.com Website: <a href="https://www.kfintech.com">https://www.kfintech.com</a>
For any other matter or any other queries can correspond with Company Secretary & Compliance Officer of the Company	Registered Office: Surya Towers, 1 <sup>st</sup> Floor, 105, Sardar Patel Road, Secunderabad- 500003, Telangana. Tel. No. 040 27813360 E-mail: cssuryaamba@gmail.com Corporate Office: A-101, Kanha Apartment, 128, Chhaoni, Katol Road, Nagpur- 440 013, Maharashtra. Tel. No. 0712-2591072 E-mail: cssuryaamba@gmail.com

**Credit Rating**

India Ratings & Research has revised the Suryaamba Spinning Mills Limited (SSML) Outlook to Stable from Negative while affirming its Long-Term Issuer Rating at 'IND BBB'. The instrument-wise rating actions are as follows:

Instrument Type	Maturity Date	Size of Issue (million)	Rating/ Outlook	Rating Action
Fund-based working capital limit	-	INR 215	IND BBB/Stable	Affirmed
Non-fund-based working capital limit	-	INR 57.9	IND A3+	Affirmed
Term Loan	April 2028	INR 269.55 (reduced from INR 300.55)	IND BBB/Stable	Affirmed

**7. DISCLOSURES**

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



All material transactions entered into with related parties as defined under the Act and Regulation 23 of Listing Regulations during the financial year were in the ordinary course of business. These have been approved by the Audit committee. The Board has approved a Policy for related party transactions which has been uploaded on the Company's Website at [www.suryaamba.com](http://www.suryaamba.com).

There have been no materially significant related party transactions between the Company and its Directors, the Management or relatives, except for those disclosed in the Board's report. Detailed information on significant related party transactions is enclosed as Annexure - II to the Board's report and the details of all Related Party Transactions during FY 2019-20 are given at note no.(o) to the Financial Statements.

- **Cases of Non-Compliances / Penalties**

- During the year under review, fine was levied on the company under Regulation 23(9) of SEBI (LODR) Regulations, 2015. The company was required to file the disclosure of related party transactions for the half year ended on September, 2022 within period prescribed there under. However, due to technical glitch faced by the company while submitting the same. The company was unable to upload the same on due time.

With respect to aforesaid non-compliance under regulation 23(9) of SEBI (LODR) Regulation, 2015, the Company had received notice from BSE (bearing reference no. SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020) through which the BSE had levied a fine of ₹82,600/- (including GST of ₹ 12,600 @ 18%) for above non-compliance.

Subsequently, as per circular issued by the BSE dated March 31, 2022, The Company made the payment of processing fees of ₹10,000 plus GST @ 18% i.e. 11,800 for processing the waiver request dated January 10<sup>th</sup>, 2023. Now, waiver request still in process. The management had not received any response from BSE.

#### **Vigil Mechanism**

Information relating to Vigil mechanism has been provided in the Board's Report. The Vigil mechanism policy is available on the website of the Company.

- **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:**  
Your Company has complied with all the mandatory requirements enumerated in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) relating to all matters specified therein.
- **Web link where policy for determining 'material' subsidiaries is disclosed:**  
The company does not have any subsidiaries.
- **Web link where policy on dealing with related party transactions:**  
The Board has formulated a policy for related party transactions and revised it in the light of Listing Regulations and including any statutory modification(s) and re-enactment(s) thereof subsequent amendments thereto which is available on the Company's website under the web link: <http://www.suryaamba.com/policy.html>.
- **Disclosure of commodity price risks and commodity hedging activities:**  
The Company is not carrying on any commodity business and has also not undertaken any hedging activities; hence the same are not applicable to the Company.
- **Details of utilization of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A):** Not applicable  
A certificate from the 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 Board/Ministry of Corporate Affairs or any such statutory authority has been enclosed separately to this report.



- Whether the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year: No
- Total fees for all services paid by the listed entity to the statutory auditor:

Total fees for all services paid by the Company to the M/s Manish N. Jain & Co., Statutory Auditor of the Company for the financial year 2022-23 are given below:

(₹in Lakhs)

Particulars	2022-23
<b>As Auditor's:</b>	
Audit Fee	1.70
Tax Audit Fee	0.50
<b>Total</b>	<b>2.20</b>

- Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

2. Non-compliance of any requirement of corporate governance report of sub-para (2) to (10) above, with reasons thereof:

There is no Non-Compliance of any requirement of Corporate Governance Report of sub-para (2) to (10) of the Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

1. The extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted:

The Company has adopted / complied with the discretionary requirements specified in Part E of Schedule II as detailed below:

**i. The Board:**

The Chairperson of the Board is an Executive Director.

**ii. Shareholders' rights:**

All the quarterly financial results are placed on the Company's Website: [www.suryaamba.com](http://www.suryaamba.com) apart from publishing the same in the Newspapers.

**iii. Modified opinion(s) in audit report:**

There are no modified opinion(s) in the Audit Reports.



**iv. Reporting of internal auditor:**

The Internal auditor reports to the Chairman of the Audit Committee directly.

**2. The disclosures of the compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 are as follows:**

Regulation	Particulars of Regulation	Compliance Status(Yes/No)
17	Board of directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	NA
22	Vigil mechanism	Yes
23	Related party transactions	Yes
24	Corporate Governance requirements with respect to Subsidiary of listed entity	NA
25	Obligations with respect to Independent directors	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46(2) (b) to (i)	Website	Yes

**8. UNCLAIMED DIVIDEND AMOUNTS AND TRANSFER TO IEPF**

The Company has transferred dividend amounts which remained unpaid or unclaimed for a period of seven years from the date of their transfer to unpaid dividend account, from time to time, on due dates to the Investor Education and Protection Fund (IEPF) administered by the Central Government.

The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company as on August 13, 2020 (date of last Annual General Meeting) on the website of the Company, and on the website of the Ministry of Corporate Affairs.

Information in respect of such unclaimed dividends due for transfer to the Investor Education and Protection Fund (IEPF) is as follows:

Year	Type of Dividend	Date of Declaration of Dividend	Due date for transfer to IEPF
2015-2016	Final	August 05, 2016	September 09, 2023
2016-2017	Final	September 02, 2017	October 07, 2024
2017-2018	Final	August 24, 2018	September 28, 2025
2018-2019	Final	August 19, 2019	September 23, 2026
2019-2020	Final	August 13, 2020	September 17, 2027
2020-2021	Final	July 24, 2021	August 28, 2028
2021-2022	Final	August 13, 2022	September 17, 2029

In accordance with the provisions of Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time),



shares in respect of which dividend has not been paid or claimed for seven consecutive years or more, will be transferred to the demat account of IEPF Authority. The Company has sent notice to all shareholders whose shares are due to be transferred to the IEPF Authority. Members are advised to visit the web site of the company to ascertain the details of shares liable for transfer in the name of IEPF Authority.

Shareholders whose unclaimed dividend/ shares are transferred to the IEPF Authority can now claim their unclaimed dividend and shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority.

Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management.

#### 9. CODE OF CONDUCT

The Company has in place a comprehensive Code of Conduct (the Code), pursuant to Regulation 17(5) of Listing Regulations, applicable to all the senior management personnel and directors including independent directors to such extent as may be applicable to them depending on their roles and responsibilities.

The Code covers duties of independent directors and also gives guidance and support needed for ethical conduct of business and compliance of law. Further a policy on obligation of directors and senior management personnel for disclosure of committee positions and commercial transactions pursuant to Regulation 26(2) (5) and (6) of Listing Regulation is in place.

A copy of the Code of Conduct has been placed on the Company's website ([www.suryaamba.com](http://www.suryaamba.com)). The Code has been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually.

All the Board members and the senior management personnel have confirmed compliance with the Code. Declaration on compliance with Code of Conduct is annexed.

#### 10. COMPLIANCE CERTIFICATE

A compliance certificate under Regulation 17(8) of the Listing Regulations, signed by the Company's Managing Director and CFO is annexed to this Report.

#### 11. COMPLIANCE CERTIFICATE FROM AUDITORS REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE:

Compliance certificate from Manish N. Jain & Co., Chartered Accountants regarding compliance of conditions of corporate governance pursuant to para E of Schedule V to the Listing Regulations is enclosed separately to this Report.

For and on behalf of the Board  
For **Suryaamba Spinning Mills Limited**  
Virender Kumar Agarwal  
Managing Director  
DIN: 00013314

Place: Nagpur  
Date: May 29, 2023



## DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

Compliance of Code of Conduct for Directors and Senior Management Personnel pursuant to the provisions as provided under Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board laid down a Code of Conduct for all Board members and Senior Management personnel of the Company. The Code of Conduct is also posted on the website of the Company.

The Members of the Board and Senior Management personnel have affirmed compliance with code of conduct on an annual basis in respect of the financial year ended March 31, 2023.

For and on behalf of the Board  
For **Suryaamba Spinning Mills Limited**  
VIRENDER KUMAR AGARWAL  
Managing Director  
DIN: 00013314

Place: Nagpur  
Date: May 29, 2023



## CEO/CFO CERTIFICATION IN RESPECT OF FINANCIAL STATEMENTS

*For the financial year ended March 31, 2023*

*(Pursuant to Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015*

To,  
The Board of Directors,  
Suryaamba Spinning Mills Limited

We hereby certify to the Board that:

- (a) We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March, 2023 and that to the best of our knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
- (i) Significant changes, if any, in internal control over financial reporting during the year;
  - (ii) Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Place: Nagpur**  
**Date: May 29, 2023**

**VIRENDER KUMAR AGARWAL**  
**Managing Director**  
**DIN: 00013314**

**GAJANAN N CHHAWSARIA**  
**Chief Financial Officer**





# **MANAGEMENT DISCUSSION ANALYSIS REPORT**

## **GLOBAL ECONOMY AND OUTLOOK**

The global economy is gradually recovering from the impact of pandemic and at the same time facing new challenges emerging from Russia's invasion of Ukraine. Tightening of monetary policy by most Central Banks is expected to have a positive impact. Despite monetary tightening, inflation is persistent in many key economies and it is anticipated that global inflation will fall from 8.7% last year to 7% this year and settle at around 5% in the year 2024.

## **INDIAN ECONOMIC OVERVIEW & OUTLOOK**

The Indian Economy continues to show resilience amid Global Uncertainties. Despite significant challenges in the global environment, India was one of the fastest growing economies in the world. India's overall growth remains robust and is estimated to be 6.9% for the financial year 2022-23. Growth was driven by strong investment activity augmented by the government's capex push and buoyant private consumption.

Structural reforms like the National Infrastructure Pipeline and National Monetization Plan by the Government is expected to further boost infrastructure development. It is paving the path for further development and continues to encourage projects across sectors, including reforms for improving labour laws.

V-shaped economic recovery is due to mega vaccination drive, robust recovery in the services sector and growth in consumption and investment. This is being demonstrated in high frequency indicators such as power demand, rail freight, GST collection etc. Almost all emerging economies are reeling under external shocks, but India's underlying economic fundamentals are strong and despite the short-term headwinds, the impact on the long-term outlook is expected to be marginal.

Inflation remained high, averaging around 6.7% in FY 2022-23 but the current-account deficit narrowed in Q3 on the back of strong growth in service exports and easing global commodity prices.

Dwelling on the outlook for FY2023-24, the Economic Survey 2022-23 issued by Ministry of Finance projects that, India's recovery from the pandemic was relatively quick, and growth in the upcoming year will be supported by solid domestic demand and a pickup in capital investment. It further affirms that aided by healthy financials, incipient signs of a new private sector capital formation cycle are visible and more importantly, compensating for the private sector's caution in capital expenditure, the government raised capital expenditure substantially.

Explaining the economic outlook factoring global rudiments, the slowdown in global growth and economic output coupled with increased uncertainty is likely to dampen global trade growth. Strong domestic demand amidst high commodity prices will raise India's total import bill and contribute to unfavorable developments in the current account balance. These may be exacerbated by plateauing export growth on account of slackening global demand. Should the current account deficit widen further, the currency may come under depreciation pressure. Also, entrenched inflation may prolong the tightening cycle, and therefore, borrowing costs may stay 'higher for longer'. In such a scenario, global economy may be characterized by low growth in FY24. However, the scenario of subdued global growth presents two silver linings oil prices will stay low, and India's CAD will be better than currently projected. The overall external situation is expected to remain manageable for India.

## **TEXTILES**

### **Global Textile Industry**

The global textile market grew from about \$573 billion in 2022 to about US\$ 610 billion in 2023 at a compound annual growth rate (CAGR) of 6.6%. The Russia- Ukraine war has led to an increase in commodity prices and supply



chain disruptions, causing inflation across goods and services impacting economies across the globe. The textile market is however expected to grow to about US\$ 755 billion in 2027 at a CAGR of 5.5%.

The COVID-19 pandemic and the Russia – Ukraine war had challenged the textile industry drastically which is now on a recovery stage. Increasing demand for apparel from the fashion industry coupled with the growth of e-commerce platforms is expected to drive the market growth over the next few years.

The textile industry is an ever-growing market, with key competitors being China, the European Union, the United States, and India. China is the world's leading producer and exporter of both raw textiles and garments. India is among the top five textile manufacturing country and is responsible for more than 6% of the total textile production, globally.

The rapid industrialization in the developed and developing countries and the evolving technology are helping the textile industry to have modern installations which are capable of high-efficient fabric production.

### INDIAN TEXTILE INDUSTRY

India is the world's second-largest producer of textiles and garments. It is also the sixth-largest exporter of textiles spanning apparel, home and technical products. The Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US\$ 190 billion by 2025-26. India has a 4% share of the global trade in textiles and apparel. The textiles and apparel industry contribute 2.3% to the country's GDP, 13% to industrial production and 12% to exports. The textile industry has around 45 million of workers employed in the textiles sector, including 3.5 million handloom workers. India's textile and apparel exports (including handicrafts) stood at US\$ 44.4 billion in FY22, a 41% increase YoY. Total textile exports are expected to reach US\$ 65 billion by FY26.

The Textile and Apparel market is poised to grow, led by boost in demand and the government support in form of attractive schemes such as Production Linked Incentive (PLI), Mega Investment Textile Parks (MITRA) will further drive the way for the US\$ 250 billion target. Another step taken by the Ministry of Textiles towards positioning India as a global leader in technical textiles manufacturing is the invitation of Research proposals for Funding for Design, Development and Manufacturing of Machinery, Tools, Equipment, and Testing Instruments under NTTM.

In FY 2022-23, exports of readymade garments cotton including accessories stood at US\$ 7.68 billion till January 2023. It is expected to surpass US\$ 30 billion by 2027, with an estimated 4.6-4.9% share globally.

India is the 3rd largest exporter of Textiles & Apparel in the world. India's textiles and clothing industry is one of the mainstays of the national economy. The share of textile and apparel (T&A) including handicrafts in India's total merchandise exports stood at a significant 10.5% in 2021-22. India has a share of 4.6% of the global trade in textiles and apparel. Major textile and apparel export destinations for India are USA, EU-27 and UK, accounts for approximately 50% of India's textiles and apparel exports. The sector holds importance from the employment point of view as well. It provides direct and indirect employment and source of livelihood for millions of people including a large number of women and rural population.

### INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian Textile Industry is one of the largest in the World, enjoying its presence in the entire value chain i.e. cotton, yarn, fiber and apparel. India is one of the largest manufacturer and exporter in the world and has a share of 5% of global trade in textiles. The uniqueness of the industry lies in its strength both in the organized and unorganized Sector. The Textile Industry continues to play a dominant role in the economic growth of the country. Its importance is evident from the fact that it is the largest contributor towards employment generation, Industrial Output and Export earnings. The industry is sustaining livelihoods to millions of people in rural and semi urban areas by providing them employment directly and indirectly, including a large number of women and rural population. The sector has perfect alignment with Government's key initiative of 'Make in India', Skill India, Women Empowerment and Rural Youth Employment. The



Industry is contributing 7% of Industry output in value terms, 2.3% of India's GDP and contributing 11.4% to the country's total exports earning. (Source: Annual Report 2020-2021 of Ministry of Textiles.)

The ongoing global slowdown coupled with sharp increase in the prices of raw cotton are posing serious challenges to the Textile Industry. Beside, the increase in the interest rates and re-emergence of COVID-19 has aggravated the problems for the Industry. In case the situation persists for the longer period then earning a reasonable margin will become a challenging task for the Textile Industry. Because of the prevailing Textile scenario, Spinning Mills have already cut down their production in the past few months. Even some mills have closed down their operations for 1-2 days in a week due to prevailing adverse conditions.

The Government is fully conscious of the importance of the Textile Industry and the sector is going to be its key focus area in the new policies being framed so as to achieve the target of USD 5 Trillion economy. The Government has introduced Production Link Incentives Scheme (PLI) for the Textile Industry under which incentives will be provided for setting Textile & Apparel manufacturing in key man-made fibre based products. This will give a further push to the Textile Industry.

The Government is also in the process of setting up seven integrated Mega Textile parks in the country to enable India's Textile Industry to become Globally competitive, attracts large investments and boost employment generation through the creation of world-class infrastructure. The Mega Textile parks will offer an opportunity to create an integrated Textile value chain right from spinning, weaving, processing, dyeing and knitting to garment manufacturing at one location. It is expected that the world class industrial infrastructure will attract big-ticket investments in the sector.

Further, due to unprecedented boost by the Government, the Textile Industry is going to be the biggest beneficiary and will help the country in becoming a Global Textile Hub. Moreover, a number of countries around the world have understood from the COVID-19 calamity that dependence on the one country for its textiles requirements is not a good policy. So, in the changed business scenario they have started looking for alternative production sources other than China. This offers a Golden opportunity to the Industry. Your Management is quite optimistic that Industry with the support of favorable Government Policies and Programs will capitalize on this opportunity to increase its share in Global Textile Markets.

In line with the global trends and to remain competitive, your company continues to modernize, upgrade and expand its capacities so that it remains globally competitive in terms of cost and quality.

#### **OPPORTUNITIES AND THREATS**

We would like to inform that presently India's share in the Global Textile export is just 5% which is minuscule as compared to China's share of 37%. The outbreak of second wave of COVID-19 pandemic, trade tension between U.S. and China coupled with geo-political uncertainty because of Russian and Ukraine conflict has severely affected Chinese Textile Exports. It has provided an opportunity to the Indian Textile industry to grab the space vacated by China in the developed world especially in US and European Union.

Moreover, several countries of the world have realized that dependence on the one country for its textiles requirements is not a good policy. So, in the changed global scenario they have started looking for alternative production sources and has started working on China plus one strategy for the requirement of Textile Products. India should capitalize this opportunity and present itself as a credible alternative. India certainly has an edge to be an alternative manufacturing hub for global players as two major things required to run textile Industry are cotton and skilled work force and they are abundantly available in the country. More and more overseas buyers are looking at India as the next best alternative supplier of textile products and it is expected that more orders will shift to Indian Textile Industry.

The relative success of the Spinning Industry is dependent on the availability of Raw Cotton at reasonable prices. The Raw cotton is the main Raw material (constituting approx. 60% of the total cost) for the manufacture of cotton yarn and it is dependent on the Nature i.e. Good/Bad Monsoon. So availability of raw cotton at reasonable prices is crucial for the spinning Industry. Any significant change in raw cotton prices and Monsoon can affect the performance of the Industry. This year steep increase in the prices of raw cotton as severally impacted the Textile Industry.



The Textile Industry is also not free from normal business risks and threats. The slowdown in the Global Trade because of the Geo political tension, High prices of raw cotton, low demand coupled with Outbreak of second wave of Covid-19 Pandemic in several countries, has affected exports of textile products. The prevailing situation is still uncertain as the risk of new disrupted COVID-19 variant has the potential to prolong the pandemic and thus causing fresh economic impacts.

Moreover, export continues to face stiff challenges from the small countries like Bangladesh, Sri Lanka and Taiwan etc., who have got the preferred treatment from the countries of European Union and U.S. The above mentioned factors have had and will continue to have a significant bearing on the financial performance of the Industry in the coming period too.

### **FUTURE OUTLOOK**

We are pleased to inform you that the year gone by has been excellent for the Textile Industry. The Indian Textile Exports surpassed the export figures of last year. Indian Textile Industry is one of the key industry of the country and the Government through its policies and initiatives continues to give further push to the industry so that it become global competitive and increase its Global share. The Government has introduced Production Linked Incentive (PLI) Scheme for the Textile Industry which will help in increasing the Textile Exports. The sector needs more support so that it can enhance its competitive advantage in terms of technology upgradation so as to achieve sustained growth in Exports as well as Domestic markets. The Industry on their part is also continuously modernizing and upgrading its Technology to maintain its core competence and convert it into the competitive edge over others.

However, in the current year the risk of slowdown in the world economy has lowered the demand for the Textile Products resulting fall in the International as well as Domestic prices. The high cotton prices coupled with slackness in Global demand are affecting the fortunes of the Textile Industry. Indian cotton yarn exports are likely to witness a decline in financial year 2023 after robust increase in the previous year. The Future is still not clear. Your management is looking at the future with optimism and expects that with the improvement in the global demand and softening of raw cotton prices in the coming periods, will give a relief to the Textile Industry. We expect that in this challenging period, Government will support the Spinning industry in the form of favorable Textile policies, incentives and other benefits which are of paramount importance for the future growth of the Industry.

### **RISK AND CONCERNS**

No industry is free from normal business risk and concerns. Indian Textile Industry continues to face stiff competition from China, Bangladesh, Taiwan Sri Lanka and other emerging economies. The relative competitiveness of Industry is dependent upon the raw cotton prices, exchange rates and prevalent interest rates regime. The primary raw material for the manufacturing of yarn is cotton which is an agriculture produce. Its supply and quality are subject to forces of nature i.e. Monsoon. Any increase in the prices of raw cotton will make the things difficult for the Textile Industry resulting weak demand and thin margins. Thus availability of raw cotton at the reasonable prices is crucial for the spinning industry. Any significant change in the raw cotton prices can affect the performance of the Industry.

The high rate of interest is affecting the financial performance of the Textile Industry. The Spinning industry being more capital intensive requires huge funds, long term as well as short term in the form of working capital for its running. The Government must support the industry by providing cheap finance so that the industry remains financially viable. Though Government has taken some remedial measures in this regard but still a lot more is required so that the Textile Industry could meet the challenges ahead.

Moreover, the ongoing Geopolitical conflict between Russia and Ukraine has affected global trade. The imposition of sanction by the U.S. and European Union on Russia has severally impacted India's exports to several countries. The Indian Textile Industry which is one of the major foreign exchange earner for the country, is likely to be affected by said sanctions.

Besides, the prevailing weak economic scenario, supply chain disturbance and rise in prices of oil and energy, high inflation has started causing significant disturbance and slow down of the Global economies. The future is still uncertain



and no one knows where it lead to us. Thus, the Company consider it a possible concern resulting into a treat to the Industry.

In addition to the above, the other concerns like higher transaction costs, high cost of labour, continuously increasing prices of raw material are posing a risk to the growth of Indian Textile Industry. The Government should extend a helping hand to the existing Textile Units so that they can become globally competitive and contribute towards the growth of the country.

For and on behalf of the Board  
For **Suryaamba Spinning Mills Limited**  
VIRENDER KUMAR AGARWAL  
Managing Director  
DIN: 00013314

Place: Nagpur  
Date: May 29, 2023



# INDEPEDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

**To**  
**The Members of,**  
**SURYAAMBA SPINNING MILLS LIMITED**

1. The Certificate is issued in accordance with the terms of our Engagement letter reference no. SASML/SA/01 dated August 17, 2020.
2. We, MANISH N JAIN AND CO., **Chartered Accountant, the Statutory Auditors of SURYAAMBA SPINNING MILLS LIMITED** ("the Company"), have examined the compliance of conditions of corporate Governance by the Company, for the year ended 31<sup>st</sup> March, 2023, as stipulated in regulation 17 To 27 and clause (b) to (i) of the regulation 46(2) and Para C and Para D of Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 as amended ("the Listing Regulations").

### **Management's Responsibility**

3. 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 condition of the Corporate Governance stipulated in the Listing Regulations.

### **Auditors' Responsibility**

4. Our responsibility is limited to examine the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial Statements of the Company.
5. We examined the books of Accounts and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with the Corporate Governance requirement by the Company.
6. We have carried out the examination of the relevant records of the Company in accordance with the Guidance Note on Certificate on Corporate Governance issued by the Institute of Chartered Accountant of India ("the ICAI"), the standards on Auditing specified under section 143(10) of the Companies Act, 2013 in so far as applicable for the purpose of certificate for the special purpose issued by the ICAI with requires that we comply with the ethical requirements of the code of Ethics issue d by the ICAI.
7. We have complied with the relevant applicable requirements of Standards on Quality Control (SQC - 1), Quality Control for the Firms that performs Audit and Reviews of the Historical Financial Information, other assurance and Related Service Engagements.

### **Opinion**

8. Based on our examination of relevant records and according to the information and explanation provided to us and the representations provided by the Management, we certify that the Company has complied with the condition on Corporate Governance, as stipulated in regulation 17 to 27 and clause (b) to (i) of the regulation 46(2) and Para - C and Para - D of Schedule V of the Listing Regulations during the year ended 31<sup>st</sup> March, 2023.
9. We state that such compliance is neither assurance as to future viability of the Company nor the efficiency or effectiveness with which the Managements has conducted the affairs of the Company.

**For MANISH N JAIN & CO.**  
**Chartered Accountants**  
**FRN No. 0138430W**

**Place: Nagpur**  
**Date: June 29, 2023**  
**UDIN No.: 23175398BGWEIN7194**

**ARPIT AGRAWAL**  
**Partner**  
**Membership No. 175398**



## **INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF,**

**SURYAAMBASPINNINGMILLSLIMITED**

**Report on the Financial Statements**

### **Opinion**

We have audited the accompanying financial statements of **SURYAAMBA SPINNINGMILLS LIMITED** (the "Company"), which comprises the Balance Sheet as at **March 31, 2023**, the Statement of Profit and Loss (including the Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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

### **Basis of Opinion**

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

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment were most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risk of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial statements.

<b>The Key Audit Matters</b>	<b>How was the matter addressed in our Audit</b>
<b>Revenue Recognition</b>	



Revenue is one of the key profit drivers and is there for susceptible to misstatements. Cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut-off can results in material misstatement of results for the years.

Our audit procedures with regards to revenue recognition included testing controls, automated and manual, around dispatches/deliveries, inventory reconciliations and circularization of receivable balances, substantive testing for cut-off and analytical review procedures.

#### Capital Work-in-Progress/Property, Plants and Equipments

The Company had embarked a project towards the enhancement in Property, Plants and Equipments in "PARSEONI". The value of such Property, Plants and Equipments capitalized during the period is ₹1,381.30 Lakhs. The project needs to be capitalized and depreciated once the assets are ready to use as intended by the Company's management. Inappropriate timing of capitalization of the project and/ or inappropriate classification of categories of item of Property, Plants and Equipments could results in material misstatement of Capital Work-in-Progress/Property, Plants and Equipments with a consequent impact on charge of depreciation and results for the period.

Our audit procedures included testing the design, implementation and operating effectiveness of controls in respect of review of Capital Work-in-Progress, particularly in respect of timing of the capitalization and recording of additions to items of various categories of property, plants and equipments with source documentation, substantive testing of appropriateness of the cut-off date considered for project capitalization.

We tested the source documentation to determine whether the expenditure is of capital nature and has been appropriately approved and segregated into appropriate categories. We reviewed operating expenses to determine appropriateness of accounting. Further, through sites visit, we physically verified the existence of Capital Work-in-Progress / Property, Plants and Equipments.

#### Existence and Valuation of Inventories

The Company's Inventories at the end of the period was ₹1,922.25 Lakhs representing the 14.16% of the Company's total assets (Refer "No.7" of the financial statements). The existence of inventories is a key audit matters due to involvement of high risk, basis the nature and size of the products where in value per unit is relatively insignificant but high volumes are involved which are distributed across different units of the Company.

In response to this key matters, our audit included, among others, the following principle audit procedures:

- \* Understood the management's control over physical inventory counts and valuation.
- \* Evaluation of the design and testing the operating effectiveness of the internal controls relating to physical inventory counts at the plants. In testing this controls, we observed the inventory cycle count process on a sample basis, inspected the results of the inventory cycle count and confirmed that the variances were approved and appropriately accounted for.
- \* Evaluation of the design and testing the operating effectiveness of the internal controls relating to purchases, sales and inventories including the automated controls.
- \* We have performed the physically verification of inventories on sample basis for establishing the existence of inventory as at the end of the period. For a representative sample, verification that the finished goods inventories were correctly measured, using a recalculation of the measurement of those inventories based on the cost of acquiring them from







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suppliers and considering the costs of directly attributable to such goods.

\* Assessed the key estimates used by the management to determine the net realizable value and the consistency there of with the Company's policy on provision for non-moving inventory and performed a sensitivity analysis on the estimated selling price and compared with the cost per item.

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Carrying Value of Trade Receivables

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As at March 31, 2023, trade receivables constitute approximately 16.88% of total assets of the Company (Refer "Note No.8" of the financial statements). The Company is required to regularly assess the recoverability of its trade receivables.

The Company applied expected credit loss (ECL) model for measurement and recognition of impairment loss on trade receivables. The Company uses a provision matrix to determine impairment loss allowances. The provision matrix is based on its historically observed default rates over the expected life of trade receivables and is adjusted for forward looking estimates.

This is a key audit matters as significant judgement is involved to establish the provision matrix.

Our audit procedures included, among other the followings:

- \* Evaluated the Company's accounting policies pertaining to impairment of financial assets and assessed compliance with those policies in term of Ind AS - 109, "Financial Instruments".
- \* Assessed and tested the design and operating effectiveness of the Company's internal financial controls over provision for expected credit loss.
- \* Evaluated management's assumption and judgement relating to various parameters which included the historical default rates and business environment in which the entity operates for estimating the amount of such provision.
- \* Evaluated management's assessment of recoverability of the outstanding receivables and recoverability of the overdue / aged receivables through inquiry with the management, and analysis of the collection trends in respect of receivables.
- \* Assessed and read the disclosures made by the Company in financial statements.

#### Information Other than the Financial Statements and Auditor's Report thereon

The Company's Management and the Board of Directors are responsible for the other information. The other information comprises the information including the Management's Discussion and Analysis, Board's Report including Annexure to the Board's Report, Report on Corporate Governance, Business Responsibility Report and Shareholder's information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion there on.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

#### Management's Responsibility for the Financial Statements

The Company's Management and the 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, the financial performance including the other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principle generally accepted in India, including the Indian Accounting Standards (Ind AS) as specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 presentations of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Company's Management and the Board of Directors are responsible for



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

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

### **Auditor's Responsibilities for the Audit of Financial Statements**

Our 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Company's Management and Board of Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because



the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **Annexure "A"**, a statement on the matters specified in paragraph 3 and paragraph 4 of the said Order.
2. As required by Section 143(3) of the Act, based on our audit, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss including the Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e. On the basis of the written representation received from the directors as on March 31, 2023 taken on the record by the Board of Directors, none of directors is disqualified as on March 31, 2023 from being appointed as a director in term of Section 164(2) of the Act.
  - f. With respect to adequacy of the internal financial controls with reference to these financial statements of the Company and the operating effectiveness of such control, refer to our separate report in **Annexure "B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended;

In our opinion and to the best of our information and explanations given to us, the remunerations paid / provided by the Company to its directors during the reporting period is in accordance with the provision of Section 197 of the Act. The remuneration paid to any directors is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs ("MCA") has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.

- h. With respect to the other matters to be included in the Independent Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
  - (i) The Company has disclosed the impact of pending litigation on its financial position in its financial statements - Refer "Note No. 45" of the financial statements.
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There has been no delay in transferring amounts, required to be transferred, to Investor Education and Protection Fund by the Company.
  - (iv) a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed fund or share premium or any other sources or kind of funds) by the Company to or in any other person or entities, including the foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries 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 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 person or entities, 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;
- c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided under(a)and(b) above, contain any material misstatement.
- (v) As stated in “*NoteNo.42*”to the financial statements;
- a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with the Section 123 of the Act, as applicable.
- b) During the reporting period and until the date of this report, the Company has not declared and paid any interim dividend in accordance with the Section 123 of the Act, as applicable.
- c) The Board of Directors of the Company have proposed the final dividend for the year, which is subject to the approval of the shareholders at their ensuing Annual General Meeting (AGM). The amount of dividend proposed is in accordance with the section 123 of the Act, as applicable.
- (vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 01, 2023, and accordingly, reporting under Rule 11(g) of the Companies (Audit and Accounts) Rules, 2014 is not applicable for the financial period ended on March 31, 2023.

**For MANISH N JAIN&CO.**  
**Chartered Accountants**  
**FRNNo.0138430W**

**Place: Nagpur**  
**Dated: May 29, 2023**  
**UDINNo.:23175398BGWEHX7931**

**ARPITAGRAWAL**  
**Partner**  
**MembershipNo.175398**



## **ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT**

*(Referred to in Paragraph 1 under “Report on the Other Legal and Regulatory Requirements” Section of our report of Even Date)*

**Report on Companies (Auditor’s Report) Order, 2020 (“the Order”) issued by the Central Government of India in terms of Section 143(11) of the Companies Act,2013 (‘the Act’) of SURYAAMBA SPINNING MILLS LIMITED (“the Company”);**

1. In respect of the Company’s Property, Plants and Equipments and Intangible Assets;

a) i) The Company has maintained proper records in the electronic mode showing full particulars, including the quantitative details and situation of property, plants and equipments.

ii) The Company has maintained the proper records showing the full particulars of intangible assets.

b) The Company has a regular program at reasonable interval for physical verification of property, plants and equipments so as to cover all the assets, the periodicity of physical verification, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such physical verification.

c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed/ transfer deed/ conveyance deed provided to us, we report that, the title deeds in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the Company), disclosed in the financial statements and included under property, plants and equipments are held in the name of the Company as at the Balance Sheet date. In respect of the immovable properties taken on lease by the Company, the lease agreements are in the name of the Company as at the Balance Sheet date.

d) The Company has not revalued any of its property, plants and equipments and intangible assets during the reporting period.

e) According to information and explanations given to us and on the basis of our examination of the records of the Company, no proceeding has been initiated during the reporting period or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and Rules made thereunder.

2. In respect of Company’s inventories;

a) As explained to us, inventories except goods-in-transits and the stock lying with third parties were physically verified during the year by the management at reasonable intervals. In our opinion, in respect of stock lying with the third parties at the end of the year, written confirmations have been obtained. In our opinion, the frequency of such verification is reasonable. In our opinion, the coverage and the procedure adopted by the management for the physical verification is appropriate looking to the size and the nature of the products dealt in by the Company. As explained to us, there was no discrepancies of 10% or more in the aggregate of each class of inventory were noticed on such physical verification of inventories. However, the other discrepancies if any, noticed on such physical verification have been properly dealt with in the books of accounts.

b) During the reporting period, the Company has been sanctioned working capital limit in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly returns and the statements filed by the Company with such banks or financial institutions are in agreement with the books of accounts of the Company.

3. The Company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or other parties, during the year, in respect of which;

a) According to information and explanations given to us and on the basis of our examination of the records, the



Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entities including subsidiaries, associates and joint ventures during the reporting period, and hence there reporting under clause 3(iii)(a)(A) and 3(iii)(a)(B) of the said Order is not applicable.

b) The Company has neither made investment in nor granted any loans and advances in the nature of loans, hence the reporting under clause 3(iii)(b) in respect of terms and conditions of investment and grants of loans are not applicable to the Company.

c) The Company has not granted any loans and advances in the nature of loans, to any other entities including subsidiaries, associates and joint ventures, hence the reporting under clause 3(iii)(c), in respect of the schedule of repayment of principal and payment of interest is not applicable.

d) The Company has not granted any loans and advances in the nature of loans, to any other entities including subsidiaries, associates and joint ventures, hence the reporting under clause 3(iii)(d) in respect of overdue amounts remain outstanding for more than ninety days is not applicable.

e) The Company has not granted any loans or advances in the nature of loans, to any other entities including subsidiaries, associates and joint ventures, hence the reporting under clause 3(iii)(e), in respect of the details of loans which has fallen due, during the reporting period, or has been renewed or extended or fresh loans granted to settle the overdue of the existing loans given to the same parties is not applicable.

f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment during the reporting period. Hence, the reporting under clause 3(iii)(f) of the said Order is not applicable.

4. In our opinion and according to information and explanations given to us and on the basis of our examination of the records, the Company has complied with the provisions of Section 185 and Section 186 of the Act, in respect to grant of loans, making investments and providing guarantees and securities, as applicable.

5. The Company has neither accepted any deposits from public nor accepted any amounts which are deemed to be the deposits of the Company, within the meaning of Section 73 to Section 76 of the Act or any other relevant provisions and Rules made thereunder, during the reporting period, therefore, the reporting under clause 3(v) of the said Order is not applicable to the Company.

6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under section 148(1) of the Companies Act, in respect of the Company's products / services to which the said Rules are made applicable, and we are of the opinion that, prima facie, the prescribed cost records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of statutory dues, we report that;

a) The Company has generally been regular in depositing undisputed statutory dues, including goods and service tax, provident fund, employees' state insurance, income tax, duties of custom, cess and other material statutory dues applicable to it with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of goods and service tax, provident fund, employees' state insurance, income tax, duties of custom, cess and other material statutory dues were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

b) According to the information and explanation given to us, there are no material statutory dues referred to in sub-clause (a) above which have not been deposited with the appropriate authority on account of any dispute.

8. According to the information and explanation given to us and on the basis of our examination of the record of the Company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the reporting period in the tax assessments under the Income Tax Act, 1961.

9. a) In our opinion and according to the information and explanation given to us by the Company, the Company has not



defaulted in repayment of any loans or other borrowings or in the payment of interest there onto any lender.

b) The Company has not been declared as willful defaulter by banks or financial institutions or government or any government authority.

c) The Company has taken term loan during the reporting period and there is also unutilized balance of term loans at the beginning of the reporting period, the same were utilized and applied for the purpose which the loans were obtained except the funds deployed temporarily elsewhere.

d) On an overall examination of the financial statements of the Company, the funds raised on short-term basis have, prima facie, not been used during the reporting period for long-term purposes by the Company.

e) According to the information and explanation given to us and on the basis of our examination of the record of the Company, we report that the Company has not taken any funds from any entity or persons on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Companies Act, 2013. Hence, the reporting under clause 3(ix)(e) of the said Order is not applicable to the Company.

f) According to the information and explanation given to us and on the basis of our examination on the record of the Company, we report that, the Company has not raised any loans during the reporting period on the basis of pledge of securities held in its subsidiaries, joint ventures or associates companies as defined under the Companies Act, 2013. Hence, the reporting under the clause 3(ix)(f) of the said Order is not applicable to the Company.

10. a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the reporting period and hence reporting under clause 3(x)(a) of the said Order is not applicable to the Company.

b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence, the reporting under clause 3(x)(b) of the said Order is not applicable to the Company.

11. a) According to the information and explanation given to us and on the basis of examinations of records of the Company, considering the principles of materiality outlined in Standards of Auditing, we report that, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the reporting period.

b) According to the information and explanation given to us and on the basis of examinations of records of the Company, we report that, no report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the reporting period and upto the date of this report.

c) In our opinion and according to the information and explanation given to us, the Company has not received any complaints from whistle-blower, hence the reporting under clause 3(xi)(c) of the said Order is not applicable to the Company.

12. The Company is not a Nidhi Company as prescribed under Section 406 of the Companies Act and hence reporting under clause 3(xii) of the said Order is not applicable to the Company.

13. According to information and explanations given to us and based on our examination of the records of the Company, all the transactions with related parties are in compliance with Section 177 and Section 188 of the Companies Act, wherever applicable and details of such related party transactions have been disclosed in the financial statements, under "Note No. 43 - the transactions with Related Parties" as required under Indian Accounting Standards (Ind AS) - 24, "Related Party Disclosure" specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014.

14. a) In our opinion, the company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have considered, the internal audit report for the year under audit, issued to the Company during the reporting period and till the date of this report, in determining the nature, timing and extent of our audit procedures.





15. In our opinion and according to the information and explanation given to us, during the reporting period, the Company has not entered into any non-cash transactions with its directors or the persons connected with him and hence provisions of Section 192 of the Act are not applicable. Thus, reporting under clause 3(xv) of the said Order is not applicable to the Company.

16. a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, therefore, the reporting under clause 3(xvi)(a) and (b) of the said Order is not applicable to the Company.

b) In our opinion, the Company is not a core investment company (CIC) also there is no CIC within the Group, as defined in the regulation made by the Reserve Bank of India in Core Investment Companies (Reserve Bank) Directions, 2016 and accordingly the reporting under clause 3(xvi)(c) and (d) of the said Order are not applicable.

17. The Company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year, hence the reporting under clause 3(xvii) of the said Order is not applicable to the Company.

18. There has been no resignation of the Statutory Auditor of the Company during the reporting period, hence reporting under clause 3(xviii) of the said Order is not applicable to the Company.

19. On the basis of financial ratios disclosed in the notes to financial statements, Refer "Note No. 40", ageing and expected due dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and the Management plans and based on our examination of evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not as assurance as to the future viability of the Company. We further state that our reporting is based on the facts upto the date of this audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the date of balance sheet, will get discharged by the Company as and when they fall due.

20. a) According to the information and explanation given to us and based on our examination of the record of the Company, there are no unspent amounts under sub-section (5) of the Section 135 of the Companies Act, 2013 pursuant to any projects other than ongoing projects. Accordingly, the reporting under clause 3(xx)(a) of the said Order is not applicable to the Company.

b) According to the information and explanation given to us and based on our examination of the record of the Company, there is no unspent amounts towards Corporate Social Responsibility (CSR) on ongoing projects required to be transferred to a Special Account in compliance with the provision of sub-section (6) of Section 135 of the Companies Act, 2013. Accordingly, the reporting under clause 3(xx)(b) of the said Order is not applicable to the Company.

**For MANISH N JAIN & CO.**

**Chartered Accountants**

**FRN No. 0138430W**

**Place: Nagpur**

**Dated: May 29, 2023**

**UDIN No.: 23175398BGWEHX7931**

**ARPITAGRAWAL**

**Partner**

**Membership No. 175398**





## **ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT**

*(Referred to in paragraph 2(f) under “Report on the Other Regulatory Requirements” section of our report of even date)*

### **Report on the Internal Financial Controls with reference to the financial statements over the Financial Reporting under Clause (i) of sub - section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

#### **Opinion**

We have audited the internal financial controls with reference to these financial statements of “**SURYAAMBA SPINNING MILLS LIMITED**” (“the Company”) as of **March 31, 2023** in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls with reference to these financial statements and such internal financial controls with reference to these financial statements were operating effectively as at **March 31, 2023**, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“the ICAI”).

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **Auditors’ Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors’ judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide the basis for our audit opinion on the Company’s internal financial controls system with reference to these financial statements.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A Company’s internal financial controls with reference to these financial statements 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 controls with reference to these financial statements 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





## Suryaamba Spinning Mills Limited

the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Control over the Financial Reporting**

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

**For MANISH N JAIN & CO.**

*Chartered Accountants*

**FRN No. 0138430W**

**Place: Nagpur**

**Dated: May 29, 2023**

**UDIN No.: 23175398BGWEHX7931**

**ARPIT AGRAWAL**

**Partner**

**Membership No. 175398**





## Balance Sheet as at March 31, 2023

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
<b>I. ASSETS:</b>			
<b>1. NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipments	2	8,781.26	8,057.00
(b) Intangible Assets	3	1.66	2.18
(c) Capital Work-in-Progress	4	-	79.51
<u>Financial Assets</u>			
(d) Other Financial Assets	5	12.38	7.39
(e) Other Non-Current Assets	6	12.39	102.99
<b>Total Non-Current Assets</b>		<b>8,807.70</b>	<b>8,249.07</b>
<b>2. CURRENT ASSETS</b>			
(a) Inventories	7	1,922.25	1,472.21
(b) Financial Assets:			
- Trade Receivables	8	2,291.19	2,456.32
- Cash and Cash Equivalents	9A	3.56	8.12
- Other Balances with Bank	9B	4.14	5.33
- Other Financial Assets	10	151.08	262.47
(c) Other Current Assets	11	393.26	505.07
<b>Total Current Assets</b>		<b>4,765.48</b>	<b>4,709.52</b>
<b>TOTAL ASSETS</b>		<b>13,573.18</b>	<b>12,958.59</b>
<b>II. EQUITY AND LIABILITIES:</b>			
<b>A EQUITY</b>			
(a) Equity Share Capital	12	293.19	293.19
(b) Other Equity	13	5,763.10	5,007.62
<b>Total Equity</b>		<b>6,056.30</b>	<b>5,300.82</b>
<b>B. LIABILITIES</b>			
<b>1. Non-Current Liabilities</b>			
(a) <u>Financial Liabilities</u>			
- Borrowings	14	3,095.45	3,091.20
- Long-Term Financial Liabilities	15	3.75	4.59
(b) Long Term Provisions	16	407.28	381.04
(c) Deferred Tax Liabilities (Net)	17	444.36	389.26
(d) Other Non-Current Liabilities	18	33.53	37.78
<b>Total Non-Current Liabilities</b>		<b>3,984.36</b>	<b>3,903.87</b>
<b>2. Current Liabilities</b>			
(a) <u>Financial Liabilities</u>			
- Borrowings	19	1,377.70	1,795.34
- Trade Payables			
Total Outstanding dues to Micro Enterprises and Small Enterprises	20	25.56	35.47
Total Outstanding dues of Creditors other than	20	839.34	616.46





### Suryaamba Spinning Mills Limited

to Micro Enterprises and Small Enterprises			
- Other Financial Liabilities	21	940.09	1,174.41
(b) Other Current Liabilities	22	344.96	123.09
(c) Short Term Provisions	23	0.45	0.42
(d) Current Tax Liabilities(Net)	24	4.42	8.71
<b>Total Current Liabilities</b>		<b>3,532.52</b>	<b>3,753.90</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>13,573.18</b>	<b>12,958.59</b>

#### SIGNIFICANT ACCOUNTING POLICIES

1

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**For MANISH N. JAIN & CO.**

Chartered Accountants

FRN No.: 0138430W

**ARPIT AGRAWAL**

Partner

Membership No. 175398

UDIN No.: 23175398BGWEHX7931

**VIRENDER KUMAR AGARWAL**

Managing Director

DIN:00013314

**SEEMA AGARWAL**

Jt. Managing Director

DIN: 01430206

**GAJANANN. CHHAWARIA**

Chief Financial Officer

**KRITI LADHA**

Company Secretary

M. No. A61729

**Place: Nagpur**

**Date: May 29, 2023**

**Place: Nagpur**

**Date: May 29, 2023**

**Place: Nagpur**

**Date: May 29, 2023**





## Statement of Profit and Loss for the year ended March 31, 2023

(₹ in Lakhs, except earnings per share data)

Particulars		Notes	2022-2023	2021-2022
<b>I.</b>	<b>INCOME</b>			
1.	Revenue from Operations	25	24,833.46	22,665.59
2.	Other Income	26	191.79	121.73
<b>II.</b>	<b>TOTAL INCOME</b>		<b>25,025.25</b>	<b>22,787.32</b>
<b>III.</b>	<b>EXPENSES</b>			
1.	Cost of Materials Consumed	27	14,374.82	11,759.56
2.	Purchase of Stock-in-Trade		1,301.30	1,271.47
3.	Changes in Inventories of Finished Goods, Work-in-Progress	28	(512.85)	164.45
4.	Employee Benefits Expense	29	2,766.91	2,394.51
5.	Finance Costs	30	556.81	473.43
6.	Depreciation and Amortization Expenses	31	628.37	489.26
7.	Other Expenses	32	4,851.46	4,391.46
<b>IV.</b>	<b>Total Expenses (Total of III)</b>		<b>23,966.82</b>	<b>20,944.12</b>
<b>V.</b>	<b>Profit Before Exceptional Item and Tax (II - IV)</b>		<b>1,058.43</b>	<b>1,843.20</b>
	Exceptional Items		-	-
<b>VI.</b>	<b>Profit Before Tax (PBT)</b>		<b>1,058.43</b>	<b>1,843.20</b>
<b>VII.</b>	<b>Tax Expenses:</b>			
1.	Current Tax	17	210.40	414.31
2.	Deferred Tax	17	57.15	(15.89)
<b>VIII.</b>	<b>Total Tax Expenses (Total of VII)</b>		<b>267.55</b>	<b>398.41</b>
<b>IX.</b>	<b>Profit After Tax (PAT) (VI - VIII)</b>		<b>790.88</b>	<b>1,444.79</b>
<b>X.</b>	<b>Other Comprehensive Income</b>			
	<b>(i) Items that will not be reclassified to Statement of Profit and Loss</b>			
	(a) Re-measurements of the Defined Benefit Plans		(8.13)	22.03
	(b) Income Tax Expenses on the above		2.05	(5.54)
	<b>(ii) Items that will be reclassified subsequently to the Statement of Profit and Loss</b>			
	(a) Net Fair Value Gain on Investments in Debt Instruments through Other Comprehensive Income		-	-
	(b) Income Tax Expenses on the above		-	-
	<b>Other Comprehensive Income</b>		<b>(6.09)</b>	<b>16.49</b>
<b>XI.</b>	<b>Total Comprehensive Income for the year (IX + X)</b>		<b>784.80</b>	<b>1,461.25</b>
<b>XII.</b>	<b>Earnings per Equity Share</b>			
	Basic EPS (In ₹)	49	<b>26.97</b>	<b>49.28</b>
	Diluted EPS (In ₹)	49	<b>26.97</b>	<b>49.28</b>





## Suryaamba Spinning Mills Limited

### SIGNIFICANT ACCOUNTING POLICIES

1

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS.

AS PER OUR REPORT OF EVEN DATE ATTACHED

For **MANISH N. JAIN & CO.**

Chartered Accountants

FRN No.: 0138430W

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**ARPIT AGRAWAL**

Partner

Membership No. 175398

UDIN No.: 23175398BGWEHX7931

**VIRENDER KUMAR AGARWAL**

Managing Director

DIN:00013314

**SEEMA AGARWAL**

Jt. Managing Director

DIN: 01430206

**GAJANANN. CHHAWARIA**

Chief Financial Officer

**KRITI LADHA**

Company Secretary

M. No. A61729

**Place: Nagpur**

**Date: May 29, 2023**

**Place: Nagpur**

**Date: May 29, 2023**

**Place: Nagpur**

**Date: May 29, 2023**





## Statement of Cash Flow for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit / (Loss) before Tax for the year as per the Statement of Profit and Loss	1,058.43	1,843.20
<u>Adjustments for :</u>		
Depreciation and Amortization Expenses	628.37	489.26
Finance Costs	556.81	473.43
Provision for Unsecured Doubtful Debts and Advances	0.71	(2.99)
Rental Income	(12.60)	(10.90)
Interest Income	(7.87)	(11.64)
Subsidy or Grants for Property, Plants and Equipments (Net)	(4.25)	(4.25)
(Surplus) / Loss on Disposal of Property, Plants and Equipment (Net)	10.98	6.62
<b>Operating Profit before Working Capital Changes</b>	<b>2,230.58</b>	<b>2,782.71</b>
<u>Adjustments for :</u>		
(Increase) / Decrease in Inventories	(450.05)	268.27
(Increase) / Decrease in Trade Receivables	164.42	(722.70)
(Increase) / Decrease in Financial Assets	107.97	(113.51)
(Increase) / Decrease in Other Current Assets	111.81	(363.87)
Increase / (Decrease) in Short Term Borrowings	(417.64)	(64.59)
Increase / (Decrease) in Trade Payables	212.97	287.76
Increase / (Decrease) in Other Financial Liabilities	(233.97)	169.73
Increase / (Decrease) in Other Current Liabilities	221.87	(43.25)
Increase / (Decrease) in Short Term Provisions	18.14	(53.61)
<b>Cash Generated from Operating Activities</b>	<b>1,966.10</b>	<b>2,146.97</b>
Income Tax Paid (Net of Refund) during the year	(214.53)	(402.83)
<b>Net Cash Generated / (Used) from Operating Activities (A)</b>	<b>1,751.57</b>	<b>1,744.13</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Investment in Property, Plants and Equipments (Net)	(1,363.09)	(2,398.13)
(Increase) / Decrease in Capital Work-in-Progress	79.51	11.63
Capital Advances	90.60	(57.58)
(Purchase)/Redemption of Term Deposits	(1.74)	12.95
Rental Income	12.60	10.90
Interest Income	7.87	11.64
<b>Net Cash Generated / (Used) from Investing Activities (B)</b>	<b>(1,174.24)</b>	<b>(2,408.60)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Fresh Issue of Equity Shares	-	-
Proceeds / (Repayments) from Long-term Borrowings	4.24	966.45
Finance Cost	(556.81)	(473.43)
Dividend Paid (Net)	(29.32)	(11.73)
<b>Net Cash Received / (Used) from Financing Activities (C)</b>	<b>(581.89)</b>	<b>481.29</b>





**Suryaamba Spinning Mills Limited**

<b>D. Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)</b>	<b>(4.56)</b>	<b>(183.17)</b>
E. Cash and Cash Equivalents at the beginning of the period	8.12	191.29
F. Cash and Cash Equivalents at the end of the period	3.56	8.12
<b>G. Increase/ (Decrease) in Cash and Cash Equivalents (F-E)</b>	<b>(4.56)</b>	<b>(183.17)</b>

**Notes:**

(a) Cash and Cash Equivalents Comprises of:

(₹in Lakhs)

S.No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Balances with Banks:		
	i) Current Accounts	1.60	4.48
2	Cash in Hand	1.96	3.64
	<b>Cash and Cash Equivalents in the Cash Flow Statements</b>	<b>3.56</b>	<b>8.12</b>

**SIGNIFICANT ACCOUNTING POLICIES****1****THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS.****AS PER OUR REPORT OF EVEN DATE ATTACHED****For MANISH N. JAIN & CO.****FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Chartered Accountants

FRN No.: 0138430W

**ARPIT AGRAWAL**

Partner

Membership No. 175398

UDIN No.: 23175398BGWEHX7931

**VIRENDER KUMAR****AGARWAL**

Managing Director

DIN:00013314

**SEEMA AGARWAL**

Jt. Managing Director

DIN: 01430206

**GAJANANN. CHHAWARIA**

Chief Financial Officer

**KRITI LADHA**

Company Secretary

M. No. A61729

**Place: Nagpur****Date: May 29, 2023****Place: Nagpur****Date: May 29, 2023****Place: Nagpur****Date: May 29, 2023**



## Statement of Changes in Equity for the year ended March 31, 2023

### A) Equity Share Capital

(₹in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b><u>Equity Share Capital</u></b>		
Balance at the beginning of the Reporting period	293.19	293.19
Changes in Equity Share Capital to Prior Period	-	-
Errors	-	-
<b>Restated balances at the beginning of the Reporting Period</b>	<b>293.19</b>	<b>293.19</b>
Changes in Equity Share Capital during the period	-	-
<b>Balance at the end of the Reporting period</b>	<b>293.19</b>	<b>293.19</b>

### B) Other Equity

(₹in Lakhs)

	Reserves and Surplus				Item of OCI	Total Other Equity
	Capital redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Remeasur ement of Defined Benefit Plans	
Balance as at April 01, 2021 (A)	830.53	358.96	419.49	1,866.70	82.41	3,558.08
<b><u>Addition during the Reporting Period</u></b>						
Net Profit / (Loss) during the reporting period	-	-	-	1,444.79	-	1,444.79
Addition made during the reporting period	-	-	-	-	-	-
Transferred from Statement of Profit and Loss	-	-	-	-	-	-
<b><u>Item of Other Comprehensive Income for the period (Net of Taxes)</u></b>						
Remeasurement of Defined Benefit Plan (Net)	-	-	-	-	16.48	16.48
<b>Total Comprehensive Income for the year 2021-2022 (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,444.79</b>	<b>16.48</b>	<b>1,461.27</b>
<b><u>Reduction during the Reporting Period</u></b>						
Final Dividend	-	-	-	11.73	-	11.73
<b>Total Reduction during the Reporting Period (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11.73</b>	<b>-</b>	<b>11.73</b>
<b>Balance as at March 31, 2022 (D) = (A + B - C)</b>	<b>830.53</b>	<b>358.96</b>	<b>419.49</b>	<b>3,299.76</b>	<b>98.89</b>	<b>5,007.62</b>





## Suryaamba Spinning Mills Limited

<b><u>Addition during the Reporting Period</u></b>						
Net Profit / (Loss) during the reporting period	-	-	-	790.88	-	790.88
Addition made during the reporting period	-	-	-	-	-	-
Transferred from Statement of Profit and Loss	-	-	-	-	-	-
<b><u>Item of Other Comprehensive Income for the period (Net of Taxes)</u></b>						
Remeasurement of Defined Benefit Plan (Net)	-	-	-	-	(6.09)	(6.09)
<b>Total Comprehensive Income for the year 2022-2023 (B)</b>	-	-	-	790.88	(6.09)	784.80
<b><u>Reduction during the Reporting Period</u></b>						
Final Dividend	-	-	-	29.32	-	29.32
<b>Total Reduction during the Reporting Period (C)</b>	-	-	-	29.32	-	29.32
<b>Balance as at March 31, 2023 (D) = (A + B - C)</b>	830.53	358.96	419.49	4,061.33	92.81	5,763.10

### SIGNIFICANT ACCOUNTING POLICIES

1

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS.

AS PER OUR REPORT OF EVEN DATE ATTACHED

For MANISH N. JAIN & CO.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Chartered Accountants

FRN No.: 0138430W

**ARPIT AGRAWAL**

Partner

Membership No. 175398

UDIN No.: 23175398BGWEHX7931

**VIRENDER KUMAR AGARWAL**

Managing Director

DIN:00013314

**GAJANANN. CHHAWSARIA**

Chief Financial Officer

**SEEMA AGARWAL**

Jt. Managing Director

DIN: 01430206

**KRITILADHA**

Company Secretary

M. No. A61729

Place: Nagpur

Date: May 29, 2023

Place: Nagpur

Date: May 29, 2023

Place: Nagpur

Date: May 29, 2023





## **Notes to the Financial Statements for the year then ended on March 31, 2023**

### **CORPORATE INFORMATION**

SURYAAMBA SPINNING MILLS LIMITED (“the Company”) (CIN No. L18100TG2007PLC053831) is a Public Limited Company, domiciled and incorporated in India, under the provisions of Companies Act, 1956. The Registered office of the Company is situated at *First Floor, Surya Tower, 105, Sardar Patel Road, Secunderabad (T.G.) - 500003*. The books of accounts and other related documents and information of the Company are maintained at Corporate Office situated at *A - 101, Kanha Apartment, 128, Chhaoni, Katol Road, Nagpur (M.H.) - 440013*. The Company’s shares are listed on “Bombay Stock Exchange” (BSE).

The Company is primarily engaged in the business of manufacturing, selling, distribution and trading of specialty synthetic yarn.

The Board of Directors approved the financial statements for the year ended March 31, 2023 and authorized for issue on May 29, 2023.

### **1. SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS**

#### **SIGNIFICANT ACCOUNTING POLICIES**

##### **1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

These financial statements are the separate financial statements of the Company (also called as “financial statements”) prepared in accordance with Indian Accounting Standard (“Ind AS”) as notified under section 133 of the Companies Act, 2013 (“the Act”) read together with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) Rule, 2016, as amended, time to time. The preparation and presentation of the financial statements is based on the Indian Accounting Standards (Ind AS) Division - II of the Schedule - III of the Companies Act, 2013.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below.

The statement of cash flows has been prepared under indirect method, whereby the profit and loss is adjusted for the effect of transactions of a non-cash nature, any deferrals and accruals or future operating cash receipts or payments and items of income and expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid instruments that are readily convertible to know amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

These accounting policies have been applied consistently over all the period presented in these financial statements.

The Company’s financial statements are prepared and presented in Indian Rupee (₹) in Lakhs, which is also the functional currency for the Company. All amounts have been rounded off to the nearest (₹) in Lakhs up to two decimals, except when otherwise specified.

##### **1.2 CURRENT AND NON - CURRENT CLASSIFICATION**

The Company presents the assets and liabilities in the balance sheet based on current / non-current classification. An assets or a liabilities are classified as current when it satisfies any of the following criteria:

- i) The assets / liabilities are expected to be realized / settled in the Company’s normal operating cycle;
- ii) The assets are intended for sales or consumption;
- iii) The assets / liabilities are held primarily for the purpose trading;
- iv) The assets / liabilities are expected to be realized / settled within twelve months after the end of reporting date;
- v) The asset is cash or cash equivalents unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- vi) In the case of the liabilities, the Company does not have an unconditional right to defer the settlement of the liabilities for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current / non-current classification of assets and liabilities, the Company has ascertained its operating





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cycle as twelve months. This is based on the nature of services and the time between the acquisition of the assets or inventories for processing and their realization in cash and cash equivalents.

### 1.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### a) Property, Plants and Equipments

##### *Measurement at Recognition*

An item of property, plants and equipments that qualifies as an asset is measured on the initial recognition at cost. Following the initial recognition, item of property, plants and equipments are carried at its cost less accumulated depreciation and accumulated impairment losses, *if any*.

The Company identifies and determines cost of each part of an item of property, plants and equipments separately, If the part has a cost which is significant to the total cost of that item of property, plants and equipments and has useful life that is materially different from that of the remaining items.

The cost of an item of property, plants and equipments comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the assets to its present location and working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, *if any*. Any trade discount and rebates are deducted in arriving at the purchase price of such property, plants and equipments.

Cost includes the cost of replacing a part of the plants and equipments, if the recognition criteria are met. Expenses directly attributable to new manufacturing facilities during its construction period are capitalized, if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machineries are capitalized under the relevant heads of property, plants and equipments, if the recognition criteria are met.

When the significant parts of property, plants and equipments are required to be replaced at periodical intervals, the Company recognizes such part as individual assets with specific useful lives and depreciates them accordingly.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any components accounted for as a separate asset is de-recognized when replaced.

All the costs, including administrative, financing and general overhead expenses, as are specifically attributable to construction of a specific projects or to the acquisition of a property, plants and equipments or bringing it to its present location and working condition, is include as a part of the cost of construction of the project or as a part of the cost of property, plants and equipments, till the commencement of its commercial production. Any adjustments arising from exchange rate variations attributable to the property, plants and equipments are capitalized as aforementioned.

Borrowing costs relating to the acquisition/construction of property, plants and equipments which takes the substantial period of time to get ready for its intended use are also included in the cost of property, plants and equipments/cost of constructions to the extent they relate to the period till such property, plants and equipments are ready to be put to use.

Any subsequent expenditure related to an item of property, plants and equipments is added to its book value only and only if it increases the future economic benefits from the existing assets beyond its previously assessed standard of performance.

Any items such as spare parts, stand by equipment and servicing equipments that meet the definitions criteria of the property, plants and equipments are capitalized at cost and depreciated over the useful life of the respective property, plants and equipments. Cost in the nature of repairs and maintenances are recognized in the statement of profit and loss as and when incurred.

##### **Capital Work-in-Progress and Capital Advances**

Cost of property, plants and equipments not ready for intended use, as on the balance sheet date, is shown as a "Capital Work-in-Progress". The capital work-in-progress is stated at cost. Any expenditure in relation to survey and investigation of the properties is carried as capital work-in-progress. Such expenditure is either capitalized as cost of the projects on completion of construction project or the same is expensed in the period in which it is decided to abandon such projects.

Any advances given towards acquisition of property, plants and equipments outstanding at each balance sheet date are



disclosed as "Other Non - Current Assets".

**Depreciation**

Depreciation on each part of property, plants and equipments are provided to the extent of the depreciable amount of the assets on the basis of "Straight Line Method (SLM)" on the useful lives of the tangible property, plants and equipments as estimated by the Company's management and is charged to the statement of profit and loss, as per the requirement of Schedule - II to the Companies Act, 2013. The estimated useful lives of the property, plants and equipments has been assessed based on the technical advice which is considered in the nature of the property, plants and equipments, the usage of the property, plants and equipments, expected physical wear and tear of the such property, plants and equipments, the operating conditions, anticipated technological changes, manufacturer warranties and maintenance support of the property, plants and equipments etc.

When the parts of an item of the property, plants and equipments have different useful lives, they are accounted for as a separate item (major components) and are depreciated over their useful lives or over the remaining useful lives of the principal property, plants and equipments, whichever is less.

The useful lives of the items of property, plants and equipments as estimated by the Company's management is mentioned below:

S. No.	Name of Property, Plants and Equipments	Useful Life (In Years)
1.	Factory Building	30 Years
2.	Building (Other than Factory Building)	60 Years
3.	Plant and Machineries (Including Continuous Process Plant)	25 Years
4.	Furniture and Fixtures	10 Years
5.	Office Equipments	10 Years
6.	Computer and Other Data Processing units	3 Years
7.	Motor Vehicles	8 Years
8.	Electrical Installation and Other Equipments	10 Years
9.	Workshop Equipments and Testing Equipments	25 Years

The Company based on technical assessment made by the technical experts and the Company's management estimate, depreciate certain items of property, plants and equipments over the estimated useful lives which are different from the useful lives as prescribed under Schedule - II of the Companies Act, 2013. The Company's management believes that the useful lives as given above is best to represent the period over which Company's management expects to use these property, plants and equipments.

Freehold land is not depreciated. Leasehold land and their improvement cost are amortized over the period of the lease, if any.

The useful lives, residual value of each part of an item of property, plants and equipments and the method of depreciation are reviewed at the end of each reporting period, if any, of these expectations differ from the previous estimates, such change is accounted for as a change in accounting estimate and adjusted prospectively, if appropriate.

**Derecognition**

The carrying amount of an item of property, plants and equipments and other intangible assets are recognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from Derecognition of the property, plants and equipments is measured as the difference between the net disposal proceeds and the carrying amount of the assets and is recognized in the statement of profit and loss, as and when the assets are de-recognized.

**b) Intangible Assets**

**Measurement at Recognition**





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Intangible assets acquired separately measured on the initial recognition at cost. Intangible assets arising on the acquisition of business are measured at fair value as at the date of acquisition. Internally generated intangible assets including research costs are not capitalized and the related expenditure is recognized in the statement of profit and loss in the period in which the expenditure is incurred. Following the initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

### **Amortization**

Intangible assets with the finite lives are amortized on a "Straight Line Basis" over the estimated useful economics lives of such intangible assets. The amortization expenses on intangible assets with the finite lives are recognized in the statement of profit and loss.

The amortization period and the amortization method for an intangible asset with the finite useful lives are reviewed at the end of each financial year, *If any*, of these expectations differ from the previous estimates, such changes are accounted for as a change in an accounting estimate and adjusted prospectively, if appropriate.

S. No.	Particulars	Useful Life(In Years)
1.	Software	5 Years

### **Derecognition**

The carrying amount of an intangible assets are recognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an intangible assets is measured as the difference between the net disposal proceeds and the carrying amount of the intangible assets and is recognized in the statement of profit and loss, as and when such assets are de-recognized.

### **c) Impairment**

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested for impairment annually and whenever there is an indication that the assets may be impaired.

Assets that are subject to depreciation and amortization and assets representing investments in subsidiary and associate companies are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environments.

The Company assesses at each reporting date, whether there is an indication that assets may be impaired, if any indication exists based on internal or external factors, or when annual impairment testing for assets is required, the Company estimates the asset's recoverable amount. Where the carrying amount of the assets or its cash generating unit (CGU) exceeds its recoverable amount, the assets are considered impaired and is written down to its recoverable amount. The recoverable amount is the greater of the fair value less cost to sell and value-in-use.

In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax rate that reflects current market rates and the risk specific to the assets. For the assets that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the assets belong. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an assets in an arm's length transactions between knowledgeable, willing parties, less cost of disposal. After the impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful lives.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exists or has decreased. However, the increase in the carrying amount of assets due to the reversal of an impairment loss is recognized to the extent it does exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognized for the assets in the prior years.

Impairment losses, if any, are recognized in the statement of profit and loss and included in depreciation and amortization expense. Impairment losses are reversed in the statement of profit and loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, if no impairment loss had previously been recognized.





**d) Revenue Recognition**

**Revenue from Contracts with Customers**

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

***Sale of Products***

Revenue from sales of goods is recognized, when control on the goods have been transferred to the customers. The performance obligation in the case of sale of goods is satisfied at a point in time i.e. when the material is shipped to the customers or delivery to the customers as may be specified in the contracts with them.

Sales (Gross) excludes Goods and Service Tax (GST) and is net of discounts and incentives to the customers.

***Sale of Services***

Revenue from sales of service is recognized over time by measuring the progress towards satisfaction of performance obligation for the service rendered. The revenue is recognized based on the agreements/arrangements with the customers as the service is performed and based on the satisfaction of performance obligation. Advances from customers is recognized under "Other Current Liabilities" and released to revenue on satisfaction of performance obligation.

***Export Incentives***

Export incentive revenues are recognized when the right to receive the credit is established and there is no significant uncertainty regarding the ultimate collection.

***Interest***

Revenue from Interest income is recognized using the effective interest method. Effective interest rate (EIR) is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instruments or a shorter period, where appropriate, to the gross carrying amount of the financial assets or to the amortized cost of financial liabilities.

**e) Government Grants and Subsidies**

The Company is entitled to receive any subsidy from the Government authorities or any other authorities in respect of manufacturing or other facilities are dealt as follows:

- i) Grants in the nature of subsidies which are non-refundable and are recognized as income, when there is reasonable assurance that the Company will comply with all the necessary conditions attached to them. Income from grants is recognized on a systematic basis over the periods in which the related costs that are intended to be compensated by such grants are recognized.
- ii) The Company has received refundable government loans at below market rate of interest which are accounted in accordance with the recognition and measurement principle of Ind AS - 109, "Financial Instruments". The benefit of below-market rate of interest is measured as the difference between the initial carrying value of loan determined in accordance with Ind AS - 109 and the proceeds received. It is recognized as income when there is a reasonable assurance that the Company will comply with all necessary conditions attached to the loans. Income from such benefit is recognized on a systematic basis over the period of the loan during which the Company recognizes interest expense





corresponding to such loans.

iii) Income from subsidies is presented on gross basis under the Revenue from Operations.

#### ***f) Inventories***

Inventories of the raw material, work-in-progress, finished goods, packing material, stores and spares, components, consumables and stock-in-trade are carried at lower of cost and net realizable value. However, raw material and other items held for use in production of inventories are not written-down below cost, if the finished goods in which they will be incorporated are expected to be sold at or above costs. The comparison of costs and net realizable value is made on an item-by-item basis. In determining the cost of raw materials, work-in-progress, finished goods, packing materials, stores and spares, components and stock-in-trade, "Weighted Average" method is used.

a) **Raw Material, Packing Material and Stores, Spares and Consumables:** Cost of inventory comprises all costs of purchase, duties / taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

b) **Finished Goods and Work-in-Progress:** Cost included the cost of direct materials and packing material and the labor cost and an appropriate proportion of fixed and variable overhead based on the normal operating capacity of the Company, but excluding the borrowing costs but include the other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated based of normal capacity of production facilities.

c) **Stock-in-Trade:** Cost included the purchase price, duties / taxes (other than those subsequently recoverable from tax authorities) and other direct or indirect costs incurred in bringing the inventories to their present location and conditions.

The stock of waste or scrap is valued at net realizable value.

"Net Realizable Value" is the estimated selling price of inventories in the ordinary course of business, less estimated costs of completion and estimated cost necessary to make the sales of the products.

The Company considers factors like estimated shelf life, product discontinuances and aging of inventory in determining the provision for slow moving, obsolete and other non-saleable inventory and adjust the inventory provision to reflect the recoverable value of the inventory.

#### ***g) Financial Instruments***

A financial instrument are in any contract that gives rise to a financial assets of one entities and a financial liabilities or equity instruments of another entities.

##### ***Financial Assets***

##### **Initial Recognition and Measurements**

The Company recognizes a financial asset in its balance sheet, when it becomes party to the contractual provisions of the instruments. All the financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial assets.

Where the fair value of a financial assets at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the statement of profit and loss at initial recognition, if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the statement of profit and loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial assets.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

##### ***Subsequent Measurements***

For subsequent measurements, the Company classifies a financial asset in accordance with the below criteria:

i) The Company's business model for managing the financial assets and





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ii) The contractual cash flows characteristics of the financial assets.

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

- i) Financial assets measured at amortized costs
- ii) Financial assets measured at fair value through other comprehensive income (FVTOCI)
- iii) Financial assets measured at fair value through profit or loss (FVTPL)

### ***Financial Assets measured at Amortized Costs***

A financial asset are measured at the amortized costs if both the following conditions are met:

- a) The Company's business model objective for managing the financial assets is to hold financial assets in order to collect contractual cash flows, and
- b) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amounts and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial assets over the relevant period of the financial assets to arrive at the amortized costs at each reporting date. The corresponding effect of the amortization, under effective interest method is recognized as interest income over the relevant period of the financial assets. The same is included under "Other Income" in the statement of profit and loss.

The amortized costs of a financial assets are also adjusted for loss allowance, if any.

### ***Financial Assets measured at FVTOCI***

A financial asset are measured at FVTOCI if both of the following conditions are met:

- a) The Company's business model objective for managing the financial assets is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to certain investments in debt instruments. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income and impairment losses and its reversals in the statement of profit and loss.

On de-recognition of such financial assets, cumulative gain or loss previously recognized in OCI is reclassified from equity to statement of profit and loss.

Further, the Company, through an irrevocable election at initial recognition, has measured certain investments in equity instruments at FVTOCI. The Company has made such election on an instrument-by-instrument basis. These equity instruments are neither held for trading nor are contingent consideration recognized under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognized in other comprehensive income. However, the Company recognizes dividend income from such instruments in the statement of profit and loss, when the right to receive such payment is established, it is probable that the economic benefits will flow to the Company and the amount can be measured reliably.

On de-recognition of such financial assets, cumulative gain or loss previously recognized in OCI is not reclassified from the equity to statement of profit and loss. However, the Company may transfer such cumulative gain or loss into retained earnings within equity.

### ***Financial Assets measured at FVTPL***

A financial asset are measured at FVTPL unless it is measured at amortized costs or at FVTOCI as explained above. This is





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a residual category applied to all other investments of the Company excluding investments in subsidiary and associate companies. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the statement of profit and loss.

### **Derecognition**

A financial asset (or, where applicable, a part of a financial assets or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's balance sheet) when any of the following occurs:

- i) The contractual rights to cash flows from the financial assets expires;
- ii) The Company transfers its contractual rights to receive cash flows of the financial assets and has substantially transferred all the risks and rewards of ownership of the financial assets;
- iii) The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a "pass-through" arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial assets);
- iv) The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial assets.

In cases, where the Company has neither transferred nor retained substantially all of the risks and rewards of the financial assets, but retains control of the financial assets, the Company continues to recognize such financial assets to the extent of its continuing involvement in the financial assets. In that case, the Company also recognizes an associated liability. The financial assets and the associated liabilities are measured on a basis that reflects the rights and obligations that the Company has retained.

On de-recognition of a financial assets, (except as mentioned in above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the statement of profit and loss.

### **Impairment of Financial Assets**

The Company applies expected credit losses (ECL) model for measurements and recognition of loss allowance on the following:

- i) Trade receivables
- ii) Financial assets measured at amortized costs (other than trade receivables)
- iii) Financials assets measured at fair value through other comprehensive income (FVTOCI)

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii and iii above), the Company determines, if there has been a significant increase in credit risk of the financial assets since the initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to twelve months ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial assets improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on twelve months ECL.

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 expected to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial assets. Twelve months ECL is a portion of the lifetime ECL which results from default events that are possible within twelve months from the reporting date.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.





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As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL impairment loss allowance (or reversal) recognized during the reporting period are recognized as income / expense in the statement of profit and loss under the head "Other Expenses".

### **Financial Liabilities**

#### **Initial Recognition and Measurements**

The Company recognizes a financial liability in its balance sheet when it becomes party to the contractual provisions of the instruments. All financial liabilities are recognized initially at fair value, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liabilities.

Where the fair value of a financial liabilities at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the statement of profit and loss at initial recognition, if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the statement of profit and loss, only to the extent that such gain or loss arises, due to a change in factor that market participants take into account when pricing the financial liabilities.

#### **Subsequent Measurements**

All financial liabilities of the Company are subsequently measured at amortized costs using the effective interest method.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liabilities over the relevant period of the financial liabilities to arrive at the amortized costs at each reporting date. The corresponding effects of the amortization, under effective interest method is recognized as interest expense over the relevant period of the financial liabilities. The same is included under finance costs in the statement of profit and loss.

#### **Derecognition**

A financial liability are de-recognized when the obligation under the liabilities are discharged or cancelled or expires. When an existing financial liabilities are replaced by another from the same lender on substantially different terms, or the terms of an existing liabilities are substantially modified, such an exchange or modification are treated as the de-recognition of the original liabilities and the recognition of a new liabilities. The difference between the carrying amount of the financial liabilities de-recognized and the consideration paid is recognized in the statement of profit and loss.

#### **Offsetting of Financial Assets and Financial Liabilities**

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 recognized amounts and there is an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

#### **h) Derivative Financial Instruments and Hedge Accounting**

The Company enters into derivative financial contracts in the nature of forward currency contracts with external parties to hedge its foreign currency risks relating to foreign currency denominated financial liabilities measured at amortized cost. The Company formally establishes a hedge relationship between such forward currency contracts ("Hedging Instruments") and recognized financial liabilities ("Hedged Items") through a formal documentation at the inception of the hedge relationship in line with the Company's Risk Management objective and strategy.

The hedge relationship so designated is accounted for in accordance with the accounting principles prescribed for a fair value hedge under Ind AS - 109, "Financial Instruments".



***Recognition and Measurement of Fair Value Hedge***

Hedging instruments is initially recognized at fair value on the date on which a derivative contract is entered into and is subsequently measured at fair value at each reporting date. Gain or loss arising from changes in the fair value of hedging instruments is recognized in the statement of profit and loss. Hedging instruments is recognized as a financial asset in the balance sheet, if its fair value as at reporting date is positive as compared to carrying value and as a financial liability, if its fair value as at reporting date is negative as compared to carrying value.

Hedged items (recognized financial liabilities) is initially recognized at fair value on the date of entering into contractual obligation and is subsequently measured at amortized costs. The hedging gain or loss on the hedged items is adjusted to the carrying value of the hedged item as per the effective interest method and the corresponding effects is recognized in the statement of profit and loss.

***Derecognition***

On derecognition of the hedged items, the unamortized fair value of the hedging instrument adjusted to the hedged items, is recognized in the statement of profit and loss.

***j) Fair Value***

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an assets 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 assets or transfer the liabilities takes place either:

- \* In the principal market for the assets or liabilities, or
- \* In the absence of a principal market, in the most advantageous market for the assets or liabilities.

All the assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to a quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

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

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly or indirectly;

Level 3 - Inputs that are unobservable for the assets or liabilities.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

***j) Foreign Currency Transactions******a) Initial Recognition***

Transactions in the foreign currencies entered into by the Company are accounted in the functional currency (i.e. Indian Rupee `), by applying the exchange rates prevailing on the date of the transaction i.e. spot exchange rate. Any exchange difference arising on foreign exchange transactions settled during the reporting period are recognized in the statement of profit and loss except to the extent that they are regarded as an adjustment to the finance costs on foreign currency borrowings that are directly attributable to the acquisition or constructions of the qualifying assets, are capitalized to the qualifying assets.

***b) Conversion of Foreign Currency Items at Reporting Date***

Foreign currency monetary items of the Company are restated at the end of the reporting date by using the closing exchange rate as prescribed by the Reserve Bank of India. Non- monetary Items are recorded at the exchange rate prevailing on the date of the transactions i.e. measured at historical costs. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured i.e. using the exchange rate at the date of transactions.

***k) Taxes on Income***



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Tax expense comprises current tax and deferred income tax. Tax expenses is the aggregate amount included in the determination of profit or loss for the reporting period current tax and deferred income tax. Tax expenses are recognized in the statement of profit and loss, except to the extent that it relates to the items recognized in the other comprehensive income or in the equity. In that case, tax is also recognized in other comprehensive income or equity.

Current income tax is the amount of income tax payable in respect of taxable profit for the reporting period. Taxable profit differs from "Profit Before Tax" as reported under the statement of profit and loss because of item of expenses or income that are taxable or deductible in other years and items that are never taxable or deductible under Income Tax Act, 1961.

Current tax assets and liabilities are measured by using the tax rates that have enacted by the end of the reporting period for the amounts expected to be recovered from or paid to the income tax authorities. Current tax also includes any adjustment amount to tax payable/ receivable in respect of previous reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961 and their carrying amounts. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary difference that arises from initial recognition of assets or liabilities in a transaction that affect neither the taxable profits nor the accounting profits, deferred tax liabilities are not recognized. Also, for temporary differences, if any, that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences, and any unused tax losses and unused tax credits, to the extent, it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the taxable profits nor the accounting profits, deferred tax assets are not recognized.

The carrying amount of deferred tax assets / liabilities are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted at the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

### ***Uncertain Tax Positions***

The Company's management periodically evaluates the positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and consider whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company reflects the effect of uncertainty for each uncertain tax treatment by using one of two methods, the expected value method (the sum of the possibility - weighted amounts in range of possible outcomes) or the most likely amount (single most likely amount method in a range of possible outcomes), depending on which is expected to better predict the resolution of the uncertainty. The Company applies consistent judgements and estimates if an uncertain tax treatment affects both the current and deferred income tax.

### ***Presentation***

Current tax and deferred tax are recognized as income or an expense in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income, in which case, the current tax and deferred tax income / expense are recognized in other comprehensive income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the assets and settle the liabilities simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset, if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

### ***l) Lease***

A lease is classified at the inception date as finance lease or an operating lease. A lease that transfers substantially all the risk and rewards incidental to the ownership to the Company is classified as a finance lease. All other lease is classified as operating lease.





**The Company as a Lessee**

- a) **Operating Lease:** Rental payable under the operating lease are charged to the statement of profit and loss on a straight-line basis over the term of the relevant lease except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.
- b) **Finance Lease:** Finance lease are capitalized at the commencement of the lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liabilities to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance expenses and the reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liabilities. Finance expenses are charged directly against the income over the period of the lease unless they are directly attributable to the qualifying assets, in which case they are capitalized. Contingent rental is recognized as an expense in the period in which they are incurred.

A leased asset are depreciated over the useful lives of the assets, however, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the assets are depreciated over the shorter of the estimated useful lives of the assets and the lease terms.

**The Company as a Lessor:**

Lease payments under operating leases are recognized as an income on a straight-line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation. The respective leased assets are included in the balance sheet based on their nature.

**m) Borrowing Costs**

Borrowing cost include the interest, commitments charges on bank borrowings, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

Borrowing costs, if any, that are directly attributable to the acquisition or construction or production of qualifying property, plants and equipments are capitalized as a part of cost of that property, plants and equipments until such time that the assets are substantially ready for their intended use. Qualifying assets are assets which take the substantial period of time to get ready for the intended use or sale.

When the Company borrows the funds specially for the purpose of obtaining the qualifying assets, the borrowing costs incurred are capitalized with the qualifying assets. When the Company borrows fund generally and use them for obtaining a qualifying assets, the capitalization of borrowing costs is computed on weighted average cost of general costs that are outstanding during the reporting period and used for acquisition of the qualifying assets. Capitalization of the borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for intended use are complete.

Other borrowing costs are recognized as expenses in the period in which they are incurred. Any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets are deducted from the borrowing costs eligible for capitalization.

**n) Employee Benefits**

**Short-Term Employee Benefits**

All the employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related services. The Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in the exchange for services are rendered as a liability (accrued expense) after deducting any amount already paid.

**Post - Employment Benefits**

**a) Defined Contribution Plans**

Defined contribution plans are employee state insurance scheme and Government administrated pension fund scheme for all the applicable employees and superannuation scheme for all the eligible employees. The Company's contribution to defined contribution plans is recognized in the statement of profit and loss in the reporting period to which they relate.

**i) Recognition and Measurement of Defined Contribution Plans**

The Company recognizes contribution payable to a defined contribution plan as an expense in the statement of profit and





## Suryaamba Spinning Mills Limited

loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable 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 reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

### **b) Defined Benefits Plans**

#### **i) Gratuity**

The Company operates a defined benefits plan for its employees. The Company pays the gratuity to employee whoever has completed its five year of service with the Company at the time of retirement or resignation or superannuation. The gratuity is paid @ 15 Days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

The liabilities in respect of gratuity is calculated using "Project Unit Credit Method" and spread over the period during which the benefits is expected to be derive from employee services. The remeasurement of defined benefits plan in respect of post-employments are charged to the other comprehensive income (OCI).

#### **ii) Provident Fund Scheme**

Provident fund is defined contribution plan covering certain eligible employees. The Company and the eligible employees make a monthly contribution to the provident fund maintained by the regional provident fund commissioners equal to the specified percentage of the basic salary of the eligible employees as per the scheme. The contributions to the provident fund are charged to the statement of profit and loss for the period, when the contributions are due. The Company has no obligation, other than the contributions payable to the provident fund.

#### **iii) Leave Encashment**

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefits for measurement purpose. The Company measures the expected cost of such absence as the additional amount that is expects to payas a result of unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefits for measurement purpose. Such long-term compensated absences are provided for based on the actuarial valuation using the "Project Unit Credit Method" at the reporting date. Actuarial gain / losses are immediately taken to the statement of profit and loss and are not deferred.

### **Recognition and Measurement of Defined Contribution Plans**

The cost of providing defined benefits is determined using the "Projected Unit Credit" method with actuarial valuations being carried out at each balance sheet date. The defined benefit obligations recognized in the balance sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, *if applicable*. Any defined benefit assets is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liabilities / (assets) are recognized in the statement of profit and loss. Remeasurements of the net defined benefits liabilities / (assets) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liabilities / assets), are recognized in other comprehensive income. Such remeasurements are not reclassified to the statement of profit and loss in the subsequent periods.

Past service cost is recognized immediately to the extent that the benefits are already vested, else is amortized on a straight-line basis over the average period until the amended benefits become vested. Actuarial gain or losses in respect of the defined benefits plan are recognized in the statement of profit and loss in the year in which they arise.

The Company presents the above liabilities as current and non-current in the balance sheet as per the actuarial valuation by the independent actuary.

### **o) Research and Developments**

Research and Developments expenditures of a revenue nature are expensed out under the respective heads of the account in the period in which it is incurred. Expenditure of development, which does not meet the criteria for recognition as an intangible asset are recognized as an expense when it incurred.







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Item of property, plants and equipments and acquired intangible assets utilized for research and developments are capitalized and depreciated in accordance with the policies stated for tangible property, plants and equipments and intangible assets.

### **p) Earnings per Share**

The Company reports the basic and diluted Earnings per Share (EPS) in accordance with Ind AS - 33, "Earnings per Share". Basic EPS is computed by dividing the net profit or loss attributable to the equity shareholders of the Company for the period by the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit or loss attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all potential equity shares, except where the results are anti-dilutive.

The weighted average number of equity shares outstanding during the period is adjusted for events such a bonus Issue, bonus elements in right issue, share splits, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

### **q) Provisions and Contingencies**

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liabilities. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance costs.

A disclosure for a contingent liability are made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liabilities.

### **r) Exceptional Items**

An ordinary item of income or expense which by its size, nature, occurrence or incidence requires a disclosure in order to improve understanding of the performance of the Company is treated as an exceptional item in the statement of profit and loss.

### **s) Event after Reporting Date**

Where events occurring after the balance sheet date provide evidence of condition that existed at the end of reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

All the events occurring after the balance sheet date up to the date of the approval of the financial statement of the Company by the board of directors on **May 29, 2023**, have been considered, disclosed and adjusted, wherever applicable, as per the requirement of Indian Accounting Standards.

### **t) Cash Flow Statements**

Cash flows statements are reported using the method set out in the Ind AS - 7, "Cash Flow Statements", whereby the net profit / (loss) before tax is adjusted for the effects of the transactions of a non-cash nature, any deferrals or accrual of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### **u) Cash and Cash Equivalents**





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Cash and cash equivalents include cash and Cheques-in-hand, balances with banks, and demand deposits with banks where the original maturity is three months or less and other short-term highly liquid investments net of bank of overdrafts which are repayable on demand as these from an integral part of the Company's cash management.

### 1.4 RECENT ACCOUNTING PRONOUNCEMENT

Ministry of Corporate Affairs ("the MCA") notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standard) Rules as issued from time to time. On March 31, 2023, the MCA through a notification amended to the existing standards under the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Rule, 2023, applicable from April 01, 2023, as below;

#### *Ind AS - 1 - Presentation of the Financial Statements*

The amendments require the Company to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with the other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

#### *Ind AS - 8 - Accounting Policies, Changes in Accounting Estimates and Errors*

This amendment will help to distinguish between accounting policies and accounting estimates. The definition of changes in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "Monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates, if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

#### *Ind AS - 12 - Income Tax*

The amendment clarifies how the Companies account for deferred tax on transactions such as lease and decommissioning obligations. The amendments narrowed the scope of recognition exemption in paragraph 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its financial statements.

The effective date for adoption of these amendments is annual period beginning on or after April 01, 2023. The Company has evaluated the amendments and the impacts of the amendments are insignificant in the financial statements.

### 1.5 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Company's financial statements is in conformity with the Ind AS requires managements to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of the assets, liabilities, income and expenses (including the contingent liabilities) and the accompanying disclosures. Uncertainty about these assumptions and estimates could results in outcomes that require a material adjustment to the carrying amount of assets or liabilities effected in future periods. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revision to accounting estimates are recognized in the period which the estimates are revised and in any future periods affected.

The key assumptions concerning the future and other key resources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amount of the assets and liabilities within the next financial year, are described as follow:

- a) **Income Tax:** The Company's tax jurisdiction is in India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the income tax provisions, including the amount expected to be paid / recovered for uncertain tax provisions (Refer "Note No. 17").
- b) **Property, Plants and Equipments:** Property, plants and equipments represent a significant proportion of the assets base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the Company's management at the time the assets are acquired and reviewed periodically, including at each financial year end. Useful lives of each of these assets are based on the life prescribed in Schedule II to the Companies Act, 2013 or based on the technical estimates, taking into account the nature of the assets, estimated usage, expected residual values and operating conditions of the assets. The lives are based on





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historical experience with the similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the assets.

- c) **Defined Benefits Obligations:** The costs of providing gratuity and other post-employment benefits are charged to the statement of profit and loss in accordance with *Ind AS - 19, "Employee Benefits"* over the period during which benefit is derived from the employees' services. It is determined by using the actuarial valuation and assessed on the basis of assumptions selected by the Company's management. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in "Note No. 41", "Employee Benefits". Due to complexities involved in the valuation and its long-term in nature, a defined benefit obligation is highly sensitive to change in these assumptions. All assumptions are reviewed at each balance sheet date.
- d) **Fair Value measurements of Financial Instruments:** When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgments and assumptions. The input to these models are taken from observable markets wherever possible, where this is not feasible, a degree of judgements is required in establishing fair value. Judgements includes considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of the financial instruments.
- e) **Recoverability of Trade Receivables:** Judgment are required in assessing the recoverability of overdue trade receivables and determining whether a provision is against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payments.
- f) **Provisions:** Provision and liabilities are recognized in the period when it becomes probable that there will be future outflow of resources resulting from past operations or events and the amount of cash outflows can be reliably estimated. The timing of recognition and quantification of the liabilities requires the application of judgements to existing facts and circumstances, which can be subject to change. The carrying amounts of provision and liabilities are reviewed regularly and revised to take the amount of changing the facts and circumstances.
- g) **Impairment of Financial and Non - Financial Assets:** The impairment provision of financial assets are based on the assumptions about the risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of the reporting period.

In case of Non-financial assets, the Company estimates asset's recoverable amount, this is higher of an assets or cash generating units (CGU) fair value less the cost of disposal and the value-in-use.

In assessing the value-in-use, the estimated future cash flows are discounted using the pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. In determining the fair value less cost of disposal, recent market transactions are taken into accounts, if no such transactions can be identified, an appropriate valuation model is being used.

- h) **Recognition of Deferred Tax Assets and Liabilities:** Deferred tax assets and liabilities are recognized for deductible temporary differences and unused tax losses or unused tax credit for which there is probability of utilization against the future taxable profits. The Company uses judgments to determine the amount of deferred tax that can be recognized, based upon the likely timing and the level of future taxable profits and business developments.





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2. PROPERTY, PLANT AND EQUIPMENTS

Tangible Assets

(₹in Lakhs)

Particulars	Gross Carrying Value			Depreciation				Net Carrying Value		
	Cost as at April 01, 2022	Additions during the period	Deductions/Adjustments	Cost as at March 31, 2023	Depreciation upto April 01, 2022	Additions during the period	Deductions/Adjustments	Depreciation as at March 31, 2023	As at March 31, 2023	As at March 31, 2022
<b>A. Land:</b>										
Free hold Land	166.71	-	-	166.71	-	-	-	-	166.71	166.71
<b>B. Buildings</b>										
Factory Building	2,143.78	180.39	-	2,324.17	371.38	83.51	-	454.89	1,869.28	1,772.40
Non-Factory Building	990.13	132.25	-	1,122.37	97.15	19.54	-	116.69	1,005.68	892.97
<b>C. Furniture &amp; Fixtures</b>										
Furniture & Fixtures	50.73	8.17	-	58.90	20.93	2.89	-	23.81	35.09	29.80
<b>D. Plant &amp; Machinery</b>										
Plant & Machinery	6,765.69	1,015.65	73.89	7,707.45	1,925.05	492.19	26.45	2,390.80	5,316.65	4,840.64
Electrical Installation	350.94	53.02	-	403.96	117.42	11.10	-	128.52	275.44	233.52
<b>E. Office Equipments</b>										
Office Equipments	13.16	8.06	-	21.22	6.96	1.37	-	8.33	12.89	6.20
<b>F. Motor Vehicles</b>										
Motor	191.19	-	-	191.19	84.00	17.00	-	101.00	90.19	107.19



**Suryaamba Spinning Mills Limited**

Vehicles										
<b>G. Computer &amp; Peripherals</b>										
Computer & Peripherals	16.00	2.01	-	18.01	8.42	0.26	-	8.68	9.33	7.58
<b>Total</b>	<b>10,688.32</b>	<b>1,399.55</b>	<b>73.89</b>	<b>12,013.98</b>	<b>2,631.32</b>	<b>627.86</b>	<b>26.45</b>	<b>3,232.72</b>	<b>8,781.26</b>	<b>8,057.00</b>

<b>Previous Year</b>	<b>8,319.98</b>	<b>2,401.89</b>	<b>33.55</b>	<b>10,688.32</b>	<b>2,165.74</b>	<b>488.74</b>	<b>23.16</b>	<b>2,631.32</b>	<b>8,057.00</b>	<b>6,154.24</b>
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- 1) Gross carrying amounts and accumulated depreciation have been regrouped and netted in line with deemed cost exemption opted out by the Company as per Ind AS, with effect from April 01, 2016 i.e. date of transition to Ind AS for the Company.
- 2) Title deed of all the immovable properties are held in the name of the Company.
- 3) The amount of contractual commitments for the purpose of acquisition or constructions of the property, plants and equipments is disclosed under "Note No. 46", if any.

**3. INTANGIBLE ASSETS**

(₹ in Lakhs)

Particulars	Gross Carrying Value				Amortization				Net carrying Value	
	Cost as at April 01, 2022	Additions during the period	Deductions/Adjustments	Cost as at March 31, 2023	Amortization upto April 01, 2022	Additions during the period	Deductions/Adjustments	Amortization as at March 31, 2023	As at March 31, 2023	As at March 31, 2022
<b>A. Intangible Assets</b>										
Computer Software	2.70	-	-	2.70	0.52	0.51	-	1.04	1.66	2.18
<b>Total</b>	<b>2.70</b>	<b>-</b>	<b>-</b>	<b>2.70</b>	<b>0.52</b>	<b>0.51</b>	<b>-</b>	<b>1.04</b>	<b>1.66</b>	<b>2.18</b>

<b>Previous Year</b>	<b>2.70</b>	<b>-</b>	<b>-</b>	<b>2.70</b>	<b>0.01</b>	<b>0.51</b>	<b>-</b>	<b>0.52</b>	<b>2.18</b>	<b>2.69</b>
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- 1) Gross carrying amounts and accumulated depreciation have been regrouped and netted in line with deemed cost exemption opted out by the Company as per Ind AS, with effect from April 01, 2016 i.e. date of transition to Ind AS for the Company.
- 2) The amount of contractual commitments for the purpose of acquisition or constructions of the property, plants and equipments is disclosed under "Note No. 46", if any.





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### 4. CAPITAL WORK-IN-PROGRESS \*

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Capital Work-in-Progress</b>		
For Building		76.15
For Plant and Machineries	-	3.36
<b>Total</b>	-	<b>79.51</b>

\*Refer "Note No. 37" for Aging Analysis of Capital Work-in-Progress.

### 5. OTHER NON-CURRENT FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Others</b>		
Security Deposits	5.45	0.30
Income Tax Refund Receivables	6.93	7.09
<b>Total</b>	<b>12.38</b>	<b>7.39</b>

### 6. OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Others</b>		
Capital Advances	12.39	102.99
<b>Total</b>	<b>12.39</b>	<b>102.99</b>

### 7. INVENTORIES \*

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Inventories</b>		
<b>(Valued at Lower of Cost or Net Realizable Value)</b>		
Raw Materials	768.42	752.04
Raw Materials in transit	-	40.58
Work-in-Progress	268.77	237.26
Finished Goods	723.39	241.90
Packing Materials	48.76	58.95
Stores, Spares and Consumables	112.93	141.33
Waste Scrap	-	0.14





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<b>Total</b>	<b>1,922.25</b>	<b>1472.21</b>
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\* Cost of Inventories recognized as an expense during the year is disclosed in Note No. 28.

\* Cost of Inventories recognized as an expense included ₹NIL (Prev Year ₹NIL) in respect of written down of inventories to net realizable value. There has been no reversal of such written down in current reporting period and previous reporting period.

### 8. TRADE RECEIVABLES \*

(₹ in Lakhs)

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b><u>Unsecured **</u></b>		
Considered Good	2,291.19	2,456.32
Considered Doubtful	3.48	2.77
Less :- Allowance for Unsecured Doubtful Debts and Advances	3.48	2.77
<b>Total</b>	<b>2,291.19</b>	<b>2,456.32</b>

\* Refer "Note No. 36B" for the information of Credit Risk and Market Risk of Trade Receivables.

\*\* Refer "Note No. 38" for Aging Analysis of Trade Receivables.

No trade receivables are due from directors or other officers of the Company either severally or jointly with any other persons, nor due from firms or private companies respectively in which directors is partner, a director or a member except ₹42.63 Lakhs (Prev Year ₹NIL), due from the related parties (Refer "Note No. 43") for further reference.

### 9. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b><u>A) Cash and Cash Equivalents*</u></b>		
<u>Balances with Banks</u>		
In Current Accounts	1.60	4.48
Cash in hand	1.96	3.64
<b>Total (A)</b>	<b>3.56</b>	<b>8.12</b>
<b><u>B) Other Balances with Bank</u></b>		
Unpaid Dividend**	4.14	5.33
<b>Total (B)</b>	<b>4.14</b>	<b>5.33</b>
<b>Total (A+B)</b>	<b>7.70</b>	<b>13.45</b>

\*There are no restrictions with regards to cash and cash equivalents as at the end of the reporting period and previous reporting period.

\*\* The Company can only utilize these balances towards the settlement of "Unclaimed Dividend / Unpaid Dividend".



**10. OTHER CURRENT FINANCIAL ASSETS**

(₹in Lakhs)

Particulars	As at	
	March 31, 2023	March 31, 2022
<b>Others</b>		
Interest Receivable	4.53	15.59
Incentives Receivable	90.53	192.60
Term Deposits (Held as Margin Money with Banks against Bank Guarantee and Commission)*	56.02	54.28
<b>Total</b>	<b>151.08</b>	<b>262.47</b>

\*The term deposits held by the Company with banks or financial institutions comprise of the time deposits and are made of varying period less than one year and earn the interest at the respective deposits rate, the same are held as lien or pledged by them against the bank guarantee provided to Government Authorities and other institutions by the Company, amounting to ₹400 Lakhs (Prev Year ₹150.15 Lakhs).

**11. OTHER CURRENT ASSETS**

(₹in Lakhs)

Particulars	As at	
	March 31, 2023	March 31, 2022
<b>Others</b>		
Advance to Staff	1.86	3.37
Advances to Vendors	93.35	345.01
Balances with Revenue Authorities	298.06	156.69
<b>Total</b>	<b>393.26</b>	<b>505.07</b>

No advances and receivables are due from directors or other officers of the Company either severally or jointly with any other persons, nor due from firms or private companies respectively in which directors is partner, a director or a member.

**12. EQUITY SHARE CAPITAL**

Particulars	As at		As at	
	March 31, 2023		March 31, 2022	
	Number	(₹ in Lakhs)	Number	(₹ in Lakhs)
<b>Authorized</b>				
Equity shares of ₹ 10 each	50,00,000	500.00	50,00,000	500.00
Preference Shares of ₹100 each	15,00,000	1,500.00	15,00,000	1,500.00
	<b>65,00,000</b>	<b>2,000.00</b>	<b>65,00,000</b>	<b>2,000.00</b>
<b>Issued, Subscribed and Fully Paid-up</b>				
Equity shares of ₹10 each	29,31,944	293.19	29,31,944	293.19
<b>Total</b>	<b>29,31,944</b>	<b>293.19</b>	<b>29,31,944</b>	<b>293.19</b>





**a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period :**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	(₹ in Lakhs)	Number	(₹ in Lakhs)
<b>Equity shares</b>				
At the beginning of the reporting period	29,31,944	293.19	29,31,944	293.19
Own shares held through trust	-	-	-	-
Net issued Share Capital at beginning of reporting period	29,31,944	293.19	29,31,944	293.19
Add: Issued during the reporting period	-	-	-	-
Less: Buyback during the reporting period	-	-	-	-
<b>Outstanding at the end of the reporting period</b>	<b>29,31,944</b>	<b>293.19</b>	<b>29,31,944</b>	<b>293.19</b>

**b) Terms / Rights attached to Equity Shares:**

- i) The Company has only one class of shares - referred to as - Equity Shares having a par value of ₹10 per share. Each holder of Equity Shares is entitled to one vote per share.
- ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. However, the distribution will be in the proportion to the number of equity shares held by the Shareholders.
- iii) The Company declares and pays the dividend in Indian Rupees (₹). The Final Dividend proposed by the Board of Directors is subject to the approval of the shareholders in their ensuing Annual General Meeting, except in case of interim dividend.

**c) Details of shareholders holding more than 5% shares in the Company\***

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Shri Virender Kumar Agarwal	12,06,191	41.14	12,06,191	41.14
Smt. Seema Agarwal	6,42,250	21.91	6,42,250	21.91
Shri Mayank Agarwal	2,70,997	9.24	2,70,997	9.24
<b>Total Nos. of Shares Held</b>	<b>21,19,438</b>	<b>72.29</b>	<b>21,19,438</b>	<b>72.29</b>

\*As per the records of the Company, including the register of members. The above details are certified by the Registrar and Share Transfer Agents.

The Board of Directors, at its meeting held on May 29, 2023 have recommended a payment of final dividend of ₹1.00 (One rupee only) per equity shares of the face value of ₹10 each i.e. 10% of the face value of equity share amounting to ₹29.32 Lakhs, subject to the approval of shareholders at their ensuing Annual General Meeting (AGM), hence not recognized as liability, for the financial year ended March 31, 2023. The Board of Directors has





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not declared any interim dividend during the reporting period. (Refer "Note No. 42")

### d) Shares held by the promoters as defined in the Companies Act, 2013 at the end of period

Name of Promoters	As at March 31, 2023		As at March 31, 2022		% of Changes during the Year
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	
<b>Equity Shares of ₹ 10 each Fully Paid Up</b>					
Shri Virender Kumar Agarwal	12,06,191	41.14%	12,06,191	41.14%	0.00%
Smt. Seema Agarwal	6,42,250	21.91%	6,42,250	21.91%	0.00%
Shri Mayank Agarwal	2,70,997	9.24%	2,70,997	9.24%	0.00%
Shri Pujit Agarwal	41,790	1.43%	41,790	1.43%	0.00%
Virender Kumar Agarwal (HUF)	14,640	0.50%	14,640	0.50%	0.00%
Shri Vithaldas Agarwal					
Shri Ravindra Kumar Agarwal	998	0.03%	998	0.03%	0.00%
	100	0.003%	100	0.003%	0.00%
<b>Total Nos. of Shares Held</b>	<b>21,76,966</b>	<b>74.25%</b>	<b>21,76,966</b>	<b>74.25%</b>	

### 13. OTHER EQUITY

(₹ in Lakhs)

	Reserves and Surplus				Item of OCI	Total Other Equity
	Capital redemp tion Reserve	Secur ities Premi um	General Reserve	Retained Earnings	Remeas urement of Defined Benefit Plans	
<b>Balance as at April 01, 2021 (A)</b>	<b>830.53</b>	<b>358.96</b>	<b>419.49</b>	<b>1,866.70</b>	<b>82.41</b>	<b>3,558.08</b>
<b>Addition during the Reporting Period</b>						
Net Profit / (Loss) during the period	-	-	-	1,444.79	-	<b>1,444.79</b>
Addition made during the reporting period	-	-	-	-	-	-
Transferred from Statement of Profit and Loss	-	-	-	-	-	-
<b>Item of Other Comprehensive Income for the period (Net of Taxes)</b>	-	-	-	-	-	-
Remeasurement of Defined Benefit Plants (Net)	-	-	-	-	16.48	<b>16.48</b>
<b>Total Comprehensive Income for the Reporting Period (B)</b>	-	-	-	<b>1,444.79</b>	<b>16.48</b>	<b>1,461.27</b>
<b>Reduction during the Reporting Period</b>						





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Dividend	-	-	-	11.73	-	11.73
<b>Total Reduction during the Reporting Period (C)</b>	-	-	-	<b>11.73</b>	-	<b>11.73</b>
<b>Balance As at March 31, 2022 (D) = (A + B - C)</b>	<b>830.53</b>	<b>358.96</b>	<b>419.49</b>	<b>3,299.76</b>	<b>98.89</b>	<b>5,007.62</b>

(₹in Lakhs)

	Reserves and Surplus				Item of OCI	Total Other Equity
	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Remeasurement of Defined Benefit Plans	
<b>Balance as at April 01, 2022 (A)</b>	<b>830.53</b>	<b>358.96</b>	<b>419.49</b>	<b>3,299.76</b>	<b>98.89</b>	<b>5,007.62</b>
<b><u>Addition during the Reporting Period</u></b>						
Net Profit / (Loss) during the period	-	-	-	790.88	-	<b>790.88</b>
Addition made during the reporting period						
Transferred from Statement of Profit and Loss	-	-	-	-	-	-
<b><u>Item of Other Comprehensive Income for the period (Net of Taxes)</u></b>						
Remeasurement of Defined Benefit Plants (Net)	-	-	-	-	(6.09)	<b>(6.09)</b>
<b>Total Comprehensive Income for the Reporting Period (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>790.88</b>	<b>(6.09)</b>	<b>784.80</b>
<b><u>Reduction during the Reporting Period</u></b>						



**Suryaamba Spinning Mills Limited**

Dividend	-	-	-	29.32	-	29.32
<b>Total Reduction during the Reporting Period (C)</b>	-	-	-	29.32	-	29.32
<b>Balance as at March 31, 2022 (D) = (A + B - C)</b>	830.52	358.96	419.49	4,061.33	92.81	5,763.10

**Description of Nature and Purpose of each Reserve**

- Capital Redemption Reserve:** As per Companies Act, 2013, Capital Redemption Reserve is created when a Company buy back its own shares out of free reserves or securities premium. A sum equal to the nominal value of the share so purchased is transferred to Capital Redemption Reserve. The reserve is utilized in accordance with the provision of section 69 of the Companies Act, 2013. The reserve was sustainably increased in the year 2019 - 2020 by way of an amount of ₹7,73,00,000 by way of redemption of preference share.
- Securities Premium:** It is used to record the premium on issue of Equity or Preference Share. These reserve is utilized in accordance with the provision of Companies Act, 2013.
- General Reserve:** General Reserve is created from time to time by way of transfer of profits from retained earnings for the purpose of appropriation. General Reserve is created by a transfer from one component of equity to another component of equity and it's not the part of other comprehensive income.
- Remeasurement of Defined Benefits Plan:** This represents the cumulative gains and losses arising on the remeasurement of defined benefits plan in accordance with the Ind AS 19 that have been recognized in Other Comprehensive Income.
- Retained Earnings:** Retained Earning reserve represents the undistributed accumulated earnings of the Company as on the date of financial statements.

**15. BORROWINGS**

(₹in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-Current</b>		
<b>A. Secured Loan</b>		
a) From Bank and Financial Institutions	2,052.55	1,932.68
b) From Hire Purchase Loans	28.38	39.68
<b>Total (A)</b>	<b>2,080.94</b>	<b>1,972.35</b>
<b>B. Unsecured Loan</b>		
a) From Directors and Shareholders	1,014.51	1,118.85
<b>Total (B)</b>	<b>1,014.51</b>	<b>1,118.85</b>
<b>Total (A+B)</b>	<b>3,095.45</b>	<b>3,091.20</b>

**Nature of Securities:**

- Term Loans from State Bank of India are secured by way of hypothecation of entire movable and immovable property, plants and equipments presently held and held in near future by the Company except on the Motor Vehicle on which the hypothecation has been charged by those financial institutions from which the said loans have been obtained. These credit facilities are further secured by way of equitable mortgage on property situated at Survey No. 300, Nayakund, Parseoni Road, Distt. Nagpur - 441105.





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- b) Term Loans from State Bank of India are further secured by way of equitable mortgage of factory land and building bearing at Khasara No. 284, 298, 299/1, 299/2, 300 and 315 situated at Nayakund, Parseoni Road, Distt. Nagpur - 441105 and the said term loans are further secured by way of equitable mortgage on the Commercial Building bearing Survey No. 1-7-4 to 19, situated at Shop No. 11, Surya Tower, Secunderabad - 500015.
- c) Term Loans from State Bank of India are further secured by way of equitable mortgage of Commercial Plot bearing the Survey No. 371/A situated at Mehbubnagar, Maganur Mandal, Distt. Mehbubnagar - 500015, owned by the Managing Director, Shri Virender Kumar Agarwal and the term loans are further secured by way of equitable mortgage on Commercial Residential Building bearing the Flat No. 101 and 102 situated at Kanha Apartments, 128, Chhaoni, Katol Road, Distt. Nagpur - 440010, owned by the Joint Managing Director, Smt. Seema Agarwal.
- d) Term Loans from State Bank of India are further secured by way of pledge of 2,04,820 Equity Share of the Company held by the Managing Director, Shri Virender Kumar Agarwal.
- e) Hire Purchase Loans from banks and financial institutions are secured by the way of hypothecation of the respective vehicles for which fund has been borrowed from bank and financial institutions.
- f) Term Loans from Directors are unsecured and are repayable on demand basis.
- g) All the term loans from State Bank of India are further secured by the unconditional and irrevocable personal guarantee of three of the Directors, Shri Virender Kumar Agarwal, Smt. Seema Agarwal and Shri Mayank Virender Agarwal.

### Term of Repayments

- a) Term Loan - 4 from State Bank of India has to be repaid on the basis of monthly installments, commencing from June 2021, and the same has been fully repaid on or before December 2026 based on their repayment schedules provided.
- b) Term Loan - 5 from State Bank of India has to be repaid on the basis of monthly installments, commencing from November 2022, and the same has been fully repaid on or before April 2028 based on their repayment schedules provided.
- c) GECL 1 Term Loans from State Bank of India are obtained to meet the liquidity mismatch arising out of the COVID - 19 and the same has to be repaid on the basis of monthly installments, commencing from October 2021, and the same has been fully repaid on or before August 2024, which carries the rate of interest 09.25% per annum.
- d) GECL 2 Term Loans from State Bank of India are obtained to meet the liquidity mismatch arising out of the COVID - 19 and the same has to be repaid on the basis of monthly installments, commencing from May 2023, and the same has been fully repaid on or before June 2026, which carries the rate of interest 09.25% per annum.
- e) Hire Purchase Loans from banks and financial institutions are repaid on the basis of equated monthly installment, as per their respective repayment schedules provided by the said banks and financial institutions, which carries the rate of interest 8.00% to 9.00%.
- f) Term Loans from related parties and body corporate are unsecured and repayable on demand basis.

### 15. LONG -TERM FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Others</b>		
Security Deposits	3.75	4.59
<b>Total</b>	<b>3.75</b>	<b>4.59</b>

### 16. LONG -TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Others</b>		
<b>Provisions for Employee Benefits *</b>		



Provision for Gratuity	383.16	357.94
Provision for Leave Encashments	24.12	23.10
<b>Total</b>	<b>407.28</b>	<b>381.04</b>

\* Refer "Note No. 41" for further reference.

### 17. INCOME TAX

#### A. The major components of income tax expenses during the year are as under

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b><u>Income Tax recognized in the Statement of Profit and Loss</u></b>		
<b><u>Current Tax</u></b>		
In respect of Current Year	210.37	406.54
Adjustment in respect of Previous Year	0.03	7.76
<b><u>Deferred Tax</u></b>		
In respect of Current Year	57.15	(15.89)
<b>Income Tax recognized in the Statement of Profit and Loss</b>	<b>267.55</b>	<b>398.41</b>
<b><u>Income Tax recognized in the Other Comprehensive Income</u></b>		
<b><u>Deferred Tax</u></b>		
On Account of Remeasurements of Defined Benefits Plan	(2.05)	5.54
<b>Income Tax Expenses recognized in the Other Comprehensive Income</b>	<b>(2.05)</b>	<b>5.54</b>

#### B. Reconciliation of Tax Expenses and the Accounting Profit for the year is as under:

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Net Profit / (Loss) Before Tax</b>	<b>1,058.43</b>	<b>1,843.20</b>
Income Tax Rate	25.17%	25.17%
<b>Income Tax Expenses Calculated as above</b>	<b>266.39</b>	<b>463.90</b>
Tax effect on Non - Deductible expenses	1.52	(1.14)
Tax effect on carrying in carrying value and tax base of land	(1.58)	(11.96)
Impact on deferred tax due to change in tax rates	-	(52.01)
Others	1.19	(8.14)
<b>Total</b>	<b>1.13</b>	<b>(73.24)</b>
Adjustment in respect of current income tax of Previous Year	0.03	7.76
<b>Tax Expenses as per the Statement of Profit and Loss</b>	<b>267.55</b>	<b>398.41</b>



The tax rate used for the reconciliation above is Corporate Tax rate at the rate of 25.168% (Prev Year 25.168%) payable by the Corporate Entities on taxable profits under the Indian Tax Laws.

**C. The major components of Deferred Tax (Liabilities)/ Assets arising on account of timing difference are as follows:**

**As at March 31, 2023**

(₹ in Lakhs)

Particulars	Balance Sheet	Profit and Loss	OCI	Balance Sheet
	01.04.2022	2022-23	2022-23	31.03.2023
Difference between written down value/capital work in progress of fixed assets as per the books of account and Income Tax Act, 1961.	588.03	62.68	-	650.72
Remeasurements of defined benefit plans	(116.28)	(6.35)	(2.05)	(124.67)
Difference in carrying value and tax base of Land	(86.53)	(1.58)	-	(88.11)
Provision for Unsecured Doubtful Debts and Advances	(0.70)	(0.18)	-	(0.88)
Expenses allowed on payment basis	4.73	2.57	-	7.30
<b>Deferred Tax Expenses / (Benefits)</b>		<b>57.15</b>	<b>(2.05)</b>	
<b>Net Deferred Tax Liabilities/(Assets)</b>	<b>389.26</b>			<b>444.36</b>

**As at March 31, 2022**

(₹ in Lakhs)

Particulars	Balance Sheet	Profit and Loss	OCI	Balance Sheet
	01.04.2021	2021-22	2021-22	31.03.2022
Difference between written down value/capital work in progress of fixed assets as per the books of account and Income Tax Act, 1961.	623.21	(35.18)	-	588.03
Remeasurements of defined benefit plans	(142.82)	21.00	5.54	(116.28)
Difference in carrying value and tax base of Land	(74.58)	(11.96)	-	(86.53)
Provision for Unsecured Doubtful Debts and Advances	(1.60)	0.91	-	(0.70)
On account of MAT credit entitlements	(4.61)	4.61	-	-
Provision for expenses allowed for tax purpose on payment basis	-	4.73	-	4.73
<b>Deferred Tax Expenses / (Benefits)</b>		<b>(15.89)</b>	<b>5.54</b>	
<b>Net Deferred Tax Liabilities/(Assets)</b>	<b>399.61</b>			<b>389.26</b>



**18. OTHER NON-CURRENT LIABILITIES**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Others</b>		
Deferred Revenue Income arising from Grants and Subsidies	33.53	37.78
<b>Total</b>	<b>33.53</b>	<b>37.78</b>

**19. BORROWINGS**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Current</b>		
<b>Secured</b>		
<u>Loans Repayable on Demand</u>		
<u>From Banks and Financial Institutions</u>		
State Bank of India- Cash Credit	904.11	1,098.30
Indian Currency Loan		
<b>Total (A)</b>	<b>904.11</b>	<b>1,098.30</b>
<b>Unsecured</b>		
<u>Loans Repayable on Demand</u>		
<u>From Banks and Financial Institutions</u>		
State Bank of India - EPC	-	174.16
Indian Currency Loan-EPC		
<b>Total (B)</b>	<b>-</b>	<b>174.16</b>
<b>Current Maturities</b>		
From Banks and Financial Institutions	462.00	511.62
From Hire Purchase Loans	11.59	11.25
<b>Total (C)</b>	<b>473.59</b>	<b>522.87</b>
<b>Total (A+B+C)</b>	<b>1,377.70</b>	<b>1,795.34</b>

**Nature of Securities**

- Working Capital Loans from State Bank of India are secured by the way of hypothecation of entire inventories, book debts, receivables and other current assets with the Company presently held and held in the near future except on the Motor Vehicle on which the hypothecation has been charged by those financial institution from which the said loans has been obtained and these credit facilities are further secured by the way of equitable mortgage on the immovable properties as mentioned in "Note No. 14" of the financial statements. Working Capital Loans carries the rate of interest at the rate of 10.90%.
- Export Packing Credit facilities from State Bank of India carries the interest rate at the rate of 7.20%.
- Working Capital credit facilities are secured by the unconditional and irrevocable personal guarantee of three of the Directors, Shri Virender Kumar Agarwal, Smt. Seema Agarwal and Shri Mayank Agarwal.







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20. TRADE PAYABLES \*\*

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Trade Payables (Including Acceptance)**</b>		
Due to Micro, Small and Medium Enterprises***	25.56	35.47
Due to Others *	839.34	616.46
<b>Total</b>	<b>864.90</b>	<b>651.93</b>

\* Refer "Note No. 39" for ageing analysis of Trade Payables.

\*\* Acceptance includes the arrangements where operational suppliers of goods and services are initially paid by the banks and financial institutions, while the Company continues to recognize the liabilities till the settlement with the banks and financial institutions, which are normally effected within a period of 90 days amounting to ₹248.49 Lakhs (Prev Year ₹98.55 Lakhs).

\*\*\* The Company has certain dues to the suppliers of Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act 2006"). The disclosure pursuant to the said MSMED Act, 2006 are as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Principal amount due to the suppliers registered under the MSMED Act, 2006 and remaining amount unpaid at the end of the year.</b>	25.56	35.47
Interest due to the suppliers registered under the MSMED Act, 2006 and remaining unpaid at the end of the year.	-	-
Principal amount paid to the suppliers registered under the MSMED Act, 2006 beyond the stipulated day during the year.	-	-
Interest paid under Section 16 of MSMED Act, 2006 to the suppliers registered under the Act, beyond the "Appointed Day" during the year.	-	-
Interest due or payable towards the suppliers registered under the MSMED Act, 2006 for the payments already made.	-	-
Further interest remaining due and payable for the earlier year.	-	-

Dues to Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collection by the Company's Management. This has been relied upon by the Auditors.

# Refer "Note No. 36B" for the information of credit risk and market risk for Trade Payables



**21. OTHER CURRENT FINANCIAL LIABILITIES**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Investor Education and Protection Fund*</b>		
Unclaimed / Unpaid Dividend	4.14	5.33
<b>Total of Unpaid Dividend (A)</b>	<b>4.14</b>	<b>5.33</b>
<b>Others</b>		
Capital Creditors	15.07	204.26
Liabilities for Expenses	51.98	113.98
Liabilities towards Services	575.54	535.57
Payables towards Employees	293.35	315.27
<b>Total of Others (B)</b>	<b>935.94</b>	<b>1,169.08</b>
<b>Total (A+B)</b>	<b>940.09</b>	<b>1,174.41</b>

\* As at March 31, 2023, there are no amount due and outstanding to be transferred to "Investor Education and Protection Fund" by the Company under section 125 of the Companies Act, 2013. Unclaimed Dividend, if any shall be transferred to Investor Education and Protection Fund as and when they become due.

**22. OTHER CURRENT LIABILITIES**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Others</b>		
Advance Received from Customers	293.11	82.20
Payable towards Indirect Tax	2.20	3.65
Withholding Tax Payables	20.53	13.87
Statutory Dues Payable	29.12	23.37
<b>Total</b>	<b>344.96</b>	<b>123.09</b>

**23. SHORT - TERM PROVISIONS**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Provision for Employee Benefits</b>		
Provision for Gratuity	-	-
Provision for Leave Encashments	0.45	0.42
<b>Total</b>	<b>0.45</b>	<b>0.42</b>

\* Refer "Note No. 41" for further reference.

**24. CURRENT TAX LIABILITIES (NET)**

(₹ in Lakhs)

Particulars	As at	As at



	March 31, 2023	March 31, 2022
<b><u>Provision for Income Tax (Net)</u></b>		
Provision for Income Tax	210.37	406.54
Less: Advance Income Tax	(190.00)	(380.00)
Less: Tax Deducted at Source Receivables	(15.65)	(11.54)
Less: Tax Collected at Source Receivables	(0.30)	(6.29)
<b>Total</b>	<b>4.42</b>	<b>8.71</b>

**25. REVENUE FROM OPERATIONS**

(₹ in Lakhs)

Particulars	2022- 2023	2021- 2022
<b>a) Sales of products*</b>		
Domestic Market	18,243.06	14,893.41
Merchant Export	591.04	886.09
Export Market	5,779.06	6,669.99
<b>Total Sale of Products (A)</b>	<b>24,613.16</b>	<b>22,449.49</b>
<b>b) Other Operating Revenue</b>		
Duty Draw Back Entitlement	130.20	192.71
RoDTEP	59.42	-
Waste Sales	30.67	23.40
<b>Total Other Operating Revenue (B)</b>	<b>220.30</b>	<b>216.11</b>
<b>Total Revenue From Operations (A+B+C)</b>	<b>24,833.46</b>	<b>22,665.59</b>

\* The Company collects the Goods and Service Tax (GST) on behalf of the Government, hence the GST is not included in Revenue from Operations.

(₹ in Lakhs)

Particulars	2022- 2023	2021- 2022
<b><u>Timing of Revenue Recognition</u></b>		
Goods transferred at a point in time	24,643.83	22,472.88
Services transferred over the period of time	-	-
<b>Total Revenue from contract with customers</b>	<b>24,643.83</b>	<b>22,472.88</b>
Add: Export Incentives	189.63	192.71
<b>Total Revenue From Operations</b>	<b>24,833.46</b>	<b>22,665.59</b>

Particulars	2022- 2023	2021- 2022
<b><u>Disaggregation of revenue based on products</u></b>		
Yarns	24,613.16	22,449.49
Others	30.67	23.40
<b>Total Revenue from Operations</b>	<b>24,643.83</b>	<b>22,472.88</b>



Particulars	2022- 2023	2021- 2022
<b>Disaggregation by locations of customers</b>		
In India	18,273.73	15,802.89
Outside India (including Merchant Export)	6,370.10	6,669.99
<b>Total Revenue from contract with customers</b>	<b>24,643.83</b>	<b>22,472.88</b>
Add: Export Incentives	189.63	192.71
<b>Total Revenue From Operations</b>	<b>24,833.46</b>	<b>22,665.59</b>

Particulars	2022- 2023	2021- 2022
<b>Reconciliation of Revenue recognized in the Statement of Profit and Loss with the Contracted Price</b>		
Revenue as per Contracted Price	24,696.62	22,574.99
Less: Rebates, Discounts and Other deductions	52.79	102.11
<b>Total revenue from contract with customers</b>	<b>24,643.83</b>	<b>22,472.88</b>
Add: Export Incentives	189.63	192.71
<b>Total Revenue From Operations</b>	<b>24,833.46</b>	<b>22,665.59</b>

#### **Performance Obligations**

**Sales of Product:** Performance obligation in respect of sales of products is satisfied, when the controls of goods are transferred to the customers, generally on delivery of the goods and payments is generally due as per the terms of contracts with customers.

**Sales of Services:** Performance obligation in respect of sales of services is satisfied over a period of time and the acceptance of the customers. In respect of these services, payment is generally due upon the completion of services and acceptance from the customers.

The Company does not have any remaining performance obligation as contracts entered for sales of goods and sales of service are for a shorter duration.

## 26. OTHER INCOME

(₹ in Lakhs)

Particulars	2022- 2023	2021- 2022
<b>Interest Income</b>		
On Other Financial Assets carried at Amortized Cost	4.58	4.91
On Other Assets	3.29	6.73
<b>Total Interest Income (A)</b>	<b>7.87</b>	<b>11.64</b>
<b>Other Non-Operating Income</b>		
Exchange Gain or Loss (Net)	155.59	90.02
Rental Income	12.60	10.90
Scrap Sales	5.15	3.22
Subsidy or Grant (Deferred)	4.25	4.25
Sundry Balances Written Off (Net)	6.33	1.71
<b>Total of Other Non-Operating Income (B)</b>	<b>183.92</b>	<b>110.09</b>
<b>Total (A+B)</b>	<b>191.79</b>	<b>121.73</b>



**27. COST OF MATERIALS CONSUMED**

(₹ in Lakhs)

Particulars	2022- 2023	2021- 2022
<b>Consumption of Raw Materials</b>		
Stocks at the beginning of the reporting period	792.62	967.04
Add :- Purchases made during the year	13,860.14	11,110.29
Add :- Direct Expenses made during the year	12.18	30.35
Less :- Stocks at the end of the reporting period	768.42	792.62
<b>Total Consumption of Raw Material (A)</b>	<b>13,896.52</b>	<b>11,315.05</b>
<b>Consumption of Packing Materials</b>		
Stocks at the beginning of the reporting period	58.95	31.92
Add :- Purchases made during the year	468.10	471.54
Add :- Direct Expenses made during the year	-	-
Less :- Stocks at the end of the reporting period	48.76	58.95
<b>Total Consumption of Packing Material (B)</b>	<b>478.30</b>	<b>444.50</b>
<b>Consumption of Materials (A+B)</b>	<b>14,374.82</b>	<b>11,759.56</b>

**28. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND TRADING STOCK**

(₹ in Lakhs)

Particulars	2022- 2023	2021- 2022
<b>Changes in Inventories</b>		
<b>Inventories at the beginning of the period:</b>		
Finished Goods	241.90	459.42
Work-in-Progress	237.26	184.24
Waste Scrap	0.14	0.10
<b>Total</b>	<b>479.30</b>	<b>643.75</b>
<b>Inventories at the end of the period:</b>		
Finished Goods	723.39	241.90
Work-in-Progress	268.77	237.25
Waste Scrap	-	0.14
<b>Total</b>	<b>992.15</b>	<b>479.30</b>
<b>(INCREASE) / DECREASE IN INVENTORIES</b>	<b>(512.85)</b>	<b>164.45</b>

**29. EMPLOYEE BENEFIT EXPENSES\***

(₹ in Lakhs)

Particulars	2022- 2023	2021- 2022
<b>Employee Benefit Expenses</b>		
Salary, Wages, Incentives and Managerial Remuneration	2,440.62	2,106.71
<b>Contributions to:</b>		
Provident Fund	127.77	113.99
Other Funds	27.54	34.67
Bonus	78.04	75.39
Staff Welfare Expenses	92.93	63.75
<b>Total</b>	<b>2,766.91</b>	<b>2,394.51</b>

\* Refer "Note No. 41 " for further references



**30. FINANCE COSTS**

(₹ in Lakhs)

Particulars	2022- 2023	2021- 2022
<b><u>Interest on financial liabilities carried at amortized cost</u></b>		
On Term Loans	243.45	146.41
On Hire Purchase Loans	3.75	3.51
On Working Capital Loans	101.17	98.74
On Unsecured Loans	116.75	134.74
On Others	32.19	23.64
Other Borrowing Costs	59.50	66.39
<b>Total</b>	<b>556.81</b>	<b>473.43</b>

**31. DEPRECIATION AND AMORTISATION EXPENSES**

(₹ in Lakhs)

Particulars	2022- 2023	2021- 2022
<b><u>Depreciation and Amortization Expenses</u></b>		
Depreciation Expenses	627.86	488.74
Amortization Expenses	0.51	0.51
<b>Total</b>	<b>628.37</b>	<b>489.26</b>

**32. OTHER EXPENSES**

(₹ in Lakhs)

Particulars	2022- 2023	2021- 2022
Consumption of Stores and Consumables	802.08	679.34
Consumption of Power and Fuel	1,934.52	1,629.25
Administrative and Other Expenses	40.66	29.39
Brokerage & Commission	307.29	250.19
Clearing, Forwarding and Freight Charges	876.51	1,082.91
Conveyance and Travelling Expenses	118.19	47.79
Corporate Social Responsibility Expenses	6.03	4.51
Directors Sitting Fees	0.45	0.45
Insurance Expenses	32.47	25.81
Legal Fees	29.09	32.43
Loss on Disposal of Property, Plants and Equipments	10.98	6.62
Loss on Sale of RoDTEP Licence	1.60	-
Other Manufacturing Expenses	209.24	203.30
Payment to Auditor (Refer Note No. 32.1)	2.20	2.20
Provision for Unsecured Doubtful Debts and Advances	0.71	(2.99)
Rent, Rates and Taxes	105.24	87.82
Repairs and Maintenance Expenses	150.96	107.36
Research and Developments	17.34	20.47
Selling and Distribution Expenses	184.10	163.46
Security Charges	21.81	21.16
<b>Total</b>	<b>4,851.46</b>	<b>4,391.46</b>



32.1. PAYMENTS TO AUDITORS

(₹ in Lakhs)

Particulars	2022- 2023	2021- 2022
<b>As Auditor's:</b>		
Audit Fee	1.70	1.70
Tax Audit Fee	0.50	0.50
<b>Total</b>	<b>2.20</b>	<b>2.20</b>

33. CATEGORY WISE CLASSIFICATION OFFINANCIAL INSTRUMENTS

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
<b>I) Financial Assets:</b>			
<b>a. Non - Current</b>			
<b>A) Financial Assets measured at Fair Value through Profit and Loss (FVTPL)</b>			
Investment in Quoted Mutual Funds		-	-
<b>Total (A)</b>		-	-
<b>B) Financial Assets measured at Fair Value through Other Comprehensive Income (FVTOCI)</b>			
Investment in Quoted Equity Shares		-	-
<b>Total (B)</b>		-	-
<b>C) Financial Assets measured at Amortized Cost</b>			
Security Deposits	5	5.45	0.30
Income Tax Refund Receivables	5	6.93	7.09
<b>Total (C)</b>		<b>12.38</b>	<b>7.39</b>
<b>Total (A+B+C)</b>		<b>12.38</b>	<b>7.39</b>
Particulars	Notes	As at March 31, 2023	As at March 31, 2022
<b>Financial Assets:</b>			
<b>b. Current</b>			
<b>A) Financial Assets measured at Fair Value through Profit and Loss (FVTPL)</b>			
Investment in Quoted Mutual Funds		-	-
<b>Total (A)</b>		-	-
<b>B) Financial Assets measured at Fair Value through Other Comprehensive Income (FVTOCI)</b>			
Investment in Quoted Equity Shares		-	-
<b>Total (B)</b>		-	-
<b>C) Financial Assets measured at Amortized Cost</b>			
Trade Receivables	8	2,291.19	2,456.32
Cash and Cash Equivalents	9A	3.56	8.12



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Other Balances with Banks	9B	4.14	5.33
Interest Receivables	10	4.53	15.59
Incentives Receivables	10	90.53	192.60
Term Deposits held as Margin Money	10	56.02	54.28
<b>Total (C)</b>		<b>2,449.97</b>	<b>2,732.24</b>
<b>Total (A+B+C)</b>		<b>2,449.97</b>	<b>2,732.24</b>

#### II) Financial Liabilities:

##### a. Non - Current

##### Financial Liabilities measured at Amortized Cost

Borrowings from Banks	14	3,095.45	3,091.20
Rental Deposits	15	3.75	4.59
<b>Total</b>		<b>3,099.20</b>	<b>3,095.79</b>

##### Financial Liabilities

##### Current

##### Financial Liabilities measured at Amortized Cost

Working Capital Loan from Bank	19	904.11	1,098.30
Export Packing Credit from Banks	19	-	174.16
Current Maturities of Long-term Loans	19	473.59	522.87
Trade Payables	20	864.90	651.93
Unpaid Dividend	21A	4.14	5.33
Capital Creditors	21B	15.07	204.26
Liabilities for Expenses	21B	51.98	113.98
Liabilities towards Services	21B	575.54	535.57
Payable towards Employees	21B	293.35	315.27
<b>Total</b>		<b>3,182.69</b>	<b>3,621.68</b>

#### 34. SEGMENT REPORTING

During the reporting period and previous reporting period presented under the financial statements, the Company has been operating under only one segment i.e. Manufacturing and Trading of Yarn. Hence, the disclosures under Indian Accounting Standards (Ind AS) - 108, "Operating Segment" is not applicable in the case of the Company for all the reporting period presented in the financial statements.

#### 35. CONSOLIDATED FINANCIAL STATEMENTS

During the reporting period and previous reporting period presented under the financial statements, the Company has neither any subsidiaries nor associates and joint ventures. Hence, the disclosure under Indian Accounting Standard (Ind AS) - 110, "Consolidated Financial Statements" is not applicable to the Company.

#### "NOTE NO. - 36A" - FAIR VALUE MEASUREMENTS

##### **(i) Financial Instruments measured at Fair Value through Other Comprehensive Income**

The Company neither holds any quoted equity shares nor holds quoted or unquoted debentures nor holds quoted or unquoted bonds, which are being measured at Fair Value through Other Comprehensive Income (FVTOCI), so the reporting under the "Ind AS - 109, Fair Value" is not applicable to the Company for all the reporting periods presented in the financial statements.

##### **(ii) Financial Instruments measured at Fair Value through Profit or Loss**







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The Company neither holds any unquoted equity shares (other than investments in associates, which are being measured at amortized costs) nor holds foreign currency forward exchange contracts nor holds quoted mutual funds, which are being measured at Fair Value through Profit and Loss (FVTPL), so the reporting under the “Ind AS - 109, Fair Value” is not applicable to the Company for all the reporting periods presented in the financial statements.

The Company has not any financial liabilities which are being measured at Fair Value through Profit or Loss (FVTPL), so the reporting under the “Ind AS - 109, Fair Value” is not applicable to the Company in respect of all the reporting periods presented in financial statements.

### **(iii) Financial Instruments measured at Amortized Costs**

The carrying amount of financial assets and financial liabilities measured at amortized costs in the financial statements are a reasonable approximation of the fair value since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

## **“NOTE NO. - 36B” - FINANCIAL RISK MANAGEMENT - OBJECTIVES AND POLICIES**

The Company’s financial liabilities mainly comprise the loans and borrowings in domestic currency, retention money, trade and other payables. The main purpose of these financial liabilities is to finance the Company’s business operations and to provide guarantees to support its operations. The Company’s principal financial assets mainly comprise of security deposits, cash and cash equivalents, other balances with banks, trade and other receivables that derive directly from its business operations.

The Company is exposed to the Market Risk, Credit Risk and Liquidity Risk from its financial instruments. The Board of Directors (“the Board”) oversees the management of these financial risks. The risk management policy of the Company formulated by the Company’s management and approved by the Board of Director’s, which states the Company’s approach to address uncertainties in its endeavor to achieve its stated and implicit objectives. It prescribes the roles and responsibilities and the Company’s managements, the structure for managing the risk and the framework for risk management. The framework seeks to identify, assess and mitigate the financial risks in order to minimize the potential adverse effect on the Company’s financial performance. The Board has taken necessary actions to mitigate the risks identified basis the information and situation presents.

The following disclosures summarize the Company’s exposure to the financial risks and the information regarding use of derivatives employed to manage the exposures to such risks. Quantitative sensitivity analysis has been provided to reflect the impact of reasonably possible changes in market rate on financial results, cash flows and financial positions of the Company.

### **1) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in the market prices. Market risk comprises three types of Risk: “Interest rate risk, Currency risk and Other price risk”. Financial instruments affected by the market risk includes loans and borrowings in domestic currency, deposits, retention money, trade and other payables and trade receivables.

#### **a) Interest Rate Risk**

Interest rate risk is the risk that fair value or future cash outflows of a financial instruments will fluctuate because of changes in the market interest rates. An upward movement in the interest rate would adversely affect the borrowing costs of the Company. The Company is exposed to long-term and short-term borrowings. The Company manages interest rate risk by monitoring, its mix of fixed and floating rate instruments and taking actions as necessary to maintain an appropriate balance. The Company has not used any interest rate derivatives.

#### **i) Interest Rate Risk Exposure**

Particulars	31.03.2023	31.03.2022
Fixed Rate Borrowing	3,569.04	3,614.08
Variable Rate Borrowing	904.11	1,272.47

#### **ii) Sensitivity Analysis**

Profit and Loss estimates to higher / lower interest rate expense from borrowings as a result of changes in interest rate.



Particulars	31.03.2023	31.03.2022
Interest Rate – Increase by 70 Basis Points	(31.31)	(34.21)
Interest Rate – Decrease by 70 Basis Points	31.31	34.21

**a) Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash outflows of an exposure will fluctuate due to changes in foreign exchange rates. The Company operates globally, and the portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currency. The foreign currency exchange rate exposure is partly balance by purchasing of the goods in the respective currencies.

The carrying amount of the Company's foreign currency denominated monetary items are as follows:

Currency	Liabilities		Assets	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
USD (\$)	--	--	15.00	15.63
EURO (€)	--	01.89	--	00.03

The above table represents the total exposure of the Company towards its foreign exchange denominated monetary items. The Company has not hedged its foreign currency exposure during the reporting period and previous reporting period. The details of unhedged exposures are given as part of "Note No. 48".

The Company is mainly exposed to changes in USD (\$) and EURO (€). The below table demonstrate the sensitivity to a 5% increase or decrease in USD (\$) against INR and EURO (€) against INR, considering with all other variable remains constant. The sensitivity analysis are prepared on the net unhedged exposure of the Company as at the reporting period and previous reporting period. 5% represents the management's assessment of reasonably change in foreign exchange rate.

Change in USD (\$) Rate	Effect on Profit after Tax (PAT)		Effect on Total Equity	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
-5%	(61.66)	(59.23)	(61.66)	(59.23)
+5%	61.66	59.23	61.66	59.23

Change in Euro (€) Rate	Effect on Profit after Tax (PAT)		Effect on Total Equity	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
-5%	--	(07.80)	--	(07.80)
+5%	--	07.80	--	07.80

**b) Other Price Risk**

Other price risk is the risk that the fair value of a financial instruments will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in quoted equity instruments. The Company is exposed to price risk arising mainly from investments in quoted equity instruments recognized at FVTOCI, if any. As at March 31,





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2023, the carrying value of such quoted equity instruments recognized at FVTOCI amounts to ₹ NIL (March 31, 2022 ₹ NIL).

### 1) Credit Risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial losses to the Company. Credit risk arises primarily from financial assets such as trade receivables, other balances with banks and other financial assets with the Company.

The Company has adopted a policy of only dealing with counterparties that have sufficiently high credit rating. The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

Credit risk arising from term deposits and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognized financial institutions with high credit rating assigned by the international credit rating agencies.

The average credit period on sale of products ranges from 15 to 30 days. Credit risk arising from trade receivable is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on detailed study of creditworthiness and accordingly individual credit limits are defined / modified. The concentration on credit risk is limited due to the fact that the customer base is large. There is no customer representing more than 10% of total balance of its trade receivables. For trade receivables, as a practical expedient, the Company computes credit loss allowance based on provision matrix. The provision matrix is prepared on historically observed default rate over the expected life of trade receivable and is adjusted for forward-looking estimate. The provision matrix at the end of reporting period as follows:

Net Outstanding > 365 Days	Percentage of Collection to Gross Outstanding in Current Year	Credit Loss Allowances
Yes	< 25%	Yes, to the extent of lifetime expected credit losses outstanding as at reporting date.
Yes	> 25%	Yes, to the extent of lifetime expected credit losses pertaining to balances outstanding for more than one year.

Movement in Expected Credit Loss Allowance on Trade Receivables	31.03.2023	31.03.2022
Balance at the beginning of the reporting period	02.77	05.76
Loss Allowance measured at lifetime expected credit losses	00.71	(02.99)
Balance at the end of reporting period	03.48	02.77

### 2) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising the funds to meet the commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company has an established liquidity risk managements framework for managing its short-term, medium-term and long-term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in the cash and cash equivalents. The Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitment in a timely and cost-effective manner.

The Company believes that its liquidity positions {As at March 31, 2023 ₹59.57 Lakhs (Prev Year ₹62.40 Lakhs)}, anticipated future internally generated funds from operations, and its fully available revolving undrawn credit facilities will enable it to meet its future known obligations in the ordinary course of business. However, if liquidity needs were to arise, the Company believes it has access to financing arrangements, value of unencumbered assets, which should enable it to meet its ongoing capital, and other liquidity requirements.





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The liquidity position of the Company mentioned above, includes:

- i) Cash and Cash Equivalents as disclosed in the Cash Flows Statements
- ii) Current / Non-current term deposits as disclosed in the financial assets

The Company's liquidity position monitored by the management, includes:

- i) Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met;
- ii) Maintaining rolling forecasts of the Company's liquidity position on the basis of expected cash flows;
- iii) Maintaining diversified credit lines.

The table below analysis financial liabilities of the Company into the relevant maturity grouping based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows:

(Amount in ₹)					
Particulars	Less than 1 Year	Between 1 to 5 Year	More than 5 Year	Total	Carrying Value
<b>As at March 31, 2023</b>					
<b>Borrowings</b>	1,377.70	3,095.45	--	<b>4,473.15</b>	<b>4,473.15</b>
<b>Other Financial Liabilities</b>	940.09	03.75	--	<b>943.84</b>	<b>943.84</b>
<b>Trade Payables</b>	864.90	--	--	<b>864.90</b>	<b>864.90</b>
<b>As at March 31, 2022</b>					
<b>Borrowings</b>	1,795.34	3,091.20	--	<b>4,886.54</b>	<b>4,886.54</b>
<b>Other Financial Liabilities</b>	1,174.41	04.59	--	<b>1,179.00</b>	<b>1,179.00</b>
<b>Trade Payables</b>	651.93	--	--	<b>651.93</b>	<b>651.93</b>

### "NOTES - 36C" - CAPITAL MANAGEMENT

The Company adheres to a robust Capital Management framework which is underpinned by the following guiding principles;

- a) Maintain the financial strength to ensure BBB+ stable ratings domestically and investment grade ratings internationally.
- b) Ensure financial flexibility and diversify the source of financing and their maturities to minimize liquidity risk while meeting its investment requirements.
- c) Ensure sufficient liquidity is available (either through cash and cash equivalents, investments or committed credit facilities) to meet the need of business.
- d) Minimize the finance costs while taking into considerations current and future industry, market and economic risks and conditions.
- e) Safeguard its ability to continue as going as a going concern.
- f) Leverage optimally in order to maximize shareholders returns while maintaining strength and flexibility of the Balance Sheet.

This framework is adjusted based on underlying macro-economic factors affecting business environment, financial market conditions and interest rates environment.

The Board of Directors of the Company has primary responsibilities to maintain a strong capital base and reduce the cost of capital through a prudent management of deployed fund and leveraging in domestic and international financial market so as to maintain investors, creditors and market confidence and to sustain future development of the business.





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For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholders value.

As at March 31, 2023, the Company has only one class of equity shares and has low debts. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or reinvestments into business based on its long-term financial plans.

The Company manages its capital on the basis of Net Debt to Equity Ratio which is Net Debt (Total Borrowings net of Cash and Cash Equivalents) divided by total equity.

Particulars	March 31, 2023	March 31, 2022
Total Liabilities	7,516.88	7,657.77
<u>Less:</u> Cash and Cash Equivalents	03.56	08.12
<b>Net Debt</b>	<b>7,513.32</b>	<b>7,649.65</b>
Total Equity	<b>6,056.30</b>	<b>5,300.82</b>
<b>Net Debt to Total Equity</b>	<b>1.24</b>	<b>1.44</b>

The Company has complied with the covenants as per the terms and conditions of the major borrowing facilities throughout the reporting period and previous reporting period.

### 37. CAPITAL WORK-IN-PROGRESS AGEING SCHEDULE

Particulars	Less than One Year	One to Two Years	Two to Three Years	More than Three Years	Total as at March 31, 2023
Projects in Progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Particulars	Less than One Year	One to Two Years	Two to Three Years	More than Three Years	Total as at March 31, 2022
Projects in Progress	79.51	-	-	-	79.51
Projects temporarily suspended	-	-	-	-	-

There are no Capital Work-in-Progress where completion is overdue against original planned timelines or where estimated cost exceeded its original planned cost as on March 31, 2023 and March 31, 2022.



38. TRADE RECEIVABLE AGEING SCHEDULE

Particulars	Not Due	Less than Six Months	Six Months to One Year	One to Two Years	Two to Three Years	More than Three Years	Total as at March 31, 2023
<b>Trade Receivable - Unsecured</b>							
Undisputed, Considered Good	1,743.20	551.03	0.44	-	-	-	2,294.67
Undisputed, Considered Doubtful	-	-	-	-	-	-	-
Disputed, Considered Good	-	-	-	-	-	-	-
Disputed, Considered Doubtful	-	-	-	-	-	-	-
	<b>1,743.20</b>	<b>551.03</b>					<b>2,294.67</b>
less: Allowance for Doubtful Debts	-	3.45	0.03	-	-	-	3.48
<b>Total</b>							<b>2,291.19</b>

Particulars	Not Due	Less than Six Months	Six Months to One Year	One to Two Years	Two to Three Years	More than Three Years	Total as at March 31, 2022
<b>Trade Receivable - Unsecured</b>							
Undisputed, Considered Good	2,442.47	13.85	-	-	-	-	2,456.32
Undisputed, Considered Doubtful	-	2.77	-	-	-	-	2.77
Disputed, Considered Good	-	-	-	-	-	-	-
Disputed, Considered Doubtful	-	-	-	-	-	-	-
	<b>2,442.47</b>	<b>16.62</b>					<b>2,459.09</b>
less: Allowance for Doubtful Debts	-	2.77	-	-	-	-	2.77
<b>Total</b>							<b>2,456.32</b>

Note: The Company does not have any unbilled dues as on March 31, 2023 and March 31, 2022.

39. TRADE PAYABLE AGEING SCHEDULE

Particulars	Not Due	Less than One Year	One to Two Years	Two to Three Years	More than Three Years	Total as at March 31, 2023
<b>Trade Payable (Including Acceptance)</b>						
MSME	25.56	-	-	-	-	25.56
Other than MSME	748.20	90.14	-	-	-	838.34
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Other than MSME	-	-	-	-	1.00	1.00
<b>Total</b>	<b>773.76</b>	<b>90.14</b>			<b>1.00</b>	<b>864.90</b>



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Particulars	Not Due	Less than One Year	One to Two Years	Two to Three Years	More than Three Years	Total as at March 31, 2022
<b>Trade Payable (Including Acceptance)</b>						
MSME	35.47	-	-	-	-	35.47
Other than MSME	463.22	152.12	-	-	-	615.34
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues – Other than MSME	-	-	0.12	-	1.00	1.12
<b>Total</b>	<b>498.69</b>	<b>152.12</b>	<b>0.12</b>	-	<b>1.00</b>	<b>651.93</b>

Note: The Company does not have any unbilled dues as on March 31, 2023 and March 31, 2022.

**40. KEY FINANCIAL RATIO**

Ratio	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	% Variation
Current Ratio	Current Assets	Current Liabilities	1.35	1.25	7.53%
Debt to Equity Ratio	Total Debts (Borrowings)	Total Equity	0.74	0.92	-19.88%
Debt Service Coverage Ratio	Earnings available for debt service	Finance Costs (excluding cost pertaining to lease liabilities) + Repayments of Borrowings	2.18	2.82	-22.69%
Return on Equity*	Profit after tax (PAT)	Average Total Equity	13.93%	31.57%	-55.89%
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	11.08	10.22	8.38%
Trade Receivable Turnover Ratio	Revenue from Operations	Average Trade Receivables	10.46	10.83	-3.37%
Trade Payable Turnover Ratio	Net Purchase of Raw Materials, Packing Material and Stock-in-Trade	Average Trade Payables	21.60	17.47	23.60%
Net Capital Turnover Ratio	Revenue from	Working Capital (Current Assets -	20.14	23.72	-15.08%



	Operations	Current Liabilities)			
Net Profit Ratio*	Profit after tax (PAT)	Revenue from Operations	3.16%	6.34%	-50.15%
Return on Capital Employed*	Profit before Interest (excluding interest on lease liabilities), exceptional items and tax	Average Capital Employed {Total Assets - Total Current Liabilities (Excepts Borrowings)}	14.41%	23.40%	-38.41%
Return on Investments	Income during the year	Time Weighted Average of Investments			
Return on Fixed Deposits			8.17%	9.05%	-9.64%

\* Due to the decline in the Profit of the current reporting period as compared to the previous reporting period has led to decline in the Return of Equity, Net Profit and Return on Capital Employed Ratio.

#### 41. EMPLOYEE BENEFITS

##### 1. Post-Employment Benefits

###### (i) Defined Benefit Gratuity Plans

The Company has defined benefit gratuity plan for its employees, which requires contribution to be made to a separately administered fund. It is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five year of services is only entitled to the specific benefits. The level of benefits provided depend on the member's length of service and salary at their retirement age.

###### (ii) Defined Benefit Pension Plan (Unfunded)

The Company operates a defined benefit pension plan for certain specified employees and is payable upon the employee satisfying the certain conditions, as approved by their Management.

###### (iv) Defined Benefit Post-Retirement Medical Benefit Plans (Unfunded)

The Company operates a defined benefits post-retirement medical benefit plan for certain specified employees and is payable upon the employee satisfying the certain conditions, as approved by their Management.

The most recent actuarial valuation of the plan assets and the present value of defined benefit obligation were carried out as at March 31, 2023 by KP Actuaries and Consultants, Fellow of Institute of Actuaries of India. The present value of defined benefit obligation and the related current service cost were measured by using the Project Unit Credit Method.

The following tables summarize the components of defined benefit expenses recognized in the Statement of Profit and Loss / Other Comprehensive Income and amount recognized in the Balance Sheet for the respective plans:





**a) Statement showing the Present Value of the Obligations**

	31.03.2023	31.03.2022
	₹	₹
<b>Present Value of Obligation at the beginning of the period</b>	<b>459.59</b>	<b>439.38</b>
Interest Expenses or Costs	33.07	29.90
Current Service Costs	32.04	29.48
<u>Actuarial (Gain) / Losses</u>	8.13	(22.03)
Benefits paid (if any)	(25.54)	(17.15)
<b>Present value of obligation at the end of the period</b>	<b>507.28</b>	<b>459.59</b>

**b) Statement showing Expenses Recognized during the period**

	31.03.2023	31.03.2022
	₹	₹
In Income Statement	57.79	58.25
In Other Comprehensive Income	8.13	(22.03)
<b>Total Expenses Recognized during the period</b>	<b>65.93</b>	<b>36.22</b>

**c) Assets and Liabilities (Balance Sheet Positions)**

	31.03.2023	31.03.2022
	₹	₹
<b>Present Value of Obligation at the beginning of the period</b>	<b>507.28</b>	<b>459.59</b>
Fair Value of Plan Assets	124.12	101.65
<b>Surplus / (Deficit)</b>	<b>383.16</b>	<b>357.94</b>
Effect of Assets Ceiling, if any	-	-
<b>Net Assets / (Liability)</b>	<b>383.16</b>	<b>357.94</b>

**d) Changes in the Fair value of Plan Assets**

	31.03.2023	31.03.2022
	₹	₹
<b>Fair Value of Plan Assets as at the beginning of the period</b>	<b>101.65</b>	<b>16.65</b>



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Investment Income	7.31	1.13
Employer's Contribution	40.00	100.50
Employee's Contribution	-	-
Benefits Paid	(24.85)	(16.63)
Return on plan assets, excluding amount recognized in net interest expense	-	-
<b>Fair Value of Plan Assets as at the end of the period</b>	<b>124.12</b>	<b>101.65</b>

**e) Bifurcation of Net Liabilities**

	31.03.2023	31.03.2022
	₹	₹
Current Liabilities (Short - Term)	-	-
Non - Current Liabilities (Long - Term)	383.16	357.94
<b>Net Liabilities</b>	<b>383.16</b>	<b>357.94</b>

**f) Expenses recognized in the Statement of Profit and Loss**

	31.03.2023	31.03.2022
	₹	₹
Current Service Cost	32.04	29.48
Past Service Cost	-	-
Loss / (Gain) on Settlement	-	-
Net Interest Cost/(Income) on the Net Defined Benefit Liability / (Assets)	25.75	28.77
<b>Expenses to be recognized in the Statement of Profit and Loss</b>	<b>57.79</b>	<b>58.25</b>

**g) Other Comprehensive (Income) / Expenses {Remeasurements}**

	31.03.2023	31.03.2022
	₹	₹
<b><u>Other Comprehensive Income</u></b>		
Actuarial (gain) / losses - obligations	8.13	(22.03)
Actuarial (gain) / losses - plan assets	-	-



<b>Defined benefits cost recognized in OCI...(')</b>	<b>8.13</b>	<b>(22.03)</b>
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**h) Actuarial Assumption**

	31.03.2023	31.03.2022
	₹	₹
<b><u>Assumptions</u></b>		
Discount Rate (Per Annum)	7.50%	7.20%
Salary Growth Rate (Per Annum)	5.50%	5.50%
Mortality	100% of IALM 2012 - 14	100% of IALM 2012 - 14
Normal retirement age	60 Years	60 Years
Attrition / Withdrawal Rate (Per Annum)	1.00%	1.00%

The estimate of rate of escalation in salary considered in actuarial valuation, taken into the account inflation, seniority, promotions and other relevant factors including supply and demand in the employment market. Attrition rate indicated above represents the Company's best estimate of employee turnover (other than on account of retirement, death or disbursement) determined considering various factors such as nature of business, retention policy, industry factors, past experiences etc. The above information is certified by the Actuary.

**i) Summary of Membership Status**

	31.03.2023	31.03.2022
	₹	₹
Number of Employee	501	479
Total Monthly Salary	74.75	65.37
Average Past Service (Years)	14.26	14.38
Average Age (Years)	43.73	43.43
Average remaining working life (years)	16.27	16.57
Number of completed years valued	7,142	6,890
Decrement adjusted remaining working life (years)	13.90	14.14

**j) Sensitivity Analysis**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that



the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

	31.03.2023	
	₹	
Defined Benefit Obligation (Base)	507.28	
	<b>Decrease</b>	<b>Increase</b>
Discount Rate (- / + 1%)	564.70	457.51
(% Change compared to the base due to Sensitivity)	11.30%	-9.80%
Salary Growth Rate (- / + 1%)	457.95	562.76
(% Change compared to the base due to Sensitivity)	-9.70%	10.90%
Attrition Rate (- / + 50% of Attrition Rates)	502.86	511.47
(% Change compared to the base due to Sensitivity)	-0.90%	0.80%
	506.91	507.65
Mortality Rate (- / + 10% of Mortality Rates)	-0.10%	0.10%
(% Change compared to the base due to Sensitivity)	564.70	457.51

## 2. Defined Contribution Plans

### (i) Provident Fund

The Provident Fund Assets and Liabilities are managed by the Company in line with the Employee's Provident Fund and Miscellaneous Provision Act, 1952.

The plan guarantees minimum interest rate at the rate as may be notified by the Provident Fund Authorities. The contribution by the employer and employee together with interest accumulated thereon payable to employees at the time of separation from the Company or retirement, whichever is earlier. The benefits vest immediately on rendering of the service by the employee. In term of Guidance Note issued by the Institute of Actuaries of India for measurement of provident fund liabilities, the Actuary has provided a valuation of provident fund liabilities and based on assumptions provided. There is no shortfall in the contribution as at March 31, 2023 and March 31, 2022.

The detail of contributions made by the Company to the respective fund are given as below:

	31.03.2023	31.03.2022
	₹	₹
<b>Contributions</b>		
Employee's share of contributions	116.88	105.75
Employee's share of contributions	127.77	113.99
<b>Total Contributions during the reporting period</b>	<b>244.65</b>	<b>219.73</b>

### 3. Other Long - Term Employee Benefits





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The expenses towards compensated absence (annual leave and sick leave) for the period ended March 31, 2023 based on Actuarial Valuation carried out by using the "Project Unit Credit Method" is ₹23.14 Lakhs (Prev Year ₹20.24 Lakhs).

### 42. DIVIDEND

(₹in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>On Equity Shares</b>		
Final Dividend paid on Equity Shares	29.32	11.73
<b>Total</b>	<b>29.32</b>	<b>11.73</b>

The Board of Directors of the Company has not declared any interim dividend during the current reporting period and previous reporting period.

#### **Proposed Dividend**

The Board of Director's at their meeting held on May 29, 2023 have recommended a payment of final dividend of ` 1.00 per equity share of the face value of ₹10 per equity share i.e. 10% of the face value of equity share for the financial period ended at March 31, 2023. The Company has proposed ₹29.32 Lakhs as a final dividend subject to the approval of shareholders at their ensuing Annual General Meeting (AGM) of the Company, hence it is not recognized as a "Liabilities" in the Ind AS financial statements.

**ote No. 43: Information on Related Party Transactions as required by Indian Accounting Standards - 24 - "RELATED PARTY DISCLOSURE" for the year ended March 31, 2023.**

Related parties as defined under clause 9 of the Ind AS 24, have been identified on the basis of representations made by the Company's Management and information available with the Company. The Company's material related party transactions and outstanding balances with whom the Company had entered into the transactions in the ordinary course of business are as follows:

#### **1. Related Parties where significant influences exist**

- Suryalata Spinning Mills Limited
- Suryalaxmi Cotton Mills Limited
- Agatha Developers Private limited
- Suryaamba Foundation
- Virender Kumar Agrawal (HUF)

#### **2. Key Managerial Person Name and their Designation**

S. No.	Name of the Persons	Designation
a)	Shri Virender Kumar Agarwal	Chairman and Managing Director
b)	Smt. Seema Agarwal	Joint Managing Director
c)	Shri Mayank Agarwal	Executive Director
d)	Shri Sushil Kapadia	Independent Director
e)	Shri Amit Goela	Independent Director
f)	Shri Nilesh Panpaliya	Independent Director
g)	Shri Gajanan Chhawsaria	Chief Financial Officer
h)	Smt. Kriti Ladha	Company Secretary & Compliance Officer



**3. Relatives of Key Managerial Person**

S. No.	Name of the Persons	Designation
a)	Shri Pujit Agarwal	Son of Managing Director
b)	Smt. Cadambari Agarwal	Wife of Whole time Director
c)	Smt. Vaidehi Agrawal	Daughter-in-Law of Managing Director
d)	Shri Vithal Das Agrawal	Father of Managing Director
e)	Shri Ravindra Kumar Agrawal	Brother of Managing Director

**Terms and Conditions with the transactions with Related Parties as under:**

- a) The Company has been entering into transactions with the related parties for its business purpose. The process followed for entering into transactions with these related parties are same as followed for unrelated parties. Vendor's are selected competitively having regard to strict adherence to quality, timely servicing and cost advantage. Further related party vendors provide additional advantage in terms of:
- Supplying products primarily to the Company;
  - Advanced and innovative technology;
  - Customization of products to suit the Company's specific performance;
  - Enhancement of the Company's purchase cycle and assurance of just in time supply with resultant benefits - notably on working capital.
- b) The sales to and purchases from the related parties are made on the terms equivalent to and those applicable to all unrelated parties on arm's length transactions.
- c) Outstanding balances of the related parties at the end of the reporting period are unsecured, interest free and will be settled in the cash on demand basis.

**Transaction with Related Parties is as under:**

(₹ in Lakhs)

S. No.	Particulars	Related Parties Where Significant Influence Exists	Key Managerial Persons	Relatives of Key Managerial Persons
1.	<b>Purchases of Goods</b> Suryalata Spinning Mills Limited	₹ 40.99 (P. Y. ₹ NIL)	--	--
2.	<b>Sale of Goods</b> Suryalaxmi Cotton Mills Limited	₹ 154.69 (P. Y. ₹ 28.19)	--	--
3.	<b>Payment of Interest</b> Shri Virender Kumar Agarwal Smt. Seema Agarwal Shri Mayank Agarwal	--	₹ 05.73 (P. Y. ₹ 12.26) ₹ 84.02 (P. Y. ₹ 90.56) ₹ 26.99 (P. Y. ₹ 28.38)	--
4.	<b>Payment of Rent</b>	--	--	--



**Suryaamba Spinning Mills Limited**

	Smt. Seema Agarwal	--	₹ 39.00 (P. Y. ₹39.00)	--
<b>5.</b>	<b>Remuneration</b>			
	Shri Virender Kumar Agarwal	--	₹ 47.38 (P. Y. ₹ 30.02)	--
	Smt. Seema Agarwal	--	₹44.16 (P. Y. ₹ 24.29)	--
	Shri Mayank Agarwal	--	₹34.94 (P. Y. ₹19.23)	--
<b>6.</b>	<b>Payment of Staff Salary</b>			
	Shri Pujit Agarwal	--	--	₹ 42.10 (P. Y. ₹ 42.10)
	Smt. Cadambari Agarwal	--	--	₹ 37.13 (P. Y. ₹ 37.13)
	Shri Gajanan Chhawsaria	--	₹19.29 (P. Y. ₹ 17.47)	--
	Smt. Kriti Ladha	--	₹ 03.45 (P. Y. ₹ 03.16)	--
	Smt. Vaidehi Agarwal	--	--	₹ 08.31 (P. Y. ₹ NIL)
<b>7.</b>	<b>Payment of Dividend</b>			
	Shri Virender Kumar Agarwal	--	₹12.06 (P. Y. ₹ 07.24)	--
	Smt. Seema Agarwal	--	₹ 06.42 (P. Y. ₹ 03.85)	--
	Shri Mayank Agarwal	--	₹02.71 (P. Y. ₹ 01.63)	--
	Shri Pujit Agarwal	--	--	₹00.42 (P. Y. ₹ 00.25)
	Virender Kumar Agarwal (HUF)	₹00.15 (P. Y. ₹ 00.09)	--	--
	Shri Vithal das Agarwal	--	--	₹00.01 (P. Y. ₹ 00.01)
	Shri Ravindra Kumar Agarwal	--	--	₹00.001 (P. Y. ₹ 00.001)
<b>8.</b>	<b>Reimbursement of Expenses</b>			
	Suryaamba Foundation	₹ 02.62 (P. Y. ₹ NIL)	--	--
<b>9.</b>	<b>Director Sitting Fees</b>			
	Shri Amit Goela	--	₹00.15 (P. Y. ₹ 00.15)	--
	Shri Nilesh Panpaliya	--	₹00.15 (P. Y. ₹ 00.15)	--
	Shri Sushil Kapadia	--	₹00.15 (P. Y. ₹ 00.15)	--
<b>10.</b>	<b>Corporate Social Responsibility</b>			



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	Suryaamba Foundation	₹03.50 (P. Y. ₹ 03.76)	--	--
<b>11.</b>	<b>Receipt of Unsecured Loans</b>			
	Shri Virender Kumar Agarwal	--	₹ 02.30 (P. Y. ₹ 00.15)	--
	Smt. Seema Agarwal	--	₹ 31.60 (P. Y. ₹ 127.03)	--
	Shri Mayank Agarwal	--	₹ 15.31 (P. Y. ₹ 28.95)	--
<b>12.</b>	<b>Repayment of Unsecured Loans</b>			
	Shri Virender Kumar Agarwal	--	₹ 45.24 (P. Y. ₹ 40.73)	--
	Smt. Seema Agarwal	--	₹103.60 (P. Y. ₹ 49.59)	--
	Shri Mayank Agarwal	--	₹ 04.80 (P. Y. ₹ 08.30)	--
<b>11.</b>	<b>Repayment of Advance against Property</b>			
	Agatha Developers Private Limited	₹ NIL (P. Y. ₹ 65.00)	--	--

**Balances Payable to Related Parties as on March 31, 2023**

(₹ in Lakhs)

S. No.	Particulars	Related Parties Where Significant Influence Exists	Key Managerial Persons	Relatives of Key Managerial Persons
<b>1.</b>	<b>Unsecured Loans (Including Interest Payable)</b>			
	Shri Virender Kumar Agarwal	--	₹ 34.74 (P. Y. ₹ 77.68)	--
	Smt. Seema Agarwal	--	₹ 723.91 (P. Y. ₹ 795.91)	--
	Shri Mayank Agarwal	--	₹ 255.86 (P. Y. ₹ 245.26)	--
<b>2.</b>	<b>Trade Receivables</b>			
	Suryalakshmi Cotton Mills Limited	₹ 42.63 (P. Y. ₹ NIL)	--	--

**Note No. 44: Additional Regulatory Information as required by the Schedule - III of the Companies Act, 2013".**

i) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken as at the balance sheet date. The Company has not defaulted in the repayment of principal and interest







## Suryaamba Spinning Mills Limited

thereon on all the loans obtained from banks and financial institutions during the reporting period and previous reporting period.

ii) The title deed in respect of self-constructed building and title deeds of all other immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in the favor of the Company), disclosed in the financial statements and included under the head of property, plants and equipments are held in the name of the Company as at the balance sheet date. In respect of the immovable properties taken on lease by the Company, the lease agreements are duly executed in the favor of the Company as at the Balance Sheet date.

iii) There are no loans and advances in the nature of loans are granted to promoters, directors, key managerial parties and the other related parties including the subsidiaries, associates and joint ventures (as defined under the Companies Act, 2013), either severally and jointly with any other person that are:

- a) repayable on demand or;
- b) without specifying any terms or period of repayments.

iv) The Company does not have benami property held in its name. No proceeding have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the relevant Rules made thereunder.

v) The Company has been sanctioned working capital limit from bank and financial institutions on the basis of security of current assets. The monthly / quarterly returns and the statements filed by the Company with such banks and financial institutions are in agreements with the books of accounts of the Company.

vi) The Company has not been declared as willful defaulter by the banks and the financial institutions or other lender or government or any government authorities.

vii) The Company has not been entered any transactions with the companies struck off as per the section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 2013, hence the details related to the same has not been furnished.

viii) The Company does not have any charges or satisfaction of charges which is yet to be registered with the Registrar of Company beyond the statutory period.

ix) The Company has neither subsidiaries nor associates and nor joint ventures, hence the requirements with respect to the number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017 is not applicable in case of the Company.

x) Utilization of borrowed funds and share premium

1) The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (intermediaries) with the understanding that the intermediaries shall:

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

2) The Company has not received any funds from persons or entities, including foreign entities (Funding Parties) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on



behalf of the Funding Party (Ultimate Beneficiaries) or;

b) Provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries.

xi) There has been no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the reporting period and previous reporting period in the tax assessments under the Income Tax Act, 1961.

xii) The Company has neither traded nor invested nor advanced in Crypto or Virtual Currency during the reporting period and previous reporting period.

#### 45. CONTINGENT LIABILITIES

(₹in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b><u>Contingent Liabilities</u></b>		
a) Bank Guarantees given by the Company's Banker's towards the MPCB	400.00	150.15
b) Bill discounted by the Company's Banker's under the Letter of Credit	28.68	54.58
c) Inland Letter of Credit or Buyer's Credit against Raw Materials Purchases or Trading Goods Purchases	248.49	98.55
d) Letter of Credit to be executed on Capital Assets	-	159.18
<b>Total</b>	<b>677.17</b>	<b>462.47</b>

#### 46. CAPITAL AND OTHER COMMITMENTS

(₹in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b><u>Capital Commitments</u></b>		
Estimated amount of contracts remaining to be executed by the Company on Capital and not provided for towards Property, Plant and Equipments	-	309.13
<b>Total Capital Commitments (A)</b>	<b>-</b>	<b>309.13</b>
<b><u>Other Commitments</u></b>		
Bill Discounted and Letter of Credit issued by the Company's Bankers	248.49	98.55
<b>Total Other Commitments (B)</b>	<b>248.49</b>	<b>98.55</b>
<b>Total (A+B)</b>	<b>248.49</b>	<b>407.69</b>

#### 47. CORPORATE SOCIAL RESPONSIBILITIES





## Suryaamba Spinning Mills Limited

As per the Section 135 of the Companies Act, 2013, A Company, meeting its applicability threshold, need to spend at least 2% of its Average Net Profit for the immediately preceding three financial years on Corporate Social Responsibilities (CSR) Activities. The area of CSR Activity are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR Committee has been formed as per the requirements of the Companies Act, 2013. The fund has been administrated by the Committee once it is allocated to the Corpus for the purpose of CSR Activities, as prescribed under Schedule VII of the Companies Act, 2013.

a) Corporate Social Responsibility required to be spent as per section 135 of the Companies Act, 2013 read with Schedule VII thereof the Company during the reporting period March 31, 2023 is ₹20.61 Lakhs (Prev Year ₹04.51 Lakhs).

b) Expenditure related to Corporate Social Responsibilities is ₹06.03 Lakhs out of those, commitments made previous reporting period spent during the current reporting period (Prev Year March 31, 2022, ₹04.51 Lakhs).

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Corporate Social Responsibilities</b>		
Health	5.34	3.76
Educations	0.12	-
Sports for Developments	0.35	-
Religious	0.07	0.75
Environment	0.15	-
<b>Total</b>	<b>6.03</b>	<b>4.51</b>

c) Out of the total spending during the current financial period ₹ 03.50 Lakhs (Prev Year ₹ 03.76 Lakhs) made to the Related Party. (Refer "Note No. 43 - Related Party Transactions").

d) The Company has made the commitment for spending the ₹ 14.58Lakhs (Prev Year ₹ NIL) towards Corporate Social Responsibilities to make the aggregate spending equivalents to at least two percent (2%) of the average net profit of the Company made during the three immediately preceding financial year. The Company has spent the committed amount before the date of signing of this report.

#### 48. DETAILS OF HEDGED AND UNHEDGED EXPOSURES IN FOREIGN CURRENCY DENOMINATED MONETARY ITEMS

##### A. Exposure in Foreign Currency - Hedged

The Company does not enter into any forward exchange contracts to hedge its foreign currency exposures relating to the underlying transactions and firm commitments. The Company also does not enter into any kind of derivative instruments for trading and speculation purposes.

##### B. Exposure in Foreign Currency - Unhedged

The Foreign Currency Exposures not hedged as at March 31, 2023 and March 31, 2022 are as under:

##### (i) Payable during the Reporting Period

Currency	Payable (In Foreign Currency)	
	2022-2023	2021-2022



<b>Foreign Currency - Unhedged</b>		
EURO (€)	-	1.89

Currency	Payable (In Indian Currency)	
	2022-2023	2021-2022
	₹	₹
<b>Foreign Currency - Unhedged (Amount in ₹)</b>		
EURO (€)	-	158.80

**(ii) Receivable during the Reporting Period**

Currency	Receivable (In Foreign Currency)	
	2022-2023	2021-2022
	<b>Foreign Currency - Unhedged</b>	
USD (\$)	15.00	15.63
EURO (€)	-	0.03

Currency	Receivable (In Indian Currency)	
	2022-2023	2021-2022
	₹	₹
<b>Foreign Currency - Unhedged (Amount in ₹)</b>		
USD (\$)	1,233.13	1,184.50
EURO (€)	-	2.75

**49. EARNINGS PER SHARE (EPS)**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Earnings Per Share (EPS)</b>		
Net Profit / (Loss) after tax as per the Statement of Profit or Loss attributable to the holder of Equity Shares	790.88	1,444.78
Nominal Value of Equity Shares (₹)	10.00	10.00
Weighted average number of Equity Shares used as denominator for calculating the earnings per share	29.32	29.32
<b>Basic and Diluted Earnings Per Share</b>	<b>26.97</b>	<b>49.28</b>

50. The financial statements are approved for issue by the Audit Committee at its meeting held on May 29, 2023 and by the Board of Directors on their meeting held on May 29, 2023.





## Suryaamba Spinning Mills Limited

51. Previous years audited figures has been regrouped / recasted / rearranged wherever necessary to make them comparable for the purpose of preparation and presentation of financial statements.

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**SIGNATURE TO THE NOTE "1" TO NOTE "51"**

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**SIGNIFICANT ACCOUNTING POLICES**

**1**

**THEACCOMPANYINGNOTESAREFORMINGINTEGRALPARTOFTHEFINANCIALSTATEMENTS**

**ASPEROURREPORTOFEVENDATEATTACHED**

**For MANISH N. JAIN & CO.**

Chartered Accountants  
FRN No.: 0138430W

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**ARPIT AGRAWAL**

Partner  
Membership No. 175398  
UDIN: 23175398BGWEHX7931

**VIRENDER KUMAR AGARWAL**

Managing Director  
DIN:00013314

**SEEMA AGARWAL**

Jt. Managing Director  
DIN: 01430206

**GAJANAN N. CHHAWARIA**

Chief Financial Officer

**KRITI LADHA**

Company Secretary  
M. No. A61729

**Place: Nagpur**

**Date: May 29, 2023**

Place: Nagpur

Date: May 29, 2023

Place: Nagpur

Date: May 29, 2023





Suryaamba Spinning Mills Limited

## SURYAAMBA SPINNING MILLS LIMITED

(CIN: L18100TG2007PLC053831)  
1<sup>st</sup> Floor, Suryatowers, 105, S P Road,  
Secunderabad TG- 500 003

May 29, 2023

Dear Member,

### Sub: Green Initiative in Corporate Governance

As a responsible Corporate Citizen, your Company welcomes and supports the 'Green Initiative' taken by the Ministry of Corporate Affairs, Government of India (MCA).

The Green Initiative endeavors to reduce consumption of paper, in turn preventing deforestation and contributes towards a green and clean environment - a cause that we at Suryaamba Spinning Mills Limited are committed to. This initiative is also aligned to our Mission Statement of demanding that everything we do leads to a clear, healthier, safer environment. In furtherance of these initiatives, the Company invites its Members to participate in the Green Initiatives to affirm its commitment towards future generations.

Keeping in view the above, your Company proposes to send documents like Notice convening Annual General Meeting, Audited Financial Statements, Directors' Report, and Auditors' Report, etc. in electronic form. For supporting this initiative:

- 1) **If you hold shares in electronic form**, kindly intimate your email ID to your Depository Participant (DP). The same will be deemed to be your registered email address for serving notices/documents.
- 2) **If you hold shares in physical form**, kindly intimate your email ID to the Company's Registrar & Transfer Agent (RTA) at the following address:

**KFin Technologies Limited**  
Karvy Selenium Tower B, Plot  
No 31 & 32 Financial District,  
Nanakramguda, Serilingampally, Mandal,  
Hyderabad 500 032.

We strongly urge you to support this 'Green Initiative' and opt for electronic mode of communication by advising your email ID to your DP/ KFin Technologies Limited

We solicit your support to join in this initiative in reducing the impact on the environment and receive all communications electronically.

Thanking You,

Yours truly,  
For **Suryaamba Spinning Mills Limited**

**Kriti Ladha**  
Company Secretary & Compliance Officer  
M. No.: ACS 61729





Suryaamba Spinning Mills Limited

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Suryaamba Spinning Mills Limited | Annual Report 2022-23

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Suryaamba Spinning Mills Limited

## Factory Site



**Registered Office**  
1st Floor, Surya Towers,  
105, Sardar Patel Road,  
Secunderabad – 500 003  
Tel. No.: 040-27813360

**Corporate Office**  
A-101, Kanha Apartment  
128, Chhaoni Katol Road,  
Nagpur – 400 013  
Tel No.: 0712-2591072, 2591406  
Email: mail@suryaamba.com, cssuryaamba@gmail.com

