



BANNARI AMMAN SPINNING MILLS LIMITED

Regd. Office. 252, Mettupalayam Road, Coimbatore - 641043

Phone: 0422- 2435555, Website: www.bannarimills.com,

e-mail: shares@bannarimills.com CIN: L17111TZ1989PLC002476

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 32nd Annual General Meeting of the Members of Bannari Amman Spinning Mills Limited (the Company) will be held on Monday the 26th September, 2022 at 10.25 AM (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the business set out in the agenda given below:

You are requested to make it convenient to attend the meeting.

AGENDA

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company, both Standalone and Consolidated, for the financial year ended 31st March, 2022, together with the reports of the Board of Directors' and the Auditors thereon;
2. To declare dividend on equity shares.
3. To appoint a Director in the place of Sri S V Arumugam, (DIN 00002458) who retires by rotation and being eligible, offers himself for re-appointment.
4. 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 139, 142 and other applicable provisions if any of the Companies Act 2013 read with Companies (Audit and Auditors) Rules, 2014 for the time being in force (including any statutory modification(s) or re-enactment(s) thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors, M/s P N Raghavendra Rao & Co., Chartered Accountants, (Firm Registration No. 003328S) Coimbatore, be and are hereby appointed as Statutory Auditors of the Company in the place of retiring Auditors M/s Deloitte Haskins & Sells LLP, Chartered Accountants, Bangalore (Firm Registration No: 117366W/W-100018) for a term of five consecutive years from the conclusion of this 32nd Annual General Meeting till the conclusion of 37th Annual General Meeting of the Company at such remuneration as may be determined by the Board of Directors of the Company on the recommendation of Audit Committee.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution :

RESOLVED that pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation of Audit Committee, the remuneration of Rs. 1,00,000 (Rupees One Lakh only) (besides reimbursement of out of pocket expenses incurred by him for the purpose of Audit) payable to Sri M Nagarajan, Cost Auditor (Firm Registration No. 102133), as approved by the Board of Directors for conducting the audit of the Cost Records of the Company for the Financial Year ending 31st March, 2023 be and is hereby ratified and confirmed.

By order of the Board

Coimbatore
11th August, 2022

S V ARUMUGAM
CHAIRMAN & MANAGING DIRECTOR
DIN 00002458

STATEMENT OF MATERIAL FACTS IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO.4:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with applicable Rules made there under, M/s Deloitte Haskins & Sells LLP, Chartered Accountants, Bangalore (Firm Registration No: 117366W/W-100018) were appointed as the Statutory Auditors of the Company at 27th Annual General Meeting of the company for a period of five years. The term of office of present Statutory Auditors expires on the conclusion of the ensuing 32nd Annual General Meeting.

The Board of Directors based on the recommendations of the Audit Committee proposed to appoint M/s P N Raghavendra Rao & Co., Chartered Accountants (Firm Registration No.003328S), Coimbatore as Statutory Auditors for a term of five consecutive years from the conclusion of ensuing 32nd Annual General Meeting till the conclusion of 37th Annual General Meeting. M/s P N Raghavendra Rao & Co., Chartered Accountants have vide their letter dated 28.7.2022 informed the company that their appointment if made, shall be in compliance with the provisions of Sections 139 and 144 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014. They have also confirmed their independence and eligibility under section 141 of the Companies Act, 2013.

The Board of Directors recommends the appointment of M/s P N Raghavendra Rao & Co., Chartered Accountants as Statutory Auditors of the company for a term of five (5) consecutive years from the conclusion of ensuing 32nd Annual General Meeting till the conclusion of 37th Annual General Meeting of the Company.

Details pursuant to Regulations 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 are as under:

- a) Proposed fee payable to Statutory Auditors: Rs.20,00,000/- (Rupees Twenty Lakhs) plus reimbursement of out of pocket expenses for the year ending 31st March, 2023. The Audit Committee and the Board of Directors are authorized to vary the terms and conditions including revision to the fees commensurate with the work.
- b) Term of appointment: 5 (Five) consecutive years from the conclusion of 32nd Annual General Meeting till the conclusion of 37th Annual General Meeting of the Company
- c) Material change in the fee payable: There is no material change in the proposed fee payable to the statutory auditors.
- d) Basis of recommendation and auditor credentials: The Audit Committee after evaluating various proposals and considering various factors such as industry experience, technical skills, audit team, quality of reports etc., recommended the appointment of M/s P N Raghavendra Rao & Co., Chartered Accountants as Statutory Auditors of the company for a term of five consecutive years.

M/s P N Raghavendra Rao & Co., (Firm Registration Number:003328S) was founded, by Sri P N Raghavendra Rao, one of the early Chartered Accountants in South India Region, with rich experience and intellect in the profession of Chartered Accountancy, in the year 1975. The firm primarily engaged in providing auditing, assurance, taxation, accounting and advisory services. The firm has offices in Coimbatore, Pune and Chennai. The firm has a team of well experienced Chartered Accountants. The firm holds valid peer review certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Board of Directors recommends the Resolution as set out in item No.4 for the approval of members by way of an ordinary resolution.

None of the Directors or Key Managerial Personnel or their relatives is in any way concerned or interested in the proposed ordinary Resolution.

ITEM NO. 5 :

The Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment and remuneration of Sri M Nagarajan, Cost Auditor to conduct the audit of the Cost records of the Company for the financial year ending 31st March, 2023.

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, the remuneration payable to the Cost Auditor is to be ratified by the members of the Company. Accordingly, the members are requested to ratify the remuneration payable to the Cost Auditor for the financial year ending 31st March 2023, as set out in the resolution.

The Board of Directors recommend the Ordinary Resolution as set out in this item of the Notice for approval of members.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No 5.

Information pursuant to 1.2.5 of the Secretarial Standard on General Meetings (SS-2) and in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Director seeking appointment / re-appointment :

ITEM NO. 3 :

Name	Sri S V Arumugam
Age	73 Years
Qualification	B.Sc., ACA
Experience	He has nearly 5 decades of experience in Industry. He has vast experience and expertise in Textile Industry Management particularly in the fields of Project Operational and Financial Managements for more than 30 years
Terms and conditions of appointment or re-appointment	The proposed resolution is for the reappoint of him in the place of Vacancy caused by his retirement by rotation.
Last drawn remuneration	Rs. 6,62,00,600/- for the Financial Year 2021-22.
Date of first appointment on the Board	27.6.2005
No. of shares held	6,88,869 Equity shares of Rs.5/- each of the Company
Relationship with Directors, Managers and KMP	NIL
No. of Board Meetings attended during 2021-2022	10 out of 10 meetings held
Other Directorship	Bannari Amman Flour Mill Private Limited Sakthi Murugan Transports Private Limited Abirami Amman Designs Private Limited

	Accel Apparels Private Limited Anamallais Agencies Private Limited Anamallais Automobiles Private Limited Anamallais Motors Private Limited Bannari Amman Logistics Private Limited Bannari Amman Properties Private Limited Bannari Amman Retails Private Limited Bannari Amman Infinite Trendz Private Limited Murugan Enterprise Private Limited Senthil Infrastructure Private Limited Young Brand Apparel Private Limited State Industries Promotion Corporation of Tamilnadu Limited
Member of Committee	Stakeholders Relationship Committee - Member
Chairman/Member of the Committees of the Boards of other Companies	State Industries Promotion Corporation of Tamilnadu Limited Audit Committee - Member
Listed entities from which resigned in the past three years	Nil

Except Sri S V Arumugam, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the proposed resolution.

By order of the Board

Coimbatore
11th August, 2022

S V ARUMUGAM
CHAIRMAN & MANAGING DIRECTOR
DIN 00002458

Notes:

1. In view of continuing Covid-19 pandemic, Ministry of Corporate Affairs Circular Ref. Nos: 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 2/2022 dated May 5, 2022 and SEBI Circular No: SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, permitted the holding of Annual General Meeting through VC/OAVM without the physical presence of the members at the common Venue. In compliance with these MCA Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Annual General Meeting of the members of the Company is being held through VC/OAVM.
2. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice.
3. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation etc., authorising its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to sharpcs1@gmail.com with copies marked to the Company at shares@bannarimills.com and to its RTA at coimbatore@linkintime.co.in.
4. Members are requested to submit the questions in advance on the e-mail address shares@bannarimills.com.
5. As per MCA General Circular No. 20/2020 dated May 5, 2020 and 2/2022 dated May 5, 2022 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, dispatching of physical copies of the financial statements (including Board's Report, Auditor's Report or other documents required to be attached therewith), such statements shall be sent only by e-mail to the members and hence sending of Annual Report by physical mode has been dispensed with.
6. The members attending the meeting through VC / OAVM shall be reckoned for the purpose of Quorum as stipulated under Section 103 of the Companies Act, 2013.
7. All the resolutions will be passed through the facility of e-voting system only.
8. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details in respect of items 4 and 5 of the Agenda forms part of this document.
9. The register of members and the share Transfer books of the company will remain closed from 20.9.2022 to 26.9.2022 (both days are inclusive)
10. Pursuant to the Finance Act 2020, dividend income will be taxable in the hands of members w.e.f. 1st April 2020 and the Company is required to deduct tax at source from dividend paid to members at the prescribed rates. For the prescribed rates for various categories, the members are requested to refer to the Finance Act, 2020 and amendments thereof. The members are requested to update their PAN with Registrars & Share Transfer Agents, Link Intime India Private Limited (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN and whose dividend is likely to exceed Rs. 5,000 and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by e-mail to <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> on or before the end of the business hours of 19.9.2022. Members are requested to note that in case their PAN is not registered, the tax will be deducted at a highest rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, any other document which may be required to avail the tax treaty benefits by sending an e-mail to <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html>. The above declarations and documents need to be submitted by the members on or before the end of business hours of 19.9.2022.

11. Previous year figures are given in brackets for the purpose of comparison.
12. Relevant documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection through electronic mode only.
13. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to offer the facility of voting through electronic means, as an alternate, to all its Members to enable them to cast their votes electronically.
14. The voting through electronic means will commence on 23rd September 2022 at 10.00 A.M and will end on 25th September 2022 at 5.00 P.M. The Members will not be able to cast their vote electronically beyond the date and time mentioned above and the e-voting system shall be disabled for voting thereafter. The persons those who are holding shares as on the cut-off date of 19th September, 2022 are only eligible to cast their e-voting.
15. Registration of email ID and Bank Account details:

In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/Depositories, log in details for e-voting are being sent on the registered email address.

In case the shareholder has not registered his/her/their email address with the Company/its RTA/Depositories and or not updated the Bank Account mandate the following instructions to be followed :

 - i) Shareholders holding shares in physical mode are requested to communicate their change of postal address (enclose copy of Aadhar Card), e-mail address if any, self-attested copy of PAN Card and bank account details (enclose cancelled Cheque leaf) quoting their folio nos. to the Registrar and Share Transfer Agents M/s. Link Intime India Private Limited, Surya, 35 Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore - 641028.
 - ii) In the case of Shares held in Demat mode:

The shareholder may please contact the Depository Participant ("DP") and register the e-mail address and bank account details in the demat account as per the process followed and advised by the DP.
16. The Notice of the Annual General Meeting along with the Annual Report for the financial year 2021-22 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories in accordance with the aforesaid MCA Circulars and circular issued by SEBI

dated May 12, 2020. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2021-22 will also be available on the Company's website www.bannarimills.com; websites of the Stock Exchanges i.e. National Stock Exchange of India Ltd and BSE Limited at www.nseindia.com and www.bseindia.com respectively. Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.

17. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.
18. The Company has appointed Sri R Dhanasekaran, Practicing Company Secretary, to act as the Scrutinizer for conducting the voting process in a fair and transparent manner.
19. Instructions for e-voting and joining the Annual General Meeting are as follows:

REMOTE E-VOTING INSTRUCTIONS FOR SHAREHOLDERS:

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

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

I. Individual Shareholders holding securities in demat mode with NSDL

1. Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsdl.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.
2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com> Select "Register Online for IDeAS Portal" or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://eservices.nsdl.com> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

II. Individual Shareholders holding securities in demat mode with CDSL

1. Existing users who have opted for Easi/Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi /Easiestare <https://web.cdslindia.com/myeasi/home/login> or www.cdslindia.com and click on New System Myeasi.

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

Login method for Individual shareholders holding securities in physical form is given below:

Individual Shareholders of the company, holding shares in physical form as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -
 - A. User ID: Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company.
 - B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
 - C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
 - D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above

 - ❖ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
 - ❖ Click "confirm" (Your password is now generated).
3. Click on 'Login' under 'SHARE HOLDER' tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
4. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders:

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

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

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

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

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

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

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

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

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned

above. The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

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

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

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

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

InstaVote Support Desk

Link Intime India Private Limited

PROCESS AND MANNER FOR ATTENDING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET :

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

- ▶ Select the "**Company**" and '**Event Date**' and register with your following details: -
 - A. **Demat Account No. or Folio No :** Enter your 16 digit Demat Account No. or Folio No
 - Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
 - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
 - Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company.
 - B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
 - C. **Mobile No.:** Enter your mobile number.
 - D. **Email ID:** Enter your email id, as recorded with your DP/Company.
- ▶ Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

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

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

1. Shareholders who would like to speak during the meeting must register by sending their request mentioning the name, demat account number/folio number and PAN at shares@bannarimills.com from 21.9.2022 at 10.00 AM to 23.9.2022 at 5.00 PM with the company on the specific email id created for the general meeting.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

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

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

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

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

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

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

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

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

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

Since, the AGM is held through VC/OAVM, the Route Map of the Venue is not annexed with this notice.

InstaMeet Support Desk

Link Intime India Private Limited

Coimbatore
11th August, 2022

By order of the Board

S V ARUMUGAM
CHAIRMAN & MANAGING DIRECTOR
DIN 00002458

BANNARI AMMAN SPINNING MILLS LTD



32nd ANNUAL REPORT 2 0 2 2



bannarimills.com

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**BOARD OF DIRECTORS**

Sri S V Arumugam	-	Chairman & Managing Director
Sri K N V Ramani	-	Director
Dr K R Thillainathan	-	Director
Sri S Palaniswami	-	Director
Sri K Sadhasivam	-	Director
Smt S Sihamani	-	Director

COMPANY SECRETARY

Sri N Krishnaraj

CHIEF FINANCIAL OFFICER

Sri S Seshadri

AUDITORS

M/s Deloitte Haskins & Sells LLP
Chartered Accountants
Coimbatore - 641 018

INTERNAL AUDITORS

M/s B M & Associates
Chartered Accountants
Coimbatore - 641 044

COST AUDITOR

Sri M Nagarajan
Cost Auditor
Coimbatore - 641 018

REGISTERED OFFICE

252, Mettupalayam Road
Coimbatore - 641 043 Tamilnadu
Ph No : 0422 - 2435555
www.bannarimills.com
CIN : L17111TZ1989PLC002476

SHARE TRANSFER AGENT

Link Intime India Private Limited
35, Surya Mayflower Avenue
Behind Senthil Nagar
Sowripalayam Road
Coimbatore - 641028
Ph : 0422 - 2314792
E-mail : coimbatore@linkintime.co.in

BANKERS

The Karur Vysya Bank Limited
Union Bank of India
ICICI Bank Limited
Punjab National Bank
Indian Overseas Bank
Bank of Maharashtra
Indian Bank
Bank of Bahrain and Kuwait B.S.C.
DCB Bank Ltd.



DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 32nd Annual Report together with audited accounts of the Company for the year ended 31st March, 2022.

FINANCIAL RESULTS:

(Rs. in Lakhs)

	2021-22	2020-21
Profit before Depreciation	10425.68	1563.77
Less: Depreciation	2817.61	2809.11
Less : Taxes	2738.33	(190.29)
Add/(Less) : Other Comprehensive Income	(44.87)	46.10
Profit after Tax	4824.87	(1008.95)
Surplus brought forward from last year	3861.81	4870.76
Amount available for appropriation	8686.68	3861.81

DIVIDEND

Your Directors are glad to recommend payment of dividend @ Re.0.60 per equity share of Rs.5/- each to the equity shareholders, taxable in the hands of the shareholders.

REVIEW OF OPERATIONS

The performance of the Company was slightly affected in the first quarter of the financial year 2021-22 on account of lock down measures imposed by the Governments to control the impact of COVID 19. Post withdrawal of lock down measures, the sentiments for Textile Industry continued to be better with improved demand for Textile products both in domestic and international markets which enabled the Company to report significant improvement in financial performance for the full year.

IMPACT OF COVID-19

The impact of COVID 19 has been felt in the year 2021-22 also though not as severe as compared to the previous financial year. The vaccination programme initiated by the Government enabled public to shed the fear caused by the pandemic which in turn helped the markets to recover.

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Property, plant and equipment, Intangibles, Inventories, Receivables and Other assets. The Company has evaluated its liquidity position, recoverability and based on current estimates expects the carrying amount of these assets will be recovered.



The unit wise performance of the company is furnished below:

Spinning Units

During the year under review, the Spinning mills produced 31280.87 tonnes (26273 tonnes) of Yarn and sold 24514.68 tonnes (21853.38 tonnes) of Yarn.

The sales include 5661.40 tonnes (3859.87 tonnes) by way of export. The total yarn sales amounted to Rs.73304.79 Lakhs (Rs. 46580.55 Lakhs) of which export sales amounted to Rs. 17290.08 Lakhs (Rs. 7777.97 Lakhs) constituting 23.59% (16.70%) of the total yarn sales.

The Spinning Division produced 9811.24 tonnes (8048.59 tonnes) of saleable waste cotton and sold 9631.36 tonnes (7930.21 tonnes) and the total waste cotton sales of this division amounted to Rs. 5907.01 Lakhs (Rs.4564.97 Lakhs).

Weaving Unit

The Weaving Unit specializes in manufacturing wider-width cotton grey woven fabric. During the year under review, 136.15 Lakh metres (118.21 Lakh metres) of fabric were produced and 115.23 Lakh metres (113.02 Lakh metres) of fabric were sold.

The sales include 34.58 lakh metres (38.12 lakh metres) by way of export. The total fabric sales amounted to Rs.13282.61 Lakhs (Rs. 10965.78 Lakhs) of which export sales amounted to Rs.4058.45 Lakhs (Rs.3116.54 Lakhs).

Home Textile Unit

During the year under review, the Home Textile Unit produced 16.23 Lakh pieces (9.59 Lakh Pieces) of made ups and sold 15.82 Lakh pieces (6.05 Lakh pieces) and made fabric sales of 10.21 Lakh metres (12.77 Lakh metres)

The total sales of this unit amounted to Rs.5629.68 Lakhs (Rs.3106.41 Lakhs) which includes fabric sales amounting to Rs.1496.77 Lakhs (Rs.1315.82 Lakhs).

Knitting Unit

During the year under review, 5351.33 tonnes (5865.56 tonnes) of Knitted fabric were produced and 5370.21 tonnes (5500.41 tonnes) were sold. The total sales of this unit amounted to Rs.17003.85 Lakhs (Rs.12284.58 lakhs) of which export sales amounted to Rs.6354.81 Lakhs (Rs.4881.66 lakhs).

Processing Unit

During the year under review, 2169.16 tonnes (2069.83 tonnes) of fabric were processed on job work basis and 1329.72 tonnes (1098.59 tonnes) of fabric were produced and 1174.95 tonnes (1011.76 tonnes) of fabric were sold. The total fabric sales of this division amounted to Rs.6561.92 Lakhs (Rs.4316.55 lakhs).



Apparel Unit

During the year under review, 34.95 Lakhs (28.73 lakhs) pieces of Garments were produced on job work basis. The total income of this division amounted to Rs.605.31 lakhs (Rs. 873.72 Lakhs).

Wind Mills

The company has 4 windmills of 1250 KW each totaling 5 MW in Radhapuram Taluk, Tirunelveli District, Tamilnadu, 23 windmills, each of 800 KW capacity totaling 18.40 MW capacity in Dharapuram Taluk, Tirupur District and Palani Taluk, Dindigul District, Tamilnadu. The total installed capacity of Windmills is 23.40 MW and the whole of the wind power generated is captively consumed by the Spinning Units and Weaving Unit.

The windmills produced 351.45 Lakh units of power as against 407.67 Lakh units produced in the last year.

PROSPECTS FOR THE FINANCIAL YEAR 2022-23

Right from the start of the new cotton season October' 21 to September' 22, there is a relentless increase in the price of raw cotton which has now touched almost Rs.1 lakh per candy (356 kgs per candy). Compared to same time last year, the cotton price has doubled thereby raising serious doubts about the survival of the industry. Though the price increase is partly passed on to the garment manufacturers, the garment value chain is affected due to frequent increase in yarn prices thereby causing uncertainty. Hence the prospects for the current year cannot be reasonably estimated at this point of time but the Company is confident of better performance during the current financial year.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

There are no material changes and commitments affecting the Financial position of the Company, subsequent to the end of the Financial Year.

There are no proceedings pending under the Insolvency and Bankruptcy Code, 2016. There was no instance of one-time settlement with any Bank or Financial Institution.

PUBLIC DEPOSITS

The Company has no public deposits outstanding at the beginning of the year and, the Company has not accepted any deposits within the meaning of Section 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

RIGHTS ISSUE

During the year, the Company had issued 3,33,33,333 fully paid-up Equity Shares of face value of Rs.5/- each for cash at a price of Rs.30/- per Equity Share (including a premium of Rs.25/- per Equity Share)



aggregating to Rs.99,99,99,990/- on Rights basis to eligible equity shareholders in the ratio of 21 Equity Shares for every 20 fully paid-up Equity Shares held on the record date, i.e. 9th September, 2021.

The company has finalised the Basis of Allotment of Shares in consultation with the Lead Manager, the Registrar to the issue and BSE Limited, (the Designated Stock Exchange for the Rights issue). The Board of Directors of the Company has, at its meeting held on 9th October, 2021, approved the allotment of 3,33,33,333 Paid-up Rights Equity Shares of face value of Rs. 5/- each at a price of Rs.30/- per Rights Equity Share (including premium of Rs.25 per Rights Equity Share) to the eligible applicants.

The Paid Up Capital Structure of the company before and after the Rights issue as follows:

(Rs. in Lakhs)

Particulars	Pre Rights Issue	In Rights Issue	Post Rights issue
Share Capital (Rs. Lakhs)	1,575.43	1,666.66	3,242.09
Share Premium (Rs.Lakhs)	7,930.76	8,206.70*	16,137.46

* Net of Rights issue expenses Rs. 126.63 Lakhs

The entire proceeds received from rights issue were utilised for the objects stated in the Offer document for the Rights Issue.

CORPORATE GOVERNANCE

In line with requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 your Company is committed to the principles of good Corporate Governance and continues to adhere good corporate governance practices consistently.

A separate section is given as part of this Annual Report, on Corporate Governance, Management Discussion and Analysis alongwith a certificate from a Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ANNUAL RETURN

Pursuant to the sub-section (3) of Section 92 of the Companies Act, 2013, Annual Return for Financial Year ended on 31st March, 2022, is posted on the website of the Company viz., www.bannarimills.com

DIRECTORS

Sri S V Arumugam, (DIN 00002458) will retire by rotation at the ensuing Annual General Meeting, he is eligible for re-appointment and seeks re-appointment.

The company has obtained a Certificate from Sri R Dhanasekaran, Company Secretary in Practice certifying 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.



KEY MANAGERIAL PERSONNEL

The Company has appointed the following persons as Key Managerial Personnel:

Name of the persons	Designation
Sri S V Arumugam	Managing Director
Sri S Seshadri	Chief Financial Officer
Sri N Krishnaraj	Company Secretary

AUDIT COMMITTEE

The Audit Committee comprises of

1. Sri K N V Ramani - Chairman (Non- Executive Independent Director)
2. Sri S Palaniswami - Member (Non- Executive Independent Director) and
3. Sri K Sadhasivam - Member (Non- Executive Independent Director)

The Board has implemented the suggestions made by the Audit Committee from time to time.

EVALUATION OF BOARD OF DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the evaluation of Independent Directors are done by the entire Board of Directors including performance and fulfilment of independence criteria specified in the regulation and their Independence from the Management. Independent Directors at their meeting without participation of non-Independent Directors and management considered and evaluated the Boards' performance, performance of the Chairman and Managing Director.

The Board has carried out an annual evaluation of performance of Board and of individual Directors as well as the Committees of Directors. The evaluation has been conducted internally in the manner prescribed by Nomination and Remuneration Committee.

BOARD MEETINGS

During the year under review, 10 (Ten) Board Meetings were conducted. The details of the same have been given in the Corporate Governance Report under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forming part of this Report.



PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has furnished/extended Corporate Guarantee to an amount of Rs.135.61 Crores for the credit facilities both term loan and working capital facilities, sanctioned by HDFC Bank Limited to Young Brand Apparel Private Limited, a Subsidiary Company. Investments of the Company in the shares of other companies is provided under notes to Balance Sheet appearing in this Annual Report.

ESTABLISHMENT OF VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a vigil mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics. The policy has been posted in the website of the Company: www.bannarimills.com.

POLICY ON NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors have framed a policy setting out the framework for payment of Remuneration to Directors, Key Managerial Personnel and Senior Management Personnel of the Company. The policy is explained as part of the Corporate Governance Report. The Committee ensures that

- a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully
- b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- c. Remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

RELATED PARTY TRANSACTIONS

All the related party transactions that were entered into during the financial year in the ordinary course of business and the prices were at arm's length basis. Hence, the provisions of Section 188 (1) of the Companies Act, 2013 are not attracted. Further no materially significant related party transactions were entered by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large. Approval of Audit Committee was obtained for transactions of repetitive nature on annual basis. All related party transactions are placed before the Audit Committee for approval and Board of Directors for their review. The policy on Related Party Transactions is available in the website www.bannarimills.com.

Disclosure of these Transactions in form AOC-2 pursuant to Section 134 (3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 as set out below:



Form AOC - 2

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

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil
2. Details of material contracts or arrangement or transactions at arm's length basis: Nil

The company has borrowed Rs.56.00 Crores as Inter Corporate Deposits during the year from Murugan Enterprise Private Limited, one of the Promoter and holding company of the company. Other than this there were no transactions made with any person or entity belonging to promoter/promoter group which holds 10% or more shareholding in the Company.

SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status and the Company's operation in future.

DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 134 (5) of the Companies Act, 2013 your Directors confirm that:

- a) Your Directors have followed in the preparation of the annual accounts, the applicable accounting standards with proper explanation relating to material departures;
- b) Your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) Your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) Your Directors have prepared the annual accounts on a going concern basis;
- e) Your Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) Your Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS

The present Auditors of the Company M/s Deloitte Haskins & Sells LLP, Chartered Accountants, Bangalore (Firm Registration No: 117366W/W-100018), were appointed for a term of 5 years, pursuant to the resolution passed by the members at the Annual General Meeting held on 25th September, 2017. Their term of office ends at the conclusion of the ensuing 32nd Annual General Meeting. The Board of Directors place on record the services rendered by M/s Deloitte Haskins & Sells LLP, Chartered Accountants, Bangalore (Firm Registration No: 117366W/W-100018).

The Audit Committee of the Company after due deliberation and discussion and considering various factors such as industry experience, technical skills, audit term, quality of reports etc., recommended the appointment of M/s P N Raghavendra Rao & Co., Chartered Accountants, (Firm Registration No. 003328S) Coimbatore as Statutory Auditors for a term of Five consecutive years to hold office from the conclusion of 32nd Annual General Meeting till the conclusion of 37th Annual General Meeting. A proposal for their appointment as statutory Auditors for the next term of 5 years is placed before the members for their approval at the ensuing Annual General Meeting.

There is no audit qualification for the year under review.



DETAILS OF FRAUDS REPORTED BY AUDITORS

There were no frauds reported by the Statutory Auditors under provisions of Section 143 (12) of the Companies Act, 2013 and rules made thereunder.

SECRETARIAL AUDIT

Pursuant to provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr R Dhanasekaran, Practicing Company Secretary to undertake the Secretarial Audit of the Company. The report is annexed herewith as **Annexure - I.**

COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India from time to time.

COST AUDITOR

Pursuant to section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Board of Directors, on the recommendation of Audit Committee, has appointed Sri M Nagarajan, Cost Accountant, Coimbatore as Cost Auditor to conduct Cost Audit of the Company for the financial year 2022 - 2023. The Company has maintained such accounts and cost records as required under Section 148 (1) of the Companies Act, 2013.

JOINT VENTURE, ASSOCIATE AND SUBSIDIARIES

The Company has following two subsidiaries as on 31.3.2022:

- i. Young Brand Apparel Private Limited (also Joint Venture Company)
- ii. Bannari Amman Infinite Trendz Private Limited.

The following Companies have ceased to be a subsidiaries and became independent w.e.f 1.12.2021:

1. Abirami Amman Designs Private Limited
2. Accel Apparels Private Limited and
3. Bannari Amman Retails Private Limited.

In accordance with the Section 129 (3) of the Companies Act, 2013, the consolidated Financial Statements of the Company has been prepared which forms part of the Annual Report. A separate statement containing the salient features of the Financial Statements of Subsidiaries in Form AOC-1 (Part A) is **ANNEXURE - II.**

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee and to the Chairman and Managing Director of the Company.

The Company has Independent Internal Auditor and an Internal Audit Department, which monitors and evaluates the efficiency and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company.

Based on the report of internal audit function, corrective actions are taken in the respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.



STATEMENT ON RISK MANAGEMENT POLICY

Pursuant to section 134(3) (n) of the Companies Act, 2013, the Committee has developed a Risk Management Policy and implemented the same. At present the Company has not identified any element of risk which may be of threat to the existence of the Company.

CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted Corporate Social Responsibility Committee which shall recommend to the Board, the activities to be undertaken by the Company as specified in Schedule VII, recommend the amount of expenditure to be incurred on such activities and monitor the CSR policy of the Company. The company has fully spent the amount stipulated under the requirements of the Act. The Company has constituted Corporate Social Responsibility Committee consisting of the following Directors:

1. Sri S V Arumugam - Managing Director
2. Sri S Palaniswami - Independent Director
3. Sri K Sadhasivam - Independent Director

The CSR activities and its related particulars is enclosed as **Annexure III**

STATUTORY DISCLOSURES

- I. **Conservation of Energy and others** - The particulars required to be included in terms of Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended 31st March, 2022, relating to Conservation of Energy, etc., is enclosed as **Annexure IV**.
- II. **Remuneration of Directors and other details** - The information required under Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2022 is provided in **Annexure V**.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

During the year under review the human relations continued to be very cordial. The Company wishes to acknowledge the contribution of the employees at all levels of the Organisation.

The Company has an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and an Internal Complaints Committee (ICC) has constituted to redress complaints of sexual harassment as provided therein. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

- | | | |
|---|---|-----|
| a. No. of complaints filed during the financial year 2021-22 | - | Nil |
| b. No. of complaints disposed off during the financial year 2021-22 | - | Nil |
| c. No. of complaints pending as on end of financial year 2021-22 | - | Nil |

ACKNOWLEDGEMENT

Your Directors acknowledge with gratitude the timely assistance and help extended by the Bankers for having provided the required bank facilities. Your Directors wish to place on record their appreciation of the contributions made by the employees at all levels for the excellent performance of your company.

Coimbatore
11th August, 2022

By Order of the Board
S V ARUMUGAM
Chairman & Managing Director
DIN 00002458

**ANNEXURE - I****FORM NO. MR-3****SECRETARIAL AUDIT REPORT****(FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022)**

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

To

The Members
Bannari Amman Spinning Mills Limited
(CIN: L17111TZ1989PLC002476)
252, Mettupalayam Road,
Coimbatore - 641043.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bannari Amman Spinning Mills Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Bannari Amman Spinning Mills Limited ("the Company") for the financial year ended on 31st March 2022) ('Audit Period') according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder and applicable provisions of the Companies Act 1956;
- 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') to the extent applicable to the Company;
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the company during the Audit Period)
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (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 client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period);
- vi. The following other laws specifically applicable to the company:
 - a. Textile Committee Act, 1963
 - b. Textiles (Development and Regulation) order, 2001
 - c. Textiles (Consumer Protection) Regulation, 1985

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with the BSE Limited, National Stock Exchange of India Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I report that, during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc., mentioned above.

I further report that, based on the information provided by the Company, its officers and authorised representatives during the conduct of the audit, and also on the review of periodical compliance reports by respective department heads / company secretary / CFO taken on record by the Board of



Directors of the Company, in my opinion, adequate systems and process and control mechanism exist in the Company to monitor and ensure compliance with applicable financial / general laws like, direct and indirect tax laws, labour laws, and environmental laws.

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

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

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

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

I further report that, during the audit period:

1. During the period under review, the company has issued 3,33,33,333 equity shares of Rs.5/- each at a price of Rs.30/- (including premium of Rs.25/= per share) on rights basis to the existing share holders of the company.

Place : Coimbatore

Date : 30.05.2022

R Dhanasekaran
Company Secretary in Practice
FCS 7070 / CP 7745
ICSI UDIN: F007070D000423530



ANNEXURE - II

Form AOC-1

(Pursuant to first provision to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or Joint Ventures

Part A Subsidiaries

(Amount in Rs.)

Name of the subsidiary	Young Brand Apparel Private Limited	Bannari Amman Infinite Trendz Private Limited
1 The date since when subsidiary was acquired	7.7.2017	21.2.2019
2 Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA
3 Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA
4 Share capital	65,16,06,060	1,00,000
5 Reserves and surplus	15,95,82,075	(3,26,27,260)
6 Total assets	243,22,14,021	7,11,19,415
7 Total Liabilities	162,10,25,886	10,36,46,675
8 Investments	30,00,000	-
9 Turnover	302,83,17,449	4,99,05,104
10 Profit before taxation	10,58,36,166	(3,13,63,448)
11 Provision for taxation	2,85,57,890	(70,73,939)
12 Profit after taxation	7,72,78,276	(2,42,89,509)
13 Proposed Dividend	-	-
14 Extent of shareholding (in percentage)	51.33%	100.00%

Notes:

1. Subsidiaries which are yet to commence operations : Nil
2. Subsidiaries which have been sold during the year :
 - a. Abirami Amman Designs Private Limited
 - b. Accel Apparels Private Limited and
 - c. Bannari Amman Retails Private Limited.



Part B Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013, related to Associate Companies and Joint Ventures

(Amount in Rs.)

Name of the Joint Ventures	Young Brand Apparel Private Limited	Bannari Amman Infinite Trendz Private Limited
1 Latest audited Balance Sheet Date	31.03.2022	31.03.2022
2 Shares of Associate / Joint Ventures held by the Company on the year end No. of Shares	3,34,49,112	10,000
Amount of Investment in Associates / Joint Venture	26,05,99,656	1,00,000
Extend of Holding %	51.33%	100%
3. Description of how there is significant influence	Subsidiary	Subsidiary
4. Reason why the Associate / Joint Venture is not consolidated	Consolidated	Consolidated
5. Net worth attributable to shareholding as per latest audited Balance Sheet	41,63,82,870	(3,25,27,260)
6. Profit / Loss for the year		
i. Considered in Consolidation	4,07,47,542	(2,42,89,509)
ii. Not Considered in Consolidation	3,86,35,942	—

- Names of associates or Joint Ventures which are yet to commence operations : Nil
- Names of associates or Joint Ventures which have been liquidated or sold during the year : Nil

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

KRISHNA PRAKASH E
Partner
Membership No: 216015
Coimbatore
11th August 2022

S.V. ARUMUGAM
Chairman & Managing Director
DIN 00002458

N. KRISHNARAJ
Company Secretary
ACS No. 20472

K. SADASHIVAM
Director
DIN 00610037

S. SESHADRI
Chief Financial Officer



ANNEXURE III

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A Brief outline of the Company's CSR policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

Promoting Education and Rural development projects (vide Items 2 & 10 of Schedule VII)

- ❖ Actively participating in integrated rural community development
- ❖ Focus on adopting villages and holistic development of the same
- ❖ Education along with Health & Sanitation will be the prime concern areas
- ❖ Promote quality of services delivered be it basic education, basic health, early childhood care and education by supplementing the effort of Government and suitably identifying the critical gaps and addressing it squarely.
- ❖ Continuously engaging with the community in terms of social development.
- ❖ Contributing to Prime Minister's National Relief Fund or any other Fund set up by the Central Government for development and relief approved by the CSR Committee and covered in the CSR Rules as amended from time to time.

2. Constitution of CSR Committee

S.No	Name of the 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.	Sri S V Arumugam	Chairman & Managing Director	2	2
2.	Sri S Palaniswami	Independent Director	2	1
3.	Sri K Sadhasivam	Independent Director	2	2

1. Provide the web link where composition of CSR Committee, CSR policy and CSR Projects approved by the Board are disclosed on the website of the company : www.bannarimills.com
2. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report) : Not Applicable
3. 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 :

S. No.	Financial Year	Amount available for set off from preceding financial years (in Rs)	Amount required to be set off for the financial year, if any (in Rs.)
1.	2020-21	13,096	2,42,963

6. Average net profit of the company as per section 135(5). Rs. 6,35,06,667/-
7.
 - a) Two percent of average net profit of the company as per section 135(5) Rs. 12,70,133/-
 - b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years —
 - c) Amount required to be set off for the financial year, if any Rs. 13,096/-
 - d) Total CSR obligation for the financial year (7a+7b-7c). Rs. 12,57,037/-



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

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
15,00,000/-	Nil	-	-	Nil	-

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

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency
				State	District						Name CSR Registration number.
	NIL										

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

Sl. No.	Name of the Project	Item No. the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the activities		Amount spent for the project (in Rs.)	Mode of implementation Direct (Yes/No)	Mode of implementation Through implementing agency	
				State	District			Name	CSR Registration Number
1)	Supply of COVID protective PPE Kits	Yes	(xii)	Tamilnadu	Coimbatore	15,00,000	No	Rotary Club of Coimbatore Metropolis	CSR00003334



- (d) Amount spent in Administrative Overheads : NIL
- (e) Amount spent on Impact Assessment, if applicable : Nil
- (f) Total amount spent for the Financial Year : Rs.15,00,000/-
(8b+8c+8d+8e)

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	12,70,133/-
(ii)	Total amount spent for the Financial Year	15,00,000/-
(iii)	Excess amount spent for the financial year ((ii)-(i))	2,29,867/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years ((iii)-(iv))	2,42,963/-*

* Including amount of Rs.13,096/- excess spent in previous financial year 2021 - 22.

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer	
	NIL						



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

Sl. No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing
<p style="text-align: center;">————— NIL —————</p>								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). Nil
- (a) Date of creation or acquisition of the capital asset(s). Nil
- (b) Amount of CSR spent for creation or acquisition of capital asset. Nil
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset, is registered, their address etc., Nil
- (d) Provide details of the capital assets(s) created or required (including complete address and location of the capital asset) Nil
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). Fully spent

Coimbatore
11th August, 2022

S V ARUMUGAM
Chairman of CSR Committee
and Managing Director
DIN 00002458



ANNEXURE IV

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

The information 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 31st March, 2022 is given here below, and forms part of the Director's Report.

A. CONSERVATION OF ENERGY

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

Various measures are under consideration for conservation of energy in the production units. Energy Audits are also conducted to suggest measures to conserve energy. During the year, LED light fittings conversion was done in Spinning units apart from other conservation measures.

- (ii) The steps taken by the company for utilising alternate source of energy;

During the year under review the company utilized wind power of 351.45 Lakh units by way of captive consumption. The Company has also invested in Solar Power Generating companies for supply Power to the Company's manufacturing facilities. The supply of power is expected to start in the financial year 2022-23

- (iii) The capital investment on energy conversation equipments;- Nil

B. TECHNOLOGY ABSORPTION

1. The efforts made towards technology absorption; - Nil
2. The benefits derived like product improvement, cost reduction, product development or import substitution; - Nil
3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year); - Nil
4. The expenditure incurred on Research and Development;-Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review foreign exchange earnings were Rs.33171.36 Lakhs (Rs.18763.67 Lakhs). Foreign exchange outgo was Rs.817.72 Lakhs (Rs. 1367.63 Lakhs).

By Order of the Board

S V ARUMUGAM

Chairman & Managing Director

DIN 00002458

Coimbatore
11th August, 2022



ANNEXURE V

Disclosure in the Board's Report

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

- (i) The Ratio of the remuneration of each director to the median remuneration of the employees of the company for the Financial year 2021 -22

Director's Name	Ratio
Sri S V Arumugam, Managing Director	712.39:1

- (ii) The Percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary or Manager if any in the Financial year 2021-22 compared to 2020-21

Director's Name/CS/CFO	% increase in remuneration
Sri S V Arumugam, Managing Director	1102.93
Sri N Krishnaraj, Company Secretary	17.78
Sri S Seshadri, Chief Financial Officer	16.21

In respect of other Directors, the Company is paying only sitting fees. Hence, not considered for the above purposes.

(iii)	Percentage increase in the median remuneration of employees in the Financial year 2021 - 22	(4.12)
(iv)	Number of permanent employees on the rolls of the Company	5268

- (v) Average percentile increase already made in the salaries of Employees other than Managerial Personnel in the last financial year and its comparison with the percentile increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

The average percentile increase granted to employees other than managerial personnel is 32.54%

Since the managerial persons are being paid commission linked to company's profitability in terms of the resolutions passed by the shareholders of the Company under the provision of the Companies Act, 2013 it can't be compared with the percentile increase in Salaries of Employees.



The Board of Directors of the Company affirm that the remuneration paid to Directors, Key Managerial Personnel and employees is as per the remuneration policy approved by the Board of Directors of the Company.

- (vi) Particulars of Employees as per Rule 5(2) and Rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Table 1: Particulars of Top Ten Employees in terms of remuneration drawn under Rule 5(2):

Name (Age in years)	Designation	Gross Remuneration paid (in Rs.)*	Qualification	Date of Commencement of employment (experience in years)	Previous Employment
Sri S V Arumugam (73)	Managing Director	6,62,00,600	B.Sc., ACA	16.5.1993 (37)	Shiva Texyarn Limited
Sri J Annaraj (63)	GM - Weaving	26,98,398	DTT	30.3.2005 (35)	Loyal Textile Mills Limited
Sri S Seshadri (60)	Chief Financial Officer	23,10,630	B.Sc., ACA	1.4.2018 (31)	Shiva Texyarn Limited
Sri S Shankarkumar (55)	VP Marketing	22,92,264	B.Tech.,MBA	1.11.2013 (33)	Shiva Texyarn Limited
Sri N Krishnaraj (56)	Company Secretary	22,56,533	B.Com., ACS	3.8.2007 (34)	Bannari Amman Sugars Limited
Sri Swaminathan (52)	Head - Manufacturing	21,24,923	DTMFT	10.4.2017 (24)	Premier Spinning & Weaving Mills Pvt Limited
Sri K Mugunth (44)	Head-Business Development	20,83,019	B.B.A	09.03.2017(24)	Trident Limited
Sri A Ganapathy (57)	GM Business Development	20,30,786	B.Tech M.B.A	15.2.2017 (32)	Rohini Textile Industry Pvt Limited
Sri Shekhar Chandra Yadav (44)	Head Marketing	19,44,033	B.Com; PG Dip. (NIFT)	1.02.2015 (18)	Asmara Apparels, Tirupur
Sri S Rajasekar (55)	GM - Mills	18,53,473	DTT, MBA	20.08.2018(35)	Vee Bee Yarn Tex Ltd.

**Table 2 : The statement of employee(s) specified under Rule 5(2) (i), (ii), and (iii):**

Name	: S V Arumugam
Age	: 73
Designation	: Managing Director
Nature of Duties	: Managing the day to day affairs of the Company
Remuneration (Rs. in lakhs)	: 662.01
Qualification & Experience (years)	: B.Sc., ACA More than 37 years in Textile Industry
Date of commencement of employment	: 27.5.2005
Last employment	: Shiva Texyarn Limited

None of the employees hold (by himself or along with his spouse and dependent children) more than two percent of the equity shares of the Company.

By Order of the Board

S V ARUMUGAM

Chairman and Managing Director

DIN 00002458

Coimbatore
11th August, 2022



REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on corporate governance envisages the attainment of high levels of transparency, accountability, fairness and equity in all facets of its operations, procedures, reporting system and in all the interactions with its stakeholders.

Bannari Amman Spinning Mills Limited has adopted a Code of Conduct which lays down standards of values, ethics and business principles of management.

BOARD OF DIRECTORS

The Board comprises of 6 Directors viz., 1 Executive Director and 5 Non-Executive Independent Directors including a Woman Director.

S. No.	Name of the Director	Category	Number of Directorships held in other Companies*	Number of Board Committee Membership held in other Companies**	
				Chairman	Member
1.	Sri S V Arumugam	Executive	3	-	2
2.	Sri K N V Ramani	Non-Executive - Independent	3	4	-
3.	Sri S Palaniswami	Non-Executive - Independent	1	-	1
4.	Dr K R Thillainathan	Non-Executive - Independent	-	-	-
5.	Sri K Sadhasivam	Non-Executive - Independent	2	-	1
6.	Smt S Sihamani	Non-Executive - Independent	-	-	-

*Excluding private companies which are not subsidiary of public limited companies.

** Only Committees referred under Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are considered.



The name of the listed entities where the person is a Director and the category of Directorship as per Schedule V Part C of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

S.No	Name of the Directors	Name of the Listed Entities holding Directorships	Category of Directorships	No. of shares held
1.	Sri S V Arumugam	Bannari Amman Spinning Mills Limited	Chairman & Managing Director	688869
2.	Sri K N V Ramani	Bannari Amman Spinning Mills Limited	Independent Director	-
		Shiva Taxyarn Limited	Independent Director	-
		Shiva Mills Limited	Independent Director	-
		K.P.R Mills Limited	Independent Director	-
3.	Sri S Palaniswami	Bannari Amman Spinning Mills Limited	Independent Director	769
		Shiva Mills Limited	Independent Director	-
4.	Dr K R Thillainathan	Bannari Amman Spinning Mills Limited	Independent Director	-
5.	Sri K Sadhasivam	Bannari Amman Spinning Mills Limited	Independent Director	-
6.	Smt S Sihamani	Bannari Amman Spinning Mills Limited	Independent Director	-

The non-Executive Independent Directors fulfill the conditions laid down for appointment / re-appointment as Independent Directors as specified in Section 149 of the Companies Act, 2013 and rules made thereunder and Regulation 25 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A formal letter of appointment/re-appointment has been issued and a copy of the same is posted on the website of the Company viz. www.bannarimills.com.



BOARD MEETINGS AND ANNUAL GENERAL MEETING

During the financial year, 10 Board Meetings were convened by giving advance notices to the Directors. The meetings were held on 26.4.2021, 31.5.2021, 24.6.2021, 23.7.2021, 30.7.2021, 10.8.2021, 1.9.2021, 9.10.2021, 10.11.2021 and 10.2.2022. The interval between the two Meetings were well within the maximum period prescribed under the Companies Act, 2013 and Regulation 17 (2) of the SEBI (LODR) Regulations, 2015.

The Board is given all the material information which are incorporated in the Agenda papers for facilitating meaningful and focused discussions at the meetings.

Details of attendance of each Director at the Board Meetings and at the last Annual General Meeting (held on 27.9.2021) are furnished here below:

NAME OF THE DIRECTOR	NUMBER OF BOARD MEETINGS ATTENDED	LAST AGM ATTENDED YES / NO
1. Sri S V Arumugam (DIN 00002458)	10	Yes
2. Sri K N V Ramani (DIN 00007931)	8	Yes
3. Dr K R Thillainathan (DIN 00009400)	8	Yes
4. Sri S Palaniswami (DIN 00007901)	9	Yes
5. Sri K Sadhasivam (DIN 00610037)	10	Yes
6. Smt S Sihamani (DIN 06945399)	9	Yes

FAMILIARISATION PROGRAMME

At the time of appointment of Directors a formal letter of appointment is issued, which sets out roles, functions, duties and responsibilities expected from them. The Directors have also been explained the relevant regulations. The appointments are also provided with necessary information to understand the Company's operations, products and events relating to the Company.

CHART SETTING OUT THE SKILLS OF THE BOARD OF DIRECTORS

Board of Directors	Age	Date of appointment	Qualification	Skills
Sri S V Arumugam	73	27.6.2005	B.Sc., ACA	He has more than 37 years of experience in Textile Industry Sound knowledge on Company's business, policies, vision and mission, strengths, weakness, opportunities and threats of the Company's business operations.



CHART SETTING OUT THE SKILLS OF THE BOARD OF DIRECTORS (Contd...)

Board of Directors	Age	Date of appointment	Qualification	Skills
Sri K N V Ramani	90	25.7.2005	M.A., B.L	<p>He has more than 63 years of Specialization in Companies Act, Taxation, Labour Law etc.,</p> <p>Sound knowledge on Company's business, policies, vision and mission, strengths, weakness, opportunities and threats of the Company's business operations.</p> <p>Corporate Governance/ compliance management/ legal Advisory expertise/profession skills/intellectual inputs in relation to Company's business.</p>
Dr K R Thillainathan	68	26.5.2008	MBBS	<p>He has more than 43 years of Experience in Medical profession</p> <p>General administration</p>
Sri S Palaniswami	78	26.5.2008	B.E	<p>Electrical Engineering. He has more than 43 years of experience in the field of Vertical Transportation Elevators, Escalators and allied products.</p> <p>General administration</p>
Sri K Sadhasivam	75	22.8.2006	B.Sc.,	<p>He has more than 48 years of Experience in Transport Business</p> <p>General administration</p>
Smt S Sihamani	68	28.9.2015	B.A.	<p>Engaged in Social Welfare activities for the past 17 years</p> <p>General administration</p>



CODE OF CONDUCT

The Company has adopted the code of conduct for all Board Members and Senior Management as required under Regulation 17 (5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The code is posted on the company's website at www.bannarimills.com. All Board Members and Senior Management personnel have affirmed compliance with the code on an annual basis and a declaration to this effect signed by the Chairman is attached to this report.

AUDIT COMMITTEE

The Audit Committee consists of following Directors:

Sl. No.	Name	Position	No. of Meeting Attended
1.	Sri K N V Ramani	Chairman - Independent	6
2.	Sri S Palaniswami	Member - Independent	7
3.	Sri K Sadhasivam	Member - Independent	8

During the financial year, the Audit Committee met 8 times on 26.4.2021, 31.5.2021, 24.6.2021, 23.7.2021, 30.7.2021, 10.8.2021, 10.11.2021 and 10.2.2022. The Audit Committee Chairman was present at the last AGM.

The terms of reference of the Audit Committee are as set out in Regulation 18 (3) read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which inter-alia includes the following:

- a) Review 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;
- b) Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- c) Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
- d) Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the board for approval, with particular reference to:
 - I. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - II. Changes, if any, in accounting policies and practices and reasons for the same;
 - III. Major accounting entries involving estimates based on the exercise of judgment by management;
 - IV. Significant adjustments made in the financial statements arising out of audit findings;



- V. Compliance with listing and other legal requirements relating to financial statements;
 - VI. Disclosure of any related party transactions; and
 - VII. Modified opinions in the draft audit report.
- e) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 - f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 - g) Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
 - h) Approval or any subsequent modification of transactions of the company with related parties;
 - i) Scrutiny of inter-corporate loans and investments;
 - j) Valuation of undertakings or assets of the company, wherever it is necessary;
 - k) Evaluation of internal financial controls and risk management systems;
 - l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - n) Discussion with Internal Auditors of any significant findings and follow up thereon;
 - o) Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 - p) Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - r) To review the functioning of the Whistle Blower mechanism;
 - s) Approval of appointment of Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;



- t) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- u) To Review the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/ investments existing as on the date of coming into force of this provision.
- v) The Audit Committee shall mandatorily review the following information:
 - 1) Management discussion and analysis of financial condition and results of operations;
 - 2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - 3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - 4) Internal audit reports relating to internal control weaknesses; and
 - 5) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
 - 6) Statement of deviations:
 - i. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - ii. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee consists of 3 Directors, all of whom are independent:

Sl. No.	Name of the Director	Position
1.	Sri K N V Ramani	Chairman - Independent
2.	Sri S Palaniswami	Member - Independent
3.	Sri K Sadhasivam	Member - Independent

The Nomination and Remuneration Committee Chairman was present at the last Annual General Meeting.

The terms of reference specified by Board of Directors to the Nomination and Remuneration Committee are as under:

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;



- b) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- c) Devising a policy on diversity of board of directors;
- d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- e) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

Recommend to the Board, all remuneration, in whatever form, payable to senior management.

Remuneration Policy

The Nomination and Remuneration Committee has adopted a charter which, inter alia, deals with the manner of selection of Board of Directors/Key Managerial Personnel/Senior Managerial Personnel. The policy is accordingly derived from the said Charter. The policy on remuneration is available in the following weblink: www.bannarimills.com

Evaluation criteria

The Nomination and Remuneration Committee has formulated the methodology and criteria to evaluate the performance of the Board and each Director. The evaluation of the performance of the Board and its committees are evaluated through a questionnaire circulated to all directors and based upon the response to the questionnaire, the directors do a self-evaluation of their performance. Accordingly, Board reviewed the performance of each of the directors and expressed their satisfaction.

The performance evaluation of the Chairman and the Managing Director was carried out separately by the Independent Directors. The Independent Directors expressed their satisfaction on the performance of the Chairman and the Managing Director.

Remuneration paid to Managing Director is as follows:

Name	Designation	Remuneration received (Rs.)
Sri S V Arumugam	Managing Director	6,62,00,600



Remuneration paid to Director:

All the non-executive Directors are paid with sitting fee of Rs. 10,000/- as recommended by Nomination and Remuneration Committee and approved at the Board Meeting held on 14.8.2018 for each Board Meeting and Audit Committee Meeting attended by them.

Meeting of Independent Directors

During the year under review the Independent Directors met on 10.2.2022 for the following purposes:

- Evaluation of performance of non- Independent Directors and the Board as a whole
- Evaluation of performance of the Chairman and Managing Director of the Company
- Evaluation of quality and flow of information to the Board

All the Independent Directors were present at the meeting.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has constituted Corporate Social Responsibility Committee which shall recommend to the Board, the activities to be undertaken by the Company as specified in Schedule VII, of the Companies Act, 2013 recommend the amount of expenditure to be incurred on such activities and monitor the CSR policy of the Company. The company has fully spent the amount stipulated under the requirements of the Act. Corporate Social Responsibility Committee consisting of the following Directors with effect from 21.5.2014.

- | | | |
|----------------------|---|----------------------|
| 1. Sri S V Arumugam | - | Managing Director |
| 2. Sri S Palaniswami | - | Independent Director |
| 3. Sri K Sadhasivam | - | Independent Director |

SUBSIDIARIES

The Company has one material subsidiary viz., Young Brand Apparel Private Limited within the meaning of Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The company has adopted a Policy for determining material subsidiary and is available in the weblink: http://bannarimills.com/?page_id=753&rtype=Policies

RELATED PARTY TRANSACTIONS

The company has adopted policy on dealing with Related parties. The same is disclosed in the website of the company and is available in the following

weblink: http://bannarimills.com/?page_id=753&rtype=Policies



RISK MANAGEMENT COMMITTEE

Requirement for constitution of Risk Management Committee pursuant to Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 is not applicable to the Company.

The Company has adopted Policy on Foreign Exchange Risk Management on 12.11.2015

Disclosures regarding commodity price risk and hedging activities pursuant to Regulation 34(3) read with clause 9(n) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Exposure to commodity risks faced by the company throughout the year

Total exposure of the Company to commodities in INR : NIL

Exposure of the company to various commodities : NIL

Commodity name	Exposure in INR towards the particular commodity	Exposure in quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				Total
			Domestic Market		International Market		
			OTC	Exchange	OTC	Exchange	
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—

WHISTLE BLOWER MECHANISM

The Company has established a whistle blower policy/vigil mechanism for Directors and Employees to report concerns about unethical behavior, actual or suspected incidents of fraud or violation of the code of conduct or ethics policy. This mechanism provides adequate safeguards against victimization of directors/employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee. The whistle blower policy is posted on the company's website at the link www.bannarimills.com.

SHAREHOLDING OF NON-EXECUTIVE DIRECTORS AS ON 31.3.2022

Name of the Director	No. of shares held
Sri K N V Ramani	Nil
Dr K R Thillainathan	Nil
Sri S Palaniswami	769
Sri K Sadhasivam	Nil
Smt S Sihamani	Nil



STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee was formed to specifically look into shareholders/investors complaints if any, on transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividend, etc., and also the action taken by the Company on those matters.

The Stakeholders Relationship Committee consists of:

1.	Sri S Palaniswami	Chairman
2.	Sri S V Arumugam	Member
3.	Sri K Sadhasivam	Member

Sri N Krishnaraj, Company Secretary is the Compliance Officer.

The company has received 28 numbers of complaints from the Investors for redressal during the year and were resolved, no complaint was pending at the beginning of the year.

CEO & CFO CERTIFICATION

The Managing Director and Chief Financial Officer have furnished a certificate relating to financial statements and internal controls and systems to the Board of Directors as prescribed under Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Board took the same on record.

INSIDER TRADING

In compliance with SEBI Regulations in prohibition of insider trading the company has framed a comprehensive Code of Conduct. The Code lays down guidelines and procedures to be followed and disclosures to be made by the management staff while dealing with the shares of the company.

GENERAL BODY MEETINGS

Details of last three Annual General Meetings and special resolutions passed there at are as follows:

AGM	Date & Time	Special Resolutions Passed	Voting Pattern
29 th	19.8.2019 9.45 A.M	i) Re-appointment of Sri K N V Ramani (DIN 00007931) as an Independent Director, for second term of five consecutive years from 25.8.2019 to 24.8.2024 pursuant to Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013	Total Votes polled : 87,64,152 Votes polled for : 87,64,077 Votes against : 75 Votes neutral : Nil Votes Invalid : 311



GENERAL BODY MEETINGS (Contd...)

AGM	Date & Time	Special Resolutions Passed	Voting Pattern
		ii) Re-appointment of Dr K R Thillainathan (DIN 00009400) as an Independent Director, for second term of five consecutive years from 25.8.2019 to 24.8.2024 pursuant to Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013	Total Votes polled : 87,64,152 Votes polled for : 87,64,077 Votes against : 75 Votes neutral : Nil Votes Invalid : 311
		iii) Re-Appointment of Sri S Palaniswami, (DIN 00007901) as an Independent Director, for second term five consecutive years, from 25.8.2019 to 24.8.2024, pursuant to Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013	Total Votes polled : 87,64,152 Votes polled for : 87,64,077 Votes against : 75 Votes neutral : Nil Votes Invalid : 311
		iv) Re-Appointment of Sri K Sadhasivam, (DIN 00610037) as Non-Executive Independent Director, for second term of five consecutive years, from 25.8.2019 to 24.8.2024, pursuant to Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013	Total Votes polled : 87,64,152 Votes polled for : 87,64,077 Votes against : 75 Votes neutral : Nil Votes Invalid : 311
30 th	7.12.2020 11.30 A.M	i) Re-Appointment of Smt S Sihamani, (DIN 06945399) as Non-Executive Independent Director, for second term of five consecutive years, from 28.9.2020 to 27.9.2025, pursuant to Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013	Total Votes polled : 87,51,711 Votes polled for : 87,51,711 Votes against : Nil Votes neutral : Nil Votes Invalid : Nil
		ii) Sub-division of 1 (one) Equity Share of face value of Rs.10/- (ten) each fully paid up into Equity Shares of Rs.5/- (five) each fully paid up, resulting in issuance of 2 (two) Equity Shares of Rs. 5/- (five) each fully paid up, thereby keeping the paid up capital intact.	Total Votes polled : 87,51,711 Votes polled for: 87,51,711 Votes against : Nil Votes neutral : Nil Votes Invalid : Nil
		iii) Reclassification and increase the Authorised Share Capital of the Company from existing Rs.16,50,00,000/- to Rs.50,00,00,000/- and consequent alternation to the Capital Clause of Memorandum of Association of the Company	Total Votes polled: 87,51,711 Votes polled for: 87,51,711 Votes against:Nil Votes neutral:Nil Votes Invalid: Nil
		iv) Adoption of new set of Articles of Association of the Company	Total Votes polled: 87,51,711 Votes polled for: 87,51,711 Votes against:Nil Votes neutral:Nil Votes Invalid: Nil
		v) Further issue of equity shares on Rights Basis upto an amount not exceeding Rs.100/- Crore	Total Votes polled: 87,51,711 Votes polled for: 87,51,711 Votes against:Nil Votes neutral:Nil Votes Invalid: Nil



GENERAL BODY MEETINGS (Contd...)

AGM	Date & Time	Special Resolutions Passed	Voting Pattern
31 st	27.9.2021 11.00 A.M	i) Modification of remuneration payable to Sri SV Arumugam, Managing Director (DIN 00002458)	Total Votes polled : 1,71,76,159 Votes polled for : 1,71,68,869 Votes against : 7,290 Votes neutral : Nil Votes Invalid : Nil
		ii) Continuation of present term of Directorship of Sri K Sadhasivam (DIN 00610037) who attains the age of 75 years	Total Votes polled : 1,75,12,173 Votes polled for : 1,75,04,903 Votes against : 7,270 Votes neutral : Nil Votes Invalid : Nil

Sri R Dhanasekaran, Practicing Company Secretary, Coimbatore was appointed as Scrutinizer to conduct the voting process.

There is no Special Resolution is being proposed for the approval of shareholders through postal ballot in the forthcoming Annual General Meeting.

DISCLOSURES

- ✓ The Company has not entered into any transaction of a material nature with the related parties having potential conflict with the interest of the Company.
- ✓ There was no instance of non-compliance of any matter related to the capital markets during the last 3 years.
- ✓ The company has a Whistle Blower Policy in place and No personnel has been denied access to the Audit Committee.
- ✓ The Company has complied with all the mandatory requirements of Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in respect of Non-mandatory requirements the company has complied the conditions except the suggestion relating to appointment of separate persons to the post of Chairman and Managing Director/CEO and circulation of half Yearly financial results to each household of the shareholder.
- ✓ The Company has not raised funds through preferential allotment or qualified institutions placements, hence no reporting of utilisation of the same is made as specified under Regulation 32 (7A).
- ✓ There were no instances of Board for non-acceptance of any recommendation of any Committee of the Board which is mandatorily required during the Financial Year.



- ✓ The company has obtained a Certificate from Sri R Dhanasekaran, Company Secretary in Practice certifying 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. The said certificate is annexed to this report as Annexure.

MEANS OF COMMUNICATION

- i) The quarterly/half-yearly/annual financial results of the Company are announced within the stipulated period and are normally published in Business Standard (English) and Makkal Kural (Tamil) newspapers. The results and news items relating to the company are displayed in company's website www.bannarimills.com
- ii) The Management Discussion and Analysis forms part of this Annual Report.

SHAREHOLDERS' INFORMATION

Annual General Meeting

Day and Date	: Monday, 26 th September 2022
Time	: 10.25 A.M
Venue	: " Video Conferencing (VC)" "Other Audio Visual Means (OAVM)"

Financial Year

Results Announced	: 30.5.2022
Dividend payment Date	: On or before 25.10.2022
Announcement of quarterly Results	: i) During first/second week of August and November 2022, February and May 2023 or as stipulated by SEBI from time to time. ii) The financial results are displayed on the website of the Company www.bannarimills.com .

Date of book closure for the purpose of Dividend and Annual General Meeting 20.9.2022 to 26.9.2022 (Both days inclusive)



Share Price Movement

The high and low quotations of the company's shares on the National Stock Exchange of India Limited and BSE Limited together with Nifty and SENSEX from April 2021 to March 2022 were:

MONTH	SHARE PRICE				NSE - NIFTY		BSE - SENSEX	
	NSE (Rs. Ps.)		BSE (Rs. Ps.)		High	Low	High	Low
	High	Low	High	Low				
April 2021	71.20	58.55	71.45	58.30	15044.35	14151.40	50375.77	47204.50
May	107.00	60.10	108.20	60.15	15606.35	14416.25	52013.22	48028.07
June	84.70	76.25	87.90	73.15	15915.65	15450.90	53126.73	51450.58
July	114.05	84.60	113.00	71.15	15962.25	15513.45	53290.81	51802.73
August	106.85	78.25	108.75	78.15	17153.50	15834.65	57625.26	52804.08
September	101.00	55.05	101.80	54.70	17947.65	17055.05	60412.32	57263.90
October	71.20	58.00	70.95	58.10	18604.45	17452.90	62245.43	58551.14
November	74.30	60.00	74.20	60.00	18210.15	16782.40	61036.56	56382.93
December	86.00	65.05	86.50	64.90	17639.50	16410.20	59203.37	55132.68
January 2022	100.60	78.75	100.60	78.85	18350.95	16836.80	61475.15	56409.63
February	93.55	64.55	95.65	64.80	17794.60	16203.25	59618.51	54383.20
March	86.85	66.90	86.80	67.00	17559.80	15671.45	58890.92	52260.82

Based on the closing quotation of Rs.77.35 as at 31.3.2022 at NSE Mumbai, the market capitalization of the company was Rs.2507.75 Crore.

SHARE DETAILS

The Company's Equity Shares are listed on the following Stock Exchanges :

BSE Limited	Stock Code:	National Stock Exchange of India Limited	Stock Code:
Phiroze Jeejeebhoy Towers Dala Street, Mumbai - 400 001	532674	"Exchange Plaza" Bandra-Kurla Complex Bandra (E) Mumbai 400 051	BASML

The company has paid Annual Listing Fees for the year 2022-2023.



Outstanding GDRs/ADRs/Warrants or any convertible instruments

The company has not issued GDRs/ADRs/Warrants or any convertible instruments

DEMATERIALISATION OF SHARES

The shares of the company are in compulsory demat segment. The company's shares are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). Members have option to hold their shares in demat form (i.e electronic mode) either through the NSDL or CDSL. ISIN allotted to our company is INE186H01022.

SHARE TRANSFER AGENT

Link Intime India Private Limited,

Phone : (0422) 2314792, 2315792

Surya, 35, Mayflower Avenue, Behind Senthil Nagar

Fax : (0422) 2314792

Sowripalayam Road, Coimbatore - 641 028

E-mail : coimbatore@linkintime.co.in

Share Transfer documents, Non-Receipt of share certificates sent for transfer, nomination forms and change of address may directly be sent to the above address.

SHARE TRANSFER SYSTEM

The Share Transfers in physical form were discontinued w.e.f 1.4.2019 as per SEBI guidelines. Transmission/Transposition requests, if any, which are in physical form are returned within 30 days from the date of receipt if they are in order. The same are approved by the Share Transfer Committee who usually meets, if needed.

DISTRIBUTION OF SHAREHOLDING AS ON 31.3.2022

CATEGORY	No. of Shares Held	Percentage of Shareholding
Promoter's Holding	35880124	55.33
Banks/FIs/Mutual Funds	163492	0.25
Private Corporate Bodies	8980991	13.85
Indian Public	19479047	30.05
NRI/OCBs	338217	0.52
Total	64841871	100


PLANT LOCATIONS:

Spinning Units	
Nadukandanur Pirivu, Morepatty Post Vadamadurai, Dindigul 624 802, Tamilnadu.	Velvarkottai, Dindigul Trichy National Highway 45, Veda sandur Taluk, Dindigul 624 803, Tamilnadu.
Weaving Unit	Knitting Unit
Karanampet - Paruvai Road Paruvai Post, Coimbatore - 641 658	Karanampet - Paruvai Road Paruvai Post, Coimbatore - 641 658
Processing Unit	
Factory H-11, E-12 & R-44 SIPCOT Industrial Growth Estate Perundurai, Erode 638 052	
Garment Units	Retail Unit
Palladam Hitech Weaving Park, Sukkampalayam Village, K N Puram (Po), Palladam- 641 662	252, Mettupalayam Road Coimbatore - 641 043
Windmill Units	
Irukandurai & Dhanakarkulam Villages Radhapuram Taluk, Tirunelveli District, Tamilnadu	Chinnapudur Village Dharapuram Taluk Erode District, Tamilnadu
Melkaraipatti & Kottathurai Villages Palani Taluk Dindigul District Tamilnadu	
Address For Correspondence	
All investor related queries and complaints may be sent to the following address: The Company Secretary, Bannari Amman Spinning Mills Limited, Regd. Office: 252, Mettupalayam Road, Coimbatore-641 043 E-mail: shares@bannarimills.com	



CREDIT RATINGS

Credit ratings obtained by the Company and revisions thereto during the financial year 2021-22 for credit facilities availed by the Company from Banks are as follows:

Rating Agency	Communication No	Nature of facility	Rating	Rating action
CARE Ratings Limited	CARE/CMBO/RL/2021-22/1294 dt : 22.3.2022	Long term Bank facilities	CARE BBB; Stable (Triple B; Outlook : Stable)	Reaffirmed
		Short term Bank facilities	CARE A3 + (A Three Plus)	Reaffirmed
		Long term / Short Term / Bank facilities	CARE BBB; Stable / CAREA3 (Triple B ; Outlook: Stable / A Three)	Reaffirmed

AUDITORS FEES ON CONSOLIDATED BASIS

The total fees for all services paid by the Company and its subsidiaries on consolidated basis to the Statutory Auditors during the year 2021-22 is as follows:

(in Rupees)

S. No	Payment of fees towards	Holding Company	Subsidiary company
		Bannari Amman Spinning Mills Limited	Young Brand Apparel Private Limited
1.	Statutory Audit & Limited Review	26,75,000	7,50,000
2.	Taxation matters	-	-
3.	Other services	52,50,000	-

By Order of the Board

Coimbatore
11th August, 2022

S V ARUMUGAM
Chairman & Managing Director
DIN 00002458



MANAGEMENT DISCUSSION AND ANALYSIS

COMPANY'S BUSINESS

The Company's principal line of business is manufacturing and marketing of Cotton Yarn, Woven and Knitted fabrics, Home Textiles, Knitted Garments and Processing of fabrics. The Company has two spinning units near Dindigul, Tamilnadu with an installed capacity of 145440 spindles, Weaving and Home Textiles units at Karanampettai near Palladam with an installed capacity of 153 looms, Processing unit at SIPCOT, Perundurai with an installed capacity to process 5400 tonnes of fabric per annum, Knitting unit at Karanampettai near Palladam with installed capacity to produce 7200 tonnes of knitted fabric per annum, Garment units at Palladam Hi-tech weaving park and 27 Windmills with an installed capacity of 23.40 MW green power which is entirely used for captive consumption.

INDUSTRY STRUCTURE AND DEVELOPMENTS

The textile industry is one of the earliest industries to have developed in India. The textile & apparel industry contributes 5% to the country's GDP, 7% of industry output in value terms, and 12% of the country's export earnings. India is the 6th largest exporter of textiles and apparel in the world. India is one of the largest producers of cotton, silk and jute in the world. The textiles and apparel industry in India is the 2nd largest employer in the country providing direct employment to 45 million people and 100 million people in allied industries. India has also become the second-largest manufacturer of PPE in the world. More than 600 companies in India are certified to produce PPEs today, whose global market worth is expected to be over \$92.5 bn by 2025, up from \$52.7 bn in 2019.

Textile Industry in India continues to be dominated by cotton, accounting for nearly 3/4th of the total fibre consumption in the country. Globally fibre consumption is dominated by manmade fibres having 70 per cent of share in total fibre consumption. Contrary to the global trend, fibre consumption in India is skewed towards natural fibres with around 65% share, especially cotton.

The Indian textile and apparel industry is highly diversified with a wide range of segments ranging from products of traditional handloom, handicrafts, wool, and silk products to the organized textile industry in India. The organized textile industry in India is characterized by the use of capital-intensive technology for the mass production of textile products and includes spinning, weaving, processing, and apparel manufacturing.

OPPORTUNITIES

The Global Textile & Clothing industry size is estimated to be around USD 1000 billion of which China's share is more than 30% whereas India's share is only about 4 to 5% inspite of having a strong production base. Countries such as Bangladesh & Vietnam have a higher share than India though they do not have the Infrastructure which India has. Even a 1% shift in orders from China to India will result in USD 10 billion increase in exports and hence offering tremendous opportunity for India to improve its market share significantly.



China-plus-one has created a growth window for the Indian textiles segment, and the Production Linked Incentive (PLI) Scheme can give the sector a boost. There might not be a more opportune time for the industry to seize an opportunity to grow quickly and counter rising competition from Vietnam and Bangladesh.

OUTLOOK

The government of India has initiated various policies to support textile and apparel sector's growth for the long-term horizon. Government has recently approved setting up of 7 Mega Integrated Textile Region and Apparel Parks with a total outlay of INR. 4,445 crore in a period of 5 years to attract cutting edge technology and boost FDI and local investment in the sector. The PM MITRA Parks will create an integrated textiles value chain from spinning, weaving, processing/dyeing and printing to garment manufacturing at 1 location thus reducing the logistics cost.

The textile industry in India is very strong as it has a variety of natural and man-made fibres and yarns. India is one of the fastest-growing economies of the World. This creates a boost in the purchasing power of the people while it also spurs the demand for products of the textile industry. This boost results in a wide range of capacity to manufacture different products that can be transported within India as well as across the world. Apart from this, India has one of the most extremely varied textile sectors as it has hand-woven textiles on one end while capital intensive mills on the other end which results in an enormous number of opportunities in the textile industry. GOI is also rationalizing GST rates and has notified uniform GST rate at 12 % on manmade fibre (MMF), MMF yarn, MMF fabrics and apparel that has addressed the inverted tax structure in the MMF textile value chain. The changed rates will help the MMF segment grow and emerge as a big job provider in the Country. The PLI scheme announced for Technical Textiles and MMF segment will give a boost to the said sector.

Hence the outlook for textile industry looks promising and India has the potential to reach USD 100 billion in exports by 2025.

RISKS AND CONCERNS

Availability of Cotton, the main raw material for manufacture of Cotton Yarn, is subject to the vagaries of nature and the prices also fluctuate wildly based on supply/demand in the World market and Government policy on export of Cotton. Availability of adequate man power, fluctuations in forex markets are among other concerns which will have a bearing on the fortunes of the Industry.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate internal control procedures and systems commensurate with its size and nature of its business for purchase of raw materials, plant and machinery, components and other items and sale of goods. The checks and controls are reviewed by the Audit Committee for improvement in each of these areas on a periodical basis. The internal control systems are improved and modified continuously to meet with changes in business conditions, statutory and accounting requirements.



FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial performance of the Company has been discussed at length in Director's Report to the Members.

SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS FOR THE FINANCIAL YEAR 2020-21 AND 2021-22

S.No.	Ratios	31.3.2022	31.3.2021
1	Debtors Turnover	8.42	5.62
2	Inventory Turnover	4.40	3.63
3	Interest coverage	2.64	0.78
4	Current Ratio	1.36	0.79
5	Debt Equity Ratio	0.97	1.69
6	Operating Profit margin	9.52%	4.48%
7	Net Profit margin	3.79%	(1.22%)

DETAILS OF ANY CHANGE IN RETURN ON NETWORTH AS COMPARED TO IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF

Return on Networth 31.3.2022 : 10.88%

Return on Networth 31.3.2021 : (-) 3.40%

The RONW has improved during FY 22 as the performance of the Company is better due to higher demand for Textile & Clothing products coupled with increase in margins.

MEDIUM TERM AND LONG TERM STRATEGIES

The Company currently manufactures Cotton yarn, Knitted fabric, Grey and bleached woven fabric, made ups, Processed knit fabric and Apparel products for men, women and kids. The medium and long term strategies that will be initiated by the Company are discussed below.

Cotton Yarn :

The Spinning units presently produce about 90 tonnes of cotton yarn per day out of which hosiery (knitted) yarn forms a major portion. The Company has proposed to increase the production from 90 tonnes per day to 100 tonnes per day by changing the product mix which will result in improvement in margins. Accordingly Investment is being done in Spinning units. Efforts are under way to broaden the customer base.

**Knitted fabric :**

The Knitting unit presently produces about 20 to 25 tonnes of fabric per day. Production is against orders and emphasis will be on producing value added fabric (Lycra).

Woven fabric :

Production of fabric is generally against orders. A portion of fabric produced is transferred to Home Textile division for manufacture of value added products. Efforts are underway to identify new markets.

Home Textiles :

The main products are bleached fabric and madeups like bed linen products meant mainly for exports. Home textiles is one of the focus areas for the Company. It is proposed to start Terry Towels production also apart from existing products and new markets are also being explored.

Garments :

The Company is focusing on Garments & Retail segment which will cater to both domestic & export markets.

(Disclosure with limits set by competitive position, medium term and long term strategies as approved by Board of Directors)

Coimbatore
11th August, 2022

By Order of the Board
S V ARUMUGAM
CHAIRMAN & MANAGING DIRECTOR
DIN 00002458



DECLARATION ON CODE OF CONDUCT

To
The Members of
Bannari Amman Spinning Mills Limited

In compliance with the requirements of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, I declare that the Board of Directors and members of senior management have affirmed the compliance with the code of conduct during the financial year ended 31.3.2022.

By Order of the Board

Place : Coimbatore
Date : 30.5.2022

S V ARUMUGAM
Managing Director
DIN : 00002458

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Bannari Amman Spinning Mills Limited

I have examined the compliance of conditions of Corporate Governance by M/s Bannari Amman Spinning Mills Limited ('the company'), for the year ended on 31st March, 2022 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C and D of Schedule V of the Securities Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to a review of the procedures and implementation thereof adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and based on the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Securities Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015 during the year ended 31st March, 2022.

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

Place : Coimbatore
Date : 30.5.2022

R Dhanasekaran
Company Secretary in Practice
FCS 7070 / CP 7745
ICSI UDIN: F007070D000423563



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
BANNARI AMMAN SPINNING MILLS LIMITED
CIN: L17111TZ1989PLC002476
Registered office: 252, Mettupalayam Road,
Coimbatore-641043.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Bannari Amman Spinning Mills Limited having CIN:L17111TZ1989PLC002476 and having registered office at 252, Mettupalayam Road, Coimbatore - 641043 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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.

Place : Coimbatore
Date : 30.5.2022

R Dhanasekaran
Company Secretary in Practice
FCS 7070 / CP 7745
ICSI UDIN: F007070D000423596



INDEPENDENT AUDITOR'S REPORT

To The Members of Bannari Amman Spinning Mills Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Bannari Amman Spinning Mills (the "Company"), which comprise the Balance Sheet as at 31 March 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

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

- ❖ The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report including Annexures to Director's Report, Corporate Governance Report, Management Discussion and Analysis, but does not



include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

- ❖ Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- ❖ In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ❖ Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- ❖ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- ❖ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ❖ Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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



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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

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

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - 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 the Investor Education and Protection Fund by the Company.
 - iv.
 - a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 37(e) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 37(f) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - c) Based on the audit procedures performed 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 note 9(iii) to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Krishna Prakash E

(Partner)

(Membership No. 216015)

(UDIN: 22216015AJVRZJ7952)

Place : Coimbatore
Date : May 30, 2022



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of Bannari Amman Spinning Mills Limited (the "Company") as of 31 March 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on, the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Krishna Prakash E

(Partner)

(Membership No. 216015)

(UDIN: 22216015AJVRZJ7952)

Place : Coimbatore

Date : May 30, 2022



ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- I. a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and capital work-in-progress.
B. The Company has maintained proper records showing full particulars of intangible assets.
- b) The Company has a program of verification of property, plant and equipment and capital work-in-progress, so to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) Based on the examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) of all land and buildings disclosed in the financial statements included in property, plant and equipment and capital work-in-progress, are held in the name of the Company as at the balance sheet date. Immoveable properties of land and buildings whose title deeds have been pledged as security for loans, are held in the name of the Company based on the confirmations directly received by us from lenders.
- d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.
- e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.



- b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.
- iii. The Company has made investments in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which :

- a) The Company has provided loans to subsidiary and employees, stood guarantee for subsidiary during the year and details of which are given below :

Aggregate amount granted / provided during the year	Loans (Amount in Rs. Lakhs)	Guarantees (Amount in Rs. Lakhs)
Subsidiary company	-	-
Others - Employees	-	-
Balance outstanding as at balance sheet date: (gross)		
Subsidiary company	550.00	8,827.40
Others - Employees	4.48	-

- b) The guarantees provided, and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- c) In respect of loans granted by the Company, the schedule of repayment of principal has been stipulated and the repayments of principal amounts are regular as per stipulation.
- d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.



- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- vii. a) Undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, duty of custom, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there has been few delays in respect of remittance of Provident Fund and Goods and Service Tax dues.

There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Income-tax, duty of custom, cess and other material statutory dues in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

- b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on March 31, 2022.
- viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix. a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application.
- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and hence, reporting under clause (ix)(e) of the Order is not applicable.
- f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries and hence, reporting under clause (ix)(f) of the Order is not applicable.



- x. a) In our opinion, moneys raised by way of rights issue of the equity shares of the Company during the year, have been, prima facie, applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds. The Company has not raised moneys by way of Initial Public Offer/ further public offer through debt instruments.
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- xi. a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) To the best of our knowledge, 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 Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. 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 reports issued to the Company during the year upto December 2021 and the final internal audit reports where issued after the balance sheet date covering the period January 2022 to March 2022 for the period under audit.
- xv. In our opinion, during the year, the Company has not entered into any non-cash transactions with any of its directors or directors of it's subsidiary companies or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- d) The Group does not have any CIC as part of the group and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year



- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected 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 Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report 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 an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Krishna Prakash E

(Partner)

(Membership No. 216015)

(UDIN: 22216015AJVRZJ7952)

Place : Coimbatore

Date : May 30, 2022



STANDALONE BALANCE SHEET AS AT MARCH 31, 2022

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
1 Non-current assets			
a) Property, plant and equipment	3A	52,449.08	53,464.18
b) Capital work-in-progress	3D	372.18	-
c) Right-of-use assets	31	807.19	735.03
d) Financial assets	4		
i) Investments	4.1	2,811.53	2,645.41
ii) Loans	4.2	627.50	578.00
iii) Other financial assets	4.3	445.99	429.67
e) Other non-current assets	5	1,653.31	493.18
Total non-current assets		59,166.78	58,345.47
2 Current assets			
a) Inventories	6	21,396.19	18,138.79
b) Financial assets	7		
i) Trade receivables	7.1	17,621.42	12,905.95
ii) Cash and cash equivalents	7.2	1,074.56	877.98
iii) Bank balances other than (ii) above	7.2	98.78	2.60
iv) Loans	7.3	39.29	30.19
v) Other financial assets	7.4	972.72	1,287.73
c) Current tax assets	7.5	1,363.47	45.68
d) Other current assets	8	3,401.76	2,657.91
Total current assets		45,968.19	35,946.83
3 Assets classified as held for sale	3C	56.72	56.72
Total assets (1+2+3)		105,191.69	94,349.02
EQUITY AND LIABILITIES			
1 Equity			
a) Equity share capital	9	3,242.09	1,575.43
b) Other equity	10	41,119.36	28,087.79
Total equity		44,361.45	29,663.22
Liabilities			
2 Non-current liabilities			
a) Financial liabilities	11		
i) Borrowings	11.1	22,451.59	15,754.56
ii) Lease liabilities	31	90.85	18.56
b) Deferred tax liabilities (net)	29B	3,913.40	2,530.52
c) Other non-current liabilities	12	478.46	703.58
Total non - current liabilities		26,934.30	19,007.22
3 Current liabilities			
a) Financial liabilities	13		
i) Borrowings	13.1	20,595.32	34,474.78
ii) Lease liabilities	31	61.88	61.72
iii) Trade payables			
a) Total outstanding dues of micro enterprises and small enterprises	13.2	906.70	1,738.88
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	13.2	9,552.78	7,783.01
iv) Other financial liabilities	13.3	101.39	208.36
b) Provisions	14	1,565.08	239.00
c) Other current liabilities	15	1,112.79	1,172.83
Total current liabilities		33,895.94	45,678.58
Total equity and liabilities (1+2+3)		105,191.69	94,349.02
See accompanying notes forming part of the financial statements			

In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

KRISHNA PRAKASH E
Partner
Membership No: 216015
Coimbatore
30.05.2022

S.V. ARUMUGAM
Chairman & Managing Director
DIN 00002458

N. KRISHNARAJ
Company Secretary
ACS No. 20472

K. SADASHIVAM
Director
DIN 00610037

S. SESHADRI
Chief Financial Officer



STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
I Revenue from operations	16	128,542.58	85,963.70
II Other income	17	425.61	576.08
III Total Revenue (I + II)		128,968.19	86,539.78
IV Expenses			
a) Cost of materials consumed	18A	88,109.70	53,915.96
b) Purchase of stock-in-trade	18B	51.76	51.12
c) Changes in inventories of finished goods and work-in-progress	19	(1,290.31)	5,496.98
d) Employee benefits expense	20	11,070.38	7,913.10
e) Finance costs	21	4,632.54	5,675.63
f) Depreciation expense	3B & 31	2,817.61	2,809.11
g) Other expenses	22	15,968.44	11,923.22
Total Expenses		121,360.12	87,785.12
V Profit / (loss) before tax (III - IV)		7,608.07	(1,245.34)
VI Tax expense			
a) Current tax	29A	1,730.69	-
b) Deferred tax	29A	1,007.64	(190.29)
Total tax expense		2,738.33	(190.29)
VII Profit / (loss) for the year (V - VI)		4,869.74	(1,055.05)
VIII Other comprehensive income/(loss)		(44.87)	46.10
A i) Items that will not be reclassified to profit or loss			
a) Remeasurements of the defined benefit liabilities/(asset)		(68.17)	67.00
b) Gain/(loss) on equity instruments designated at FVTOCI		2.95	-
ii) Income tax relating to items that will not be reclassified to profit or loss		20.35	(20.90)
IX Total comprehensive income / (loss) for the year (VII + VIII)		4,824.87	(1,008.95)
X Earnings / (loss) per equity share: in Rs.	28		
1) Basic and diluted as reported		12.61	(3.35)
2) Basic and diluted as adjusted		12.61	(2.39)
See accompanying notes forming part of the financial statements			

In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

KRISHNA PRAKASH E
Partner
Membership No: 216015
Coimbatore
30.05.2022

S.V. ARUMUGAM
Chairman & Managing Director
DIN 00002458

N. KRISHNARAJ
Company Secretary
ACS No. 20472

K. SADASHIVAM
Director
DIN 00610037

S. SESHADRI
Chief Financial Officer


STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Lakhs)

	No. of shares	Amount
a) Equity share capital		
Balance at the April 1, 2020	15,754,269	1,575.43
Add: Increase in number of shares due to split of face value from Rs.10/- per share to Rs.5/- per share during the year	15,754,269	-
Balance at the March 31, 2021	31,508,538	1,575.43
Balance as at April 1, 2021	31,508,538	1,575.43
Add: Issue of rights shares of Rs.5/- per share during the year	33,333,333	1,666.66
Balance as at March 31, 2022	64,841,871	3,242.09

b) Other equity

(Rs. in Lakhs)

Particulars	Reserves and surplus			Items of other comprehensive income		Total other equity
	Securities premium account	General reserve	Retained earnings	Remeasurements of the defined benefit liabilities / (asset)	Equity instruments through other comprehensive income	
Balance as at April 1, 2020	7,930.76	16,295.22	4,851.10	16.17	3.49	29,096.74
Profit / (loss) for the year	-	-	(1,055.05)	-	-	(1,055.05)
Other comprehensive income (net of taxes)	-	-	-	46.10	-	46.10
Balance as at March 31, 2021	7,930.76	16,295.22	3,796.05	62.27	3.49	28,087.79
Balance as at April 1, 2021	7,930.76	16,295.22	3,796.05	62.27	3.49	28,087.79
Profit / (loss) for the year	-	-	4,869.74	-	-	4,869.74
Securities premium on rights issue of equity shares	8,333.33	-	-	-	-	8,333.33
Rights issue expenses	(126.63)	-	-	-	-	(126.63)
Other comprehensive income (net of taxes)	-	-	-	(46.79)	1.92	(44.87)
Balance as at March 31, 2022	16,137.46	16,295.22	8,665.79	15.48	5.41	41,119.36

In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

S.V. ARUMUGAM
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K. SADASHIVAM
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Membership No: 216015
Coimbatore
30.05.2022

N. KRISHNARAJ
Company Secretary
ACS No. 20472

S. SESHADRI
Chief Financial Officer



STANDALONE STATEMENT OF CASHFLOWS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit / (loss) after tax		4,869.74		(1,055.05)
Adjustments for:				
Tax expense	2,738.33		(190.29)	
Depreciation expense	2,817.61		2,809.11	
(Profit) / loss on sale of property, plant and equipment	54.49		(380.55)	
Loss on sale of investments	0.55		-	
Finance costs	4,632.54		5,675.63	
Interest income	(109.04)		(116.70)	
Allowance for doubtful trade receivables and bad debts written off	388.87		501.54	
Net unrealised exchange (gain)	(81.01)		(57.48)	
		10,442.34		8,241.26
Operating profit before working capital changes		15,312.08		7,186.21
Changes in working capital:				
Adjustments for increase / (decrease) in operating assets:				
Financial assets				
Trade receivables	(5,023.33)		3,061.87	
Loans	(58.60)		(12.40)	
Other financial assets	250.83		665.60	
Non-financial assets				
Inventories	(3,257.40)		6,733.22	
Other non-financial assets	(1,969.20)		201.25	
Adjustments for increase / (decrease) in operating liabilities:				
Financial liabilities				
Trade payables	937.59		(1,769.67)	
Other financial liabilities	(48.54)		32.49	
Non-financial liabilities				
Provisions	(9.02)		103.67	
Other non-financial liabilities	(84.44)		283.05	
		(9,262.11)		9,299.08
Net income tax paid		6,049.97		16,485.29
		(1,317.80)		121.31
Net cash flow from operating activities (A)		4,732.17		16,606.60
B. CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure on property plant and equipment, including capital advances	(2,201.27)		(794.90)	
Margin money deposits	(96.63)		164.00	
Purchase of investments	(184.27)		(1.04)	
Sale of investments	17.60		-	
Proceeds from sale of property, plant and equipment	68.46		1,072.17	
Inter corporate deposit	-		(578.00)	
Interest received	97.05		133.16	
Net cash flow used in investing activities (B)		(2,299.06)		(4.61)


STANDALONE STATEMENT OF CASHFLOWS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from rights issue of equity shares (net of expenses)	9,873.36		-	
Proceeds from non-current borrowings	6,467.79		1,700.00	
Repayment of non-current borrowings	(4,294.77)		(4,728.15)	
Decrease in working capital borrowings	(9,355.45)		(8,902.76)	
Repayment of lease liabilities	(86.91)		(96.44)	
Finance costs paid	(4,840.56)		(6,353.60)	
Net cash flow used in financing activities (C)		(2,236.54)		(18,380.95)
Net increase / (decrease) in cash and cash equivalents (A+B+C)		196.58		(1,778.96)
Add: Cash and cash equivalents at the beginning of the year		877.98		2,656.94
Cash and cash equivalents at the end of the year *		1,074.56		877.98
* Comprises:				
a) Cash on hand	4.52		3.74	
b) Cheques/drafts on hand	1.88		4.00	
c) Balances with banks:				
i) In current accounts	1,068.16		870.24	
ii) In deposit accounts	-		-	
Total		1,074.56		877.98
See accompanying notes to the standalone financial statements				

In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

S.V. ARUMUGAM
Chairman & Managing Director
DIN 00002458

K. SADASHIVAM
Director
DIN 00610037

KRISHNA PRAKASH E
Partner
Membership No: 216015

N. KRISHNARAJ
Company Secretary
ACS No. 20472

S. SESHADRI
Chief Financial Officer

Coimbatore
30.05.2022



Notes to the standalone financial statements for the year ended March 31, 2022

Note No.	Particulars
1.	Corporate information
	Bannari Amman Spinning Mills Limited (the "Company") is a integrated textile company engaged in the manufacture of cotton yarn, knitted & woven fabrics, processing of fabrics, finished garments, home textiles and wind power generation. The Company was incorporated in the year 1989 and issued shares to the public in the year 2006. The standalone financial statements were approved for issue by the Board of Directors on May 30, 2022.
2.	Significant accounting policies
	This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.
2.1	Basis of accounting and preparation of financial statements
	i) Compliance with Ind AS
	The standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) (Companies (Indian Accounting Standards) Rules, 2015) and other relevant provisions of the Act as amended from time to time. The Company has consistently applied accounting policies to all periods.
	ii) Historical cost convention
	The financial statements have been prepared on a historical cost basis, except for the following:
	a) Certain property, plant and equipment, financial assets and liabilities that are measured at fair value
	b) Defined benefit plans – plan assets measured at fair value
	c) Assets held for sale – measured at fair value less cost to sell
2.2	Segment reporting
	Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Company assesses the financial performance and position of the Company, and makes strategic decisions. The board of directors, which has been identified as being the chief operating decision maker.
2.3	Use of estimates
	In the application of the Company's accounting policies, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets


Notes to the standalone financial statements for the year ended March 31, 2022

Note No.	Particulars
	<p>and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.</p> <p>The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.</p> <p>The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.</p> <p>a) Impairment of investments in subsidiaries The Company reviews its carrying value of investments in subsidiaries at cost, annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for."</p> <p>b) Useful lives of property, plant and equipment The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This assessment may result in change in the depreciation expense in future periods. Useful life in years : Factory building - 30, Building (non factory) - 60, Plant and machinery (main) - 30, Plant and machinery (others) - 15, Office equipment's - 5, Furniture & fittings - 10, Vehicles - 8."</p> <p>c) Deferred tax assets The carrying amount of deferred tax asset is reviewed at each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered."</p> <p>d) Employee benefits The cost of defined benefit plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty."</p>
2.4	<p>Inventories</p> <p>Inventories are valued at lower of cost and net realisable value. Cost of raw materials, Packing materials, Stores and Spares and consumables are valued at specific identification method. Value of finished goods and work-in-progress are determined on weighted average basis and include appropriate share of overheads.</p>
2.5	<p>Cash and cash equivalents</p> <p>Cash and cash equivalents comprise cash on hand and demand deposits with banks other than deposits pledged with government authorities and margin money deposits.</p>



Notes to the standalone financial statements for the year ended March 31, 2022

Note No.	Particulars
	<p>Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value. Bank borrowings are generally considered to be financing activities. However, where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents. A characteristic of such banking arrangements is that the bank balance often fluctuates from being positive to overdrawn.</p>
2.6	<p>Cash flow statement</p> <p>Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.</p>
2.7	<p>Taxes on income</p> <p>a) Current tax</p> <p>The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit / (loss) before tax' as reported in the standalone statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted and are applicable as at the end of the reporting period. In the absence of adequate taxable profits, the Company is required to pay Minimum Alternate Tax (MAT) on the book profits, as adjusted for certain provisions.</p> <p>b) Deferred tax</p> <p>Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.</p> <p>MAT paid in accordance with the tax laws, if any, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax. Accordingly, MAT is recognised as a deferred</p>



Notes to the standalone financial statements for the year ended March 31, 2022

Note No.	Particulars
2.8	<p>tax asset in the Balance sheet when it is highly probable that future economic benefit associated with it will flow to the Company.</p> <p>The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.</p> <p>Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.</p> <p>c) Current and deferred tax for the year</p> <p>Current and deferred tax are recognised in the Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.</p>
	<p>a) Property, plant and equipment</p> <p>The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.</p> <p>An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.</p> <p>Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.</p> <p>Freehold land and leasehold land where the lease is convertible to freehold land under lease agreements at future dates at no additional cost, are not depreciated.</p>



Notes to the standalone financial statements for the year ended March 31, 2022

Note No.	Particulars
	<p>b) Capital work-in-progress</p> <p>Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses.</p> <p>Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.</p> <p>The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.</p> <p>c) Depreciation and Amortisation</p> <p>Depreciation on assets (other than freehold land) has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following assets which are considered based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc., Depreciation is provided pro-rata from the date of Capitalisation. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period. Plant and Machinery - 25 to 30 years Windmill - 30 years Factory Building - 30-60 years"</p>
2.9	<p>Leases</p> <p>The Company's lease asset classes primarily consist of leases for land and buildings. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.</p> <p>"The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received."</p> <p>"The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is initially measured at the</p>


Notes to the standalone financial statements for the year ended March 31, 2022

Note No.	Particulars
	<p>present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero."</p> <p>2.10 Revenue recognition</p> <p>i) Sale of goods</p> <p>Revenue from sale of goods is recognised when control of the goods is transferred to the Customers. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates."</p> <p>ii) Time and material</p> <p>Revenue from time and material contracts are recognised as and when services are rendered to the customer. These are based on the efforts spent and rates agreed with the customer. Revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue."</p> <p>iii) Dividend and interest income</p> <p>Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably). Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition."</p> <p>iv) Other operating revenue</p> <p>Income incidental to exports such as duty drawback, Merchandise Exports from India Scheme (MEIS), income from import entitlement and premium on sale of such entitlement are recognised when there is a reasonability of collection."</p>
2.11	<p>Employee benefits</p> <p>Employee benefits include provident fund, employee state insurance, gratuity fund and compensated absences.</p>



Notes to the standalone financial statements for the year ended March 31, 2022

Note No.	Particulars
	<p>a. Retirement benefit costs and termination benefits</p> <p>Payments to defined contribution Retirement Benefit Plans are recognised as an expense when employees have rendered service entitling them to the contributions.</p> <p>For defined benefit Retirement Benefit Plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.</p> <p>b. Defined benefit costs are categorised as follows</p> <ul style="list-style-type: none"> - service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements); - net interest expense or income; and - remeasurement <p>For defined benefit plan, in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme. The gratuity fund is maintained with Life Insurance Corporation of India.</p> <p>The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.</p> <p>The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.</p>


Notes to the standalone financial statements for the year ended March 31, 2022

Note No.	Particulars
	<p>A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.</p> <p>c. Short-term and other long term employee benefits</p> <p>A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.</p> <p>Liabilities recognised in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.</p> <p>Liabilities recognised in respect of other long term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.</p>
2.12	<p>Foreign currency transactions and translations</p> <p>i) Functional and presentation currency</p> <p>Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.</p> <p>ii) Transactions and balances</p> <p>Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses). Non-monetary assets and liabilities measured in terms of historical cost in foreign currencies are not retranslated. Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.</p>
2.13	<p>Borrowings and borrowing cost</p> <p>Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the</p>



Notes to the standalone financial statements for the year ended March 31, 2022

Note No.	Particulars
	<p>borrowings using the effective interest rate method. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.</p> <p>Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.</p> <p>Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.</p>
2.14	<p>Earnings per share</p> <p>Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period, adjusted for rights issue of equity shares during the period. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate."</p>
2.15	<p>Provisions and contingencies</p> <p>A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date</p>



Notes to the standalone financial statements for the year ended March 31, 2022

Note No.	Particulars
2.16	<p>and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.</p> <p>Financial instruments</p> <p>All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. While, financial liabilities like loans and borrowings and payables are recognised net of directly attributable transaction costs.</p> <p>For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortised cost, equity instruments at FVTOCI or fair value through profit and loss account (FVTPL) and financial liabilities at amortised cost or FVTPL.</p> <p>The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.</p> <p>a) Non-derivative financial assets</p> <p>i) Financial assets at amortised cost</p> <p>A financial asset shall be measured at amortised cost if both of the following conditions are met:</p> <ul style="list-style-type: none"> a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. <p>They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.</p> <p>The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction</p>



Notes to the standalone financial statements for the year ended March 31, 2022

Note No.	Particulars
	<p>costs and other premiums or discounts) through the expected life of the debt instrument, or where appropriate, a shorter period, to the gross carrying amount on initial recognition.</p> <p>Financial assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.</p> <p>Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other Income" line item.</p> <p>ii) Equity instruments at FVTOCI</p> <p>All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis.</p> <p>If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently reclassified to statement of profit and loss.</p> <p>iii) Financial assets at FVTPL</p> <p>FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL.</p> <p>In addition, the Company may elect to designate the financial asset, which otherwise meets amortised cost or FVOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency.</p> <p>Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.</p> <p>iv) Derecognition of financial assets</p> <p>The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and</p>


Notes to the standalone financial statements for the year ended March 31, 2022

Note No.	Particulars
	<p>rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.</p> <p>On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.</p> <p>On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.</p> <p>b) Non-derivative financial liabilities</p> <p>i) Financial liabilities at amortised cost</p> <p>Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.</p> <p>ii) Financial liabilities at FVTPL</p> <p>Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Finance costs' line item. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference</p>



Notes to the standalone financial statements for the year ended March 31, 2022

Note No.	Particulars
2.17	<p>between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.</p> <p>For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the statement of profit and loss. The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in statement of profit or loss.</p> <p>iii) Derecognition of non-derivative financial liabilities</p> <p>The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.</p> <p>2.17 Impairment</p> <p>a) Financial Assets</p> <p>In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.</p> <p>Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12-months after the reporting date.</p> <p>ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider :</p>



Notes to the standalone financial statements for the year ended March 31, 2022

Note No.	Particulars
	<p>i) All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.</p> <p>ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.</p> <p>As practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed.</p> <p>ECL impairment loss allowance (or reversal) recognised during the year is recognised as income/expense in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:</p> <p>Financial assets measured at amortised cost, contractual revenue receivable: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.</p> <p>b) Non-financial assets</p> <p>The Company assesses at each reporting date whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss.</p> <p>An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.</p> <p>The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of</p>



Notes to the standalone financial statements for the year ended March 31, 2022

Note No.	Particulars
	assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").
2.18	<p>Government grants</p> <p>Grants from the government are recognised when there is reasonable assurance that:(i) the Company will comply with the conditions attached to them; and(ii) the grant will be received."</p> <p>Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When the grant relates to an asset, it is recognized as income over the expected useful life of the asset.</p> <p>Where the Company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost it is recognised at a fair value. When loan or similar assistance are provided by government or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is recognized as government rate. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.</p>
2.19	<p>Operating cycle</p> <p>Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.</p>
2.20	<p>Amendments effective from April 1, 2022:On March 23, 2022, the Ministry of Corporate Affairs (MCA) issued certain amendments and annual improvements to Ind AS. These amendments are applicable for accounting periods beginning on or after April 1, 2022:• Ind AS 103 – Business Combinations – Reference to conceptual framework added• Ind AS 16 – Property, Plant and Equipment – Accounting for proceeds before an asset’s intended use• Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – Assessing if the contract is onerous• Annual improvements to Ind AS– Improvements added in Ind AS 101 (First time adoption of Ind AS), Ind AS 109 (Financial Instruments), Ind AS 116 (Leases) and Ind AS 41 (Agriculture)The Company will evaluate the impact of the above, where applicable, on the financial statements and give impact of the same in the relevant period.</p>



Notes to the standalone financial statements for the year ended March 31, 2022

3A Property, plant and equipment and capital work-in-progress (Rs. in Lakhs)

Carrying amounts of	As at March 31, 2022	As at March 31, 2021
Own land	4,933.99	4,933.99
Building - own	10,173.25	10,587.37
Building on leasehold land	1,553.09	1,345.91
Plant and machinery	35,393.31	36,210.24
Office equipment	78.06	80.66
Furniture and fittings	240.93	248.28
Vehicles	74.66	55.94
Tools and implements	1.79	1.79
Total	52,449.08	53,464.18
Capital work-in-progress	372.18	-
Total	52,821.26	53,464.18

Description of Assets	Own land	Building - own	Building on leasehold land	Plant and machinery	Office equipment	Furniture and fittings	Vehicles	Tools and implements	Total
I. Gross									
Balance as at April 1, 2020	4,939.06	12,644.03	1,542.30	44,833.71	460.79	432.29	107.92	1.88	64,961.98
Additions	-	19.99	24.29	732.24	19.69	1.35	7.09	-	804.65
Disposals	(5.07)	-	-	(1,771.22)	-	-	(7.59)	-	(1,783.88)
Balance as at March 31, 2021	4,933.99	12,664.02	1,566.59	43,794.73	480.48	433.64	107.42	1.88	63,982.75
Additions	-	47.45	333.00	1,332.69	34.66	41.89	30.61	-	1,820.30
Disposals	-	-	-	(129.67)	-	-	(1.41)	-	(131.08)
Balance as at March 31, 2022	4,933.99	12,711.47	1,899.59	44,997.75	515.14	475.53	136.62	1.88	65,671.97
II. Accumulated depreciation									
Balance as at April 1, 2020	-	1,596.98	170.11	6,549.79	346.66	138.23	56.48	0.09	8,858.34
Depreciation expenses for the year	-	479.67	50.57	2,093.99	53.16	47.13	0.34	-	2,724.86
Disposals	-	-	-	(1,059.29)	-	-	(5.34)	-	(1,064.63)
Balance as at March 31, 2021	-	2,076.65	220.68	7,584.49	399.82	185.36	51.48	0.09	10,518.57
Depreciation expenses for the year	-	461.57	125.82	2,054.36	37.26	49.24	11.83	-	2,740.08
Disposals	-	-	-	(34.41)	-	-	(1.35)	-	(35.76)
Balance as at March 31, 2022	-	2,538.22	346.50	9,604.44	437.08	234.60	61.96	0.09	13,222.89
Net (I-II)									
Balance as at March 31, 2021	4,933.99	10,587.37	1,345.91	36,210.24	80.66	248.28	55.94	1.79	53,464.18
Balance as at March 31, 2022	4,933.99	10,173.25	1,553.09	35,393.31	78.06	240.93	74.66	1.79	52,449.08

Amount pertaining to building on lease hold land comprised in the property, plant and equipment schedule represented by 252,841 equity shares of Rs.10/- each of Section 8 Company and Leave and license agreement. Refer Note 9 and 11 for the property, plant and equipment's secured for the borrowings.



Notes to the standalone financial statements for the year ended March 31, 2022

3B Depreciation and amortisation expenses

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Tangible assets	2,740.08	2,724.86
Depreciation on Right-of-use assets (Refer note 31)	77.53	84.25
	2,817.61	2,809.11

- 3C** The Company entered into an agreement to sell dated March 30, 2011 with Shiva Tex Yarn Limited for the sale of part of land situated at Velvarkottai, Dindigul and Kodangipalayam, Karanampet, Coimbatore, valued at Rs. 56.72 lakhs. Accordingly the said amount is disclosed as assets held for sale.

(Rs. in Lakhs)

3D

Capital work in progress	As at March 31, 2022	As at March 31, 2021
Opening balance	-	-
Add: Additions during the year	372.18	-
Less: Capitalised during the year	-	-
	372.18	-

Capital work in progress ageing	Amount of Capital work in progress for a period of				
	< 1 Year	1-2 Years	2-3 Years	> 3 Years	Total
Projects in progress					
As at March 31, 2022	372.18	-	-	-	372.18
As at March 31, 2021	-	-	-	-	-

Note : There are no projects suspended as at March 31, 2022 and March 31, 2021. There are no items of capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan in current and previous year.



Notes to the standalone financial statements for the year ended March 31, 2022

Non-current assets

4 Financial assets

4.1 Investments

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
I. Quoted investments (fully paid) carried at fair value		
Investments in equity instruments - others		
i) 250 (As at March 31, 2021 - 250) equity shares of Rs.10/- each in Bannari Amman Sugars Limited	6.77	3.82
ii) 34 (As at March 31, 2021 - 34) equity shares of Rs.10/- each in Moil Limited	0.03	0.03
Total quoted investments	6.80	3.85
II. Unquoted investments (fully paid)		
i) Investments in equity instruments - subsidiaries (carried at cost)		
i) 3,34,49,112 (As at March 31, 2021 - 3,34,49,112) equity shares of Rs.10/- each in Young Brand Apparel Private Limited	2,606.00	2,606.00
ii) NIL (As at March 31, 2021 - 10,000) equity shares of Rs.10/- each in Accel Apparels Private Limited (Wholly owned subsidiary)	-	1.00
iii) NIL (As at March 31, 2021 - 1,00,000) equity shares of Rs. 10/- each in Abirami Amman Designs Private Limited (Formerly Abirami Amman Mills Private Limited) (Wholly owned subsidiary)	-	10.00
iv) NIL (As at March 31, 2021 - 10,000) equity shares of Rs.10/- each in Bannari Amman Retails Private Limited (Wholly owned subsidiary)	-	1.00
v) 10,000 (As at March 31, 2021 - 10,000) equity shares of Rs.10/- each in Bannari Amman Infinite Trendz Private Limited (Formerly Bannari Amman Trendz Private Limited) (Wholly owned subsidiary)	1.00	1.00
ii) Investments - Others (carried at fair value)		
i) 6,443 (As at March 31, 2021 - 6,443) Preference shares of Shiva Automobile Private Limited of Rs.100/- each	5.10	5.10
ii) 15,000 (As at March 31, 2021 - 15,000) Equity shares of Rs.10/- each in OPG Metal Power Private Limited	1.50	1.50
iii) 99,900 (As at March 31, 2021 - 1,41,800) Equity shares of Rs.10/- each in OPG Power Generation Private Limited	11.10	15.93
iv) 18,00,000 (As at March 31, 2021 - NIL) Equity shares of Rs.10/- each in Nellai Renewables Private Limited	180.00	-
iii) Investments in Government securities (carried at fair value)		
Kisan Vikas Patra	0.03	0.03
Total Unquoted Investments	2,804.73	2,641.56
Total - Investments	2,811.53	2,645.41



Notes to the standalone financial statements for the year ended March 31, 2022

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Aggregate amount of quoted investments	6.80	3.85
Aggregate market value of quoted investments	6.80	3.85
Aggregate amount of unquoted investments	2,804.73	2,641.56

Note: On 30 November, 2021 pursuant to the approval of the Board of Directors, the Company has disposed off its entire holding in three of its wholly owned subsidiaries, namely Accel Apparels Private Limited, Abirami Amman Designs Private Limited and Bannari Amman Retails Private Limited.

4.2 Loans (Unsecured, considered good)

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
To related parties		
Inter corporate deposit (Refer Note 27)	550.00	550.00
Interest on inter corporate deposit	77.50	28.00
Total - Loans	627.50	578.00

4.3 Other financial assets (at amortised cost)

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Security deposits	445.99	429.67
Total - Other financial assets	445.99	429.67

5 Other non-current assets

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Capital advances	1,157.20	6.19
Other advances	188.02	63.72
Advance tax and tax deducted at source (Net)	236.09	423.27
Advance for investment in equity shares	72.00	-
Total - Other non-current assets	1,653.31	493.18



Notes to the standalone financial statements for the year ended March 31, 2022

CURRENT ASSETS

6 Inventories (At lower of cost and net realisable value)

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw materials	11,145.71	9,659.46
Goods in transit (Raw materials)	1,471.99	1,114.99
Work-in-progress	2,187.76	1,772.70
Finished goods	5,718.87	4,843.62
Stores and spares	871.86	748.02
Total - Inventories	21,396.19	18,138.79
Raw materials expensed	88,109.70	53,915.96

Refer Note 9 and 11 for the current assets secured for the borrowings.

7. FINANCIAL ASSETS

7.1 Trade receivables

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
A) Trade receivable considered good - Unsecured	17,621.40	12,905.93
B) Trade receivable - which have significant increase in credit risk	1,012.60	674.49
C) Trade receivable - Credit impaired	181.57	181.57
	18,815.57	13,761.99
Less: Allowance for doubtful trade receivables	(1,194.15)	(856.04)
Total - Trade receivables	17,621.42	12,905.95

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed. The Company estimates the following matrix at the reporting date.

Particulars	Ageing				
	< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years
Exports customers					
Default rate					
March 31, 2022	1.38%	15.00%	15.00%	15.00%	15.00%
March 31, 2021	-	-	-	-	-
Domestic customers					
Default rate					
March 31, 2022	5.96%	26.14%	26.14%	26.14%	26.14%
March 31, 2021	-	15.00%	15.00%	15.00%	15.00%



Notes to the standalone financial statements for the year ended March 31, 2022

(Rs. in Lakhs)

Particulars	Outstanding for following period from the date of invoice					Total
	< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
As at March 31, 2022						
Undisputed trade receivables - considered good	15,585.03	155.77	622.95	411.96	189.88	16,965.59
Undisputed trade receivables - which have significant increase in credit risk	729.68	39.56	37.21	3.80	21.82	832.07
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	16.37	25.64	613.80	655.81
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	180.53	180.53
Disputed trade receivables - credit impaired	-	-	2.89	-	178.68	181.57
As at March 31, 2021						
Undisputed trade receivables - considered good	10,492.23	229.57	517.06	880.74	130.52	12,250.12
Undisputed trade receivables - which have significant increase in credit risk	195.16	-	182.94	115.12	0.74	493.96
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	16.37	25.64	613.80	655.81
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	180.53	180.53
Disputed trade receivables - credit impaired	-	-	2.89	-	178.68	181.57

Movement in expected credit loss allowance

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	856.04	814.52
Movement in expected credit loss on trade receivables calculated at lifetime expected credit losses	338.11	41.52
Balance at the end of the year	1,194.15	856.04

Refer Note 9 and 11 for the current assets secured for the borrowings.

7.2 Cash and cash equivalents

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Cash on hand	4.52	3.74
b) Cheques/drafts on hand	1.88	4.00
c) Balances with banks :		
i) In current accounts	1,068.16	870.24
Total - Cash and cash equivalents	1,074.56	877.98
Bank balances other than above		
i) In earmarked accounts		
- Margin money deposits	96.63	-
- Unpaid dividend accounts	2.15	2.60
Total - Other bank balances	98.78	2.60
Of the above, balances that meet the definition of cash and cash equivalents as per Ind AS 7 Cash Flow Statements.	1,074.56	877.98



Notes to the standalone financial statements for the year ended March 31, 2022

7.3 Loans (Unsecured and considered good, unless stated otherwise)

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Employee advances	39.29	30.19
Total - Loans	39.29	30.19

Refer Note 9 and 11 for the current assets secured for the borrowings.

7.4 Other financial assets (Unsecured and considered good, unless stated otherwise)

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Accruals:		
- Interest accrued on fixed deposits with banks / margin money deposits / electricity deposits / trade receivables	11.98	-
- TUF subsidy receivable	630.38	662.59
- Incentive/grant receivable	160.89	531.00
- Unbilled revenue (Refer Note (i) below)	64.07	66.51
Rights issue expenses	-	27.63
Refundable deposit with stock exchange on rights issue	105.40	-
Total - Other financial assets	972.72	1,287.73

Note (i) Movement in unbilled revenue

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	66.51	488.60
Add: Revenue recognised during the year	64.07	-
Less: Reversal / adjustments during the year	66.51	422.09
Closing Balance	64.07	66.51

Refer Note 9 and 11 for the current assets secured for the borrowings.

7.5 Current Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Current tax assets	1,363.47	45.68
Total - Current tax assets	1,363.47	45.68



Notes to the standalone financial statements for the year ended March 31, 2022

8 Other current assets (Unsecured and considered good, unless stated otherwise)

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	428.16	393.79
Balances with government authorities :		
- Duty drawback receivable	911.60	512.43
- GST receivable	978.91	462.28
- ESI liquidated damage	7.58	7.58
Gratuity	10.18	155.61
Advance to suppliers	1,065.33	1,126.22
Total - Other current assets	3,401.76	2,657.91

Refer Note 9 and 11 for the current assets secured for the borrowings.

9 Equity share capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	Amount in lakhs	Number of shares held	Amount in lakhs
a) Authorised :				
i) Equity share capital				
Equity shares of Rs.5/- each	100,000,000	5,000.00	100,000,000	5,000.00
ii) Preference share capital				
Cumulative preference shares of Rs.100/- each	50,000	50.00	50,000	50.00
Total	100,050,000	5,050.00	100,050,000	5,050.00
b) Issued, subscribed and fully paid-up :				
i) Equity share capital				
Equity shares of Rs.5/- each	64,841,871	3,242.09	31,508,538	1,575.43
Total - Equity share capital	64,841,871	3,242.09	31,508,538	1,575.43

i) 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, 2022		As at March 31, 2021	
	Number of shares held	Amount in lakhs	Number of shares held	Amount in lakhs
Equity shares of Rs. 5/- each with voting rights				
At the beginning of the year	31,508,538	1,575.43	15,754,269	1,575.43
Add: Increase in number of shares due to split of face value from Rs.10/- per share to Rs.5/- per share during the year	-	-	15,754,269	-
Add: Issue of rights shares of Rs.5/- per share during the year (Refer Note 1 below)	33,333,333	1,666.66	-	-
Outstanding at the end of the year	64,841,871	3,242.09	31,508,538	1,575.43



Notes to the standalone financial statements for the year ended March 31, 2022

Note 1.

The Company has raised an amount of Rs.9,999.99 lakhs through Rights Issue of 33,333,333 Equity Shares of Rs.5/- each at an issue price of Rs.30/- per share. The Shares have been allotted to the shareholders on October 09, 2021. Consequent to the above allotment, the paid up share capital has been increased from Rs.1,575.43 lakhs to Rs.3,242.09 lakhs. The entire proceeds received from the Rights Issue during the year amounting to Rs.9,999.99 lakhs were used for the objects stated in the offer document of the Rights Issue.

ii) Terms / rights attached to the equity shares:

The Company has issued rights shares of Rs.5/- per share thereby increased number of existing shares. The Company has issued only one class of equity share having a face value of Rs.5/- per share. The holder of each equity share is entitled to one vote per share. 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 to all preferential creditors and other creditors, in the order of priority. The distribution will be in proportion to the number of equity shares held by shareholders. The company declares and pays dividend in Indian Rupees. The dividend proposed by Board of Directors is subject to the approval of Shareholders in the ensuing Annual General Meeting."

iii) Distributions made and proposed:

Dividend recognized as distributions to equity shareholders for the year ended March 31, 2021 was NIL as the Board of Directors at its meeting held on May 31, 2021 had recommended no dividend.

Further, for the year ended March 31, 2022, the Board of Directors at its meeting held on May 30, 2022 have proposed a dividend of 12% (Rs.0.60 per equity share of par value of Rs.5/- each), which will be placed before the shareholders at the ensuing annual general meeting.

iv) Details of shareholders holding more than 5% of the share capital :

Equity Shares

(Rs. in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% of holding	Number of shares held	% of holding
Murugan Enterprise Private Limited	35,191,255	54.27%	17,166,466	54.48%
Gagandeep Credit Capital Private Limited	3,883,141	5.99%	1,974,950	6.27%

v) Details of shares held by the holding company

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
	Number of Shares	Number of Shares
Out of the equity shares issued by the company		
- Murugan Enterprise Private Limited, the holding company	35,191,255	17,166,466



Notes to the standalone financial statements for the year ended March 31, 2022

vi) Shareholding of promoters

Promoter Name	As at March 31, 2022		As at March 31, 2021		
	Number of shares held	% of holding	Number of shares held	% of holding	% change during the year
Equity Shares of Rs.5/- each with voting rights					
S V Arumugam	688,869	1.06	336,034	1.07	-0.38%
Murugan Enterprise Private Limited	35,191,255	54.27	17,166,466	54.48	-0.38%
Total	35,880,124	55.33	17,502,500	55.55	-0.76%

vii) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the balance sheet date :

Particulars	Aggregate number of shares	
	As at March 31, 2022	As at March 31, 2021
Equity shares of Rs. 5/- each with voting rights		
Increase in number of shares due to split of face value from Rs.10/- per share to Rs.5/- per share	—	15,754,269

10 Other Equity

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Securities premium account		
Amounts received on issue of shares in excess of the par value has been classified as securities premium.		
Opening balance	7,930.76	7,930.76
Add : Securities premium on rights issue of equity shares (Refer Note 9)	8,333.33	-
Less : Rights issue expenses	126.63	-
Closing balance	16,137.46	7,930.76
2. General reserve		
This represents appropriation of profit by the Company.		
Opening balance	16,295.22	16,295.22
Closing balance	16,295.22	16,295.22



Notes to the standalone financial statements for the year ended March 31, 2022

10 Other Equity

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
3. Retained earnings		
Retained earnings comprise of the Company's prior years undistributed earnings after taxes.		
Opening balance	3,796.05	4,851.10
Add : Profit / (loss) for the current year	4,869.74	(1,055.05)
Closing balance	8,665.79	3,796.05
4. Other comprehensive income		
Other items of other comprehensive income consist of fair value changes on FVTOCI financial assets and financial liabilities and remeasurement of net defined benefit liability.		
Opening balance	65.76	19.66
Add : Movement during the year	(44.87)	46.10
Closing balance	20.89	65.76
Total - Other equity (1+2+3+4)	41,119.36	28,087.79

Non-current Liabilities

11 Financial Liabilities

11.1 Borrowings

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Term loans - Secured (Refer Notes (i) to (ix) below)		
- From banks	18,552.42	10,156.10
- From others	1,899.17	1,698.46
b) Borrowings from others - Unsecured (Refer Note (x) below)	2,000.00	3,900.00
Total - Borrowings	22,451.59	15,754.56

The Company vide its letter dated November 27, 2020 requested its Bankers for One Time Restructuring of Term Loans under the Resolution framework for COVID 19 related stress in line with RBI circular number RBI/2020-21/16/DOR.No.BP.BC/3/21.04.048/2020-21 dated August 06, 2020. The mentioned Resolution Plan was approved by the Bankers on June 24, 2021 in terms of which a moratorium has been allowed to an extent of Rs. 5,245.77 lakhs relating to Financial year 2021-22 for a period of 1 year and 1 month.



Notes to the standalone financial statements for the year ended March 31, 2022

Notes : Details of terms of repayment and security provided in respect of secured term loans :

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
i) ICICI Bank Limited- Rupee term loan 2	187.50	375.00
ICICI Bank Limited- Rupee term loan 3	957.50	957.50
Less: Current maturities of long term debt	(325.55)	(1,332.50)
Total	819.45	-

Security: First pari passu charge on the entire property, plant and equipment of the Company and second pari passu charge on the entire current assets of the Company.

Repayment : Term Loan 2: 2 quarterly instalments starting from April 2023.

Term Loan 3: 7 quarterly instalments starting from September 2022.

Rate of Interest : Term Loan 2: 10.30%. Term loan 3: 10.55%

Particulars	As at March 31, 2022	As at March 31, 2021
ii) Indian Bank - Rupee Term Loan	634.31	793.60
Less: Current maturities of long term debt	(16.34)	(632.09)
Total	617.97	161.51

Security: First pari passu charge on the entire property, plant and equipment of the Company and second pari passu charge on the entire current assets of the Company.

Repayment : 6 Quarterly instalments starting from February 2023. Rate of Interest : 11.00%

Particulars	As at March 31, 2022	As at March 31, 2021
iii) Indian Bank - Rupee term loan	5,227.37	5,241.52
Less: Current maturities of long term debt	(254.76)	(1,647.45)
Total	4,972.61	3,594.07

Security: First pari passu charge on the entire property, plant and equipment of the Company and second pari passu charge on the entire current assets of the Company.

Repayment : 15 Quarterly instalments starting from December 2022. Rate of Interest : 11.00%

Particulars	As at March 31, 2022	As at March 31, 2021
iv) Indian Bank - Rupee term loan	4,161.44	4,174.32
Less: Current maturities of long term debt	(192.49)	(636.43)
Total	3,968.95	3,537.89

Security: First pari passu charge on the entire property, plant and equipment of the Company and second pari passu charge on the entire current assets of the Company.

Repayment : 24 Quarterly instalments starting from June 2022. Rate of Interest : 11.00%

Particulars	As at March 31, 2022	As at March 31, 2021
v) Indian Bank - Rupee term loan	4,467.79	-
Less: Current maturities of long term debt	(26.79)	-
Total	4,441.00	-

Security: Second pari passu charge on the entire property, plant and equipment of the Company and second pari passu charge on the entire current assets of the Company.

Repayment : 48 Monthly instalments starting from January 2024. Rate of Interest : 8.30%



Notes to the standalone financial statements for the year ended March 31, 2022

Notes : Details of terms of repayment and security provided in respect of secured term loans : (Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
vi) DCB Bank Limited - Term loan	1,239.00	1,363.12
Less: Current maturities of long term debt	(42.14)	(743.52)
Total	1,196.86	619.60

Security: First pari passu charge on the entire property, plant and equipment of the Company and second pari passu charge on the entire current assets of the Company.

Repayment : 24 Monthly instalments starting from February 2023.

Rate of Interest : 8.88%

Particulars	As at March 31, 2022	As at March 31, 2021
vii) Indian overseas Bank - Term loan	2,535.58	2,633.11
Less: Current maturities of long term debt	-	(390.09)
Total	2,535.58	2,243.02

Security: First pari passu charge on the entire property, plant and equipment of the Company and second pari passu charge on the entire current assets of the Company

Repayment : 19. Quarterly instalments starting from August 2023.

Rate of Interest: 10.15%

Particulars	As at March 31, 2022	As at March 31, 2021
viii) Palladam Hi-Tech Weaving Park	47.84	47.84
Total	47.84	47.84

Security: First charge on fixed assets acquired out of loan of Garment Unit located at Palladam Hi-Tech Weaving Park, Sukkampalayam Village, K.N.Puram (Po), Palladam.

Repayment : 120 Monthly instalments starting from April 2010.

Rate of Interest : 0.75%.

Particulars	As at March 31, 2022	As at March 31, 2021
ix) SIPCOT Soft Loan	2,554.91	2,554.91
Less: Government grant (Refer note (ii) below)	(703.58)	(904.29)
Total	1,851.33	1,650.62

i) First charge by way of equitable mortgage over factory land and building and hypothecation of other movable assets financed by SIPCOT for the expansion project ranking pari passu with other banks and property, plant and equipment of the expansion scheme of spinning units located at Velvarkottai Village, Dindigul, Weaving unit and Knitting unit at Karanampet, Coimbatore.

ii) The Government of Tamil Nadu in its order : G.O. Ms. No. 126, dated October 20, 2009, has granted an amount equivalent to net output VAT + CST paid through expansion project to Government as Investment Promotion Soft Loan for a period of 10 years, subject to terms and conditions mentioned in the Eligibility Certificate ID/SPA/BSML/2010 dated 30 April 2013. The soft loan will carry a nominal rate of 0.1% per annum. The soft loan sanctioned is repayable on the 10th year from the date of sanction. This is considered as Government grant and accordingly the loan amount is carried at amortised cost considering an effective interest rate of 12.16%. The Government grant income is recognised proportionately in relation to the interest expense.

x) Unsecured loan

Particulars	As at March 31, 2022	As at March 31, 2021
Murugan Enterprise Private Limited	1,700.00	3,900.00
Sakthi Murugan Transports Private Limited	300.00	-
Total	2,000.00	3,900.00

Rate of interest : 10.00%. Repayment within 36 months commencing from June 28, 2021



Notes to the standalone financial statements for the year ended March 31, 2022

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current borrowings - Total	22,451.59	15,754.56
Current maturities of long term borrowings - Total	858.07	5,382.08
Total	23,309.67	21,136.64

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

The Company has not defaulted in repayment of loans / interests or other borrowings or in the payment of interest thereon to any lender.

The Company has used the borrowings from banks for the capital expenditures and working capital purposes.

Returns or statements of current assets filed by the Company with banks, as required, on a quarterly basis are in agreement with books of accounts.

12 Other non-current liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Government grant - SIPCOT soft loan (Refer note 11.1)	478.46	703.58
Total	478.46	703.58

Current liabilities

13 Financial liabilities

13.1 Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
a) Working capital loan from banks (Secured) (Refer Note 1 below)	19,602.80	27,942.08
b) Working capital loan from banks (Unsecured/Residual) (Refer Note 2 below)	-	1,150.62
c) Liability for bills discounted - from banks (Refer Note 3 below)	134.45	-
d) Current maturities of long-term debt	858.07	5,382.08
Total - Borrowings	20,595.32	34,474.78

Note : 1 Secured loans

Particulars	As at March 31, 2022	As at March 31, 2021
i) The Karur Vysya Bank Limited	420.08	1,052.12

Working Capital Limit: Rs. 1,250 Lakhs

Security : First pari passu charge on the entire current assets of the Company and second pari passu charge on the entire property, plant and equipment of the Company.

Interest rate: 11.15%

Particulars	As at March 31, 2022	As at March 31, 2021
ii) Union Bank of India	2,975.67	4,070.72

Working Capital Limit: Rs. 5,250 Lakhs. Non-fund based limit : Rs. 1,100 Lakhs

Security : First pari passu charge on the entire current assets of the Company and second pari passu charge on the entire property, plant and equipment of the Company.

Interest rate: 11.85%


Notes to the standalone financial statements for the year ended March 31, 2022

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
iii) ICICI Bank Limited	500.00	1,937.04

Working capital limit: Rs. 3,000 Lakhs. Non-fund based limit : Rs. 1,000 Lakhs

Security : First pari passu charge on the entire current assets of the Company and second pari passu charge on the entire property, plant and equipment of the Company. Interest rate: 10.00%

Particulars	As at March 31, 2022	As at March 31, 2021
iv) Punjab National Bank	3,255.80	4,656.61

Working Capital Limit: Fund based limit : Rs. 5,800 Lakhs. Non-fund based limit : Rs. 2,500 Lakhs

Security : First pari passu charge on the entire current assets of the Company and second pari passu charge on the entire property, plant and equipment of the Company. Interest rate: 10.80%

Particulars	As at March 31, 2022	As at March 31, 2021
v) Indian Overseas Bank	5,891.61	6,908.39

Working Capital Limit: Fund based limit : Rs. 10,000 Lakhs. Non-fund based limit : Rs. 2,500 Lakhs

Security : First pari passu charge on the entire current assets of the Company and second pari passu charge on the entire property, plant and equipment of the Company. Interest rate: 11.10%

Particulars	As at March 31, 2022	As at March 31, 2021
vi) Bank of Maharashtra	199.61	195.01

Working Capital Limit: Rs. 500 Lakhs

Security : First pari passu charge on the entire current assets of the Company and second pari passu charge on the entire property, plant and equipment of the Company. Interest rate: 10.55%

Particulars	As at March 31, 2022	As at March 31, 2021
vii) Indian Bank	3,746.89	4,697.16

Working Capital Limit: Rs. 5,200 Lakhs

Security : First pari passu charge on the entire current assets of the Company and second pari passu charge on the entire property, plant and equipment of the Company. Interest rate: 12.00%

Particulars	As at March 31, 2022	As at March 31, 2021
viii) Bank of Bahrain & Kuwait B.S.C.	1,177.33	1,944.79

Working Capital Limit: Rs. 2,000 Lakhs. Non-fund based limit : Rs. 200 Lakhs

Security : First pari passu charge on the entire current assets of the Company and second pari passu charge on the entire property, plant and equipment of the Company. Interest rate: 8.75%

Particulars	As at March 31, 2022	As at March 31, 2021
ix) DCB Bank Limited	1,435.81	2,480.24

Working capital limit: Rs. 2,500 Lakhs

Security : First pari passu charge on the entire current assets of the Company and second pari passu charge on the entire property, plant and equipment of the Company. Interest rate: 9.38%



Notes to the standalone financial statements for the year ended March 31, 2022

Note : 2 - Unsecured / Residual loans

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
ICICI Bank Limited	-	1,150.62

Working capital limits: Rs. 3,500 lakhs. Interest rate: 10.20%

Note : 3 - Liability for bills discounted - from banks

Particulars	As at March 31, 2022	As at March 31, 2021
Union Bank of India	134.45	-

The limits are included in the overall working capital limits.

Security : First pari passu charge on the entire current assets of the Company and second pari passu charge on the entire property, plant and equipment of the Company.

Interest rate: 9.20%

13.2 Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro and small enterprises (Refer Note 24)		
- For raw materials	824.13	1,648.37
- For others	82.57	90.51
Total outstanding dues of creditors other than micro and small enterprises		
- For raw materials	5,129.93	4,947.25
- For others	4,422.85	2,835.76
Total - Trade payables	10,459.48	9,521.89

Trade payables ageing schedule	Outstanding for following period from due date of payment					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	> 3 years	
As at March 31, 2022						
Total outstanding dues of micro enterprises and small enterprises	-	906.39	0.31	-	-	906.70
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,069.21	7,182.29	177.61	47.63	76.04	9,552.78
Total	2,069.21	8,088.68	177.92	47.63	76.04	10,459.48
As at March 31, 2021						
Total outstanding dues of micro enterprises and small enterprises	-	1,739.06	-	0.24	-	1,739.30
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,259.03	6,185.36	252.49	30.09	55.62	7,782.59
Total	1,259.03	7,924.42	252.49	30.33	55.62	9,521.89

Note: There are no disputed dues.



Notes to the standalone financial statements for the year ended March 31, 2022

13.3 Other Financial liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued on borrowings	9.11	58.32
Unpaid dividend	2.15	2.60
Security deposits received	64.28	85.13
Contractually reimbursible expenses	-	27.69
Payables on purchase of property, plant and equipment	25.85	34.62
Total - Other financial liabilities	101.39	208.36

14 Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
a) Provision for employee benefits:		
- Provision for compensated absences	60.54	47.97
- Provision for bonus	169.44	191.03
b) Provision for income tax (Net)	1,335.10	-
Total - Provisions	1,565.08	239.00

15 Other current Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory remittances	138.07	102.96
Advances from customers	655.30	774.86
Advance received towards sale of property, plant and equipment	94.30	94.30
Government grant - SIPCOT soft loan (Refer note 11.1)	225.12	200.71
Total - Other current liabilities	1,112.79	1,172.83



Notes to the standalone financial statements for the year ended March 31, 2022

16 Revenue from operations

1. Disaggregated Revenue Information

The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected. Accordingly, the disaggregation by type of goods / services is provided in the table below:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Sale of goods/services		
a. Manufactured goods		
Yarn	73,304.79	46,573.50
Fabrics	38,505.29	28,993.21
Waste cotton	5,907.01	4,564.97
Made ups	4,132.92	1,732.36
Garments	605.33	449.81
b. Traded goods		
Yarn	146.12	56.21
Cotton	156.02	-
c. Income from services provided - Sizing charges, CMT charges, knitting and processing charges	3,903.08	2,705.72
b) Other operating revenues (Refer note 1 below)	1,882.02	887.92
Total - Revenue from operations	128,542.58	85,963.70

The Company disaggregate the revenue based on geographical locations and it is disclosed under note 26 "Segment reporting"

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1 Other operating revenues comprises:		
Sale of scrap	375.71	240.09
Duty drawback and other export incentives	1,506.31	647.83
Total	1,882.02	887.92

17 Other Income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Interest income (Refer Note 1 below)	109.04	116.70
b) Net gain on foreign currency transactions and translation	315.75	-
c) Other non-operating income (Refer Note 2 below)	0.82	459.38
Total - Other income	425.61	576.08



Notes to the standalone financial statements for the year ended March 31, 2022

17 Other Income

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1 Interest income comprises:		
Interest on overdue trade receivables	19.03	58.14
Interest on security deposits	10.47	30.56
Interest from others	79.54	28.00
Total - Interest income	109.04	116.70
2 Other non-operating income comprises:		
Profit on sale of property plant and equipment (Net)	-	454.35
Miscellaneous income	0.82	5.03
Total - Other non-operating income	0.82	459.38

18 A Cost of materials consumed

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening stock	10,774.45	12,163.71
Add: Purchases	89,952.95	52,526.70
	100,727.40	64,690.41
Less: Closing stock	(12,617.70)	(10,774.45)
Total - Cost of materials consumed	88,109.70	53,915.96

B Purchase of stock-in-trade

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchase of stock-in-trade	51.76	51.12
Total - Purchase of stock in trade	51.76	51.12

19 Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventories at the end of the year:		
Finished goods	5,718.87	4,843.62
Work-in-progress	2,187.76	1,772.70
Total	7,906.63	6,616.32
Inventories at the beginning of the year:		
Finished goods	4,843.62	10,467.95
Work-in-progress	1,772.70	1,645.35
Total	6,616.32	12,113.30
Net (increase) / decrease	(1,290.31)	5,496.98



Notes to the standalone financial statements for the year ended March 31, 2022

20 Employee benefits expense

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus	9,005.40	6,735.45
Contributions to provident and other funds (Refer Note 25.1.a & 25.1.b)	428.66	362.77
Staff welfare expenses	1,636.32	814.88
Total - Employee benefits expense	11,070.38	7,913.10

21 Finance costs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Interest expense on financial liabilities at amortised cost:		
- Borrowings (Refer note 30)	4,282.15	5,394.46
- Operating lease liabilities	9.67	13.29
b) Other borrowing costs	340.72	267.88
Total - Finance costs	4,632.54	5,675.63

22 Other expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Consumption of stores and spare parts	145.33	99.26
Manufacturing expenses	101.82	106.47
Consumption of packing materials	986.29	713.18
Power, fuel and water charges	6,962.06	5,032.17
Repairs and maintenance - Building	97.47	52.96
Repairs and maintenance - Machinery	2,061.44	1,661.05
Repairs and maintenance - Others	247.00	224.46
Insurance	469.54	401.35
Rates and taxes	342.34	326.36
Freight and forwarding charges	2,240.38	1,128.47
Sales commission	1,084.82	749.97
Legal and professional charges	272.70	185.11
Payments to auditors (Refer note 1 below)	26.75	30.50
Corporate social responsibility expenditure (Refer note 35)	15.00	18.10
Provision for bad and doubtful trade receivables	338.11	41.52
Bad debts written off	50.76	460.02
Loss on sale of investment	0.55	-
Loss on sale of property plant and equipment (Net)	54.49	73.80
Net Loss on foreign currency transactions and translation	-	104.26
Miscellaneous expenses	471.59	514.21
Total - Other expenses	15,968.44	11,923.22



Notes to the standalone financial statements for the year ended March 31, 2022

Note 1 - Payments to auditors:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Contributions to provident and other funds Payments to auditors comprises		
- Statutory audit fees	16.50	16.50
- Limited review fees	10.00	14.00
- Certificates	0.25	-
Total - Payments to auditors	26.75	30.50

Note: In addition to the above expenses in Statement of Profit and Loss, payment to auditors also include Rs.52.50 Lakh (March 31, 2021: Nil) towards comfort letter and other rights issue related services which is accounted in balance sheet off setted with securities premium arising from rights issue.

23 Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at March 31, 2022	As at March 31, 2021
i) Contingent liabilities:		
a) Central Excise demands, pending in appeal	-	69.61
b) TANGEDCO demands, pending in appeal	1,356.46	1,276.51
c) Corporate guarantee (on behalf of Young Brand Apparel Private Limited)	8,827.40	8,027.07
ii) Commitments:		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for : Tangible assets	3,455.67	211.31

24 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2022	As at March 31, 2021
i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	906.70	1,738.88
ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.



Notes to the standalone financial statements for the year ended March 31, 2022

25 Employee benefit plans

25.1.a Defined contribution plans - provident fund and employee state insurance

The Company makes Provident Fund and Employee state insurance scheme contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised the following contributions in the Statement of profit and loss :

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Provident fund	338.35	293.64
Employee state insurance	126.20	83.03

25.1.b Defined benefit plan - gratuity

In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity plan). The Gratuity plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn eligible salary and the years of employment with the Company. The Company provides the gratuity benefit through annual contributions to a fund managed by the Insurer included as part of 'Contribution to provident and other funds in Note 20 Employee benefits expense. Under this plan, the settlement obligation remains with the Company.

Description of Risk Exposures Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

- a) Interest Rate Risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).
- b) Investment Risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
- c) Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
- d) Demographic Risk: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
- e) Liquidity Risk: This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

In respect of the plan in India, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2022 by Mr. N.Srinivasan, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.



Notes to the standalone financial statements for the year ended March 31, 2022

The following table sets out the funded status of the gratuity scheme:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Components of employer expense		
Current service cost	102.49	77.59
Interest cost	32.72	1.78
Expected return on plan assets	(44.90)	(10.24)
Recognised in statement of profit and loss	90.31	69.13
Re-measurement - actuarial (gain)/loss recognised in OCI	68.17	(67.00)
Total expense recognised in the Statement of total comprehensive income	158.48	2.13
Other Comprehensive Income (OCI)		
Actuarial (gain)/loss due to DBO experience	81.85	(69.48)
Actuarial (gain)/loss due to DBO assumption changes	(20.42)	-
Actuarial (gain)/loss arising during period	61.43	(69.48)
Actual return on plan assets (greater)/less interest on plan assets	6.74	2.48
Actuarial (gains)/losses recognized in OCI	68.17	(67.00)
Defined benefit cost		
Service cost	102.49	77.59
Net interest on net defined benefit liability / (asset)	(12.18)	(8.46)
Actuarial (gains)/losses recognized in OCI	68.17	(67.00)
Defined benefit cost	158.48	2.13
Change in defined benefit obligation (DBO) during the year		
Present value of DBO at beginning of the year	461.59	492.62
Current service cost	102.49	77.59
Interest cost	32.72	1.78
Actuarial (gains)/losses	61.43	(69.48)
Benefits paid	(51.61)	(40.92)
Present value of DBO at the end of the year	606.62	461.59
Actual contribution and benefit payments for year		
Actual benefit payments	51.61	40.92
Actual contributions	13.05	25.76
Change in fair value of assets during the year		
Plan assets at beginning of the year	617.20	624.60
Expected return on plan assets	44.90	10.24
Actual company contributions	13.05	25.76
Actuarial gain / (loss)	(6.74)	(2.48)
Benefits paid	(51.61)	(40.92)
Plan assets at the end of the year	616.80	617.20
Actual return on plan assets	38.16	7.76



Notes to the standalone financial statements for the year ended March 31, 2022

The following table sets out the funded status of the gratuity scheme (Contd...)

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current and Non-Current Asset / Liability portion		
Current Asset / (Liability)	10.18	155.61
Net asset / (liability) recognised in the Balance Sheet :		
Present value of defined benefit obligation	606.62	461.59
Fair value of plan assets	616.80	617.20
Funded status (Surplus / (Deficit))	10.18	155.61
Net asset / (liability) recognised in the Balance Sheet	10.18	155.61
Composition of the plan assets is as follows:		
Government securities	-	-
Debentures and bonds	-	-
Fixed deposits	-	-
Insurer managed funds*	100%	100%
Total	616.80	617.20

Funds are managed by Life Insurance Corporation of India and composition of the fund as at the balance sheet date was not provided by the insurer.

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Actuarial assumptions		
Discount rate	7.51%	6.80%
Expected return on plan assets	6.80%	6.80%
Retirement age	58	58
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Attrition rate	5.00%	3% to 1%
Salary escalation	5.00%	5.00%

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.



Notes to the standalone financial statements for the year ended March 31, 2022

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(Rs. in Lakhs)

Gratuity Plan	As at March 31, 2022	As at March 31, 2021
Estimate value of obligation if discount rate is taken 1% higher	561.98	415.23
Estimate value of obligation if discount rate is taken 1% lower	658.76	517.55
Estimate value of obligation if salary growth rate is taken 1% higher	657.62	518.02
Estimate value of obligation if salary growth rate is taken 1% lower	562.24	414.10
Estimate value of obligation if attrition rate is taken 1% higher	612.30	470.69
Estimate value of obligation if attrition rate is taken 1% lower	599.86	451.12

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

Maturity profile of defined benefit obligation:

Maturity profile, if it ensues	As at March 31, 2022	As at March 31, 2021
1 Year	46.44	67.29
2 Year	47.88	29.00
3 Year	30.98	13.95
4 Year	36.56	14.57
5 Year	38.04	11.75
Above 5 Years	197.88	112.88

Asset Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity liability occurring during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).



Notes to the standalone financial statements for the year ended March 31, 2022

Experience Adjustments:

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
1. Defined Benefit Obligation	606.62	461.59	492.62	460.74	377.14
2. Fair value of plan assets	616.80	617.20	624.60	477.96	375.54
3. Surplus/(Deficit)	10.18	155.61	131.98	17.22	(1.60)
4. Experience adjustment on plan liabilities ((Gain)/Loss)	81.85	(69.48)	(111.74)	28.46	77.12
5. Experience adjustment on plan assets (Gain/(Loss))	(6.74)	(2.48)	1.49	18.84	(2.53)

26 Segment Reporting

a) Primary business segment information

The Company's operations relate to only one business segment, viz., Textiles. Accordingly, this is the only reportable business segment.

b) Secondary geographic segment information

Geographic Segment		Revenue	Segment assets	Capital expenditure incurred
Outside India	March 31, 2022	33,171.36	4,140.81	-
	March 31, 2021	18,763.67	2,239.42	-
India	March 31, 2022	95,371.22	99,451.32	2,192.48
	March 31, 2021	67,200.03	91,640.65	804.65
Unallocated	March 31, 2022	-	1,599.56	-
	March 31, 2021	-	468.95	-
Total	March 31, 2022	128,542.58	105,191.69	2,192.48
	March 31, 2021	85,963.70	94,349.02	804.65

Note: Segment Assets represent Assets in respective segments. Tax related assets cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".



Notes to the standalone financial statements for the year ended March 31, 2022

27 Related party transactions

A. Details of related parties:

Description of relationship	Name of related parties
Holding company	Murugan Enterprise Private Limited
Subsidiaries	Accel Apparels Private Limited (up to 30/11/2021) Abirami Amman Designs Private Limited (Formerly Abirami Amman Mills Private Limited) (up to 30/11/2021) Young Brand Apparel Private Limited Bannari Amman Retails Private Limited (up to 30/11/2021) Bannari Amman Infinite Trendz Private Limited (Formerly Bannari Amman Trendz Private Limited)
Enterprises in which the Key management Personnel or relatives have significant influence	Anamallais Automobiles Private Limited Anamallais Agencies Private Limited Anamallais Motors Private Limited Shiva Automobiles Private Limited Vedanayagam Oil Company Sakthi Murugan Transports Private Limited Jahnvi Motor Private Limited Coimbatore Anamallais Agencies Private Limited Accel Apparels Private Limited (from 1/12/2021) Abirami Amman Designs Private Limited (Formerly Abirami Amman Mills Private Limited) (from 1/12/2021) Bannari Amman Retails Private Limited (from 1/12/2021) Bannari Amman Flour Mill Private Limited
Key Management Personnel (KMP)	Sri S V Arumugam, Managing Director Sri N Krishnaraj, Company Secretary Sri S Seshadri, Chief Financial Officer Sri K N V Ramani, Director Dr K R Thillainathan, Director Sri S Palaniswami, Director Sri K Sadhasivam, Director Smt S Sihamani, Director
Relative of KMP	Smt A Umadevi Sri A Senthil



Notes to the standalone financial statements for the year ended March 31, 2022

B. Details of transactions during the year and balance outstanding as at the balance sheet date:

(Rs. in Lakhs)

Particulars	Related Party	For the year ended March 31, 2022	For the year ended March 31, 2021
Transactions during the year:			
Sale of yarn	Young Brand Apparel Private Limited	1,162.39	517.93
Sale of fabric	Young Brand Apparel Private Limited	404.72	-
Sale of garments	Bannari Amman Infinite Trendz Private Limited	-	119.79
	Bannari Amman Retails Private Limited	-	(4.22)
Sales return of garments	Bannari Amman Infinite Trendz Private Limited	(224.85)	-
Sale of madeups	Anamallais Automobiles Private Limited	-	0.27
Conversion/Job work income	Young Brand Apparel Private Limited	998.47	391.95
Interest received	Young Brand Apparel Private Limited	19.02	58.14
	Bannari Amman Infinite Trendz Private Limited	49.50	28.00
Vehicle maintenance paid	Shiva Automobiles Private Limited	6.38	4.19
	Jahnvi Motor Private Limited	15.44	2.58
Processing charges received	Young Brand Apparel Private Limited	726.84	323.06
Sale of vehicle	Shiva Automobiles Private Limited	-	3.50
Purchase of vehicle	Shiva Automobiles Private Limited	-	8.83
	Coimbatore Anamallais Agencies Private Limited	30.46	-
	Bannari Amman Flour Mill Private Limited	0.75	-
Purchase of PPE	Bannari Amman Infinite Trendz Private Limited	30.54	-
	Bannari Amman Retails Private Limited	15.54	-
Purchase of fuel	Vedanayagam Oil Company	1.98	0.57
Rent paid	Anamallais Automobiles Private Limited	12.06	12.06
	Sakthi Murugan Transports Private Limited	3.96	3.96
	Smt A Umadevi	12.00	12.00
Advances given	Bannari Amman Infinite Trendz Private Limited	100.74	15.98
Inter corporate deposits given	Bannari Amman Infinite Trendz Private Limited	-	550.00
Inter corporate deposits received	Murugan Enterprise Private Ltd	1,700.00	1,700.00
	Sakthi Murugan Transports Private Limited	300.00	-
Inter corporate deposits repaid	Murugan Enterprise Private Ltd	3,900.00	-
Interest paid	Murugan Enterprise Private Ltd	331.58	289.37
	Sakthi Murugan Transports Private Limited	22.60	-
Sale of equity shares of subsidiaries	Sri A Senthil	6.00	-
	Smt A Umadevi	6.00	-



Notes to the standalone financial statements for the year ended March 31, 2022

B. Details of transactions during the year and balance outstanding as at the balance sheet date:

(Rs. in Lakhs)

Particulars	Related Party	For the year ended March 31, 2022	For the year ended March 31, 2021
Remuneration of KMP	Sri S V Arumugam, Managing Director	60.00	55.00
	Sri N Krishnaraj, Company Secretary	22.57	19.16
	Sri S Seshadri, Chief Financial Officer	23.11	19.88
Commission to KMP	Sri S V Arumugam, Managing Director	601.61	-
Sitting fees to KMP	Sri K N V Ramani, Director	1.50	1.50
	Dr K R Thillainathan, Director	0.90	0.70
	Sri S Palaniswami, Director	1.70	1.50
	Sri K Sadhasivam, Director	1.90	1.50
	Smt S Sihamani, Director	1.00	0.80
Salary to Relative of KMP	Sri A Senthil	-	27.50
Balances outstanding as at year end :			
Receivables	Young Brand Apparel Private Limited	1,539.52	1,060.46
	Bannari Amman Retails Private Limited	66.79	135.82
	Bannari Amman Infinite Trendz Private Limited	1,032.77	1,483.81
	Accel Apparels Private Limited	-	2.05
	Anamallais Automobiles Private Limited	0.27	3.65
	Shiva Automobiles Private Limited	-	1.09
	Anamallais Agencies Private Limited	0.02	0.02
	Anamallais Motors Private Limited	0.21	0.21
	Bannari Amman Flour Mill Private Limited	0.02	0.02
(Payables)	Vedanayagam Oil Company	(0.33)	(0.11)
	Sakthi Murugan Transports Private Limited	(300.13)	(0.50)
	Shiva Automobiles Private Limited	(0.24)	-
	Young Brand Apparel Private Limited	(20.72)	-
	Anamallais Automobiles Private Limited	(0.78)	-
	Murugan Enterprise Private Limited	(1,700.00)	(3,927.69)
	Smt A Umadevi	-	(0.93)
	Sri S V Arumugam, Managing Director	(601.61)	-
	Coimbatore Anamallais Agencies Private Limited	(0.03)	-
Corporate Guarantee	Young Brand Apparel Private Limited	8,827.40	8,027.07

- Note:** i) Related party relationship is as identified by the Company on the basis of information available with the Company and relied upon by the Auditors.
- ii) No amount is/has been written off or written back during the year in respect of debts due from or to related party.
- iii) The above transactions are compiled from the date these parties became related which are accounted in the natural head of accounts.



Notes to the standalone financial statements for the year ended March 31, 2022

28 Earnings per equity share

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit / (loss) attributable to equity shareholders (Rs. In Lakhs)	4,869.74	(1,055.05)
Number of equity shares (Nos.)	64,841,871	31,508,538
Par value per equity share (Rs.)	5.00	5.00
Earning/(loss) per share - Basic & Diluted (Rs.) as reported	12.61	(3.35)
Earning/(loss) per share - Basic & Diluted (Rs.) as adjusted	12.61	(2.39)

The Basic and Diluted EPS for the year ended March 31, 2021 has been restated in accordance with INDAS 33, pursuant to the rights issue of equity shares during the current year.

29 A Income tax recognised :

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Statement of Profit and Loss	Other comprehensive income	Statement of Profit and Loss	Other comprehensive income
Current tax :				
In respect of current year	1,730.69	-	-	-
Deferred tax :				
In respect of current year	1,007.64	(20.35)	(190.29)	20.90
Income tax expense	2,738.33	(20.35)	(190.29)	20.90

B Movement in deferred tax balances :

Particulars	Opening Balance	Recognised in Profit and Loss	Recognised in other comprehensive income	Others	Closing Balance
For the year ended March 31, 2022					
Tax effect of items constituting deferred tax (asset)					
Provision for doubtful trade receivables	(254.14)	(163.40)	-	-	(417.54)
Provision for compensated absences & gratuity and fair value of gain/(loss) on equity instruments	(11.51)	(42.90)	(20.35)	-	(74.76)
Brought forward & current year losses	(286.85)	286.85	-	-	-
Minimum alternate tax (net)	(5,338.87)	-	-	395.59	(4,943.28)
Others	(81.77)	122.59	-	-	40.82
Tax effect of items constituting deferred tax (asset)	(5,973.14)	203.14	(20.35)	395.59	(5,394.76)



Notes to the standalone financial statements for the year ended March 31, 2022

B Movement in deferred tax balances (Contd...) :

(Rs. in Lakhs)

Particulars	Opening Balance	Recognised in Profit and Loss	Recognised in other comprehensive income	Others	Closing Balance
Tax effect of items constituting deferred tax liability					
On difference between book balance and tax balance of fixed assets	8,503.66	804.50	-	-	9,308.16
Tax effect of items constituting deferred tax liability	8,503.66	804.50	-	-	9,308.16
Net Deferred tax (asset)/liability	2,530.52	1,007.64	(20.35)	395.59	3,913.40
For the year ended March 31, 2021					
Tax effect of items constituting deferred tax (asset)					
Provision for doubtful trade receivables	(254.14)	-	-	-	(254.14)
Provision for compensated absences and gratuity and fair value of gain/ (loss) on equity instruments	(32.41)	-	20.90	-	(11.51)
Brought forward losses	(96.56)	(190.29)	-	-	(286.85)
Minimum alternate tax (net)	(5,338.87)	-	-	-	(5,338.87)
Others	(81.77)	-	-	-	(81.77)
Tax effect of items constituting deferred tax (asset)	(5,803.75)	(190.29)	20.90	-	(5,973.14)
Tax effect of items constituting deferred tax liability					
On difference between book base and tax base of property, plant and equipment	8,503.66	-	-	-	8,503.66
Tax effect of items constituting deferred tax liability	8,503.66	-	-	-	8,503.66
Net Deferred tax (asset)/liability	2,699.91	(190.29)	20.90	-	2,530.52



Notes to the standalone financial statements for the year ended March 31, 2022

C Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit / (loss) before tax	7,608.07	(1,245.34)
Enacted income tax rate in India	34.94%	31.20%
Computed expected tax expense	2,658.26	(388.55)
On account of enacted tax rates	851.34	-
On account of permanent differences	(384.21)	-
Others	(387.06)	198.26
Income tax expense recognised in the statement of profit and loss	2,738.33	(190.29)

30 Borrowing cost capitalised under property, plant and equipment

Nil

Nil

31 Leases

The Company has entered into leasing arrangements in respect of lease hold land, residential/office premise. The leasing arrangements, which are generally cancellable, have lease periods ranging between 11 and 60 months in case of premises and between 30 to 90 years in case of land. They are generally renewable by mutual consent on mutually agreeable terms. The operating leases are cancellable by lessor/lessee with notice period up to three months.

Movement in right-of-use assets and lease liabilities during the year:

Right-of-use assets - Building

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening balance	71.96	152.97
Additions	149.69	-
Depreciation	(74.29)	(81.01)
Closing balance	147.36	71.96

Right-of-use assets - Land

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening balance	663.07	605.69
Additions	-	60.62
Depreciation	(3.24)	(3.24)
Closing balance	659.83	663.07



Notes to the standalone financial statements for the year ended March 31, 2022

Lease Liabilities

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	Building	Building
Opening balance	80.28	163.43
Additions	149.69	-
Interest	9.67	13.29
Lease payments	(86.91)	(96.44)
Closing balance	152.73	80.28
Current	61.88	61.72
Non-current	90.85	18.56

Maturity analysis of OLL

The details of the maturities of lease liabilities as at March 31, 2022 and March 31, 2021 on an undiscounted basis are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
1 year	51.31	66.55
1 to 5 years	28.58	20.28

Lease rent expense on short-term and low value lease debited to Statement of Profit and Loss

Particulars	As at March 31, 2022	As at March 31, 2021
Lease rent	61.76	18.16

32 Financial Instruments

The carrying value and fair value of financial instruments by categories as at March 31, 2022 and March 31, 2021 are as follows:

(Rs. in Lakhs)

Particulars	Carrying value		Fair value	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Financial assets				
Amortised cost				
Loans	666.79	608.19	-	-
Trade receivable	17,621.42	12,905.95	-	-
Cash and cash equivalents	1,074.56	877.98	-	-
Bank balances	98.78	2.60	-	-
Other financial assets	1,418.71	1,717.40	-	-
Investment in equity instruments in subsidiaries	2,607.00	2,619.00	-	-



Notes to the standalone financial statements for the year ended March 31, 2022

Financial Instruments (Contd...)

(Rs. in Lakhs)

Particulars	Carrying value		Fair value	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
FVTOCI				
Investment in equity instruments	6.80	3.85	6.80	3.85
FVTPL				
Investment in government securities	0.03	0.03	0.03	0.03
Investment in equity and preference instruments (unquoted)	197.70	22.53	197.70	22.53
Total assets	23,691.79	18,757.53	204.53	26.41
Financial liabilities				
Amortised cost				
Borrowings	43,046.91	50,229.34	-	-
Lease liabilities	152.73	80.28	-	-
Trade payables	10,459.48	9,521.89	-	-
Other financial liabilities	101.39	208.36	-	-
Total liabilities	53,760.51	60,039.87	-	-

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- Long-term fixed-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected losses of these receivables.
- Fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2022 was assessed to be insignificant.
- The fair values of the unquoted equity shares have been estimated using a discounted cash flow model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility, the probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

33 Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).



Notes to the standalone financial statements for the year ended March 31, 2022

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2022 and March 31, 2021 :

(Rs. in Lakhs)

Particulars	Total	Fair value measurement using		
		Level - 1	Level - 2	Level - 3
Financial assets measured at fair value:				
FVTOCI financial assets designated at fair value: Date of valuation March 31, 2022				
Investment in equity instruments (quoted)				
As at March 31, 2022	6.80	6.80	-	-
As at March 31, 2021	3.85	3.85	-	-
FVTPL financial assets designated at fair value: Date of valuation March 31, 2022				
Investment in government securities				
As at March 31, 2022	0.03	-	-	0.03
As at March 31, 2021	0.03	-	-	0.03
Investment in equity and preference instruments (unquoted)				
As at March 31, 2022	197.70	-	-	197.70
As at March 31, 2021	22.53	-	-	22.53

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

34 Financial risk management

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, foreign currency risk and interest rate risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the company is foreign exchange risk. The Company uses foreign currency borrowings to mitigate foreign exchange related risk exposures.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

1) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

2) Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.



Notes to the standalone financial statements for the year ended March 31, 2022

The following table gives details in respect of percentage of revenues generated from top customer and top 5 customers:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	Building	Building
Revenue from top customer	3,292.42	3,777.13
Revenue from top 5 customers	13,765.14	12,002.51

Five customers accounted for more than 10% of the revenue for the year ended March 31, 2022, however two of the customers accounted for more than 10% of the receivables as at March 31, 2022. Three customers accounted for more than 10% of the revenue for the year ended March 31, 2021, however two of the customers accounted for more than 10% of the receivables as at March 31, 2021.

3) Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counter parties that have a good credit rating. The company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors.

4) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk through credit limits with banks.

The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The working capital position of the Company is given below:

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalents	1,074.56	877.98
Bank balances	98.78	2.60
Total	1,173.34	880.58

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2022 and March 31, 2021.

Particulars	As at	Less than 1 year	1-2 years	2 years and above
Borrowings	March 31, 2022	20,595.32	8,465.11	13,986.48
	March 31, 2021	34,474.78	8,573.67	7,180.89
Trade payables	March 31, 2022	10,459.48	-	-
	March 31, 2021	9,521.89	-	-
Lease liabilities	March 31, 2022	61.88	90.85	-
	March 31, 2021	61.72	18.56	-
Other financial liabilities	March 31, 2022	101.39	-	-
	March 31, 2021	208.36	-	-



Notes to the standalone financial statements for the year ended March 31, 2022

5) Foreign currency risk

The Company's exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in U.S. dollars, British pound sterling and Euros) and foreign currency borrowings (primarily in U.S. dollars, British pound sterling and Euros). A significant portion of the Company's revenues are in these foreign currencies, while a significant portion of its costs are in Indian rupees. As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Company's revenues measured in rupees may decrease. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company's management meets on a periodic basis to formulate the strategy for foreign currency risk management.

Consequently, the management of the Company believes that the borrowings in foreign currency and its assets in foreign currency shall mitigate the foreign currency risk mutually to some extent.

The following table presents foreign currency risk from non-derivative financial instruments as of March 31, 2022 and March 31, 2021 :

Particulars	As at	US\$	Euro	Pound/Sterling	Total
Assets					
Trade receivables*	March 31, 2022	3,719.23	754.67	34.18	4,508.08
	March 31, 2021	1,396.51	847.22	34.68	2,278.41
Liabilities					
Trade payable	March 31, 2022	55.49	-	-	55.49
	March 31, 2021	26.56	-	-	26.56
Borrowings	March 31, 2022	2,921.97	-	-	2,921.97
	March 31, 2021	3,261.10	-	-	3,261.10
Net assets/(liabilities)	March 31, 2022	741.77	754.67	34.18	1,530.62
	March 31, 2021	(1,891.15)	847.22	34.68	(1,009.25)

*Trade receivables are excluding allowance for doubtful trade receivables.

Foreign currency sensitivity analysis

The Company is mainly exposed to the currency USD on account of significant outstanding trade receivables, borrowings and trade payables in USD.

The following table details the Company's sensitivity to a 5% increase and decrease in INR against the USD. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the INR strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Impact on profit or (loss) for the year on account of rupee appreciation by 5%	(37.09)	94.56



Notes to the standalone financial statements for the year ended March 31, 2022

For a 5% weakening of the INR against the relevant currency, there would be equivalent amount of impact on the profit / (loss) as mentioned in the above table.

6) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates and investments.

Interest rate sensitivity analysis

If interest rates had been 1% higher and all other variables were held constant, the company's profit / (loss) for the year ended would have impacted in the following manner:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Increase / (decrease) in the profit / (loss) for the year	(411.95)	(487.32)

If interest rates were 1% lower, the company's profit would have increased by the equivalent amount as shown in the above table.

7) Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The capital structure is as follows :

Particulars	As at March 31, 2022	As at March 31, 2021
Total equity attributable to the equity share holders of the company	44,361.45	29,663.22
As percentage of total capital	51%	37%
Current borrowings	20,595.32	34,474.78
Non-current borrowings	22,451.59	15,754.56
Total borrowings	43,046.91	50,229.34
As a percentage of total capital	49%	63%
Total capital (borrowings and equity)	87,408.36	79,892.56


Notes to the standalone financial statements for the year ended March 31, 2022
35 Corporate social responsibility

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Gross amount required to be spent by the company during the year	12.77	17.96
Amount spent during the year on		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	15.00	18.10
iii) Shortfall at the end of the year	NA	NA
iv) Total of previous years shortfall	NA	NA
v) Reason for shortfall	NA	NA
vi) Nature of CSR activities	Contribution for participation in COVID related projects.	Education, COVID 19 materials supply, maintenance of traffic signals, medical aid and care, construction of building for ill children and orphaned.
vii) Details of related party transactions	NA	NA
viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	NA	NA



Notes to the standalone financial statements for the year ended March 31, 2022

36 Financial ratios

Sl. No.	Ratio	Numerator	Denominator	For the year ended March 31, 2022	For the year ended March 31, 2021	% of variance	Explanation for movement in Key ratios (exceeding 25%)
1	Current ratio	Current assets	Current liabilities	1.36	0.79	72%	On account of capital infusion and repayment of current borrowings.
2	Debt equity ratio	Total debt	Shareholder's equity	0.97	1.69	-43%	On account of capital infusion through rights issue.
3	Debt service coverage ratio	Net profit after tax + non-cash operating expenses/income (like depreciation) + interest cost + other adjustments like loss on sale of property, plant and equipment	Debt service (interest and principal repayments)	1.38	0.77	79%	Increase due to increased profits during the year.
4	Return on equity %	Net profit after tax	Average shareholder's equity	13.16%	-3.50%	-476%	Increase due to increased profits during the year.
5	Inventory turnover ratio	Cost of goods sold	Average inventories	83.06	132.00	-37%	On account of increased volumes, inventories been build up.
6	Trade receivables turnover ratio	Revenue from operations	Average trade receivables	43.34	62.24	-30%	Due to effective collections from debtors.
7	Trade payables turnover ratio	Adjusted total expenses	Average trade payables	32.01	47.90	-33%	Due to effective collection from customers resulting in payment to creditors made within credit period.
8	Net capital turnover ratio	Revenue from operations	Working capital (Current assets less current liabilities)	0.01	(0.10)	-110%	Increased due to increased revenues during the year.
9	Net profit %	Net profit after tax	Revenue from operations	3.79%	-1.23%	-409%	Due to increased revenue and profitability
10	Return on capital employed %	Earning before interest and taxes	Capital Employed (Net shareholder's Equity, Borrowings, Lease Liabilities)	11.00%	6.00%	83%	Due to increased earnings



Notes to the standalone financial statements for the year ended March 31, 2022

37 Additional regulatory information not disclosed elsewhere in the standalone financial information

- a) There are no properties / assets which are not held or registered in the name of the Company (benami property).
- b) Transactions and balances with companies which have been removed from register of Companies (struck off companies) as at the above reporting periods is as below:

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding (Rs. in Lakhs)	Relationship with the Struck off company, if any, to be disclosed
M D Clothing India Private Limited	Payables	0.18	—

- c) The Company has not traded / invested in Crypto currency.
- d) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- e) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- f) The Company has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.
- g) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- h) The Company has granted loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person as below:

Type of Borrower	Amount of loan or advance in the nature of loan outstanding (Rs. in Lakhs)	Percentage to the total Loans and advances in the nature of loans
Related Party (Wholly Owned subsidiary - Bannari Amman Infinte Trendz Private Limited)	550.00	100%

- i) The title deeds of all immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in-progress are held in the name of the Company as at the balance sheet date.
- j) No schemes of arrangements have been applied or approved by the Competent Authority in terms of section 230 to 237 of the Companies Act, 2013.
- k) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.



Notes to the standalone financial statements for the year ended March 31, 2022

38 Code on Social Security 2020

The Indian parliament approved the Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits in September 2020 and the same has received Presidential assent. The Code has been published in the Gazette of India. However, the date on which the code will come into effect has not been notified. The Company is in the process of assessing the impact of the Code and will record any related impact in the period the Code becomes effective.

39 Reconciliation of change in liabilities arising from financing activities

(Rs. in Lakhs)

Particulars	As at April 01, 2021	Proceeds / impact of IND AS 116	Repayment	Others	As at March 31, 2022
Non-current borrowings (including current maturities)	21,136.64	6,467.79	(4,294.77)	-	23,309.66
Current borrowings	29,092.70	-	(9,355.45)	-	19,737.25
Lease liabilities	80.28	149.69	(86.91)	9.67	152.73
Total	50,309.62	6,617.48	(13,737.13)	9.67	43,199.64

Particulars	As at April 01, 2020	Proceeds / impact of IND AS 116	Repayment	Others	As at March 31, 2021
Non-current borrowings (including current maturities)	24,164.79	1,700.00	(4,728.15)	-	21,136.64
Current borrowings	37,995.46	-	(8,902.76)	-	29,092.70
Lease liabilities	163.43	-	(96.44)	13.29	80.28
Total	62,323.68	1,700.00	(13,727.35)	13.29	50,309.62

40 Prior year comparatives

Previous period's figures have been regrouped / rearranged where necessary to conform to current period's classification.

For and on behalf of the Board of Directors

S.V. ARUMUGAM
Chairman & Managing Director
DIN 00002458

K. SADASHIVAM
Director
DIN 00610037

N. KRISHNARAJ
Company Secretary
ACS No. 20472

S. SESHADRI
Chief Financial Officer

Coimbatore
30.05.2022



INDEPENDENT AUDITOR'S REPORT

To The Members of Bannari Amman Spinning Mills Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Bannari Amman Spinning Mills ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2022, and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiary referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2022, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, 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 obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

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

- ❖ The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report including its Annexures, Corporate Governance Report and Management Discussion and Analysis, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- ❖ Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- ❖ In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.
- ❖ 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 Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have



been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ❖ Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.
- ❖ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- ❖ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.

- ❖ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ❖ Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated 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.



Other Matters

We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs. 711.19 Lakhs as at 31 March 2022, total revenues of Rs. 499.05 Lakhs and net cash inflows amounting to Rs. 68.24 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiary, referred to in the Other Matters section above we report, to the extent applicable 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 of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Parent as on 31 March 2022 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of subsidiary companies, incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting and the



operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the subsidiary companies, which are companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies, incorporated in India, the remuneration paid by the Parent and such subsidiary companies, to their respective directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 - ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies, incorporated in India.
- iv) a) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in the note 37(d) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries, to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries, ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b) The respective Managements of the Parent and its subsidiaries, which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, respectively that, to the best of their knowledge and belief, disclosed in the note 37(e) to the consolidated financial



statements, no funds have been received by the Parent or any of such subsidiaries, from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors 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.
- iv) As stated in note 9(iii) to the consolidated financial statements, the Board of Directors of the Parent which is company incorporated in India, whose financial statements have been audited under the Act, where applicable, have proposed final dividend for the year which is subject to the approval of the members of the Parent at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.
2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO" / "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For Deloitte Haskins & Sells LLP

Chartered Accountants

(Firm's Registration no. 117366W/W-100018)

Krishna Prakash E

(Partner)

(Membership No. 216015)

(UDIN: 22216015AJVSAR6876)

Place : Coimbatore

Date : May 30, 2022



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March 2022, we have audited the internal financial controls over financial reporting of Bannari Amman Spinning Mills Limited (hereinafter referred to as "Parent") and its subsidiary companies ("the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India, 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal



financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary company, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022,



based on the criteria for internal financial control over financial reporting established by the respective companies 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.

Other Matters

Our aforesaid report under Section 143(3)(l) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary company, which is a company incorporated in India, is based solely on the corresponding report of the auditor of such company incorporated in India.

Our opinion is not modified in respect of the above matter.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration no. 117366W/W-100018)

Krishna Prakash E

(Partner)

(Membership No. 216015)

(UDIN: 22216015AJVSAR6876)

Place : Coimbatore

Date : May 30, 2022


CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
1 Non-current assets			
a) Property, plant and equipment	3A	58,631.88	60,064.95
b) Capital work-in-progress	3A	3,005.61	1,664.01
c) Right-of-use assets	31	807.19	774.99
d) Other intangible assets	3B	432.81	488.01
e) Financial assets	4		
i) Investments	4.1	234.54	26.42
ii) Other financial assets	4.2	614.69	527.02
f) Deferred tax asset	29B	85.14	20.86
g) Other non-current assets	5	1,725.75	500.84
Total non-current assets		65,537.61	64,067.10
2 Current assets			
a) Inventories	6	30,659.27	25,914.31
b) Financial assets	7		
i) Trade receivables	7.1	18,907.70	14,000.50
ii) Cash and cash equivalents	7.2	1,865.52	1,746.17
iii) Bank balances other than (ii) above	7.2	98.78	2.60
iv) Loans	7.3	51.01	59.62
v) Other financial assets	7.4	972.72	1,401.06
c) Current tax assets	7.5	1,370.82	47.40
d) Other current assets	8	5,437.93	4,167.94
Total current assets		59,363.75	47,339.60
3 Assets classified as held for sale	3E	56.72	56.72
Total assets (1+2+3)		124,958.08	111,463.42
EQUITY AND LIABILITIES			
1 Equity			
a) Equity share capital	9	3,242.09	1,575.43
b) Other equity	10	42,004.33	28,619.21
Equity attributable to the owners of the Holding Company		45,246.42	30,194.64
Non-controlling interest		3,947.87	3,561.51
Total equity		49,194.29	33,756.15
LIABILITIES			
2 Non-current liabilities			
a) Financial liabilities	11		
i) Borrowings	11.1	25,400.95	18,687.39
ii) Lease liabilities	31	90.85	41.01
b) Deferred tax liabilities (net)	29B	4,821.40	3,152.88
c) Provisions	12.1	304.10	241.29
d) Other non-current liabilities	12.2	541.59	777.23
Total non - current liabilities		31,158.89	22,899.80
3 Current liabilities			
a) Financial liabilities	13		
i) Borrowings	13.1	26,473.36	39,569.03
ii) Lease liabilities	31	61.88	87.11
iii) Trade payables			
a) Total outstanding dues of micro enterprises and small enterprises	13.2	906.70	1,739.30
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	13.2	13,734.78	11,089.98
iv) Other financial liabilities	13.3	536.39	667.47
b) Provisions	14	1,718.54	414.49
c) Other current liabilities	15	1,173.25	1,240.09
Total current liabilities		44,604.90	54,807.47
Total equity and liabilities (1+2+3)		124,958.08	111,463.42
See accompanying notes forming part of the financial statements			

In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

S.V. ARUMUGAM
Chairman & Managing Director
DIN 00002458

K. SADASHIVAM
Director
DIN 00610037

KRISHNA PRAKASH E
Partner
Membership No: 216015
Coimbatore
30.05.2022

N. KRISHNARAJ
Company Secretary
ACS No. 20472

S. SESHADRI
Chief Financial Officer


CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022 (Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
I Revenue from operations	16	156,023.95	101,853.73
II Other income	17	604.84	518.15
III Total Revenue (I + II)		156,628.79	102,371.88
IV Expenses			
a) Cost of materials consumed	18A	104,482.12	62,394.64
b) Purchase of stock-in-trade	18B	326.00	129.57
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	19	(991.07)	5778.25
d) Employee benefits expense	20	16,923.95	12,263.54
e) Finance costs	21	5,333.02	6,201.11
f) Depreciation expense	3A & 31	3,369.52	3,274.38
g) Other expenses	22	18,612.15	13,533.37
Total Expenses		148,055.69	103,574.86
V Profit / (loss) before tax (III - IV)		8,573.10	(1,202.98)
VI Tax expense			
a) Current tax	29A	1,730.69	-
b) Deferred tax	29A	1,222.41	(164.63)
Total tax expense		2,953.10	(164.63)
VII Profit / (loss) for the year (V - VI)		5,620.00	(1,038.35)
VIII Other comprehensive income/(loss)		(23.82)	75.55
A i) Items that will not be reclassified to profit or loss			
a) Remeasurements of the defined benefit liabilities/(asset)		(47.12)	96.45
b) Gain/(loss) on equity instruments designated at FVTOCI		2.95	-
ii) Income tax relating to items that will not be reclassified to profit or loss		20.35	(20.90)
IX Total comprehensive income / (loss) for the year (VII + VIII)		5,596.18	(962.80)
Profits attributable to			
Non-controlling interest		376.11	61.87
Owners of the Company		5,243.89	(1,100.22)
Other comprehensive income attributable to			
Non-controlling interest		10.25	14.33
Owners of the Company		(34.07)	61.22
Total comprehensive income attributable to			
Non-controlling interest		386.36	76.20
Owners of the Company		5,209.82	(1,039.00)
X Earnings / (loss) per equity share: in Rs.	28		
1) Basic and diluted as reported		11.85	(3.30)
2) Basic and diluted as adjusted		11.85	(2.49)
See accompanying notes forming part of the financial statements			

In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

KRISHNA PRAKASH E
Partner
Membership No: 216015
Coimbatore
30.05.2022

S.V. ARUMUGAM
Chairman & Managing Director
DIN 00002458

N. KRISHNARAJ
Company Secretary
ACS No. 20472

K. SADASHIVAM
Director
DIN 00610037

S. SESHADRI
Chief Financial Officer



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Lakhs)

	No. of shares	Amount
a) Equity share capital		
Balance at the April 1, 2020	15,754,269	1,575.43
Add: Increase in number of shares due to split of face value from Rs. 10/- per share to Rs.5/- per share during the year	15,754,269	-
Balance at the March 31, 2021	31,508,538	1,575.43
Balance as at April 1, 2021	31,508,538	1,575.43
Add: Issue of rights shares of Rs.5/- per share during the year	33,333,333	1,666.66
Balance as at March 31, 2022	64,841,871	3,242.09

b) Other equity

(Rs. in Lakhs)

Particulars	Reserves and surplus			Items of other comprehensive income		Equity attributable to the owners of the Holding Company	Non - controlling interest	Total other equity
	Securities premium account	General reserve	Retained earnings	Remeasurements of the defined benefit liabilities/(asset)	Equity instruments through other comprehensive income	Other items of other comprehensive income		
Balance as at April 1, 2020	7,930.76	16,295.22	4,936.52	(7.49)	3.48	499.72	3,485.31	33,143.52
Loss for the year	-	-	(1,100.22)	-	-	-	61.87	(1,038.35)
Other comprehensive income (net of taxes)	-	-	-	61.22	-	-	14.33	75.55
Balance as at March 31, 2021	7,930.76	16,295.22	3,836.30	53.73	3.48	499.72	3,561.51	32,180.72
Balance as at April 1, 2021	7,930.76	16,295.22	3,836.30	53.73	3.48	499.72	3,561.51	32,180.72
Profit for the year	-	-	5,243.89	-	-	-	376.11	5,620.00
Securities premium on rights issue of equity shares	8,333.33	-	-	-	-	-	-	8,333.33
Rights issue expenses	(126.63)	-	-	-	-	-	-	(126.63)
Profit on disposal of subsidiaries	-	-	(31.40)	-	-	-	-	(31.40)
Other comprehensive income (net of taxes)	-	-	-	(35.99)	1.92	-	10.25	(23.82)
Balance as at March 31, 2022	16,137.46	16,295.22	9,048.79	17.74	5.40	499.72	3,947.87	45,952.20

See accompanying notes to the standalone financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells LLP
Chartered Accountants

S.V. ARUMUGAM
Chairman & Managing Director
DIN 00002458

K. SADASHIVAM
Director
DIN 00610037

KRISHNA PRAKASH E
Partner
Membership No: 216015
Coimbatore
30.05.2022

N. KRISHNARAJ
Company Secretary
ACS No. 20472

S. SESHADRI
Chief Financial Officer



CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit / (loss) after tax		5,620.00		(1,038.35)\
Adjustments for:				
Tax expense	2,953.10		(164.63)	
Depreciation expense	3,369.52		3,274.38	
(Profit) / loss on sale of property, plant and equipment	54.49		(380.55)	
Loss on sale of investments	0.55		-	
Profit on disposal of subsidiaries	(31.41)		-	
Finance costs	5,333.02		6,201.11	
Interest income	(71.32)		(44.60)	
Allowance for doubtful trade receivables and bad debts written off	388.87		501.54	
Net unrealised exchange (gain)	(81.01)		(57.48)	
		11,915.81		9,329.77
Operating profit before working capital changes		17,535.81		8,291.42
Changes in working capital:				
Adjustments for increase / (decrease) in operating assets:				
Financial assets				
Trade receivables	(5,215.06)		2,213.09	
Loans	8.61		(21.65)	
Other financial assets	207.11		637.97	
Non-financial assets				
Inventories	(4,744.96)		6,741.45	
Other non-financial assets	(2,539.07)		203.21	
Adjustments for increase / (decrease) in operating liabilities:				
Financial liabilities				
Trade payables	1,812.20		(1,903.19)	
Other financial liabilities	(75.74)		465.94	
Non-financial liabilities				
Provisions	31.76		117.86	
Other non-financial liabilities	(101.75)		(846.31)	
		(10,616.90)		7,608.37
		6,918.91		15,899.79
Net income tax paid		(1,316.84)		121.62
Net cash flow from operating activities (A)		5,602.07		16,021.41
B. CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure on property plant and equipment, including capital advances	(3,796.09)		(2,520.56)	
Margin money deposits	(96.63)		164.00	
Purchase of investments	(226.27)		(1.04)	
Sale of investments	17.60		-	
Proceeds from sale of property, plant and equipment	664.76		1,099.80	
Interest received	59.34		61.06	
Net cash flow used in investing activities (B)		(3,377.29)		(1,196.74)


CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from rights issue of equity shares (net of expenses)	9,873.36		-	
Proceeds from non-current borrowings	6,467.79		1,700.00	
Repayment of non-current borrowings	(3,923.05)		(2,863.27)	
Decrease in working capital borrowings	(8,926.85)		(8,276.46)	
Repayment of lease liabilities	(177.63)		(150.94)	
Finance costs paid	(5,419.05)		(6,912.23)	
Net cash flow used in financing activities (C)		(2,105.43)		(16,502.90)
Net increase / (decrease) in cash and cash equivalents (A+B+C)		119.35		(1678.23)
Add: Cash and cash equivalents at the beginning of the year		1746.17		3,424.40
Cash and cash equivalents at the end of the year *		1,865.52		1,746.17
* Comprises:				
a) Cash on hand	5.44		5.23	
b) Cheques/drafts on hand	1.88		4.00	
c) Balances with banks:				
i) In current accounts	1,168.81		1,106.03	
ii) In deposit accounts	689.39		630.91	
Total		1,865.52		1,746.17

See accompanying notes to the standalone financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

KRISHNA PRAKASH E
Partner
Membership No: 216015

Coimbatore
30.05.2022

S.V. ARUMUGAM
Chairman & Managing Director
DIN 00002458

N. KRISHNARAJ
Company Secretary
ACS No. 20472

K. SADASHIVAM
Director
DIN 00610037

S. SESHADRI
Chief Financial Officer



Notes to the consolidated financial statements for the year ended March 31, 2022

Note No.	Particulars
1.	<p>Corporate information</p> <p>Bannari Amman Spinning Mills Limited (the "Company" / "Holding Company") is a integrated textile company engaged in the manufacture of cotton yarn, knitted & woven fabrics, processing of fabrics, finished garments, home textiles and wind power generation. The Company was incorporated in the year 1989 and issued shares to the public in the year 2006. In addition the company has investment in subsidiaries which have been collectively referred to as "Group". The consolidated financial statements were approved for issue by the Board of Directors on May 30, 2022.</p>
2.	<p>Significant accounting policies</p> <p>This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.</p>
2.1	<p>a) Basis of accounting and preparation of financial statements</p> <p>i) Compliance with Ind AS</p> <p>The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) (Companies (Indian Accounting Standards) Rules, 2015) and other relevant provisions of the Act. The group has consistently applied accounting policies to all periods.</p> <p>ii) Historical cost convention</p> <p>The financial statements have been prepared on a historical cost basis, except for the following :</p> <ul style="list-style-type: none"> a) Certain property plant and equipment, financial assets and liabilities that are measured at fair value and b) Defined benefit plans – plan assets measured at fair value c) Assets held for sale – measured at fair value less cost to sell <p>b) Principles of consolidation and equity accounting</p> <p>i) Subsidiaries</p> <p>Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.</p>



Notes to the consolidated financial statements for the year ended March 31, 2022

Note No.	Particulars																		
	<p>The acquisition method of accounting is used to account for business combinations by the group.</p> <p>The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.</p> <p>Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.</p> <p>The carrying amount of equity accounted investments are tested for impairment.</p> <p>The consolidated Ind AS financial statements of the Group include subsidiaries/joint ventures which are incorporated in India in the table below:</p>																		
	<table><tr><th>Name of the entity</th><th>As at March 31, 2022</th><th>As at March 31, 2021</th></tr><tr><td>Young Brand Apparel Private Limited</td><td>51.33%</td><td>51.33%</td></tr><tr><td>Accel Apparels Private Limited (subsidiary disposed on 30.11.2021)</td><td>-</td><td>100.00%</td></tr><tr><td>Abirami Amman Designs Private Limited (Formerly Abirami Amman Mills Private Limited) (subsidiary disposed on 30.11.2021)</td><td>-</td><td>100.00%</td></tr><tr><td>Bannari Amman Infinite Trendz Private Limited (Formerly Bannari Amman Trendz Private Limited)</td><td>100.00%</td><td>100.00%</td></tr><tr><td>Bannari Amman Retails Private Limited (subsidiary disposed on 30.11.2021)</td><td>-</td><td>100.00%</td></tr></table>	Name of the entity	As at March 31, 2022	As at March 31, 2021	Young Brand Apparel Private Limited	51.33%	51.33%	Accel Apparels Private Limited (subsidiary disposed on 30.11.2021)	-	100.00%	Abirami Amman Designs Private Limited (Formerly Abirami Amman Mills Private Limited) (subsidiary disposed on 30.11.2021)	-	100.00%	Bannari Amman Infinite Trendz Private Limited (Formerly Bannari Amman Trendz Private Limited)	100.00%	100.00%	Bannari Amman Retails Private Limited (subsidiary disposed on 30.11.2021)	-	100.00%
Name of the entity	As at March 31, 2022	As at March 31, 2021																	
Young Brand Apparel Private Limited	51.33%	51.33%																	
Accel Apparels Private Limited (subsidiary disposed on 30.11.2021)	-	100.00%																	
Abirami Amman Designs Private Limited (Formerly Abirami Amman Mills Private Limited) (subsidiary disposed on 30.11.2021)	-	100.00%																	
Bannari Amman Infinite Trendz Private Limited (Formerly Bannari Amman Trendz Private Limited)	100.00%	100.00%																	
Bannari Amman Retails Private Limited (subsidiary disposed on 30.11.2021)	-	100.00%																	
2.2	<p>Segment reporting</p> <p>Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Holding Company assesses the financial performance and position of the Company, and makes strategic decisions. The board of directors, has been identified as being the chief operating decision maker.</p>																		
2.3	<p>Use of estimates</p> <p>In the application of the group’s accounting policies, the directors of the Holding Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated</p>																		



Notes to the consolidated financial statements for the year ended March 31, 2022

Note No.	Particulars
	<p>assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.</p> <p>The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.</p> <p>The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.</p> <p>a) Useful lives of property, plant and equipment</p> <p>The group reviews the useful life of property, plant and equipment at the end of each reporting period. This assessment may result in change in the depreciation expense in future periods. Useful life in years : Factory building - 30, Building (non factory) - 60, Plant and machinery (main) - 30, Plant and machinery (others) - 15, Office equipments - 5, Furniture & fittings - 10, Vehicles - 8.</p> <p>b) Deferred tax assets</p> <p>The carrying amount of deferred tax asset is reviewed at each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.</p> <p>c) Employee benefits</p> <p>The cost of defined benefit plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.</p>
2.4	<p>Inventories</p> <p>Inventories are valued at lower of cost and net realisable value. Cost of raw materials, Packing materials, Stores and Spares and consumables are valued at cost. Value of finished goods and work-in-progress are determined on weighted average basis and include appropriate share of overheads.</p>
2.5	<p>Cash and cash equivalents</p> <p>Cash and cash equivalents comprise cash on hand and demand deposits with banks other than deposits pledged with government authorities and margin money deposits.</p> <p>Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk</p>


Notes to the consolidated financial statements for the year ended March 31, 2022

Note No.	Particulars
	<p>of changes in value. Bank borrowings are generally considered to be financing activities. However, where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents. A characteristic of such banking arrangements is that the bank balance often fluctuates from being positive to overdrawn.</p> <p>2.6 Cash flow statement</p> <p>Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the group are segregated based on the available information.</p> <p>2.7 Taxes on income</p> <p>a) Current tax</p> <p>The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit / (loss) before tax' as reported in the standalone statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted and are applicable as at the end of the reporting period. In the absence of adequate taxable profits, the group is required to pay Minimum Alternate Tax (MAT) on the book profits, as adjusted for certain provisions.</p> <p>b) Deferred tax</p> <p>Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.</p> <p>MAT paid in accordance with the tax laws, if any, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the group will pay normal tax. Accordingly, MAT is recognised as a deferred tax asset in the Balance sheet when it is highly probable that future economic benefit associated with it will flow to the group.</p>



Notes to the consolidated financial statements for the year ended March 31, 2022

Note No.	Particulars
	<p>The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.</p> <p>Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.</p> <p>The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.</p> <p>c) Current and deferred tax for the year</p> <p>Current and deferred tax are recognised in the Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.</p> <p>2.8 a) Property, plant and equipment</p> <p>The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.</p> <p>An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.</p> <p>Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.</p> <p>Freehold land and leasehold land where the lease is convertible to freehold land under lease agreements at future dates at no additional cost, are not depreciated.</p>


Notes to the consolidated financial statements for the year ended March 31, 2022

Note No.	Particulars
	<p>Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.</p> <p>b) Capital work-in-progress</p> <p>Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses.</p> <p>Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.</p> <p>The group reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.</p> <p>c) Depreciation and Amortisation</p> <p>Depreciation on assets (other than freehold land) has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following assets which are considered based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc., Depreciation is provided pro-rata from the date of Capitalisation. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period. Plant and Machinery - 25 to 30 years Windmill - 30 years Factory Building - 30-60 years.</p> <p>2.9 Leases</p> <p>The Group's lease asset classes primarily consist of leases for land and buildings. The Group, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.</p> <p>The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease</p>



Notes to the consolidated financial statements for the year ended March 31, 2022

Note No.	Particulars
	<p>liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.</p> <p>The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.</p>
2.10	<p>Revenue recognition</p> <p>i) Sale of goods</p> <p>Revenue from sale of goods is recognised when control of the goods is transferred to the Customers. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.</p> <p>ii) Time and material</p> <p>Revenue from time and material contracts are recognised as and when services are rendered to the customer. These are based on the efforts spent and rates agreed with the customer. Revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue.</p> <p>iii) Dividend and interest income</p> <p>Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably). Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.</p>


Notes to the consolidated financial statements for the year ended March 31, 2022

Note No.	Particulars
2.11	<p data-bbox="245 389 605 420">iv) Other operating revenue</p> <p data-bbox="282 441 1468 555">Income incidental to exports such as duty drawback, Merchandise Exports from India Scheme (MEIS), income from import entitlement and premium on sale of such entitlement are recognised when there is a reasonability of collection.</p> <p data-bbox="245 582 483 613">2.11 Employee benefits</p> <p data-bbox="245 623 1468 696">Employee benefits include provident fund, employee state insurance, gratuity fund and compensated absences.</p> <p data-bbox="245 727 899 758">a. Retirement benefit costs and termination benefits</p> <p data-bbox="282 779 1468 841">Payments to defined contribution Retirement Benefit Plans are recognised as an expense when employees have rendered service entitling them to the contributions.</p> <p data-bbox="282 861 1468 1245">For defined benefit Retirement Benefit Plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.</p> <p data-bbox="245 1276 883 1307">b. Defined benefit costs are categorised as follows</p> <ul data-bbox="282 1317 1468 1473" style="list-style-type: none"> - service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements); - net interest expense or income; and - remeasurement <p data-bbox="282 1493 1468 1835">For defined benefit plan, in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme. The gratuity fund is maintained with Life Insurance Corporation of India.</p>



Notes to the consolidated financial statements for the year ended March 31, 2022

Note No.	Particulars
	<p>The group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.</p> <p>The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the group's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.</p> <p>A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.</p> <p>c. Short-term and other long term employee benefits</p> <p>A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.</p> <p>Liabilities recognised in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.</p> <p>Liabilities recognised in respect of other long term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the group in respect of services provided by employees up to the reporting date.</p>
2.12	<p>Foreign currency transactions and translations</p> <p>i) Functional and presentation currency</p> <p>Items included in the financial statements of the group are measured using the currency of the primary economic environment in which the group operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the group's functional and presentation currency.</p> <p>ii) Transactions and balances</p> <p>Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses). Non-monetary assets and liabilities are</p>


Notes to the consolidated financial statements for the year ended March 31, 2022

Note No.	Particulars
<p>2.13</p> <p>Borrowings and borrowing cost</p>	<p>measured in terms of historical cost in foreign currencies are not retranslated. Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.</p> <p>Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method. Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.</p> <p>Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.</p> <p>Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.</p> <p>2.14</p> <p>Earnings per share</p> <p>Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period, adjusted for rights issue of equity shares during the period. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate</p>



Notes to the consolidated financial statements for the year ended March 31, 2022

Note No.	Particulars
2.15	<p>Provisions and contingencies</p> <p>A provision is recognised when the group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.</p>
2.16	<p>Financial instruments</p> <p>All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. While, financial liabilities like loans and borrowings and payables are recognised net of directly attributable transaction costs.</p> <p>For the purpose of subsequent measurement, financial instruments of the group are classified in the following categories: non-derivative financial assets comprising amortised cost, equity instruments at FVTOCI or fair value through profit and loss account (FVTPL) and financial liabilities at amortised cost or FVTPL.</p> <p>The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.</p> <p>a) Non-derivative financial assets</p> <p>i) Financial assets at amortised cost</p> <p>A financial asset shall be measured at amortised cost if both of the following conditions are met:</p> <ul style="list-style-type: none"> a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. <p>They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.</p>


Notes to the consolidated financial statements for the year ended March 31, 2022

Note No.	Particulars
	<p>The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or where appropriate, a shorter period, to the gross carrying amount on initial recognition.</p> <p>Financial assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.</p> <p>Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other Income" line item.</p> <p>ii) Equity instruments at FVTOCI</p> <p>All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the group may make an irrevocable election to present subsequent changes in the fair value in OCI. The group makes such election on an instrument-by-instrument basis.</p> <p>If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently reclassified to statement of profit and loss.</p> <p>iii) Financial assets at FVTPL</p> <p>FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL.</p> <p>In addition the group may elect to designate the financial asset, which otherwise meets amortised cost or FVOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency.</p> <p>Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.</p>



Notes to the consolidated financial statements for the year ended March 31, 2022

Note No.	Particulars
	<p>iv) Derecognition of financial assets</p> <p>The group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the group retains substantially all the risks and rewards of ownership of a transferred financial asset, the group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.</p> <p>On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.</p> <p>On derecognition of a financial asset other than in its entirety (e.g. when the group retains an option to repurchase part of a transferred asset), the group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.</p> <p>b) Non-derivative financial liabilities</p> <p>i) Financial liabilities at amortised cost</p> <p>Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.</p> <p>ii) Financial liabilities at FVTPL</p> <p>Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Finance</p>



Notes to the consolidated financial statements for the year ended March 31, 2022

Note No.	Particulars
	<p>costs' line item. The group derecognises financial liabilities when, and only when, the group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.</p> <p>For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the statement of profit and loss. The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.</p> <p>iii) Derecognition of non-derivative financial liabilities</p> <p>The group derecognises financial liabilities when, and only when, the group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.</p>
2.17	<p>Impairment</p> <p>a) Financial Assets</p> <p>In accordance with Ind AS 109, the group applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The group follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.</p> <p>Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12-months after the reporting date.</p> <p>ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all</p>



Notes to the consolidated financial statements for the year ended March 31, 2022

Note No.	Particulars
	<p>shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider :</p> <ul style="list-style-type: none"> i) All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument. ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. <p>As practical expedient, the group uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed.</p> <p>ECL impairment loss allowance (or reversal) recognised during the year is recognised as income/expense in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:</p> <p>Financial assets measured at amortised cost, contractual revenue receivable: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the group does not reduce impairment allowance from the gross carrying amount.</p> <p>b) Non-financial assets</p> <p>The group assesses at each reporting date whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the group estimates the amount of impairment loss.</p> <p>An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.</p> <p>The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects</p>



Notes to the consolidated financial statements for the year ended March 31, 2022

Note No.	Particulars
	<p>current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").</p> <p>2.18 Government grants</p> <p>Grants from the government are recognised when there is reasonable assurance that:i) the group will comply with the conditions attached to them; andii) the grant will be received.</p> <p>Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When the grant relates to an asset, it is recognized as income over the expected useful life of the asset.</p> <p>Where the group receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost it is recognised at a fair value. When loan or similar assistance are provided by government or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is recognized as government rate. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.</p> <p>2.19 Operating cycle</p> <p>Based on the nature of products / activities of the group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.</p> <p>2.20 Amendments effective from April 1, 2022 :</p> <p>On March 23, 2022, the Ministry of Corporate Affairs (MCA) issued certain amendments and annual improvements to Ind AS. These amendments are applicable for accounting periods beginning on or after April 1, 2022:• Ind AS 103 – Business Combinations – Reference to conceptual framework added• Ind AS 16 – Property, Plant and Equipment – Accounting for proceeds before an asset’s intended use• Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – Assessing if the contract is onerous• Annual improvements to Ind AS – Improvements added in Ind AS 101 (First time adoption of Ind AS), Ind AS 109 (Financial Instruments), Ind AS 116 (Leases) and Ind AS 41 (Agriculture)The Group will evaluate the impact of the above, where applicable, on the financial statements and give impact of the same in the relevant period.</p>



Notes to the consolidated financial statements for the year ended March 31, 2022

3A Property, plant and equipment and capital work-in-progress (Rs. in Lakhs)

Carrying amounts of		As at March 31, 2022	As at March 31, 2021
Own land		7,809.19	7,809.19
Building - own		11,914.12	11,914.12
Building on leasehold land		1,553.10	1,345.92
Plant and machinery		37,370.19	38,487.56
Office equipment		141.30	132.08
Furniture and fittings		246.84	318.04
Vehicles		74.97	56.25
Tools and implements		1.79	1.79
Total		58,631.88	60,064.95
Capital work-in-progress		3,005.61	1,664.01
Total		61,637.49	61,728.96

Description of Assets	Own land	Building - own	Building on leasehold land	Plant and machinery	Office equipment	Furniture and fittings	Vehicles	Tools and implements	Total
I. Gross									
Balance as at April 1, 2020	7,814.26	14,215.49	1,542.30	48,272.23	575.49	527.48	108.26	1.89	73,057.40
Additions	-	19.99	24.29	735.04	34.69	25.81	7.09	-	846.91
Disposals	(5.07)	-	-	(1,771.22)	-	-	(7.59)	-	(1,783.88)
Balance as at March 31, 2021	7,809.19	14,235.48	1,566.59	47,236.05	610.18	553.29	107.76	1.89	72,120.43
Additions	-	47.45	333.00	1,355.17	60.01	42.96	30.61	-	1,869.20
Disposals	-	-	-	(130.12)	(9.92)	(64.59)	(1.41)	-	(206.04)
Balance as at March 31, 2022	7,809.19	14,282.93	1,899.59	48,461.10	660.27	531.66	136.96	1.89	73,783.59
II. Accumulated depreciation									
Balance as at April 1, 2020	-	1,776.20	170.11	7,385.35	403.64	164.81	56.51	0.10	9,956.72
Depreciation expenses for the year	-	545.16	50.56	2,421.86	74.46	70.44	0.34	-	3,162.82
Disposals	-	-	-	(1,058.72)	-	-	(5.34)	-	(1,064.06)
Balance as at March 31, 2021	-	2,321.36	220.67	8,748.49	478.10	235.25	51.51	0.10	12,055.48
Depreciation expenses for the year	-	527.07	125.82	2,383.75	45.38	72.85	11.83	-	3,166.70
Disposals	-	-	-	(41.33)	(4.51)	(23.28)	(1.35)	-	(70.47)
Balance as at March 31, 2022	-	2,848.43	346.49	11,090.91	518.97	284.82	61.99	0.10	15,151.71
Net (I-II)									
Balance as at March 31, 2021	7,809.19	11,914.12	1,345.92	38,487.56	132.08	318.04	56.25	1.79	60,064.95
Balance as at March 31, 2022	7,809.19	11,434.50	1,553.10	37,370.19	141.30	246.84	74.97	1.79	58,631.88

Amount Pertaining to building on lease hold land comprised in the property, plant and equipment schedule represented by 2,52,841 equity shares of Rs.10/- each of Section 8 Company and Leave and license agreement.


Notes to the consolidated financial statements for the year ended March 31, 2022
3B Other intangible assets

(Rs. in Lakhs)

Description of assets	Computer software	Brand	Total
I. Gross			
Balance as at April 1, 2020	22.28	-	22.28
Additions	-	481.88	481.88
Disposals	-	-	-
Balance as at March 31, 2021	22.28	481.88	504.16
Additions	23.50	28.00	51.50
Disposals	-	-	-
Balance as at March 31, 2022	45.78	509.88	555.66
II. Accumulated amortisation			
Balance as at April 1, 2020	12.91	-	12.91
Depreciation / amortisation expenses for the year	3.24	-	3.24
Disposals	-	-	-
Balance as at March 31, 2021	16.15	-	16.15
Depreciation / amortisation expenses for the year	4.72	101.98	106.70
Disposals	-	-	-
Balance as at March 31, 2022	20.87	101.98	122.85
Net (I-II)			
Balance as at March 31, 2021	6.13	481.88	488.01
Balance as at March 31, 2022	24.91	407.90	432.81

3C Depreciation and amortisation expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Tangible assets	3,166.70	3,162.82
Intangible assets	106.70	3.24
Depreciation on Right-of-use assets (Refer note 31)	96.12	108.32
	3,369.52	3,274.38

(Rs. in Lakhs)

3D

Capital work in progress	As at March 31, 2022	As at March 31, 2021
Opening balance	1,664.01	439.02
Add: Additions during the year	1,341.60	1,224.99
Closing Balance	3,005.61	1,664.01



Notes to the consolidated financial statements for the year ended March 31, 2022

(Rs. in Lakhs)

Capital work in progress ageing	Amount of Capital work in progress for a period of				
	< 1 Year	1-2 Years	2-3 Years	> 3 Years	Total
Projects in progress					
As at March 31, 2022	1,341.60	1,224.99	439.02	-	3,005.61
As at March 31, 2021	1,224.99	439.02		-	1,664.01

There are no projects suspended as at March 31, 2022 and March 31, 2021. There are no items of capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan in current and previous year.

- 3E** The Holding Company entered into an agreement to sell dated March 30, 2011 with Shiva Tex Yarn Limited for the sale of part of land situated at Velvarkottai, Dindigul and Kodangipalayam, Karanampet, Coimbatore, valued at Rs.56,72,085/-. Accordingly the said amount is disclosed as assets held for sale.

Non-current assets

4 Financial assets

4.1 Investments

Particulars	As at March 31, 2022	As at March 31, 2021
I. Quoted investments (fully paid) carried at fair value		
Investments in equity instruments - others		
i) 250 (As at March 31, 2021 - 250) equity shares of Rs.10/- each in Bannari Amman Sugars Limited	6.78	3.83
ii) 34 (As at March 31, 2021 - 34) equity shares of Rs.10/- each in Moil Limited	0.03	0.03
Total quoted investments	6.81	3.86
II. Unquoted investments (fully paid) carried at fair value		
i) Investments - Others		
i) 6,443 (As at March 31, 2021 - 6,443) Preference shares of Shiva Automobile Private Limited of Rs.100/- each	5.10	5.10
ii) 15,000 (As at March 31, 2021 - 15,000) Equity shares of Rs.10/- each in OPG Metal Power Private Limited	1.50	1.50
iii) 99,900 (As at March 31, 2021 - 1,41,800) Equity shares of Rs.10/- each in OPG Power Generation Private Limited	11.10	15.93
iv) 3,00,000 (As at March 31, 2022 - Nil) Equity shares of Rs.10/- each in Nellai Renewables Private Limited	30.00	-
v) 18,00,000 (As at March 31, 2021 - NIL) Equity shares of Rs.10/- each in Nellai Renewables Private Limited	180.00	-
ii) Investments in Government securities (carried at fair value)		
Kisan Vikas Patra	0.03	0.03
Total Unquoted Investments	227.73	22.56
Total - Investments	234.54	26.42


Notes to the consolidated financial statements for the year ended March 31, 2022

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Aggregate amount of quoted investments	6.81	3.86
Aggregate market value of quoted investments	6.81	3.86
Aggregate amount of unquoted investments	227.73	22.56

Note: On 30 November, 2021 pursuant to the approval of the Board of Directors, the Company has disposed off its entire holding in three of its wholly owned subsidiaries, namely Accel Apparels Private Limited, Abirami Amman Designs Private Limited and Bannari Amman Retails Private Limited.

4.2 Other financial assets (at amortised cost)

Particulars	As at March 31, 2022	As at March 31, 2021
Security deposits	501.36	527.02
TUF subsidy receivable	113.33	-
Total - Other financial assets	614.69	527.02

5 Other non-current assets

Particulars	As at March 31, 2022	As at March 31, 2021
Capital advances	1,157.20	6.19
Other advances	188.02	47.74
Deposits with Government Authorities	30.63	-
Advance tax and tax deducted at source (Net)	265.90	446.91
Advance for investment in equity shares	84.00	-
Total - Other non-current assets	1,725.75	500.84

CURRENT ASSETS
6 Inventories (At lower of cost and net realisable value)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw materials	17,498.75	14,122.78
Goods in transit	1,471.99	1,114.99
Work-in-progress	2,674.61	2,124.75
Finished goods	8,143.70	7,161.43
Stock-in-trade	-	541.06
Stores and spares	870.22	849.30
Total - Inventories	30,659.27	25,914.31
Raw materials expensed	104,482.12	62,394.64

Refer Note 9 and 11 for the current assets secured for the borrowings.



Notes to the consolidated financial statements for the year ended March 31, 2022

7. FINANCIAL ASSETS

7.1 Trade receivables

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
A) Trade receivable considered good - Unsecured	18,907.68	14,000.48
B) Trade receivable - which have significant increase in credit risk	1,012.60	674.49
C) Trade receivable - Credit impaired	181.57	181.57
	20,101.85	14,856.54
Less: Allowance for doubtful trade receivables	(1,194.15)	(856.04)
Total - Trade receivables	18,907.70	14,000.50

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	856.04	814.52
Movement in expected credit loss on trade receivables calculated at lifetime expected credit losses	338.11	41.52
Balance at the end of the year	1,194.15	856.04

Particulars	Outstanding for following period from the date of invoice					Total
	< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
As at March 31, 2022						
Undisputed trade receivables - considered good	17,545.66	-	312.86	385.28	8.07	18,251.87
Undisputed trade receivables - which have significant increase in credit risk	729.68	39.56	37.21	3.80	21.82	832.07
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	16.37	25.64	613.80	655.81
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	180.53	180.53
Disputed trade receivables - credit impaired	-	-	2.89	-	178.68	181.57
As at March 31, 2021						
Undisputed trade receivables - considered good	12,756.74	66.19	283.97	115.40	122.37	13,344.67
Undisputed trade receivables - which have significant increase in credit risk	195.16	-	182.94	115.12	0.74	493.96
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	16.37	25.64	613.80	655.81
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	180.53	180.53
Disputed trade receivables - credit impaired	-	-	2.89	-	178.68	181.57



Notes to the consolidated financial statements for the year ended March 31, 2022

7.2 Cash and cash equivalents

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Cash on hand	5.44	5.23
b) Cheques/drafts on hand	1.88	4.00
c) Balances with banks :		
i) In current accounts	1,168.81	1,106.03
ii) In deposit accounts	689.39	630.91
Total - Cash and cash equivalents	1,865.52	1,746.17
Bank balances other than above		
i) In earmarked accounts		
- Margin money deposits	96.63	-
- Unpaid dividend accounts	2.15	2.60
Total - Other bank balances	98.78	2.60
Of the above, balances that meet the definition of cash and cash equivalents as per Ind AS 7 Cash Flow Statements	1,865.52	1,746.17

7.3 Loans (Unsecured and considered good, unless stated otherwise)

Particulars	As at March 31, 2022	As at March 31, 2021
Employee advances	51.01	59.62
Total - Loans	51.01	59.62

Refer Note 9 and 11 for the current assets secured for the borrowings.

7.4 Other financial assets (Unsecured and considered good, unless stated otherwise)

Particulars	As at March 31, 2022	As at March 31, 2021
Accruals:		
- Interest accrued on fixed deposits with banks	11.98	-
- TUF subsidy receivable	630.38	775.92
- Incentive/grant receivable	160.89	531.00
- Unbilled revenue (Refer Note (i) below)	64.07	66.51
Rights issue expenses	-	27.63
Refundable deposit with stock exchange on rights issue	105.40	-
Total - Other financial assets	972.72	1,401.06



Notes to the consolidated financial statements for the year ended March 31, 2022

Note (i) Movement in unbilled revenue

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	66.51	488.60
Add: Revenue recognised during the year	64.07	-
Less: Reversal / adjustments during the year	66.51	422.09
Closing Balance	64.07	66.51

Refer Note 9 and 11 for the current assets secured for the borrowings.

7.5 Current Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Current tax assets (Advance tax & TDS for the year)	1,370.82	47.40
Total - Current tax assets	1,370.82	47.40

8 Other current assets (Unsecured and considered good, unless stated otherwise)

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	491.57	440.43
Balances with government authorities :		
- Duty drawback/Export incentive receivable	1,615.81	1,040.59
- GST receivable	2,029.41	1,199.95
- ESI liquidated damage	7.58	7.58
Gratuity	10.19	155.60
Security deposits	22.20	-
Advance to suppliers	1,261.17	1,323.79
Total - Other current assets	5,437.93	4,167.94

Refer Note 9 and 11 for the current assets secured for the borrowings.



Notes to the consolidated financial statements for the year ended March 31, 2022

9 Equity share capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	Amount in laksh	Number of shares held	Amount in laksh
a) Authorised :				
i) Equity share capital				
Equity shares of Rs.5/- each	100,000,000	5,000.00	100,000,000	5,000.00
ii) Preference share capital				
Cumulative preference shares of Rs.100/- each	50,000	50.00	50,000	50.00
Total	100,050,000	5,050.00	100,050,000	5,050.00
b) Issued, subscribed and fully paid-up :				
i) Equity share capital				
Equity shares of Rs.5/- each	64,841,871	3,242.09	31,508,538	1,575.43
Total - Equity share capital	64,841,871	3,242.09	31,508,538	1,575.43

i) 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, 2022		As at March 31, 2021	
	Number of shares held	Amount in laksh	Number of shares held	Amount in laksh
Equity shares of Rs. 5/- each with voting rights				
At the beginning of the year	3,15,08,538	1,575.43	1,57,54,269	1,575.43
Add: Increase in number of shares due to split of face value from Rs.10/- per share to Rs.5/- per share during the year	-	-	1,57,54,269	-
Add: Issue of rights shares of Rs.5/- per share during the year (Refer Note 1 below)	3,33,33,333	1,666.66	-	-
Outstanding at the end of the year	6,48,41,871	3,242.09	3,15,08,538	1,575.43

Note 1.

The Company has raised an amount of Rs. 9,999.99 lakhs through Rights Issue of 33,333,333 Equity Shares of Rs.5/- each at an issue price of Rs.30/- per share. The Shares have been allotted to the shareholders on October 09, 2021. Consequent to the above allotment, the paid up share capital has been increased from Rs. 1,575.43 lakhs to Rs.3,242.09 lakhs. The entire proceeds received from the Rights Issue during the year amounting to Rs.9,999.99 lakhs were used for the objects stated in the offer document of the Rights Issue.

ii) Terms / rights attached to the equity shares:

The Company has splitted the face value of equity share from Rs. 10/- per share to Rs.5/- per share thereby increase of equivalent number of existing shares. The Company has issued only one class of equity share



Notes to the consolidated financial statements for the year ended March 31, 2022

having a face value of Rs. 10/- per share. The holder of each equity share is entitled to one vote per share. 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 to all preferential creditors and other creditors, in the order of priority. The distribution will be in proportion to the number of equity shares held by shareholders. The company declares and pays dividend in Indian Rupees. The dividend proposed by Board of Directors is subject to the approval of Shareholders in the ensuing Annual General Meeting.

iii) Distributions made and proposed:

Dividend recognized as distributions to equity shareholders for the year ended March 31, 2021 was NIL as the Board of Directors at its meeting held on May 31, 2021 had recommended no dividend.

Further, for the year ended March 31, 2022, the Board of Directors at its meeting held on May 30, 2022 have proposed a dividend of 12% (Rs.0.60 per equity share of par value of Rs.5/- each), which will be placed before the shareholders at the ensuing annual general meeting.

iv) Details of shareholders holding more than 5% of the share capital :

Equity Shares

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% of holding	Number of shares held	% of holding
Murugan Enterprise Private Limited	3,51,91,255	54.27%	1,71,66,466	54.48%
Gagandeep Credit Capital Private Limited	38,83,141	5.99%	19,74,950	6.27%

v) Details of shares held by the holding company :

Particulars	As at March 31, 2022	As at March 31, 2021
	Number of Shares	Number of Shares
Out of the equity shares issued by the company		
- Murugan Enterprise Private Limited, the holding company	3,51,91,255	1,71,66,466

vi) Shareholding of promoters

Promoter Name	As at March 31, 2022		As at March 31, 2021		
	Number of shares held	% of holding	Number of shares held	% of holding	% change during the year
Equity Shares of Rs.5/- each with voting rights					
S V Arumugam	6,88,869	1.06	3,36,034	1.07	-0.38%
Murugan Enterprise Private Limited	3,51,91,255	54.27	1,71,66,466	54.48	-0.38%
Total	3,58,80,124	55.33	1,75,02,500	55.55	-0.76%


Notes to the consolidated financial statements for the year ended March 31, 2022

- vii) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the balance sheet date :

Particulars	Aggregate number of shares	
	As at March 31, 2022	As at March 31, 2021
Equity shares of Rs. 5/- each with voting rights		
Increase in number of shares due to split of face value from Rs.10/- per share to Rs.5/- per share	-	1,57,54,269

10 Other Equity

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Securities premium account		
Amounts received on issue of shares in excess of the par value has been classified as securities premium.		
Opening balance	7,930.76	7,930.76
Add : Securities premium on rights issue of equity shares (Refer Note 9)	8,333.33	-
Less : Rights issue expenses	126.63	-
Closing balance	16,137.46	7,930.76
2. General reserve		
This represents appropriation of profit by the Company.		
Opening balance	16,295.22	16,295.22
Closing balance	16,295.22	16,295.22
3. Retained earnings		
Retained earnings comprise of the Company's prior years undistributed earnings after taxes.		
Opening balance	3,836.30	4,936.52
Add : Profit / (loss) for the current year	5,243.89	(1,100.22)
Add : Profit / (loss) on disposal of subsidiaries	(31.40)	-
Closing balance	9,048.79	3,836.30



Notes to the consolidated financial statements for the year ended March 31, 2022

10 Other Equity

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
4. Other comprehensive income		
Other items of other comprehensive income consist of fair value changes on FVTOCI financial assets and financial liabilities and remeasurement of net defined benefit liability/asset.		
Opening balance	556.93	495.71
Add : Movement during the year	(34.07)	61.22
Closing balance	522.86	556.93
Total - Other equity (1+2+3+4)	42,004.33	28,619.21

Non-current Liabilities

11 Financial Liabilities

11.1 Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
a) Term loans - Secured (Refer Notes (i) to (ix) below)		
- From banks	21,501.78	13,088.93
- From others	1,899.17	1,698.46
b) Borrowings from others - Unsecured (Refer Note (xiv) below)	2,000.00	3,900.00
Total - Borrowings	25,400.95	18,687.39

The Company vide its letter dated November 27, 2020 requested its Bankers for One Time Restructuring of Term Loans under the Resolution framework for COVID 19 related stress in line with RBI circular number RBI/2020-21/16/DOR.No.BP.BC/3/21.04.048/2020-21 dated August 06, 2020. The mentioned Resolution Plan was approved by the Bankers on June 24, 2021 in terms of which a moratorium has been allowed to an extent of Rs.5,245.77 lakhs relating to Financial year 2021-22 for a period of 1 year and 1 month.

Notes : Details of terms of repayment and security provided in respect of secured term loans :

Particulars	As at March 31, 2022	As at March 31, 2021
i) ICICI Bank Limited- Rupee term loan 2	187.50	375.00
ICICI Bank Limited- Rupee term loan 3	957.50	957.50
Less: Current maturities of long term debt	(325.55)	(1,332.50)
Total	819.45	-

Security: First pari passu charge on the entire property, plant and equipment of the Holding Company and second pari passu charge on the entire current assets of the Holding Company.

Repayment : Term Loan 2: 2 quarterly instalments starting from April 2023.

Term Loan 3: 7 quarterly instalments starting from September 2022.

Rate of Interest : Term Loan 2: 10.30%. Term loan 3: 10.55%



Notes to the consolidated financial statements for the year ended March 31, 2022

Notes : Details of terms of repayment and security provided in respect of secured term loans (Contd...)

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
ii) Indian Bank - Rupee Term Loan	634.31	793.60
Less: Current maturities of long term debt	(16.34)	(632.09)
Total	617.97	161.51

Security: First pari passu charge on the entire property, plant and equipment of the Holding Company and second pari passu charge on the entire current assets of the Holding Company.

Repayment : 6 Quarterly instalments starting from February 2023. Rate of Interest : 11.00%

Particulars	As at March 31, 2022	As at March 31, 2021
iii) Indian Bank - Rupee term loan	5,227.37	5,241.52
Less: Current maturities of long term debt	(254.76)	(1,647.45)
Total	4,972.61	3,594.07

Security: First pari passu charge on the entire property, plant and equipment of the Holding Company and second pari passu charge on the entire current assets of the Holding Company.

Repayment : 15 Quarterly instalments starting from December 2022. Rate of Interest : 11.00%

Particulars	As at March 31, 2022	As at March 31, 2021
iv) Indian Bank - Rupee term loan	4,161.44	4,174.32
Less: Current maturities of long term debt	(192.49)	(636.43)
Total	3,968.95	3,537.89

Security: First pari passu charge on the entire property, plant and equipment of the Holding Company and second pari passu charge on the entire current assets of the Holding Company.

Repayment : 24 Quarterly instalments starting from June 2022. Rate of Interest : 11.00%

Particulars	As at March 31, 2022	As at March 31, 2021
v) Indian Bank - Rupee term loan	4,467.79	-
Less: Current maturities of long term debt	(26.79)	-
Total	4,441.00	-

Security: Second pari passu charge on the entire property, plant and equipment of the Holding Company and second pari passu charge on the entire current assets of the Holding Company.

Repayment : 48 Monthly instalments starting from January 2024. Rate of Interest : 8.30%

Particulars	As at March 31, 2022	As at March 31, 2021
vi) DCB Bank Limited - Term loan	1,239.00	1,363.12
Less: Current maturities of long term debt	(42.14)	(743.52)
Total	1,196.86	619.60

Security: First pari passu charge on the entire property, plant and equipment of the Holding Company and second pari passu charge on the entire current assets of the Holding Company.

Repayment : 24 Monthly instalments starting from February 2023. Rate of Interest : 8.88%



Notes to the consolidated financial statements for the year ended March 31, 2022

Notes : Details of terms of repayment and security provided in respect of secured term loans (Contd...)

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
vii) Indian overseas Bank - Term loan	2,535.58	2,633.11
Less: Current maturities of long term debt	-	(390.09)
Total	2,535.58	2,243.02

Security: First pari passu charge on the entire property, plant and equipment of the Holding Company and second pari passu charge on the entire current assets of the Holding Company.

Repayment : 19 Quarterly instalments starting from August 2023.

Rate of Interest: 10.15%

Particulars	As at March 31, 2022	As at March 31, 2021
viii) HDFC Bank Limited - Term loan (Previous year - PNB)	666.99	914.32
Less: Current maturities of long term debt	(228.29)	(228.30)
Total	438.71	686.02

Security: First charge on property, plant and equipment of Young Brand Apparel Private Limited, including equitable mortgage over factory land and building and hypothecation of other property plant and equipment acquired out the loan.

After the initial holiday period of 24 months, repayable in 84 equal monthly instalments commencing from June 2017, last instalment due in March 2025. Rate of interest is 8.90% as at the year end.

Particulars	As at March 31, 2022	As at March 31, 2021
ix) Punjab National Bank - Corporate Rupee Term Loan	-	59.45
Less: Current maturities of long term debt	-	(59.45)
Total	-	-

Security: First charge on property, plant and equipment of Young Brand Apparel Private Limited, including equitable mortgage over factory land and building.

After the initial holiday period of 12 months, repayable in 60 equal monthly instalments commencing from December 2015, last instalment due in December 2020. Rate of interest is 13.50% as at the year end.

Particulars	As at March 31, 2022	As at March 31, 2021
x) HDFC Bank Limited - Rupee Term Loan (Previous year - PNB)	1,996.44	1,317.96
Less: Current maturities of long term debt	(323.75)	(165.14)
Total	1,672.69	1,152.82

Security: First charge on property, plant and equipment of Young Brand Apparel Private Limited, including equitable mortgage over factory land and building and hypothecation of other property plant and equipment acquired out the loan.

After the initial holiday period of 24 months, repayable in 84 equal monthly instalments commencing from June 2021. Rate of interest is 8.90% as at the year end.



Notes to the consolidated financial statements for the year ended March 31, 2022

Notes : Details of terms of repayment and security provided in respect of secured term loans (Contd...)

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
xi) HDFC Bank Limited - Rupee Term Loan (Previous year - PNB) (under GECL)	1,094.00	1,094.00
Less: Current maturities of long term debt	(256.04)	-
Total	837.96	1,094.00

Security: Extension of charge over entire present and future current assets of Young Brand Apparel Private Limited. Hypothecation of fixed assets created out of term loan. Exclusive charge on the entire Fixed assets (all non Current assets) existing and future.

After the initial holiday period of 12 months, repayable in 48 equal monthly instalments commencing from May 2022, last instalment due in March 2026. Rate of interest is 7.50% as at the year end.

Particulars	As at March 31, 2022	As at March 31, 2021
xii) Palladam Hi-Tech Weaving Park	47.84	47.84
Less: Current maturities of long term debt	-	-
Total	47.84	47.84

Security: First charge on fixed assets acquired out of loan of Garment Unit located at Palladam Hi-Tech Weaving Park, Sukkampalayam Village, K.N.Puram (Po), Palladam.

Repayment : 120 Monthly instalments starting from April 2010.

Rate of Interest : 0.75%.

Particulars	As at March 31, 2022	As at March 31, 2021
xiii) SIPCOT Soft Loan	2,554.91	2,554.90
Less: Government grant (Refer note (ii) below)	(703.58)	(904.29)
Total	1,851.33	1,650.61

i) First charge by way of equitable mortgage over factory land and building and hypothecation of other movable assets financed by SIPCOT for the expansion project ranking paripassu with other banks and property plant and equipment of the expansion scheme of spinning units located at Velvarkottai Village, Dindigul, Weaving unit and Knitting unit at Karanampet, Coimbatore.

ii) The Government of Tamil Nadu in its order : G.O. Ms. No. 126, dated October 20, 2009, has granted an amount equivalent to net output VAT + CST paid through expansion project to Government as Investment Promotion Soft Loan for a period of 10 years, subject to terms and conditions mentioned in the Eligibility Certificate ID/SPA/BSML/2010 dated 30 April 2013. The soft loan will carry a nominal rate of 0.1% per annum. The soft loan sanctioned is repayable on the 10th year from the date of sanction. This is considered as Government grant and accordingly the loan amount is carried at amortised cost considering an effective interest rate of 12.16%. The Government grant income is recognised proportionately in relation to the interest expense.

xiv) Unsecured loan

Particulars	As at March 31, 2022	As at March 31, 2021
Murugan Enterprise Private Limited	1,700.00	3,900.00
Sakthi Murugan Transports Private Limited	300.00	-
Total	2,000.00	3,900.00

Rate of interest : 9.00% to 10.00%. Repayment within 36 months commencing from June 28, 2021



Notes to the consolidated financial statements for the year ended March 31, 2022

Notes : Details of terms of repayment and security provided in respect of secured term loans (Contd...)

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current borrowings - Total	25,400.95	18,687.39
Current maturities of long term borrowings - Total	1,666.15	5,834.97
Total	27,067.10	24,522.35

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

The Company has not defaulted in repayment of loans / interests or other borrowings or in the payment of interest thereon to any lender.

The Company has used the borrowings from banks for the capital expenditures and working capital purposes.

Returns or statements of current assets filed by the Company with banks, as required, on a quarterly basis are in agreement with books of accounts.

12 Provisions

12.1 Provision for employee benefits:

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Gratuity (Refer note 25.1.b)	304.10	241.29
Total - Provisions	304.10	241.29

12.2 Other non-current liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Government grant - SIPCOT soft loan (Refer note 11.1)	478.46	703.58
Grant from Technology Upgradation fund scheme	63.13	73.65
Total - Other non-current liabilities	541.59	777.23

Current liabilities

13 Financial liabilities

13.1 Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
a) Working capital loan from banks (Secured) (Refer Note 1 below)	24,672.76	32,583.44
b) Working capital loan from banks (Unsecured/Residual) (Refer Note 2 below)	-	1,150.62
c) Liability for bills discounted - from banks (Refer Note 3 below)	134.45	-
d) Current maturities of long-term debt	1,666.15	5,834.97
Total - Borrowings	26,473.36	39,569.03



Notes to the consolidated financial statements for the year ended March 31, 2022

Note : 1 Secured loans

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
i) The Karur Vysya Bank Limited	420.08	1,052.12

Working Capital Limit: Rs. 1,250 Lakhs

Security : First pari passu charge on the entire current assets of the Holding Company and second pari passu charge on the entire property, plant and equipment of the Holding Company.

Interest rate: 11.15%

Particulars	As at March 31, 2022	As at March 31, 2021
ii) Union Bank of India	2,975.67	4,070.72

Working Capital Limit: Rs. 5,250 Lakhs. Non-fund based limit : Rs. 1,100 Lakhs

Security : First pari passu charge on the entire current assets of the Holding Company and second pari passu charge on the entire property, plant and equipment of the Holding Company.

Interest rate: 11.85%

Particulars	As at March 31, 2022	As at March 31, 2021
iii) ICICI Bank Limited	500.00	1,937.04

Working capital limit: Rs. 3,000 Lakhs, Non-fund based limit : Rs. 1,000 Lakhs. Rate of Interest : 10.00%. Security : First pari passu charge on the entire current assets of the Holding Company and second pari passu charge on the entire property, plant and equipment of the Holding Company.

Particulars	As at March 31, 2022	As at March 31, 2021
iv) Punjab National Bank	3,255.80	4,656.61

Working Capital Limit: Fund based limit : Rs. 5,800 Lakhs. Non-fund based limit : Rs. 2,500 Lakhs. Rate of Interest : 10.80%. Security : First pari passu charge on the entire current assets of the Holding Company and second pari passu charge on the entire property, plant and equipment of the Holding Company.

Particulars	As at March 31, 2022	As at March 31, 2021
v) Indian Overseas Bank	5,891.61	6,908.39

Working Capital Limit: Fund based limit : Rs. 10,000 Lakhs. Non-fund based limit : Rs. 2,500 Lakhs. Rate of Interest : 11.10%. Security : First pari passu charge on the entire current assets of the Holding Company and second pari passu charge on the entire property, plant and equipment of the Holding Company.

Particulars	As at March 31, 2022	As at March 31, 2021
vi) Bank of Maharashtra	199.61	195.01

Working Capital Limit: Rs. 500 Lakhs

Security : First pari passu charge on the entire current assets of the Holding Company and second pari passu charge on the entire property, plant and equipment of the Holding Company.

Interest rate: 10.55%

Particulars	As at March 31, 2022	As at March 31, 2021
vii) Indian Bank	3,746.89	4697.16

Working Capital Limit: Rs. 5,200 Lakhs. Rate of Interest : 11.00%. Security : First pari passu charge on the entire current assets of the Holding Company and second pari passu charge on the entire property, plant and equipment of the Holding Company.



Notes to the consolidated financial statements for the year ended March 31, 2022

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
viii) Bank of Bahrain & Kuwait B.S.C.	1,177.33	1,944.79

Working Capital Limit: Rs. 2,000 Lakhs, Non-fund based limit : Rs. 200 Lakhs. Rate of Interest : 8.75%. Security : First pari passu charge on the entire current assets of the Holding Company and second pari passu charge on the entire property, plant and equipment of the Holding Company.

Particulars	As at March 31, 2022	As at March 31, 2021
ix) DCB Bank Limited	1,435.81	2,480.24

Working Capital Limit: Rs. 2,500 Lakhs. Rate of Interest : 9.38%. Security : First pari passu charge on the entire current assets of the Holding Company and second pari passu charge on the entire property, plant and equipment of the Holding Company.

Particulars	As at March 31, 2022	As at March 31, 2021
x) HDFC Bank Limited	5,069.96	4,641.36

Working Capital limit : Rs. 7,700 Lakhs, Rate of Interest : LIBOR plus 2% p.a. Security : First Charge by way of Hypothecation of Raw materials, Stock in-process, Finished goods, stores and spares and receivables of Young Brand Apparel Private Limited. Second charge on the assets secured on term loans.

Note : 2 - Unsecured / Residual loans

Particulars	As at March 31, 2022	As at March 31, 2021
ICICI Bank Limited	-	1,150.62

Working capital limits: Rs. 3,500 lakhs. Interest rate: 10.20%

Note : 3 - Liability for bills discounted - from banks

Particulars	As at March 31, 2022	As at March 31, 2021
Union Bank of India	134.45	-

The limits are included in the overall working capital limits.

Security : First pari passu charge on the entire current assets of the Holding Company and second pari passu charge on the entire property, plant and equipment of the Holding Company.

Interest rate: 9.20%

13.2 Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro and small enterprises (Refer Note 24)		
- For raw materials	824.13	1,648.79
- For others	82.57	90.51
Total outstanding dues of creditors other than micro and small enterprises		
- For raw materials	9,521.40	7,185.17
- For others	4,213.38	3,904.81
Total - Trade payables	14,641.48	12,829.28


Notes to the consolidated financial statements for the year ended March 31, 2022

(Rs. in Lakhs)

Trade payables ageing schedule	Outstanding for following period from due date of payment					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	> 3 years	
As at March 31, 2022						
Total outstanding dues of micro enterprises and small enterprises	-	906.39	0.31	-	-	906.70
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,691.42	10,110.39	619.67	31.38	-	13,734.38
Total	2,691.42	11,016.78	619.98	313.30	-	14,641.48
As at March 31, 2021						
Total outstanding dues of micro enterprises and small enterprises	-	1,739.06	-	0.24	-	1,739.30
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,741.24	7,815.74	1,145.34	142.35	245.31	11,089.98
Total	1,741.24	9,554.80	1,145.34	142.59	245.31	12,829.28

Note: There are no disputed dues.

13.3 Other Financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued on borrowings	37.84	83.97
Unpaid dividend	2.15	2.60
Security deposits received	64.28	85.15
Contractually reimbursible expenses	-	27.69
Payables on purchase of property, plant and equipment	25.85	34.61
Other financial liabilities	406.27	433.45
Total - Other financial liabilities	536.39	667.47



Notes to the consolidated financial statements for the year ended March 31, 2022

(Rs. in Lakhs)

14 Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
a) Provision for employee benefits:		
- Provision for compensated absences	160.28	153.21
- Provision for bonus	53.72	70.25
- Provision for bonus	169.44	191.03
b) Provision for income tax (Net)	1,335.10	-
Total - Provisions	1,718.54	414.49

15 Other current Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory remittances	195.46	139.69
Advances from customers	658.37	805.39
Advance received towards sale of property, plant and equipment	94.30	94.30
Government grant - SIPCOT soft loan (Refer note 11.1)	225.12	200.71
Total - Other current liabilities	1,173.25	1,240.09



Notes to the consolidated financial statements for the year ended March 31, 2022

16 Revenue from operations

1. Disaggregated Revenue Information

The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected. Accordingly, the disaggregation by type of goods / services and by geographical location of customers is provided in the table below: (₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Sale of goods/services		
a. Manufactured goods		
Yarn	72,142.40	46,022.59
Fabrics	38,114.83	28,993.21
Waste cotton	6,336.22	4,639.10
Made ups	4,132.92	1,732.36
Garments	29,419.88	16,865.88
b. Traded goods		
Yarn	146.12	56.21
Cotton	156.02	-
Garments	714.69	-
c. Income from services provided - Sizing charges, CMT charges, knitting and processing charges	2,177.77	2,116.81
b) Other operating revenues (Refer note 1 below)	2,683.10	1,427.57
Total - Revenue from operations	156,023.95	101,853.73

The Company disaggregate the revenue based on geographic locations and it is disclosed under note 26 "Segment reporting"

Note

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1 Other operating revenues comprises:		
Sale of scrap	375.71	240.09
Duty drawback and other export incentives	2,307.39	1,187.48
Total	2,683.10	1,427.57

17 Other Income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Interest income (Refer Note 1 below)	71.32	44.60
b) Net gain on foreign currency transactions and translation	315.75	-
c) Other non-operating income (Refer Note 2 below)	217.77	473.55
Total - Other income	604.84	518.15



Notes to the consolidated financial statements for the year ended March 31, 2022

17 Other Income (Contd...)

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1 Interest income comprises:		
Interest from financial assets at amortised cost	31.00	14.04
Interest on security deposits	10.47	30.56
Interest from others	29.85	-
Total - Interest income	71.32	44.60
2 Other non-operating income comprises:		
Profit on sale of property plant and equipment (Net)	-	454.35
Revenue grant and incentives	10.52	10.52
Gain on early termination of leases	9.21	2.15
Net gain on foreign currency transactions and translation	181.03	-
Miscellaneous income	17.01	6.53
Total - Other non-operating income	217.77	473.55

18 A Cost of materials consumed

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening stock	15,237.77	16,370.84
Add: Purchases	108,215.09	61,261.57
	123,452.86	77,632.41
Less: Closing stock	(18,970.74)	(15,237.77)
Total - Cost of materials consumed	104,482.12	62,394.64

B Purchase of stock-in-trade

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchase of stock-in-trade	326.00	129.57
Total - Purchase of stock in trade	326.00	129.57


Notes to the consolidated financial statements for the year ended March 31, 2022
19 Changes in inventories of finished goods and work-in-progress

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventories at the end of the year:		
Finished goods	8,143.70	7,161.43
Work-in-progress	2,674.61	2,124.75
Stock-in-trade	-	541.06
Total	10,818.31	9,827.24
Inventories at the beginning of the year:		
Finished goods	7,161.43	13,183.42
Work-in-progress	2,124.75	1,900.67
Stock-in-trade	541.06	521.40
Total	9,827.24	15,605.49
Net (increase) / decrease	(991.07)	5,778.25

20 Employee benefits expense

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus	13,748.89	10,539.07
Contributions to provident and other funds (Refer Note 25.1.a & 25.1.b)	759.34	535.96
Gratuity expenses (Refer Note 25.1.a & 25.1.b)	99.93	49.97
Staff welfare expenses	2,315.79	1,138.54
Total - Employee benefits expense	16,923.95	12,263.54

21 Finance costs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Interest expense on financial liabilities at amortised cost:		
- Borrowings (Refer note 30)	4,977.03	5,910.58
- Operating lease liabilities	15.27	22.65
b) Other borrowing costs	340.72	267.88
Total - Finance costs	5,333.02	6,201.11



Notes to the consolidated financial statements for the year ended March 31, 2022

22 Other expenses

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Consumption of stores and spare parts	370.27	263.47
Manufacturing expenses	70.36	126.87
Subcontracting charges	985.95	-
Consumption of packing materials	986.29	713.18
Power, fuel and water charges	7,253.32	5,240.11
Repairs and maintenance - Building	146.47	86.95
Repairs and maintenance - Machinery	2,075.33	1,673.09
Repairs and maintenance - Others	263.20	244.16
Insurance	589.66	520.41
Rates and taxes	352.83	341.17
Freight and forwarding charges	2,596.84	1,249.83
Sales commission	1,084.82	749.97
Legal and professional charges	395.80	257.22
Payments to auditors (Refer note 1 below)	40.34	40.00
Corporate social responsibility expenditure (Refer note 35)	54.62	18.10
Provision for bad and doubtful trade receivables	338.82	41.52
Bad debts written off	50.05	460.02
Loss on sale of investment	0.55	-
Loss on sale of property, plant and equipment (Net)	54.49	73.80
Net loss on foreign currency transactions and translation	(2.49)	104.26
Miscellaneous expenses	904.63	1,329.24
Total - Other expenses	18,612.15	13,533.37

Note 1 - Payments to auditors:

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Contributions to provident and other funds		
Payments to auditors comprises		
- Statutory audit fees	27.50	30.00
- For other services	2.84	-
- Limited review fees	10.00	10.00
Total - Payments to auditors	40.34	40.00

Note: In addition to the above expenses in Statement of Profit and Loss, payment to auditors also include Rs.52.50 Lakh (March 31, 2021: Nil) towards comfort letter and other rights issue related services which is accounted in balance sheet offset with securities premium arising from rights issue.



Notes to the consolidated financial statements for the year ended March 31, 2022

Additional information to the financial statements

23 Contingent liabilities and commitments (to the extent not provided for)

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
i) Contingent liabilities:		
a) Central Excise demands, pending in appeal	-	69.61
b) TANGEDCO demands, pending in appeal	1,356.46	1,276.51
c) Corporate guarantee (on behalf of Young Brand Apparel Private Limited)	8,827.40	8,027.07
d) Demand of Service tax on the amounts paid to Foreign Service Providers is under dispute and an appeal has been filed before the Honourable Madras High Court, Chennai.	75.08	75.08
e) Infrastructure and amenities charges levied by Department of Town and Country Planning, for which the Company has jointly made appeal to Honourable High Court along with industrial units in the location and the Honourable High Court has given a stay order.	79.60	79.60
f) Provident fund matters under appeal	77.90	77.90
ii) Commitments:		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for : Tangible assets	3,455.67	211.31

24 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2022	As at March 31, 2021
i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	906.70	1,739.30
ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.



Notes to the consolidated financial statements for the year ended March 31, 2022

25 Employee benefit plans

25.1.a Defined contribution plans - provident fund and employee state insurance

The Company makes Provident Fund and Employee state insurance scheme contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised the following contributions in the Statement of profit and loss :

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Provident fund	669.04	437.38
Employee state insurance	126.20	83.03

25.1.b Defined benefit plan - gratuity

In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity plan). The Gratuity plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn eligible salary and the years of employment with the Company. The Company provides the gratuity benefit through annual contributions to a fund managed by the Insurer included as part of 'Contribution to provident and other funds' in Note 20 Employee benefits expense. Under this plan, the settlement obligation remains with the Company.

Description of Risk Exposures Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

- Interest Rate Risk:** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).
- Investment Risk:** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
- Salary Escalation Risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
- Demographic Risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
- Liquidity Risk:** This is the risk that the Company is not able to meet the short-term gratuity pay-outs. This may arise due to non-availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

In respect of the plan in India, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2022 by Mr. N.Srinivasan, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.



Notes to the consolidated financial statements for the year ended March 31, 2022

The following table sets out the funded status of the gratuity scheme:

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Components of employer expense		
Current service cost	186.97	142.80
Interest cost	48.16	15.99
Expected return on plan assets	(44.90)	(10.24)
Recognised in statement of profit and loss	190.23	148.55
Re-measurement - actuarial (gain)/loss recognised in OCI	47.12	(96.45)
Total expense recognised in the Statement of total comprehensive income	237.35	52.10
Other Comprehensive Income (OCI)		
Actuarial (gain)/loss due to DBO experience	144.27	(107.45)
Actuarial (gain)/loss due to DBO assumption changes	(103.89)	8.52
Actuarial (gain)/loss arising during period	40.38	(98.93)
Actual return on plan assets (greater)/less interest on plan assets	6.74	2.48
Actuarial (gains)/losses recognized in OCI	47.12	(96.45)
Defined benefit cost		
Service cost	186.97	142.80
Net interest on net defined benefit liability / (asset)	3.26	5.75
Actuarial (gains)/losses recognized in OCI	47.12	(96.45)
Defined benefit cost	237.35	52.10
Change in defined benefit obligation (DBO) during the year		
Present value of DBO at beginning of the year	773.14	774.56
Current service cost	186.97	142.80
Interest cost	48.16	15.99
Actuarial (gains)/losses	40.38	(98.93)
Benefits paid	(84.21)	(61.28)
Present value of DBO at the end of the year	964.44	773.14
Actual contribution and benefit payments for year		
Actual benefit payments	84.21	61.28
Actual contributions	13.05	25.76
Change in fair value of assets during the year		
Plan assets at beginning of the year	617.21	624.61
Expected return on plan assets	44.90	10.24
Actual company contributions	13.05	25.76
Actuarial gain / (loss)	(6.74)	(2.48)
Benefits paid	(51.61)	(40.92)
Plan assets at the end of the year	616.81	617.21
Actual return on plan assets	38.16	7.76



Notes to the consolidated financial statements for the year ended March 31, 2022

The following table sets out the funded status of the gratuity scheme (Contd...)

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current and Non-Current Asset / Liability portion		
Net asset / (liability) recognised in the Balance Sheet :		
Present value of defined benefit obligation	964.44	773.14
Fair value of plan assets	616.81	617.21
Funded status (Surplus / (Deficit))	(347.63)	(155.93)
Net asset / (liability) recognised in the Balance Sheet	(347.63)	(155.93)
Current Asset (Refer note 8)	10.19	155.60
Current Liability (Refer note 14)	(53.72)	(70.25)
Non Current Asset / (Liability) (Refer note 12.1)	(304.10)	(241.29)
Net Asset / (Liability)	(347.63)	(155.94)
Composition of the plan assets is as follows:		
Government securities	-	-
Debentures and bonds	-	-
Fixed deposits	-	-
Insurer managed funds*	100%	100%
Total	616.81	617.21

* Funds are managed by Life Insurance Corporation of India and composition of the fund as at the balance sheet date was not provided by the insurer.

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Actuarial assumptions		
Discount rate	7.51%	6.80%
Expected return on plan assets	6.80%	6.80%
Retirement age	58	58
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Attrition rate	3% to 1%	3% to 1%
Salary escalation	5% to 10%	5% to 9%

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.



Notes to the consolidated financial statements for the year ended March 31, 2022

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below :

(₹ in lakhs)

Gratuity Plan	As at March 31, 2022	As at March 31, 2021
Estimate value of obligation if discount rate is taken 1% higher	893.20	713.29
Estimate value of obligation if discount rate is taken 1% lower	1,035.20	844.06
Estimate value of obligation if salary growth rate is taken 1% higher	1,031.64	842.31
Estimate value of obligation if salary growth rate is taken 1% lower	895.21	713.97
Estimate value of obligation if attrition rate is taken 1% higher	612.30	470.69
Estimate value of obligation if attrition rate is taken 1% lower	599.86	451.12

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

Maturity profile of defined benefit obligation:

Maturity profile, if it ensues	As at March 31, 2022	As at March 31, 2021
1 Year	94.74	138.76
2 Year	80.75	73.90
3 Year	68.55	40.04
4 Year	55.72	43.68
5 Year	105.02	61.61
Above 5 Years	197.88	112.88

Asset Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity liability occurring during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).



Notes to the consolidated financial statements for the year ended March 31, 2022

Experience Adjustments:

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
1. Defined Benefit Obligation	964.44	773.14	774.56	724.14	535.84
2. Fair value of plan assets	616.81	617.21	624.61	477.96	375.54
3. Surplus/(Deficit)	(347.63)	(155.93)	(149.95)	(246.18)	(160.30)
4. Experience adjustment on plan liabilities ((Gain)/Loss)	144.27	(107.45)	(173.52)	143.53	65.69
5. Experience adjustment on plan assets (Gain/(Loss))	(6.74)	(2.48)	1.49	18.84	(2.53)

26 Segment Reporting

a) Primary business segment information

The Company's operations relate to only one business segment, viz., Textiles. Accordingly, this is the only reportable business segment.

b) Secondary geographic segment information

Geographic Segment		Revenue	Segment assets	Capital expenditure incurred
Outside India	March 31, 2022	55,803.45	6,959.63	-
	March 31, 2021	31,711.16	4,927.28	-
India	March 31, 2022	100,220.50	116,361.73	4,874.81
	March 31, 2021	70,142.57	106,041.83	2,510.92
Unallocated	March 31, 2022	-	1,636.72	-
	March 31, 2021	-	494.31	-
Total	March 31, 2022	156,023.95	124,958.08	4,874.81
	March 31, 2021	101,853.73	111,463.42	2,510.92

Note: Segment Assets represent Assets in respective segments. Tax related assets cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".



Notes to the consolidated financial statements for the year ended March 31, 2022

27 Related party transactions

A. Details of related parties:

Description of relationship	Name of related parties
Holding company	Murugan Enterprise Private Limited
Enterprises in which the Key management Personnel or relatives have significant influence	Anamallais Automobiles Private Limited Anamallais Agencies Private Limited Anamallais Motors Private Limited Shiva Automobiles Private Limited Vedanayagam Oil Company Sakthi Murugan Transports Private Limited Jahnvi Motor Private Limited Coimbatore Anamallais Agencies Private Limited Accel Apparels Private Limited (from 1/12/2021) Abirami Amman Designs Private Limited (Formerly Abirami Amman Mills Private Limited) (from 1/12/2021) Bannari Amman Retails Private Limited (from 1/12/2021) Bannari Amman Flour Mill Private Limited
Key Management Personnel (KMP)	Sri S V Arumugam, Managing Director Sri N Krishnaraj, Company Secretary Sri S Seshadri, Chief Financial Officer Sri K N V Ramani, Director Dr K R Thillainathan, Director Sri S Palaniswami, Director Sri K Sadhasivam, Director Smt S Sihamani, Director
Relative of KMP	Smt A Umadevi Sri A Senthil



Notes to the consolidated financial statements for the year ended March 31, 2022

B. Details of transactions during the year and balance outstanding as at the balance sheet date:

(₹ in lakhs)

Particulars	Related Party	For the year ended March 31, 2022	For the year ended March 31, 2021
Transactions during the year:			
Sale of madeups	Anamallais Automobiles Private Limited	-	0.27
Vehicle maintenance paid	Shiva Automobiles Private Limited	6.38	4.19
	Jahnvi Motor Private Limited	15.44	2.58
Sale of vehicle	Shiva Automobiles Private Limited	-	3.50
Purchase of vehicle	Shiva Automobiles Private Limited	-	8.83
	Coimbatore Anamallais Agencies Private Limited	30.46	-
	Bannari Amman Flour Mill Private Limited	0.75	-
Purchase of PPE	Bannari Amman Retails Private Limited	15.54	-
Purchase of fuel	Vedanayagam Oil Company	1.98	0.57
Rent paid	Anamallais Automobiles Private Limited	12.06	12.06
	Sakthi Murugan Transports Private Limited	3.96	3.96
	Smt A Umadevi	12.00	12.00
Inter corporate deposits received	Murugan Enterprise Private Ltd	1,700.00	1,700.00
	Sakthi Murugan Transports Private Limited	300.00	-
Inter corporate deposits repaid	Murugan Enterprise Private Ltd	3,900.00	-
Interest paid	Murugan Enterprise Private Ltd	331.58	289.37
	Sakthi Murugan Transports Private Limited	22.60	-
Remuneration of KMP	Sri S V Arumugam, Managing Director	60.00	55.00
	Sri N Krishnaraj, Company Secretary	22.57	19.16
	Sri S Seshadri, Chief Financial Officer	23.11	19.88
Commission to KMP	Sri S V Arumugam, Managing Director	601.61	-
Sitting fees to KMP	Sri K N V Ramani, Director	1.50	1.50
	Dr K R Thillainathan, Director	0.90	0.70
	Sri S Palaniswami, Director	1.70	1.50
	Sri K Sadhasivam, Director	1.90	1.50
	Smt S Sihamani, Director	1.00	0.80


Notes to the consolidated financial statements for the year ended March 31, 2022
B. Details of transactions during the year and balance outstanding as at the balance sheet date:

(₹ in lakhs)

Particulars	Related Party	As at March 31, 2022	As at March 31, 2021
Salary to Relative of KMP	Sri A Senthil	-	27.50
Balances outstanding as at year end :			
Receivables	Bannari Amman Retails Private Limited	66.79	-
	Anamallais Automobiles Private Limited	0.27	3.65
	Shiva Automobiles Private Limited	-	1.09
	Anamallais Agencies Private Limited	0.02	0.02
	Anamallais Motors Private Limited	0.21	0.21
	Bannari Amman Flour Mill Private Limited	0.02	0.02
(Payables)	Vedanayagam Oil Company	(0.33)	(0.11)
	Sakthi Murugan Transports Private Limited	(300.13)	(0.50)
	Shiva Automobiles Private Limited	(0.24)	-
	Coimbatore Anamallais Agencies Private Limited	(0.03)	-
	Anamallais Automobiles Private Limited	(0.78)	-
	Murugan Enterprise Private Limited	(1,700.00)	(3,927.69)
	Smt A Umadevi	-	(0.93)
	Sri S V Arumugam, Managing Director	(601.61)	-

Note: i) Related party relationship is as identified by the Company on the basis of information available with the Company and relied upon by the Auditors.

ii) No amount is/has been written off or written back during the year in respect of debts due from or to related party.

iii) The above transactions are compiled from the date these parties became related which are accounted in the natural head of accounts.



Notes to the consolidated financial statements for the year ended March 31, 2022

28 Earnings per equity share

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit / (loss) attributable to equity shareholders (Rs. In Lakhs)	5,243.89	(1,100.22)
Number of equity shares (Nos.)	64,841,871	31,508,538
Par value per equity share (Rs.)	5.00	5.00
Earning/(loss) per share - Basic & Diluted (Rs.) as reported	11.85	(3.30)
Earning/(loss) per share - Basic & Diluted (Rs.) as adjusted	11.85	(2.49)

The Basic and Diluted EPS for the year ended March 31, 2021 has been restated in accordance with INDAS 33, pursuant to the rights issue of equity shares during the current year.

29 A Income tax recognised :

(₹ in lakhs)

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Statement of Profit and Loss	Other comprehensive income	Statement of Profit and Loss	Other comprehensive income
Current tax :				
In respect of current year	1,730.69	-	-	-
Deferred tax :				
In respect of current year	1,222.41	(20.35)	(164.63)	20.90
Income tax expense	2,953.10	(20.35)	(164.63)	20.90

B Movement in deferred tax balances :

Particulars	Opening Balance	Recognised in Profit and Loss	Recognised in other comprehensive income	Others	Closing Balance
For the year ended March 31, 2022					
a) Holding Company					
Tax effect of items constituting deferred tax (asset)					
Provision for doubtful trade receivables	(254.14)	(163.40)	-	-	(417.54)
Provision for compensated absences and gratuity and fair value of gain/ (loss) on equity instruments	(11.51)	(42.90)	(20.35)	-	(74.76)
Brought forward & current year losses	(286.85)	286.85	-	-	-
Minimum alternate tax (net)	(5,338.87)	-	-	402.12	(4,936.75)
Others	(81.77)	122.59	-	-	40.82
Tax effect of items constituting deferred tax (asset)	(5,973.14)	203.14	(20.35)	402.12	(5,388.23)



Notes to the consolidated financial statements for the year ended March 31, 2022

B Movement in deferred tax balances (Contd...) :

(₹ in lakhs)

Particulars	Opening Balance	Recognised in Profit and Loss	Recognised in other comprehensive income	Others	Closing Balance
Tax effect of items constituting deferred tax liability					
On difference between book balance and tax balance of fixed assets	8,503.66	804.50	-	-	9,308.16
Deferred tax on gain on acquisition of control	223.47	-	-	-	223.47
Tax effect of items constituting deferred tax liability	8,727.13	804.50	-	-	9,531.63
Net Deferred tax (asset)/liability	2,753.99	1,007.64	(20.35)		4,143.40
b) Subsidiary Companies					
Tax effect of items constituting deferred tax (asset)					
Unabsorbed depreciation	(303.85)	287.29	-	-	(16.56)
Brought forward losses	-	-	-	-	-
On account of difference in treatment of expenditure	(177.63)	118.09	-	-	(59.54)
Others	(20.86)	(70.81)	-	-	(91.67)
MAT credit entitlement	(0.07)	-	-	0.06	(0.01)
Tax effect of items constituting deferred tax (asset)	(502.41)	334.57	-	0.06	(167.78)
Tax effect of items constituting deferred tax liability					
On difference between book balance and tax balance of property, plant and equipment	880.44	(119.80)	-	-	760.64
Tax effect of items constituting deferred tax liability	880.44	(119.80)	-	-	760.64
Net Deferred tax (asset)/liability	378.03	214.77	-	0.06	592.86



Notes to the consolidated financial statements for the year ended March 31, 2022

B Movement in deferred tax balances (Contd...) :

(₹ in lakhs)

Particulars	Opening Balance	Recognised in Profit and Loss	Recognised in other comprehensive income	Others	Closing Balance
For the year ended March 31, 2021					
a) Holding Company					
Tax effect of items constituting deferred tax (asset)					
Provision for doubtful trade receivables	(254.14)	-	-	-	(254.14)
Provision for compensated absences and gratuity and fair value of gain/ (loss) on equity instruments	(32.41)	-	20.90	-	(11.51)
Brought forward & current year losses	(96.56)	(190.29)	-	-	(286.85)
Minimum alternate tax (net)	(5,338.87)	-	-	-	(5,338.87)
Others	(59.68)	(22.09)	-	-	(81.77)
Tax effect of items constituting deferred tax (asset)	(5,781.66)	(212.38)	20.90	-	(5,973.14)
Tax effect of items constituting deferred tax liability					
On difference between book base and tax base of property, plant and equipment	8,503.66	-	-	-	8,503.66
Deferred tax on gain on acquisition of control	223.47	-	-	-	223.47
Tax effect of items constituting deferred tax liability	8,727.13	-	-	-	8,727.13
Net Deferred tax (asset)/liability	2,945.47	(212.38)	20.90	-	2,753.99
b) Subsidiary Companies					
Tax effect of items constituting deferred tax (asset)					
Unabsorbed depreciation	(367.64)	63.79	-	-	(303.85)
Brought forward losses	-	-	-	-	-
On account of difference in treatment of expenditure	(128.65)	(48.98)	-	-	(177.63)
Others	(20.86)	-	-	-	(20.86)
MAT credit entitlement	(0.07)	-	-	-	(0.07)
Tax effect of items constituting deferred tax (asset)	(517.22)	14.81	-	-	(502.41)


Notes to the consolidated financial statements for the year ended March 31, 2022
B Movement in deferred tax balances (Contd...) :

(₹ in lakhs)

Particulars	Opening Balance	Recognised in Profit and Loss	Recognised in other comprehensive income	Others	Closing Balance
Tax effect of items constituting deferred tax liability					
On difference between book balance and tax balance of property, plant and equipment	847.50	32.94	-	-	880.44
Tax effect of items constituting deferred tax liability	847.50	32.94	-	-	880.44
Net Deferred tax (asset)/liability	330.28	47.75	-	-	378.03

C Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit / (loss) before tax	8,573.10	(1,202.98)
Enacted income tax rate in India	34.94%	31.20%
Computed expected tax expense	2,995.44	(375.33)
On account of enacted tax rates	851.34	-
On account of permanent differences	(384.21)	-
Others	(509.47)	210.70
Income tax expense recognised in the statement of profit and loss	2,953.10	(164.63)

30 Borrowing cost capitalised under property, plant and equipment

Nil

Nil

31 Leases

The Group has entered into leasing arrangements in respect of leasehold land, residential/office premises/machineries. The leasing arrangements, which are generally cancellable, have lease periods ranging between 11 and 60 months in case of premises and in case of land it ranges between 30 to 90 years. They are generally renewable by mutual consent on mutually agreeable terms. The operating leases are cancellable by lessor/lessee with notice period up to three months.



Notes to the consolidated financial statements for the year ended March 31, 2022

Movement in right-of-use assets and lease liabilities during the year:

Right-of-use assets - Building

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening balance	111.92	239.90
Additions	186.97	-
Depreciation	(92.88)	(105.08)
Deletions	(58.65)	(22.90)
Closing balance	147.36	111.92

Right-of-use assets - Land

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening balance	663.07	605.69
Additions	-	60.62
Depreciation	(3.24)	(3.24)
Closing balance	659.83	663.07

Lease Liabilities

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening balance	128.12	256.41
Additions	186.97	-
Interest	15.27	22.65
Lease payments	(109.78)	(125.89)
Deletions	(67.85)	(25.05)
Closing balance	152.73	128.12
Current	61.88	87.11
Non-current	90.85	41.01



Notes to the consolidated financial statements for the year ended March 31, 2022

Maturity analysis of OLL

The details of the maturities of lease liabilities as at March 31, 2022 and March 31, 2021 on an undiscounted basis are as follows :

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
1 year	51.31	86.10
1 to 5 years	28.58	61.64

Lease rent expense on short-term and low value lease debited to Statement of Profit and Loss

Particulars	As at March 31, 2022	As at March 31, 2021
Lease rent	100.24	52.25

32 Financial Instruments

The carrying value and fair value of financial instruments by categories as at March 31, 2022 and March 31, 2021 is as follows :

Particulars	Carrying value		Fair value	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Financial assets				
Amortised cost				
Loans	51.01	59.62	-	-
Trade receivable	18,907.70	14,000.50	-	-
Cash and cash equivalents	1,865.52	1,746.17	-	-
Bank balances	98.78	2.60	-	-
Other financial assets	1,587.41	1,928.08	-	-
FVTOCI				
Investment in equity instruments	6.81	3.86	6.81	3.86
FVTPL				
Investment in government securities	0.03	0.03	0.03	0.03
Investment in equity and preference instruments (unquoted)	227.70	22.53	227.70	22.53
Total assets	22,744.96	17,763.39	234.54	26.42
Financial liabilities				
Amortised cost				
Borrowings	51,874.31	58,256.42	-	-
Lease liabilities	152.73	128.12	-	-
Trade payables	14,641.48	12,829.28	-	-
Other financial liabilities	536.39	667.47	-	-
Total liabilities	67,204.91	71,881.29	-	-



Notes to the consolidated financial statements for the year ended March 31, 2022

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- i) Long-term fixed-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected losses of these receivables.
- ii) Fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2022 was assessed to be insignificant.
- iii) The fair values of the unquoted equity shares have been estimated using a discounted cash flow model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility, the probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

33 Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2022 and March 31, 2021 : (₹ in lakhs)

Particulars	Total	Fair value measurement using		
		Level - 1	Level - 2	Level - 3
Financial assets measured at fair value:				
Investment in equity instruments (quoted)				
As at March 31, 2022	6.81	6.81	-	-
As at March 31, 2021	3.86	3.86	-	-
FVTPL financial assets designated at fair value:				
Investment in government securities				
As at March 31, 2022	0.03	-	-	0.03
As at March 31, 2021	0.03	-	-	0.03
Investment in equity and preference instruments (unquoted)				
As at March 31, 2022	227.70	-	-	227.70
As at March 31, 2021	22.53	-	-	22.53

There have been no transfers among Level 1, Level 2 and Level 3 during the year.



Notes to the consolidated financial statements for the year ended March 31, 2022

34 Financial risk management

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, foreign currency risk and interest rate risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the company is foreign exchange risk. The Company uses foreign currency borrowings to mitigate foreign exchange related risk exposures.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below :

1) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

2) Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

The following table gives details in respect of percentage of revenues generated from top customer and top 5 customers:

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from top customer	10,681.83	6,431.29
Revenue from top 5 customers	31,111.04	19,506.52

Two customers accounted for more than 10% of the revenue for the year ended March 31, 2022, however one of the customers accounted for more than 10% of the receivables as at March 31, 2022. Two customers accounted for more than 10% of the revenue for the year March 31, 2021, however one of the customers accounted for more than 10% of the receivables for the year ended March 31, 2021.

3) Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counter parties that have a good credit rating. The company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors.



Notes to the consolidated financial statements for the year ended March 31, 2022

4) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk through credit limits with banks.

The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The working capital position of the Company is given below:

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalents	1,865.52	1,746.17
Bank balances	98.78	2.60
Total	1,964.30	1,748.77

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2022 and March 31, 2021.

Particulars	As at	Less than 1 year	1-2 years	2 years and above
Borrowings	March 31, 2022	26,473.36	9,296.46	16,104.49
	March 31, 2021	39,569.03	9,273.63	9,413.76
Trade payables	March 31, 2022	14,641.48	-	-
	March 31, 2021	12,829.28	-	-
Lease liabilities	March 31, 2022	61.88	90.85	-
	March 31, 2021	87.11	41.01	-
Other financial liabilities	March 31, 2022	536.39	-	-
	March 31, 2021	667.47	-	-

5) Foreign currency risk

The Company's exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in U.S. dollar, British pound sterling and Euro) and foreign currency borrowings (primarily in U.S. dollar, British pound sterling and Euro). A significant portion of the Company's revenues are in these foreign currencies, while a significant portion of its costs are in Indian rupees. As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Company's revenues measured in rupees may decrease. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company's management meets on a periodic basis to formulate the strategy for foreign currency risk management.

Consequently, the management of the Company believes that the borrowings in foreign currency and its assets in foreign currency shall mitigate the foreign currency risk mutually to some extent.



Notes to the consolidated financial statements for the year ended March 31, 2022

The following table presents foreign currency risk from non-derivative financial instruments as of March 31, 2022 and March 31, 2021 :

Particulars	As at	US\$	Euro	Pound/Sterling	Total
Assets					
Trade receivables*	March 31, 2022	6,538.05	754.67	34.18	7,326.90
	March 31, 2021	4,084.36	847.22	34.68	4,966.26
Cash and cash					
Equivalents	March 31, 2022	0.02	0.02	0.03	0.07
	March 31, 2021	0.33	0.02	0.03	0.38
Liabilities					
Trade payable	March 31, 2022	418.70	-	-	418.70
	March 31, 2021	272.67	-	-	272.67
Borrowings	March 31, 2022	7,991.93	-	-	7,991.93
	March 31, 2021	7,519.77	-	-	7,519.77
Net assets/(liabilities)	March 31, 2022	(1,872.56)	754.69	34.21	(1,083.66)
	March 31, 2021	(3,707.75)	847.24	34.71	(2,825.80)

* Trade receivable excluding allowance for doubtful trade receivables.

Foreign currency sensitivity analysis

The Company is mainly exposed to the currency USD on account of significant outstanding trade receivables, borrowings and trade payables in USD.

The following table details the Company's sensitivity to a 5% increase and decrease in INR against the USD. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the INR strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Impact on profit or (loss) for the year on account of rupee appreciation by 5%	93.63	185.39



Notes to the consolidated financial statements for the year ended March 31, 2022

For a 5% weakening of the INR against the relevant currency, there would be equivalent amount of impact on the profit / (loss) as mentioned in the above table.

6) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates and investments.

Interest rate sensitivity analysis

If interest rates had been 1% higher and all other variables were held constant, the company's profit / (loss) for the year ended would have impacted in the following manner :

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Increase / (decrease) in the profit / (loss) for the year (Rs. in Lakhs)	(541.45)	(594.46)

If interest rates were 1% lower, the company's profit would have increased by the equivalent amount as shown in the above table.

7) Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The capital structure is as follows:

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Total equity attributable to the equity share holders of the company	49,194.29	33,756.15
As percentage of total capital	49%	39%
Current borrowings	24,807.21	33,734.06
Non-current borrowings	25,400.95	18,687.39
Total borrowings	50,208.16	52,421.45
As a percentage of total capital	51%	61%
Total capital (borrowings and equity)	99,402.45	86,177.60

The Company is predominantly debt financed which is evident from the capital structure table.


Notes to the consolidated financial statements for the year ended March 31, 2022
35 Corporate social responsibility

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Gross amount required to be spent by the company during the year	50.93	17.96
Amount spent during the year on		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (I) above	54.62	18.10
iii) Shortfall at the end of the year	NA	NA
iv) Total of previous years shortfall	NA	NA
v) Reason for shortfall	NA	NA
vi) Nature of CSR activities	Contribution for participation in COVID related projects and contribution to PM CARES Fund.	Education, COVID 19 materials supply, maintenance of traffic signals, medical aid and care, construction of building for ill children and orphaned.
vii) Details of related party transactions	NA	NA
viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	NA	NA



Notes to the consolidated financial statements for the year ended March 31, 2022

36 Additional information as required by Paragraph 2 of the general instructions for preparation of consolidated Ind AS financial statements to Schedule III to the Companies Act, 2013

Name of the entity	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount in Lakhs	As % of consolidated profit or loss	Amount in Lakhs	As % of consolidated other comprehensive income	Amount in Lakhs	As % of consolidated other comprehensive income	Amount in Lakhs
Holding Company								
Bannari Amman Spinning Mills Limited (including consolidation adjustments)	84.17%	41,407.66	90.86%	5,106.48	188.37%	(44.87)	90.45%	5,061.61
Indian -Subsidiaries								
Young Brand Apparel Private Limited	16.49%	8,111.88	13.75%	772.77	(88.37%)	21.05	14.19%	793.82
Accel Apparels Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Abirami Amman Designs Private Limited (Formerly Abirami Amman Mills Private Limited)	0.00%	-	0.00%	(0.14)	0.00%	-	(0.01%)	(0.14)
Bannari Amman Infinite Trendz Private Limited (Formerly Bannari Amman Trendz Private Limited)	(0.66%)	(325.25)	(4.32%)	(242.88)	0.00%	-	(4.34%)	(242.88)
Bannari Amman Retails Private Limited	0.00%	-	(0.29%)	(16.23)	0.00%	-	(0.29%)	(16.23)
Total	100.00%	49,194.29	100.00%	5,620.00	100.00%	(23.82)	100.00%	5,596.18



Notes to the consolidated financial statements for the year ended March 31, 2022

37 Additional regulatory information not disclosed elsewhere in the standalone financial information

- a) There are no properties / assets which are not held or registered in the name of the Company (benami property).
- b) Transactions and balances with companies which have been removed from register of Companies (struck off companies) as at the above reporting periods is as below:

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding (Rs. in Lakhs)	Relationship with the Struck off company, if any, to be disclosed
M D Clothing India Private Limited	Payables	0.18	—

- c) The Group has not traded / invested in Crypto currency.
- d) The Group has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- e) The Group has not received any fund from any person(s) or entity(ies), including foreign entities("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.
- f) The Group has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- g) The Group has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.
- h) No schemes of arrangements have been applied or approved by the Competent Authority in terms of section 230 to 237 of the Companies Act, 2013.
- i) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

38 Code on Social Security 2020

The Indian parliament approved the Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits in September 2020 and the same has received Presidential assent. The Code has been published in the Gazette of India. However, the date on which the code will come into effect has not been notified. The Company is in the process of assessing the impact of the Code and will record any related impact in the period the Code becomes effective.



Notes to the consolidated financial statements for the year ended March 31, 2022

39 Reconciliation of change in liabilities arising from financing activities

(₹ in lakhs)

Particulars	As at April 01, 2021	Proceeds	Repayment	Others	As at March 31, 2022
Non-current borrowings (including current maturities)	24,522.36	6,467.79	(3,923.05)		27,067.10
Current borrowings	33,734.06	-	(8,926.85)	-	24,807.21
Lease liabilities	128.12	186.97	(177.63)	15.27	152.73
Total	58,384.54	6,654.76	(13,027.53)	15.27	52,027.04

Particulars	As at April 01, 2020	Proceeds / impact of IND AS 116	Repayment	Others	As at March 31, 2021
Non-current borrowings (including current maturities)	25,685.63	1,700.00	(2,863.27)		24,522.36
Current borrowings	42,010.52	-	(8,276.46)	-	33,734.06
Lease liabilities	256.41	-	(150.94)	22.65	128.12
Total	67,952.56	1,700.00	(11,290.67)	22.65	58,384.54

40 Prior year comparatives

Previous period's figures have been regrouped / rearranged where necessary to conform to current period's classification.

For and on behalf of the Board of Directors

S.V. ARUMUGAM

Chairman & Managing Director
DIN 00002458

K. SADASHIVAM

Director
DIN 00610037

N. KRISHNARAJ

Company Secretary
ACS No. 20472

S. SESHADRI

Chief Financial Officer

Coimbatore
30.05.2022

Financial Performance - Yearwise

(₹ In lakhs)

Financial Year	Equity Share Capital	Reserves & Surplus	Turnover *	Profit Before Depreciation	Depreciation	Profit Before Tax	Dividend on Equity Shares (%)
1994-1995	350.05	0.32	8.60	1.21	0.90	0.32	-
1995-1996 (18 months)	350.05	42.16	3171.12	185.77	143.93	41.84	-
1996-1997	350.05	104.84	4936.08	769.28	668.09	101.19	10
1997-1998	350.05	181.02	5270.53	494.61	379.92	114.69	10
1998-1999	350.05	592.27	6137.82	792.70	342.60	450.10	10
2000-2001 (18 months)	350.05	1464.27	9942.63	1702.90	537.03	1165.87	15
2001-2002	350.05	1736.63	6365.46	736.57	333.64	402.93	10
2002-2003	350.05	2085.64	6361.65	1183.80	340.02	843.78	10
2003-2004	350.05	2685.39	7533.23	1206.95	322.97	883.99	20
2004-2005	875.13	3601.48	7487.43	1789.41	321.42	1467.99	20
2005-2006	1575.43	13569.54	8670.07	2044.41	470.86	1573.55	20
2006-2007	1575.43	14903.05	11033.07	2563.34	848.69	1714.65	20
2007-2008	1575.43	14657.28	20933.17	3122.39	1493.26	1629.12	20
2008-2009	1575.43	14454.79	29095.40	3139.29	2180.84	958.44	10
2009-2010	1575.43	15683.92	35427.40	4799.92	2565.30	2234.62	15
2010-2011	1575.43	19196.90	58645.01	12108.40	5389.09	6719.31	20
2011-2012	1575.43	17559.28	43660.96	326.46	3722.63	-3396.16	-
2012-2013	1575.43	19922.46	54928.79	7648.08	3575.65	4072.42	20
2013-2014	1575.43	22710.63	71654.61	8105.12	3500.16	4604.96	20
2014-2015	1575.43	23764.29	68539.95	4580.63	2666.24	1914.38	15
2015-2016	1575.43	25315.94	77568.04	5653.94	2880.73	2772.21	16
2016-2017	1575.43	27318.00	86703.47	4402.52	2957.47	1445.05	18
2017-2018	1575.43	27713.08	93164.67	3586.83	2823.26	763.57	16
2018-2019	1575.43	29334.00	101642.61	4912.48	3005.32	1907.16	16
2019-2020	1575.43	29096.74	93506.78	2854.65	2831.16	23.49	-
2020-2021	1575.43	28087.79	80466.72	1563.77	2809.11	(1245.34)	-
2021-2022	3242.09	41119.36	129832.89	10425.68	2817.61	7608.09	12

* Turnover = Net Sales + Closing Stock - Opening Stock

* Excludes interdivision transfers




BANNARI AMMAN SPINNING MILLS LTD



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