



naga

Limited



32ND ANNUAL REPORT 2022 - 2023

CORPORATE INFORMATION

<u>Board of Directors:</u> Sri. K.S. Kamalakannan, Chairman and Managing Director Smt. Mageswari Kannan, Joint Managing Director Sri. Sounder Kannan, Whole-Time Director Sri. D. Vijay Anand, Technical Director Sri. S. Ramesh, Director (Projects) Sri. P. Arivanandam, Independent Director Sri. S. Neelakantan, Independent Director Sri. Padmanabhan Sivaramakrishnan Iyer, Additional Director (from 14.11.2022) Chief Financial Officer Sri. T.R. Sivaraman Company Secretary Sri. V. Marikannan (upto 15.02.2023) Sri. V. Balamurugan (from 16.02.2023) <u>Bankers:</u> Axis Bank Ltd, Dindigul HDFC Bank Ltd, Dindigul State Bank of India, Dindigul Standard Chartered Bank, Mumbai ICICI Bank Ltd, Dindigul Indusind Bank, Dindigul IDBI Bank, Dindigul IDFC First Bank, Chennai Karur Vysya Bank, Dindigul	Registered Office: No.1, Anna Pillai Street, Chennai - 600 001. CIN : U24246TN1991PLC020409 Telephone : 044 - 2536 3535 Website : www.nagamills.com Email : cs@nagamills.com <u>Factories:</u> 1) Naga Limited - Foods (Unit - I), No.1, Trichy Road, Dindigul - 624 005. 2) Naga Limited - Foods (Unit - II), No.133, Trichy Road, Dindigul - 624 005. 3) Naga Limited, R&D Division - I & Silos, No.1, Trichy Road, Dindigul - 624 005. 4) Naga Limited, R&D Division - II, No.1, Padiyur Road, Pudhupatti, Padiyur Post, Veda sandur Taluk, Dindigul - 624 005. 5) Naga Limited - Foods Aruppukottai, 3/315, Melakandamangalam Village, Aruppukottai, Virudhunagar - 626 101. 6) Naga Limited - Minerals, No.9, Trichy Road, Dindigul - 624 005. 7) Naga Limited - Vizag, No.4-57, Gollepeta, Koduru Village, Anakapalli Mandal, Anakapalli, Vizagapatnam, Andhra Pradesh - 531 001. 8) Naga Limited - Detergents, No.1, Oddanchatram Road, Veda sandur - 624 710. 9) Naga Limited - Consumer Division Unit-I, No.131, Trichy Road, Dindigul - 624 005. 10) Naga Limited - Consumer Division Unit-II, No.1 Padiyur Road, Pudhupatti, Padiyur Post, Veda sandur Taluk, Dindigul - 624 005. 11) Naga Limited - Consumer Division Unit-III, No.4/213, Padiyur, Dindigul - 624 005. 12) Windmills: Coimbatore, Dharapuram, Theni & Thirunelveli.
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AUDITORS

STATUTORY AUDITORS

M/s. MSKA & Associates
Chartered Accountants,
5th Floor, Main Building, Guna Complex,
New No. 443 & 445, Old No. 304 & 305.
Mount Road, Teynampet, Chennai - 600 018.
Telephone: +91 44 6131 0200
Email ID: GeethaJeyakumar@mska.in

INTERNAL AUDITOR

M/s. KPMG Assurance and Consulting Services LLP
KRM Tower Ground Floor,
No.1 Harrington Road, Chetpet,
Chennai - 600 031.
Phone Number: +91 94421 00689
Email ID: rahull@kpmg.com
vikramsurana1@kpmg.com

COST AUDITOR FY 2022-23

Dr. I. Ashok, M. Com., FCMA, FICWA., PGDFM
Cost and Management Accountant,
471/4, Madurai Road, Near Periyar Statue,
Thirumangalam - 625 706.
Telephone: 04549 280216
Email ID: ashokficwai@yahoo.co.in

COST AUDITOR FY 2023-24

M/s. Subramanian Rajagopal & Associates
Cost Accountants,
4/51 Thippiran Thotti Street,
Tiruchirappali - 620 008.
Mobile: +91 9443782435
Email ID: cskrcma@gmail.com

SECRETARIAL AUDITORS

M/s. GSR & Co.,
Practising Company Secretaries,
Flat No.A-2, 2nd Floor, Sai Niranthara,
No. 14/23, Nagarjuna Nagar 1st Street,
Rangarajapuram, Kodambakkam,
Chennai - 600 024
Telephone: 044 - 2484 6890,
Fax: 044 - 4204 7845
Phone Number: +91 98404 26264
Email ID: gsrando2020@gmail.com

REGISTRAR AND SHARE TRANSFER AGENT

M/s. Cameo Corporate Services Ltd.,
"Subramanian Building"
No.1, Club House Road, Chennai - 600 002.
Telephone: 044-40020700/ 0710
E-Mail ID: cameo@cameoindia.com

COMPOSITION OF COMMITTEE AS ON 31.03.2023

AUDIT COMMITTEE

Sri. P. Arivanandam	Chairman
Sri. S. Neelakantan	Member
Sri. Padmanabhan	
Sivaramakrishnan Iyer	Member

NOMINATION AND REMUNERATION COMMITTEE

Sri. P. Arivanandam	Chairman
Sri. S. Neelakantan	Member
Sri. Padmanabhan	
Sivaramakrishnan Iyer	Member
Sri. K.S. Kamalakannan	Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Sri. Padmanabhan	
Sivaramakrishnan Iyer	Chairman
Smt. Mageswari Kannan	Member
Sri. Sounder Kannan	Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Sri. S. Neelakantan	Chairman
Smt. Mageswari Kannan	Member
Sri. Sounder Kannan	Member

FINANCE COMMITTEE

Sri. K.S. Kamalakannan	Chairman
Smt. Mageswari Kannan	Member
Sri. Sounder Kannan	Member
Sri. D. Vijay Anand	Member

CHAIRMAN'S SPEECH

DEAR SHAREHOLDERS,

It is my pleasure to welcome you all for the 32nd Annual General Meeting of your Company. The Annual Report and Audited Accounts of the Company for the year ended March, 31, 2023 have been with you for some time and I take them as read. I am also glad to inform you that we could achieve reasonable results both in terms of turnover and profitability, during 2022 - 23.

Agriculture sector experienced an acceleration in growth reaching 5.5% compared to the previous year's 4.1% growth rate. This improvement contributed to the overall GDP expansion.

The manufacturing sector witnessed a notable growth rate of 4.5% during the March 23 quarter, a substantial increase from the previous year's 0.6% growth rate. The surge played a pivotal role in boosting the economy.

I am glad to inform you that your company crossed the 2K Cr milestone by achieving a turnover of Rs 2099.06 Cr for the year under review. The profit before Tax stood at Rs 20.00 Cr and the Profit after tax stood at Rs 13.01 Cr. The year was a very strenuous year for your company as the Company had to complete many pending projects, concentrate on the new projects and had to put in maximum efforts to streamline the diversified operations. Despite the best efforts and excellent contribution made in terms of efficient operations the profitability could not be improved further due to our entry into the new QSR business and many developmental activities undertaken during the year.

I now summarize below the performance of the various Divisions:

FOODS:

The last five year performance indicates a robust growth coupled with a positive trend for the future.

Year	2022-23	2021-22	2020-21	2019-20	2018-19
Production (MT)	254134	236068	219915	228692	240501
Growth %	8	7	(4)	(5)	6

CONSUMER:

The performance for the year under review is lower mainly on account of consolidation, new products development and penetration into new markets.

Year	2022-23	2021-22	2020-21	2019-20	2018-19
Production (MT)	46912	53549	54084	34583	33875
Growth %	(13)	(1)	56	2	16

DETERGENTS:

This division could improve the production and sales as per the yearly performance below.

Year	2022-23	2021-22	2020-21	2019-20	2018-19
Production (MT)	194292	175442	165456	156145	151864
Growth %	11	6	6	3	26

MINERALS:

This division faced issues in achieving turnover and profitability due to a variety of reasons. Availability of local sources dried up and your company had to resort to imports. Forex impact on imports adversely affected the profitability.

Year	2022-23	2021-22	2020-21	2019-20	2018-19
Production (MT)	150325	153395	142535	103385	102524
Growth %	-	8	38	-	-

MANUFACTURING (TOTAL):

The year 2022-23 was a very challenging year in many aspects. Coupled with stiff competition your company had to manage a slew of new projects, consolidation of existing activities at one place and efforts to contain various cost for achieving reasonable profit.

Year	2022-23	2021-22	2020-21	2019-20	2018-19
Production (MT)	645663	618454	581990	522805	528764
Growth %	5	6	11	(1)	10

ENERGY:

This division had 12 Windmills and 1 Solar Power unit having a total capacity of 11.125 MW at various locations in Coimbatore, Dharapuram, Theni and Thirunelveli. This division has maintained the production and sale of units as well as profitability for the year under review. On account of the merger of the three wholly owned subsidiaries, the capacity of your Energy division has gone upto 20.950 MW consisting of 15 Windmills and 1 Solar Power unit with the capacity of 0.600 MW.

Year	2022-23	2021-22	2020-21	2019-20	2018-19
Units Generated*	156	162	149	154	163
Units Consumed*	427	375	343	302	304
Purchased*	271	213	194	148	141

* (Units in Lakhs)

FINANCIAL INFORMATION:

The book value of your Company's shares has grown to Rs 116.77 in 2022 - 23 indicating the improved performance of your company over these years:

Year	2022-23	2021-22	2020-21	2019-20	2018-19
Per Share Value (in Rs.)	116.77	111.37	103.55	95.62	88.82

DIVIDEND:

Considering the various developmental projects and the new investments made and taking into consideration of the Interim dividend of 10% declared and paid during the year, your Board of Directors opined to conserve the resources and hence decided not to declare any further dividend for the year.

ACKNOWLEDGEMENT:

I thank all the Shareholders of the Company for their continued patronage to the Company all these years.

My heartfelt thanks to all my Colleagues on the Board both Executive and Independent present and retired/resigned for their excellent guidance, support and encouragement for running the company on all critical times.

I extend my thanks to Employees at all levels of the company for their dedicated services in achieving the results.

I convey my heartiest thanks to all customers, suppliers and service providers for their support and cooperation.

My thanks are equally due to various departments of Central and State Governments and Banks.

MAY GOD BLESS NAGA FAMILY.

K.S. Kamalakannan
Chairman and Managing Director
DIN:01601589

LAST 10 YEARS FINANCIAL HIGHLIGHTS

(All amounts are in Crores of INR unless otherwise stated)

	PARTICULARS	CAGR	22-23	21-22	20-21	19-20	18-19	17-18	16-17	15-16	14-15	13-14
Profit & Loss	Operating Income / Turnover	A	2099.06	1726.80	1506.63	1003.30	837.19	893.92	665.92	432.74	463.53	423.30
	Other Income		7.09	5.41	1.56	6.39	14.13	8.95	2.59	2.91	2.22	1.37
	Total Income	B	2106.15	1732.21	1508.19	1009.69	851.32	902.87	668.51	435.65	465.75	424.67
	Operating Expenses	C	2009.19	1648.58	1424.25	934.23	769.21	808.61	584.13	389.69	418.02	371.81
	EBDITA	D=B-C	96.96	83.64	83.95	75.46	82.11	94.26	84.38	45.96	47.73	52.86
	Depreciation	E	42.54	36.98	35.62	33.06	27.42	25.29	21.41	18.88	17.46	16.44
	Interest	F	34.42	29.99	32.82	33.63	29.07	31.98	22.98	18.23	19.95	22.74
	Profit Before Tax (PBT)	G=D-E-F	20.00	16.67	15.51	8.77	25.62	36.99	39.98	8.86	10.32	13.68
	Profit After Tax (PAT)	H	13.01	12.36	12.33	12.92	18.12	22.15	24.38	5.12	7.62	10.13
	Cash Generation (Post Tax)	I=E+H	55.55	49.34	47.95	45.98	45.54	47.44	45.79	24.00	25.08	26.57
Balance Sheet	Equity Dividend (%)	J	10%	10%	10%	8%	8%	8%	8%	8%	8%	6%
	Dividend Payout	K=N*J	1.42	1.42	1.42	1.14	1.14	1.14	1.14	1.14	1.14	0.85
	Dividend Payout Ratio (%)	L=K/H	11%	12%	12%	9%	6%	5%	5%	22%	15%	8%
	No of Equity Shares	M	1.42	1.42	1.42	1.42	1.42	1.42	1.42	1.42	1.42	1.42
	Face Value of Equity Shares (Rs)		10	10	10	10	10	10	10	10	10	10
	Equity Share Capital	N	14.25	14.25	14.25	14.25	14.25	14.25	14.25	14.25	14.25	14.25
	Reserves and Surplus	O	152.13	144.43	133.30	121.99	112.30	95.63	81.00	57.49	53.75	47.61
	Shareholders Funds/Networth	P=N+O	166.38	158.68	147.55	136.24	126.55	109.88	95.25	71.74	67.99	61.86
	Long Term Debt	Q	239.37	183.70	191.71	213.58	146.02	141.44	92.30	99.70	102.05	105.77
	Gross Fixed Assets	R	565.88	481.71	417.25	376.97	281.02	222.99	309.00	262.00	249.00	229.00
Ratios	Net Fixed Assets	S	350.41	302.34	274.45	269.80	206.90	176.00	165.66	139.76	145.52	142.88
	Earning Per Share (Rs.)	T=H/N	9.13	8.67	8.65	9.07	12.72	15.55	17.11	3.59	5.35	7.11
	Book Value Per Share (Rs.)	U=P/N	116.77	111.37	103.55	95.62	88.82	77.12	66.85	50.35	47.72	43.41
	Debt (Longterm) Equity Ratio	V=Q/P	1.44	1.16	1.30	1.57	1.15	1.29	0.97	1.39	1.50	1.71
	Leverage : TOL/TNW	W	2.90	2.91	2.85	3.00	1.92	3.04	3.65	2.62	2.44	3.03
	EBIDTA/Turnover	X=D/A	4.62%	4.84%	5.57%	7.52%	9.81%	10.54%	12.67%	10.62%	10.30%	12.49%
	Interest Coverage Ratio	Y=D/F	2.82	2.79	2.56	2.24	2.82	2.95	3.67	2.52	2.39	2.32
	RONW (%)	Z=H/P	7.82%	7.79%	8.35%	9.48%	14.32%	20.16%	25.60%	7.14%	11.21%	16.38%

NAGA LIMITED

Registered Office : No. 1, Anna Pillai Street, Chennai - 600 001. Ph : 044 - 25363535, website : www.nagamills.com
Corporate Identity Number (CIN) : U24246TN1991PLC020409, Investors Relations Email Id : cs@nagamills.com

NOTICE OF THE 32ND ANNUAL GENERAL MEETING

NOTICE is hereby given that the (32nd) Thirty Second Annual General Meeting (AGM) of the Members of the Company will be held on 12.15 P.M. IST on Monday, the 14.08.2023 at the Presidency Club, No. 51, Ethiraj Salai, Egmore, Chennai - 600 008 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31.03.2023, together with the Reports of the Board of Directors' and the Auditors' thereon, by passing the following as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 129 and other applicable provisions, if any of the Companies Act, 2013, the Audited Standalone and Consolidated Financial Statements of the Company for the year ended 31.03.2023 and the Reports of Directors, and Auditor's thereon are received, considered and adopted.”

2. To appoint Director in place of Sri. D. Vijay Anand (DIN 07400565) who retire by rotation and being eligible, offer himself for re-appointment, by passing the following as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013, the Rules made thereunder and the Articles of Association of the Company, Sri. D. Vijay Anand (DIN 07400565), Technical Director retiring by rotation being eligible and offering for re-election, is re-appointed as a Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS:

3. To approve the remuneration of the Cost Auditor for the financial year 2023-24 by passing the following as an Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable for the financial year 2023-24 to M/s. Subramanian Rajagopal and Associates (F.No.1273) appointed by the Board of Directors of the Company on 26.05.2023 to conduct the audit for products covered under Minerals & Detergents Divisions of the Company for the financial year 2023-24, on a remuneration of Rs. 75,000/- (Rupees Seventy Five Thousand Only) plus GST as applicable and reimbursement of out-of-pocket expenses incurred by them in connection with the aforesaid audit be and is hereby approved and confirmed.”

“RESOLVED FURTHER THAT pursuant to Section 21 of the Companies Act, 2013, any one of the Executive Directors or Company Secretary of the Company be and is hereby severally authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution.”



4. To appoint Sri. Padmanabhan Sivaramakrishnan Iyer (DIN 05189532) as Non-Executive Director of the company by passing the following as an Ordinary Resolution.

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 160 and other applicable provisions, if any, of the Companies Act, 2013, the Rules made thereunder and the Articles of Association of the Company, on the recommendation of Nomination and Remuneration Committee, consent of the members is accorded for the appointment of Sri. Padmanabhan Sivaramakrishnan Iyer (DIN 05189532) as a Non- Executive Director of the Company, liable to retire by rotation.”

**By Order of the Board
For Naga Limited**

**Place : Dindigul
Date : 30th June, 2023**

**V. BALAMURUGAN
Company Secretary
M.No. F12312**

IMPORTANT NOTE:**Statutory Information:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or where that is allowed, one or more proxies, to attend and vote instead of himself and that a proxy need not be a member. Pursuant to provisions of Section 105 of the Companies Act, 2013, read with the applicable rules thereon, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy, who shall not act as a proxy for any other member. Proxy form should be submitted to the Company at least 48 hours before the commencement of the meeting.
2. Members and proxies should bring the attendance slip duly filled in for attending the meeting.
3. Corporate Members intending to authorize their representatives to attend the Meeting are requested to send a scanned certified copy of the board resolution (PDF/JPEG format) authorizing their representative to attend and vote on their behalf at the Meeting.
4. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

Proxy:

The instrument appointing the Proxy should be deposited at the Registered Office of the Company not later than 48 hours before the meeting.

5. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act) of the meeting is annexed hereto.
6. Particulars of the Directors seeking appointment/re-appointment/renewal of appointment at the Annual General Meeting are enclosed and form an integral part of the Notice. The Directors have furnished the requisite declarations for their appointment/re-appointment/renewal of appointment.
7. Dispatch of Annual Report and Notice of the Meeting:

Pursuant to the General Circular No. 20/2020 dated 5th May 2020 read with General Circulars No. 14/2020 dated 8th April 2020, 17/2020 dated 13th April 2020 and 02/2021 dated 13th January 2021 and No.02/2022 dated 05th May 2022, and the General Circular issued by the Ministry of Corporate Affairs (MCA), owing to difficulties involved in dispatch of physical copies of the Annual Report and AGM Notice (including Financial Statements, Report of Board of Directors, Auditors Report and other required documents to be attached therewith) shall be sent in electronic mode to members in e-mail address is registered with the Company/RTA or the Depository Participants.
8. Electronic copy of the Annual Report for the year 2022-23 and the Notice of the 32nd AGM are being sent to the Members whose E-mail IDs are registered with the Company and for persons holding shares in demat form as per the information provided by the Depositories, unless any member who requests a hard copy of the same.
9. Annual Report and the Notice of the AGM are available in the Company's website viz., <https://www.nagamills.com/Investors.html>.

10. All documents referred to in the notice are open for inspection at the Registered Office of the company during office hours on all working days, except Saturday and holidays, between 10.00 a.m. and 5.00 p.m up to the date of the extra-ordinary general meeting.

11. The voting rights of the shareholder shall be in proportion to their shares in the paid up capital of the Company.

Dividend:

The interim dividend of 10% declared in February, 2023 has been considered as final dividend for the year 2022-23 and hence the Board of Directors did not recommend any final dividend.

Unpaid/Unclaimed Dividend:

As per Section 125 of the Act the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government.

The details of unpaid dividend relating to the years 2015-16 to 2021-22 as on 10th August 2022 being the date of the last AGM is available in the website of the Company <https://www.nagamills.com/Investors.html>. The updated details of unpaid dividend as on the date of the ensuing AGM relating to the years 2015-16 to 2022-23 will be uploaded on the Website of the Company in due course.

Shareholders who are yet to encash their dividend warrants are requested to contact the Company or Cameo Corporate Services Limited, the Registrar at an early date and lodge their claims.

As per the extant law, the shareholders are entitled to claim the unpaid dividends transferred to the IEPF for which they are required to submit the request online in Form IEPF-5. The procedure for making the claims is available in the websites of the Company and also the IEPF.

Unclaimed dividend for over 7 years and the underlying shares thereof will be transferred to the Investor Education and Protection Fund. Members may refer note no. 41 of director's report of 32nd Annual report and lodge their claim, if any, immediately either with the Company Secretary or Investor Education and Protection Fund.

General:

To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and the holdings should be verified.

Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the RTA through the web-link: <https://Investors.cameoindia.com>

Members may avail nomination facility in respect of their holdings. Those holding shares in physical form may approach the RTA and submit the same to the RTA. Those holding shares in demat form may approach their DP for registering the nominations.

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM NO. 3:

The Board of Directors of the Company, at their meeting held on 26.05.2023, on the recommendation of the Audit Committee, approved the appointment of M/s. Subramanian Rajagopal and Associates, Cost Accountants, based in Trichy, having firm Registration Number: 1273, having partners (i) Sri. S. Parameswaran, M.No.11090 and (ii) Sri. K. Rajagopal, M.No.17491, Cost Accountants, to conduct the cost audit for Minerals & Detergents Divisions of the Company for the financial year 2023-24 on a remuneration of Rs. 75,000/- plus GST and reimbursement of out-of-pocket expenses, subject to approval by Shareholders.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Shareholders of the Company.

The Board recommends the resolution set out in Item No. 3 for approval of the Members, to be passed as an Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the resolution.

ITEM NO. 4:

The Board at its meeting held on 14.11.2022, on the recommendation of Nomination and Remuneration Committee appointed Sri. Padmanabhan Sivaramakrishnan Iyer as an Additional Director (Non-Executive) with effect from 14.11.2022 until the forthcoming Annual General Meeting of the Company, under section 161(1) of the Companies Act, 2013.

Pursuant to Section 160 of the Companies Act, 2013, the Nomination and Remuneration Committee at its meeting held on 26.05.2023 recommended appointment of Sri. Padmanabhan Sivaramakrishnan Iyer as a Non-Executive Director, which shall further be approved by the members at a General Meeting.

The Board recommends the resolution set out in Item No. 4 for approval of the Members, to be passed as an Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the resolution.

**By Order of the Board
For Naga Limited**

V. BALAMURUGAN
Company Secretary
M.No. F12312

Place : Dindigul
Date : 30th June, 2023

Re-appointment and/or Retire by rotation of Directors:

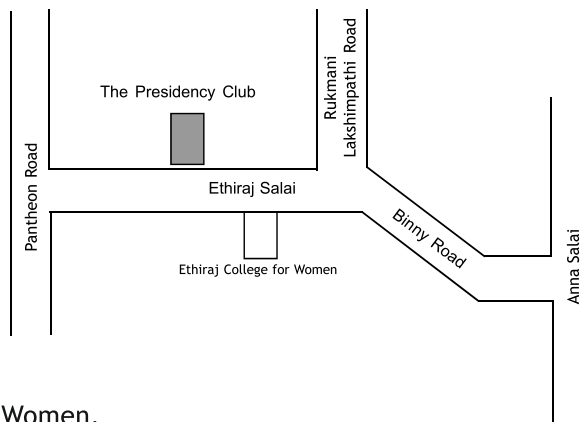
Information required to be furnished under Secretarial Standards-2 on General Meetings.

The particulars of Directors who are proposed to be re-appointed and whose remuneration is to be revised at this meeting are given below:

1	Name of Director	Sri. D. Vijay Anand	Sri. Padmanabhan Sivaramakrishnan Iyer
2	Date of Birth & Age	30th August, 1976 & 46	23rd June, 1950 & 73 years
3	Qualification	B.E., M.B.A.,	i) BSC - Physics & Mathematics ii) Certificate in Financial Management iii) C.A.I.I.B.
4	Expertise in specific functional areas	Experience in Flour Milling, Minerals Industries for the past 15 years.	20 years experience in Finance and Accounts.
5	Terms and Conditions of Appointment/ Re-appointment	Rs. 10 Lakhs per month	Being an Non-Executive Director, eligible for sitting fees.
6	Remuneration sought to be paid	NA	NA
7	Remuneration last drawn	Rs. 10 Lakhs per month	NA
8	Date of first appointment on the Board	21.08.2017	14.11.2022
9	Number of shares held in the Company	142480	Nil
10	Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Daughter's Husband to Sri. K.S. Kamalakannan & Smt. Mageswari Kannan, Brother-in-Law of Sri. Sounder Kannan	Nil
11	No. of Board meetings attended during the financial year 2022-23	Held - 7 Attended - 6	Held - 5 Attended - 4
12	Details of Other Directorships, Membership/Chairmanship of Committees of other Boards including the Company.	Nil	Directorship - Lakme Investment and Finance Limited Naga Limited: Audit Committee: Membership Nomination and Remuneration Committee: Membership Stakeholders Relationship Committee (dissolved on 26.05.2023): Chairmanship

Route Map to the AGM Venue:

Venue: The Presidency Club,
51, Ethiraj Salai,
Egmore, Chennai - 600 008.



Land Mark: Opposite to Ethiraj College for Women.

32ND DIRECTORS' REPORT

TO THE MEMBERS OF NAGA LIMITED

Your Directors have pleasure in presenting the 32nd Annual Report together with the Audited Accounts for the year ended 31.03.2023.

1. WORKING RESULTS

The standalone and consolidated audited financial results of your Company for the year under review along with the figures for the previous year are as follows:

(Rs. in Cr)

Working Results	Standalone		Consolidated	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Sales and Other Operating Income	2,099.06	1,728.96	2,099.06	1,728.96
Other Income	7.09	3.25	7.09	3.25
Total Income	2,106.15	1,732.21	2,106.15	1,732.21
Profit before Interest, Depreciation and Tax	96.96	83.64	97.00	83.79
Finance Cost	34.42	29.99	34.42	29.99
Depreciation	42.54	36.98	42.54	36.97
Profit Before Tax and Share of Profit from Associates	20.00	16.67	20.24	17.02
Share of Profit / (Loss) from Associates	-	-	0.19	0.19
Profit Before Tax	20.00	16.67	20.05	16.83
Provision for Current Tax	4.76	3.07	4.76	3.07
MAT Credit	-	(3.07)	-	(3.07)
Provision for deferred tax	2.23	4.31	2.23	4.31
Net Profit	13.01	12.36	13.06	12.52
Other Comprehensive Income (OCI):				
Remeasurement of Defined Benefit Plans (Net of Taxes)	(1.24)	0.20	(1.24)	0.20
Total OCI for the year (Net of Tax)	11.77	12.56	11.82	12.72
Add: Surplus from the previous year	139.41	128.49	139.13	128.01
Total	151.18	141.05	150.95	140.73
Appropriations:				
Dividend paid during the year	1.42	1.43	1.42	1.43
Tax on Dividend Distribution	-	-	-	-
Transfer to General Reserve	0.21	0.21	0.21	0.21
Earlier Period Items	-	-	-	0.08
Other foreign currency translation reserve	-	-	(0.09)	(0.12)
Balance carried forward	149.55	139.41	149.41	139.13

Note: Figures have been regrouped and reclassified, wherever necessary.

2. DIVIDEND

Considering the present and ongoing expansion activities and the interim dividend of Re. 1.00 per equity share (10% of the face value) declared and paid during the year, Your Directors did not declare any final dividend for the year.

3. TRANSFER TO RESERVE

Your Board proposes to transfer Rs. 0.21 Cr to the General Reserve. An amount of Rs. 3.76 Cr is proposed to be retained in the General Reserve Account.

4. COMPANY PERFORMANCE FY 2022-23

Despite challenges and competing market trends your Company could achieve a reasonable turnover Rs. 2099.06 Cr as against Rs. 1728.96 Cr achieved during the earlier year. Thus your Company achieved and crossed the milestone of 2k Cr turnover, during the year under review. Tremendous efforts were put in by all levels of employees and executives to achieve this milestone. Also, your company could achieve a reasonable growth in Profitability as the profit before tax stood at Rs. 20 Cr as against Rs. 16.67 Cr and the Profit after tax ended at Rs. 13.01 Cr as against Rs. 12.36 Cr.

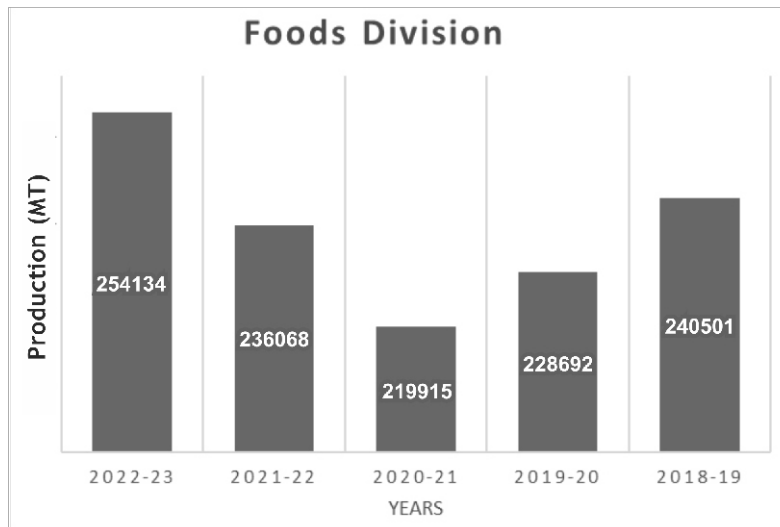
5. CREDIT RATING

India Rating and Research (formerly known as FITCH India Ratings) maintained the rating of your company at A- for the year 2022.23 but revised the outlook to Negative. This is on account of the various developmental activities initiated by the company, including investments which will give returns only after few years.

6. FOODS DIVISION

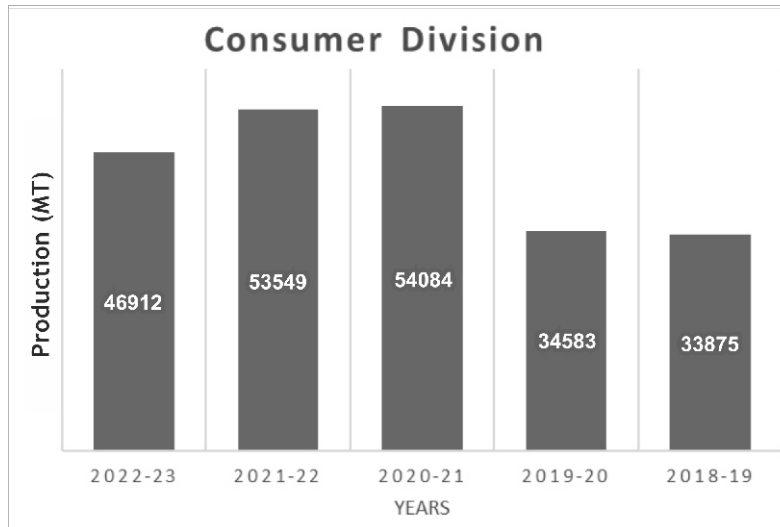
Naga Limited's Foods Division is located at Dindigul & in Aruppukottai. The total installed capacity is 1100 tons per day. The state-of-the-art set-up includes an entire Buhler plant with PLC control. The facility also consists of Silos for storage of wheat up to 76,000 tons.

This division has achieved a turnover of Rs. 798.52 Cr for the year under review as against Rs. 684.18 Cr achieved during the corresponding previous year. The Profitability improved due to better realization and increased volume during the year.



7. CONSUMER DIVISION

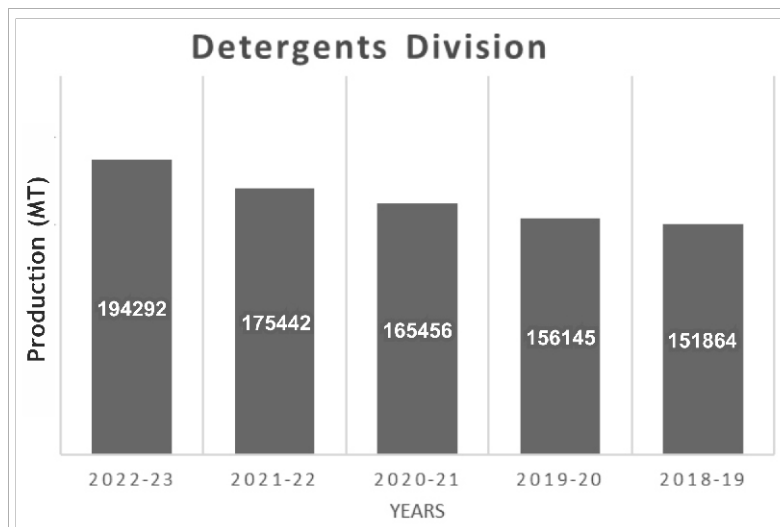
The Consumer Division of the Company has a production capacity of 140 tons per day. The Division achieved a turnover of Rs. 250.37 Cr as against Rs. 241.84 Cr achieved in the last year. Various expansion programs combined with consolidation activities resulted in lower volume of sales during the year. Also the Division focused on various growth related area resulting in sizeable expenditure the fruits of which are expected in the near future.



8. DETERGENTS DIVISION

Detergents Division is located at Vedasandur and has a production capacity of 3,00,000 tons per annum. The Company is the third largest manufacturer of detergents for M/s. Hindustan Unilever Limited.

This Division has achieved a Turnover of Rs. 974.89 Cr as against Rs. 743.11 Cr achieved during the last year. However increased input costs resulted reduced profitability.

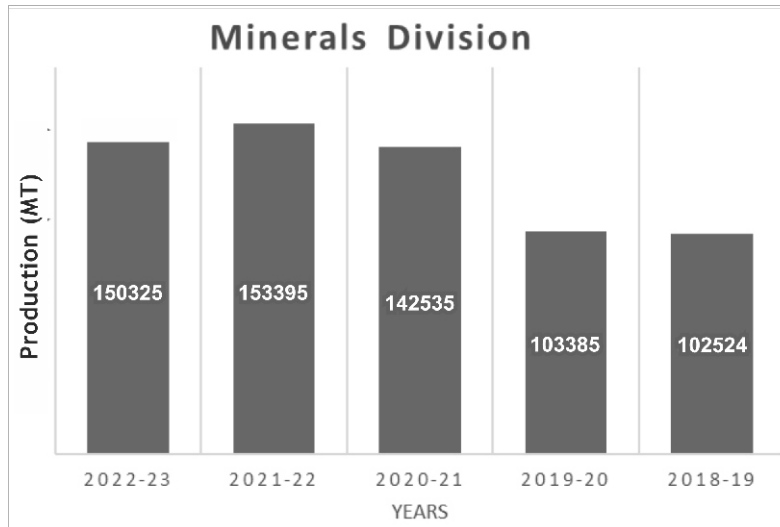


9. MINERALS DIVISION

Minerals Division, located at Dindigul has a production capacity of 2,00,000 tons per annum.

This division has achieved an increased turnover of Rs. 64.17 Cr as against Rs. 58.16 Cr achieved during the corresponding period of last year. Higher input costs coupled with increased finance cost resulted in lower profitability.

Your Company is glad to inform that based on market inputs and our aim to grow, a small plant was inaugurated at Koduru Village, Anakapalli Mandal, Vizagapatnam, Anakapalli, Andhra Pradesh - 531001. Based on our success your company will initiate further diversification in the near future.



10. I-FOODS DIVISION

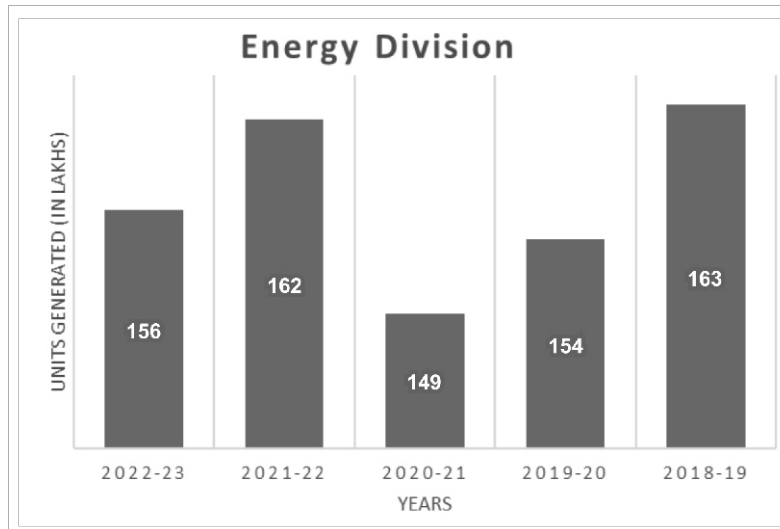
Considering the intention of your company to expand the activities and also to remain competitive in the market your company wanted to add a variety of products in the basket to attract the customers. With this aim your company acquired the Pasta and Vermicelli plants in the earlier years. In this direction to augment the facilities and to consolidate the activities, the Chennai Plant and part of the Bangalore plant were relocated to Dindigul.

Accordingly taking advantage of market intelligence, your Company bought the Pizza Manufacturing Plant including Oyalo Brand at a cost of Rs. 28 Cr including taxes from M/s. Hatsun Agro Products Limited. However due to various reasons the Plant could not be installed on time. With temporary setup, at your Company's facilities the product is being manufactured and sold. Outlets were set up with the help of the assets already acquired. Enormous efforts were taken in identifying the place, renting of the premises, employing people and in starting the operations at these outlets. Since your company is new for this, QSR business, your Company had to carefully handle the same and it took time. Hence the operations are moving slowly and your company expects it to stabilize over a period one or two years.

During 2022-23, this division manufactured 7574 kgs and sold 7242 kgs of products.

11. WIND & SOLAR POWER DIVISION

This division had 12 Windmills and 1 Solar Power unit having a total capacity of 11.125 MW at various locations in Coimbatore, Dharapuram, Theni and Thirunelveli. This division has maintained the production and sale of units as well as profitability for the year under review. On account of the merger of the three wholly owned subsidiaries, the capacity of your Energy division has gone upto 20.950 MW consisting of 15 Windmills and 1 Solar Power unit with the capacity of 0.600 MW.



12. FINANCE

Installment of Term Loans and interest due on Term loans and working capital borrowings were paid on due dates. During the year your company has availed Rs. 26.96 Cr as emergency credit in the form of ECLGS from various Banks.

13. ACCREDITATION

The Company continues to be certified under FSSC 22000:2005 including ISO 22000:2005, ISO/TS 22000- 1:2009. The Company also continues to get certified as Grade A under BRC Global Standard for food safety.

14. SUBSIDIARIES

Your Company had 5 Wholly Owned Subsidiaries during the year and based on the application filed by your company with Regional Director ROC Chennai, three of the wholly owned subsidiaries got merged with your company by order dated 12.04.2023 by the RD, ROC, Chennai with effect from 01.12.2022. Thus effectively considering the merger, the company as 3 wholly owned subsidiaries as at 31.03.2023. Hence the consolidated financial statement presented along with this report includes only two wholly owned overseas subsidiaries. The consolidated financial statements of the Company & its wholly owned subsidiaries which form part of Annual Report have been prepared in accordance with Section 129(3) of the Companies Act, 2013. Further, a statement containing the salient features of the Financial Statement of Subsidiary Companies in the prescribed format AOC-1 is annexed with Consolidated Financial Statements. The statement also provides the details of performance and financial position of the Wholly Owned Subsidiary Companies.

In accordance with Section 136 of the Companies Act, 2013 the Audited Financial Statements, including the consolidated financial statements & related information of the Company & Audited Accounts of its Subsidiary Companies are available on the website www.nagamills.com. These documents will also be available for inspection during business hours at the registered office of the Company. Any Member desirous of obtaining a copy of the said financial statement may write to the Company Secretary at the Registered Office of the Company.

The Consolidated net profit of the Company and its Subsidiaries amounted to Rs. 11.82 Cr for the financial year ended 31.03.2023 as compared to Rs. 12.72 Cr for the previous financial year ended 31.03.2022. Additional details regarding performance of Subsidiary Companies are submitted in the succeeding paragraphs.

15. INDIAN SUBSIDIARIES

i) Annai Power Private Limited

The Company is engaged in the business of leasing of Assets and wind mill power generation. The Company during the year 2022-23 became a wholly owned subsidiary of Naga Limited with effect from 17.08.2022. Based on the decision of your Board of Directors your company made an application to RD, ROC Chennai for fast track merger of the Subsidiary with your Company with effect from 01.12.2022. The above proposal of Merger was approved by the shareholders at their meeting held on 18.03.2023. Your Company also received the approval from RD, ROC, Chennai vide his order dated 12.04.2023 for the merger.

ii) Nagalakshmi Energy Private Limited

The Company is engaged in the business of wind mill power generation and logistics. The Company during the year 2022-23 became a wholly owned subsidiary of Naga Limited with effect from 17.08.2022. Based on the decision of your Board of Directors, your company made an application to RD, ROC Chennai for fast track merger of the Subsidiary with your Company with effect from 01.12.2022. The above proposal of Merger was approved by the shareholders at their meeting held on 18.03.2023. Your Company also received the approval from RD, ROC, Chennai vide his order dated 12.04.2023 for the merger.

iii) Dindigul Foods Park Private Limited

The Company is engaged in the business of manufacturing of food products. The Company during the year 2022-23 became a wholly owned subsidiary of Naga Limited with effect from 17.11.2022. Based on the decision of your Board of Directors, your company made an application to RD, ROC Chennai for fast track merger of the Subsidiary with your Company with effect from 01.12.2022. The above proposal of Merger was approved by the shareholders at their meeting held on 18.03.2023. Your Company also received the approval from RD, ROC, Chennai vide his order dated 12.04.2023 for the merger.

Merger of Indian Subsidiaries with Naga Limited:

Your Board of Directors approved the scheme of amalgamation of M/s. Annai Power Private Limited (Transferor Company No. 1) and M/s. Nagalakshmi Energy Private Limited (Transferor Company No. 2), and M/s. Dindigul Foods Park Private Limited (Transferor Company No. 3) with M/s. Naga Limited (Transferee Company) for the purpose of the following rationale at their meeting held on 14.11.2022.

- a) Greater integration and financial strength for the amalgamated entity, which would result in maximizing overall shareholder value.
- b) Greater efficiency in cash management of the amalgamated entity.
- c) The independent operations of the Transferor Companies and Transferee Company leads to recurrence of significant costs and the amalgamation would enable economies of scale by attaining critical mass and achieving cost saving. The amalgamation will thus eliminate a multilayer structure and reduce managerial overlaps, which are necessarily involved in running multiple entities and also prevent cost duplication that can erode financial efficiencies of a holding structure and the resultant operation would be substantially cost-efficient. This scheme would result in simplified corporate structure of the Transferee Company and its businesses, thereby leading to more efficient utilization of capital and creation of a consolidated base for future growth of the Transferee Company.
- d) The amalgamation would lead to greater and efficient use of infrastructure facilities of the Transferor Companies and the Transferee Company.

- e) The synergy created by scheme of arrangement would increase operational efficiency and integrate business functions.
- f) The proposed arrangement will provide greater integration and flexibility to the Transferee Company and strengthen the assets base.

Accordingly your Company started the process and the scheme was approved by the members at their meeting held on 18.03.2023 and creditors of the Transferee and Transferor Company by requisite majority in accordance with the Section 233(1) (b) and (d) of the Companies Act, 2013.

Based on the above, the final order regarding the approval of the said scheme was received from the Regional Director, Southern Region, Ministry of Corporate Affairs on 12.04.2023 considering the appointed date as 01.12.2022.

16. OVERSEAS SUBSIDIARIES

Naga Far East Private Limited (Singapore)

The Company has been formed to carry on the business of international trading in commodities, supply chain management to food products, investing and holding assets and trading in mines & quarries worldwide.

This Company recorded a loss of US\$ 10,847.06/- (equivalent to Rs. 0.089 Cr) for the year ended 31.03.2023 (Previous year: Loss of US\$ 81/- (Rs. 0.0006 Cr)).

Efforts are being taken to route all imports and Exports of your Company through this subsidiary in future.

Naga Mills Private Limited (Bangladesh)

The Company operates in the business of manufacturing and job works related to Detergents.

This Company recorded a loss of Taka 1,168,035/- (equivalent to Rs. 0.09 Cr) for the year ended 31.03.2023 (Previous year: Loss of Taka 3,47,714/- (Rs. 0.03 Cr)).

Since the main aim of starting Detergents business through this subsidiary did not fructify, your company has already initiated the process of closure of this company. The exact value of diminution in the value of its investments will be known at the time of final closure of this company.

17. ENVIRONMENTAL PROTECTION

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner so as to ensure safety of all concerned, compliance of environmental regulations and preservation of natural resources. The Company continues to provide utmost attention to the conservation and improvement of the environment. Various provisions and precautions are taken to enable the Company to comply with the Pollution Control norms on a sustained basis.

18. RESEARCH AND DEVELOPMENT

The current recognition of DSIR approval for the two R&D Units of your Company came to an end on 31.03.2023. The Company has already submitted an application for renewal and expect to receive the renewal in due course. Utilizing the recognition the R&D Team of your company is concentrating on the development of a variety of products in the ready to cook and ready to eat segments. Research is also being undertaken to improve the quality, various processes and activities.

19. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3) (a) of the Companies Act 2013, the Annual Return as on 31.03.2023 will be placed on the Company's website at www.nagamills.com/Investors after the conclusion of the AGM. The Annual Return as on March 31, 2022 is placed on the Company's website at <https://www.nagamills.com/Form%20MGT-7%20FY%202021-22.pdf>

20. DIRECTORS' RESPONSIBILITY STATEMENT

While preparing the annual accounts, the Company has adhered to the following:

- In the preparation of the annual accounts for the year ended 31.03.2023, the applicable accounting standards referred to in Section 129 (1) of the Companies Act, 2013 read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- The Directors have selected such accounting policies and applied them consistently and made judgments estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31.03.2023 and of the profit of the Company for the year ended on that date;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the annual accounts on a “going concern” basis;
- The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

21. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year, the Company had made investments as detailed below:-

S.No	Company Name	No. of Shares	Value (in Rs.)
Investment in Associate Companies:			
1	Annai Power Private Limited	1,77,600	1,77,60,000
2	Nagalakshmi Energy Private Limited	30,74,000	3,07,40,000
Investment in Group Companies:			
1	Dindigul Foods Park Private Limited	5,67,000	56,70,000
2	Tutifood Private Limited	1,800	18,000
Investment in Other Companies:			
1	Nellai Renewables Private Limited	4,50,000	45,00,000
2	Life Insurance Corporation of India	4,431	42,05,019
Investment in Subsidiaries:			
1	Naga Mills Private Limited	2,20,000	17,60,000

During the year, the Company has not given any loans and/ or guarantees.

22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY

Arrangements with Related Parties referred to in Section 188(1) of the Companies Act, 2013 are furnished in accordance with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 in “Annexure-A”.

23. CORPORATE SOCIAL RESPONSIBILITY

The brief amended outline of the Corporate Social Responsibility (CSR) Policy of the Company was approved by your directors at their meeting held on 26.05.2023 and the annual report on CSR Activities undertaken by the Company during the year are set out in “Annexure-B” of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. This Policy is available on the Company's website www.nagamills.com/Investors.

24. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

25. VIGIL MECHANISM

In reference to Section 177(9) of the Companies Act, 2013 read with relevant rule 7 of the Companies (Meetings of Board and its Powers) Rules 2014, the Company has established a vigil mechanism over seen by the Audit Committee. The policy has been uploaded in the Company website. During the year, no complaint under this facility was received.

26. SECRETARIAL STANDARDS

The Company complies with Secretarial Standards to the extent applicable.

27. DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

28. MATERIAL CHANGES AND COMMITMENTS

During the year under review, there was no change in the nature of business of the Company. There are no material changes and commitments in the business operations of the Company since the close of the financial year as on 31.03.2023 to the date of this report. The merger of three wholly owned subsidiaries of your company has already been included in the earlier paragraphs.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed in “Annexure-C”.

30. CASH FLOW STATEMENT AND CONSOLIDATED ACCOUNTS

The consolidated financial statements prepared in accordance with the relevant Accounting Standards and as per Section 129(3) of the Companies Act, 2013 forms an integral part of the Annual Report.

31. INTERNAL FINANCIAL CONTROL

The Company maintains all the records in ERP System developed exclusively for your Company and the work flow and majority approvals are routed through this system. The Company has laid down adequate systems and well-drawn procedures for ensuring internal financial controls. It has appointed an external Chartered Accountant Firm as Internal Auditor for periodically checking and monitoring the internal control measures. Internal Auditor is present at the Audit committee meetings where internal audit reports are discussed alongside of Managements comments and final observation of the Internal Auditor. The Board of Directors have adopted various policies like

Related Party Transaction Policy and Whistle Blower Policy and put in place budgetary control and monitoring measures for ensuring the orderly and efficient conduct of the business of the Company, 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. The Statutory Auditors have also expressed satisfaction with the existing system in their audit report to Shareholders.

Assurance on the effectiveness of internal financial controls is obtained through management reviews, control self-assessment, continuous monitoring by functional experts as well as testing of the internal financial control systems by the internal auditor during the course of their audits. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended.

32. INDUSTRIAL RELATIONS

Relation between Management and Employees were cordial throughout the year under review. The commitment, competence and dedication shown by employees of all divisions of the Company to achieve the targets is fully appreciated by the Company. The Company's HR Policy contains the structured induction process along with KRA based appraisal system for the better growth of the employees and the Company. The commitment of the Company in enhancing, nurturing and retaining the talents through superior learning and organizational development will enable the Company to achieve growth and sustainability in the long run.

33. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sri. S. Ramesh, (DIN: 01620265) was appointed as an Additional Director and designated as Director (Projects) of the Company w.e.f. 11.02.2022 and was regularized at Annual General Meeting ("AGM") of the Company held on 10.08.2022 for a period of 5 years w.e.f 11.02.2022.

Sri Ramesh Krishnan, (DIN: 05340141) was appointed as an Additional Independent Director of the Company w.e.f. 11.02.2022 and was regularized at the Annual General Meeting ("AGM") of the Company held on 10.08.2022 for a period of 5 years w.e.f 11.02.2022.

During the year, Sri. S. Neelakantan, (DIN: 01474064), Independent Director has completed his 1st term of 5 years on 20.08.2022. In accordance with Sections 149,150,152 and other applicable provisions of the Companies Act, 2013, if any, the said Director is eligible to be re-appointed as Independent Director for a second consecutive term of five years w.e.f 21st August, 2022 to hold office until the conclusion of 36th AGM or upto 30.09.2027 whichever is earlier and the Company has received a declaration from the aforesaid Director that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013. Based on the recommendation of Nomination and Remuneration Committee and approval of Board of Directors at its meetings held on 10.08.2022, the resolution for re-appointing him as Independent Director was placed before the extra ordinary general meeting held on 18.03.2023 for their approval and the same was approved.

During the year, in accordance with Section 161(1) of the Companies Act, 2013 and Clause 119 of the Articles of Association of the Company, Sri. Padmanabhan Sivaramakrishnan Iyer, (DIN: 05189532) was appointed as an Additional Director (Non-Executive) of the Company w.e.f 14.11.2022. He holds office upto the date of the forthcoming Annual General Meeting ("AGM") of the Company and was proposed to be appointed in the ensuing AGM of the Company. In pursuance to Section 160 of the Companies Act, 2013, as the candidature of Sri. Padmanabhan Sivaramakrishnan Iyer, (DIN: 05189532) was recommended by the Nomination and Remuneration Committee at its meeting held on 26.05.2023, the required deposit amount of Rs. 1 Lakh is exempted.

During the year, Sri. Ramesh Krishnan, (DIN: 05340141), Independent Director resigned from Board of Directors of the Company on personal reasons w.e.f 18.10.2022, vide his letter dated 18.10.2022. Your Board of Directors placed on record their appreciation for the meritorious services extended by him during his entire tenure as Independent Director. Further, during this year, based on the consent letter from the aforesaid director about his intention to act as Director of the Company, the same has been considered and recommended by Nomination and Remuneration Committee and approved by the Board of Directors. Subsequently the designation of the aforesaid director has been changed from Additional Director to Director (Operations) w.e.f 15.11.2022 for a period of 2 years. Due to personal reasons Sri. Ramesh Krishnan, (DIN: 05340141), resigned from the position of Director (Operations) from the Company w.e.f 23.12.2022.

During the year, Sri. V. Marikannan, Company Secretary of the Company, submitted his resignation from the said position due to his personal reasons, w.e.f 15.02.2023. Your Board of Directors placed on record their appreciation for the valuable services rendered by him, during his entire tenure as Company Secretary of the Company.

Consequent to his resignation, pursuant to Section 203 of the Companies Act, Sri. V.Balamurugan, a qualified Company Secretary, has been appointed as the Company Secretary of the Company w.e.f 16.02.2023 by your Board of Directors on considering his more than 22 years of overall experience in various functions, out of which he had post qualification experience of more than 6 years in listed companies, as recommended by the Nomination and Remuneration Committee at its meeting.

In accordance with the provisions of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company Sri. D. Vijayanand, (DIN 07400565), Technical Director, retires by rotation and being eligible, offers himself for reappointment at the ensuing Annual General Meeting.

Pursuant to the provisions of Section 149 of the Act, the independent directors have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder. There has been no change in the circumstances affecting their status as independent directors of the Company. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct.

During the year under review, the Non-Executive & Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses, if any.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the fields of manufacturing, finance, people management, strategy, auditing, tax and risk advisory services, infrastructure, banking, insurance, financial services, investments, mining and mineral industries and e-commerce; and they hold high standards of integrity.

Regarding proficiency, the Company has adopted requisite steps towards the inclusion of the names of all Independent Directors in the data bank maintained with the Indian Institute of Corporate Affairs, Manesar ('IICA'). Accordingly, all the Independent Directors of the Company have registered themselves with IICA for the said purpose.

The Board of Directors at their meeting held on 15.02.2023, reappointed and fixed remuneration to Sri. K.S.Kamalakannan, (DIN:01601589), w.e.f. 01.04.2023, as Chairman and Managing Director,

Smt.Mageswari Kannan, (DIN:02107556) w.e.f. 01.04.2023, as Joint Managing Director, Sri. Sounder Kannan, (DIN: 01603823), w.e.f. 27.03.2023 as Whole Time Director and Sri. D.Vijay Anand, (DIN: 07400565) w.e.f. 01.04.2023, as Technical Director, for a period of 5 years, subject to the approval of Shareholders at their meeting and Shareholders at their Extra-Ordinary General Meeting held on 30.03.2023, approved the aforesaid appointment and remuneration.

The Board of Directors at their meeting held on 15.02.2023, revised the remuneration to Sri. S. Ramesh, (DIN: 01620265), Director (Projects) w.e.f. 01.04.2023, subject to the approval of Shareholders at their meeting and Shareholders at their Extra-Ordinary General Meeting held on 30.03.2023, approved the same.

Shareholders of the Company at their Extra-Ordinary General Meeting held on 30.03.2023, approved continuation of Sri. K.S. Kamalakannan as Chairman and Managing Director of the Company even after attaining the age of 70 years during his term of office as Chairman and Managing Director of the Company.

34. BOARD & COMMITTEE MEETINGS DURING THE FINANCIAL YEAR

I) Board Meetings:

The Board Meeting dates are tentatively fixed before the start of the year. Audit Committee and Board Meetings are convened on the same day to obviate avoidable travel and recognizing the time constraints of the Independent Directors.

Notice for Board Meetings is issued normally three weeks in advance. Detailed Agenda papers are circulated one week in advance.

Board Meetings are governed by structured Agenda containing comprehensive information and extensive details that are circulated well in advance. Urgent issues and procedural matters are at times tabled at the meeting with prior approval of Chairman and consent of all present. Power Point presentation is made to facilitate pointed attention and purposeful deliberations at the meetings.

The Board periodically reviews compliance reports of all laws applicable to the Company and takes proactive steps to guide against the slippages and take remedial measures as appropriate. The Board is appraised of risk assessment and minimization procedures that are periodically reviewed. The Board is committed to discharge all key functions and responsibilities as spell out in the Companies Act, 2013. The governance process includes effective post meeting follow up and reporting process for pending decisions for approval of the Board.

During the financial year 2022-23, the Board of Directors of the Company duly met seven times i.e. on 01.06.2022, 10.08.2022, 14.11.2022, 15.11.2022, 11.01.2023, 15.02.2023 and 30.03.2023. The intervening gap between the two meetings was within the period as prescribed under the Companies Act, 2013. Further, the details of Attendance of Board meeting by each of Director is as follow:

S.No	Name of the Directors	No. of Meetings during the period of his / her Office		Whether attended AGM held on August 10, 2022
		Held	Attended	Attended
1.	Sri. K.S. Kamalakannan	7	7	Yes
2.	Smt. Mageswari Kannan	7	6	Yes
3.	Sri. Sounder Kannan	7	5	Yes
4.	Sri. D. Vijay Anand	7	6	Yes
5.	Sri. S. Ramesh	7	7	Yes
6.	Sri. P. Arivanandam	7	5	Yes
7.	Sri. S. Neelakantan	7	5	Yes
8.	Sri. Ramesh Krishnan (upto 18.10.2022, as Independent Director)	2	2	Yes
9	Sri. Ramesh Krishnan (from 15.11.2022 to 23.12.2022, as Director (Operations))	1	1	-
10.	Sri. Padmanabhan Sivaramakrishnan Iyer (from 14.11.2022)	5	4	-

II) BOARD COMMITTEES

i) Audit Committee:

The Board has constituted an Audit Committee comprising three Non-Executive Independent Directors and the Joint Managing Director of the Company, with more than two-third being independent. During the year, the Board at its meeting held on 11.01.2023, re-constituted, the Audit Committee, with two Independent Directors and one Non-executive Director. The Chairman of the Audit Committee, pre and post re- constitution, is an Independent Director and was present at the Annual General Meeting of the Company. It meets at regular intervals not exceeding 120 days between any two consecutive meetings and subject to a minimum of 4 meetings in a year. Division Heads are present as invitees while CFO, Statutory Auditors and Internal Auditor are also present, as invitees in most meetings.

The Audit Committee conforms to Section 177 of the Act in all respects concerning its constitution, meetings, functioning, role and powers, mandatory review of required information, approval of related party transactions and accounting treatment for major items. Appointments of Statutory Auditors, Cost Auditor, GST Auditors, and Internal Auditor are done on recommendation of the Audit Committee.

All the recommendations made by the Audit Committee were accepted by the Board of Directors of the Company. During the year, the Audit Committee met Four times on 01.06.2022, 10.08.2022, 14.11.2022 and 15.02.2023.

Its composition and attendance during 2022-23 is given hereunder:

S.No	Name of the Directors	Position	Category	Attended
1	Sri. P. Arivanandam	Chairman	Non Executive - Independent Director	4 out of 4
2	Sri. S. Neelakantan	Member	Non Executive - Independent Director	3 out of 4
3	Sri. Ramesh Krishnan (upto 18.10.2022)	Member	Non Executive - Independent Director	2 out of 2
4	Smt. Mageswari Kannan (upto 11.01.2023)	Member	Promoter - Executive Director	3 out of 3
5	Sri. Padmanabhan Sivaramakrishnan Iyer (from 15.11.2022)	Member	Additional Director (Non-Executive)	1 out of 1

ii) Nomination and Remuneration Committee:

The Board of Directors has constituted a Nomination and Remuneration Committee of the Board comprising of three Independent Directors. During the year, the Board at its meeting held on 14.11.2022, re-constituted, the Nomination and Remuneration Committee, with two Independent Directors, one Non-executive Director and one Executive Director. The Chairman of the Nomination and Remuneration Committee, pre and post re-constitution, is an Independent Director and was present at the Annual General Meeting of the Company.

The powers, role and terms of reference of the Committee cover the areas as contemplated under Section 178 of the Companies Act, 2013 besides other terms as may be referred to by the Board of Directors.

The role includes:

- ♦ Formulation of criteria for determining qualifications, positive attributes and independence of a Director;
- ♦ Recommending to the Board a remuneration policy for Directors, Key Managerial Personnel and Senior Management;
- ♦ Formulation of criteria for evaluation of performance of Independent Directors and the Board;
- ♦ Devising a policy on Board diversity;
- ♦ Identification of 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 their appointment and removal.

During the year, the Committee met five times on 01.06.2022, 10.08.2022, 14.11.2022, 15.11.2022 and 15.02.2023. Its composition and attendance during the year 2022-23 is given hereunder:

S.No	Name of the Directors	Position	Category	Attended
1	Sri. P. Arivanandam	Chairman	Non Executive - Independent Director	5 out of 5
2	Sri. S. Neelakantan	Member	Non Executive - Independent Director	4 out of 5
3	Sri. Ramesh Krishnan (upto 18.10.2022)	Member	Non Executive - Independent Director	2 out of 2
4	Sri. Padmanabhan Sivaramakrishnan Iyer (from 14.11.2022)	Member	Additional Director (Non-Executive)	2 out of 2

iii) Stakeholders Relationship Committee:

The Board has constituted a Stakeholders Relationship Committee comprising of two executive directors and one Non-Executive director, who also heads the Committee. During the year, the Board at its meeting held on 14.11.2022, re-constituted, the Stakeholders Relationship Committee, with two Independent Directors, one Non-executive Director and one Executive Director. The Chairman of the Stakeholders Relationship Committee, pre and post re-constitution, is a Non-executive Director and was present at the Annual General Meeting of the Company.

Its role and responsibility is to expeditiously process and approve transactions in securities, complying with the Companies Act and redressal of investor grievances. The Committee oversees and monitors the performance of the Registrar and Share Transfer Agents and devises measures for overall improvement in quality of investor services.

The Committee met one time in the year 2022-23 on 01.06.2022.

Its composition and attendance during 2022-23 is given hereunder:

S.No	Name of the Directors	Position	Category	Attended
1	Sri. Ramesh Krishnan (upto 18.10.2022)	Chairman	Non Executive - Independent Director	1 out of 1
2	Smt. Mageswari Kannan	Member	Promoter - Executive Director	1 out of 1
3	Sri. Sounder Kannan	Member	Promoter - Executive Director	1 out of 1
4	Sri. Padmanabhan Sivaramakrishnan Iyer (from 14.11.2022)	Chairman	Additional Director (Non-Executive)	-

The details of the grievances of the shareholders of the company as informed by the Registrars and Share Transfer Agent for the FY 2022-23 are as given under:

S.No	Particulars	Remarks
1	No. of Complaints pending at the beginning of the year	Nil
2	No. of Complaints received during the year	Nil
3	No. of Complaints redressed during the year	Nil
4	No. of Complaints pending as on 31.03.2023	Nil

Normally all complaints / queries are disposed off expeditiously. The Company had no complaint pending at the closure of the financial year.

iv) Corporate Social Responsibility (CSR) Committee:

The Company has constituted a Corporate Social Responsibility Committee, comprising of two executive directors and one Independent director, who also heads the Committee. During the year, the Board at its meeting held on 14.11.2022, re-constituted, the Corporate Social Responsibility Committee, with two executive Directors and one Independent Director. The Chairman of the Corporate Social Responsibility Committee, pre and post re-constitution, is an Independent Director. The policy on CSR formulated by the Company is uploaded on the website of the Company www.nagamills.com/Investors. The Committee has met once during the year 2022-23 on 01.06.2022.

Its composition and attendance during 2022-23 is given hereunder:

S.No	Name of the Directors	Position	Category	Attended
1	Sri. Ramesh Krishnan (upto 18.10.2022)	Chairman	Non-Executive - Independent Director	1 out of 1
2	Smt. Mageswari Kannan	Member	Promoter - Executive Director	1 out of 1
3	Sri. Sounder Kannan	Member	Promoter - Executive Director	1 out of 1
4	Sri. S. Neelakantan (from 15.11.2022)	Chairman	Non-Executive - Independent Director	-

v) Other Committee:

Finance Committee:

The Board has constituted a Finance Committee to facilitate quick action in relation to borrowal of money (otherwise than by issue of derivatives) and investments to be made by the Company within limits approved by the Board and take necessary actions in this connection including refinancing for optimizing the borrowing costs. This Committee meets as and when need arises to consider any matter referred to it.

The Committee met 11 times during the year 2022-23 on 02.05.2022, 23.06.2022, 17.08.2022, 12.09.2022, 22.09.2022, 16.11.2022, 20.01.2023, 16.02.2023, 13.03.2023, 23.03.2023 and 24.03.2023.

Its composition and attendance during 2022-23 is given hereunder:

S.No	Name of the Directors	Position	Category	Attended
1	Sri. K.S. Kamalakannan	Chairman	Promoter - Executive Director	11 out of 11
2	Smt. Mageswari Kannan	Member	Promoter - Executive Director	11 out of 11
3	Sri. Sounder Kannan	Member	Promoter - Executive Director	11 out of 11
4	Sri. D. Vijay Anand	Member	Promoter - Executive Director	11 out of 11

35. INDEPENDENT DIRECTORS:

- a) The Chairman and Managing Director, Joint Managing Director, Whole-Time Director, Technical Director and Director (Projects) are Executives and fall under Promoter category except Director (Projects). The number of Independent Directors constitutes two of the total strength and Non-Executive Director constitutes one of the total strength. Any reduction in the strength of Independent Directors will be filled within 3 months for ensuring minimum stipulated strength of Independent Directors in the Board.
- b) Independent Directors are appointed for tenure of 5 years taking into account the transitory provision under Section 149(11) of the Act. They would be eligible for one more term on passing a Special Resolution by Members. No Independent Director of the Company serves in more than seven Listed Companies as Independent Director.
- c) The terms of appointment of Independent Director have been posted on the Company's website: www.nagamills.com.
- d) The Company has formulated a familiarisation programme for Independent Directors with the objective of making them familiar with their role, responsibilities, rights, nature of the industry, business model and compliance management. The details of the programme have been uploaded on the Company's website: www.nagamills.com.
- e) All the Independent Directors have given the declaration pursuant to Section 149(7) of the Act, affirming that they meet the criteria of independence as provided in sub-section (6).
- f) In the opinion of the Board all the Independent Directors fulfill the conditions for being appointed as Independent Director as specified in the Companies Act, 2013.
- g) Registration in "Independent Directors Databank:

All Independent Directors have registered under the "Independent Directors Databank" as maintained by Indian Institute of Corporate Affairs and the details are furnished hereunder:

S.No	Name of the Independent Directors	Registration No in the Independent Directors Databank	Valid From	Valid To
1.	Sri. S. Neelakantan	IDDB-DI-202004-024253	20.04.2020	19.04.2027
2.	Sri. P. Arivanandam	IDDB-DI-202107-037745	31.07.2021	30.07.2024

36. POLICY ON DIRECTORS', KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL APPOINTMENT AND REMUNERATION:

i) Criteria for Appointment of Directors, Key Managerial Personnel and Senior Management Personnel:

- ♦ The Committee shall identify and ascertain the integrity, qualification, expertise, experience of the person for appointment as Director or KMP or SMP and recommend to the Board his/ her appointment.
- ♦ A person should possess adequate qualification, expertise and experience for the position considered. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/ satisfactory for the concerned position.
- ♦ The Committee must satisfy that the person being considered for appointment as Director does not suffer any disqualification under Section 164 of the Companies Act, 2013.
- ♦ Appointment of Independent Director is subject to compliance of and his conforming to all conditions specified under Section 149 of the Companies Act, 2013, read with Schedule IV thereto and the Rules made thereunder.

- ♦ The Committee shall ensure that statutory formalities under the Companies Act, 2013, including passing requisite resolution in general meeting and filing appropriate returns and declarations with the Ministry of Corporate Affairs (MCA) are duly complied with.
- ♦ The Company shall have one or more managerial person. viz. Executive Chairman, Managing Director or Executive Director appointed in accordance with the Companies Act, 2013.
- ♦ Such an appointment shall ordinarily be for a term of three years but shall never exceed five years at a time.
- ♦ The Company shall have the same person occupying the position of Chairman and Managing Director.
- ♦ Reappointment shall not be done more than one year in advance of the expiry of the term.

ii) Remuneration policy:

- ♦ The Company considers human resources as an important constituent and views it as an invaluable intangible asset for being able to effectively drive its business and pursue growth objectives. It is committed to paying remuneration to all its employees appropriate to their respective role and responsibilities in the Company and comparable to the norms prevailing in the industry and in the neighbourhood from time to time.
- ♦ The Company recognizes the inherent constraint in relating remuneration to individual performance levels and fixing meaningful benchmarks for the variable pay. It is engaged in a highly regulated industry prone to significant volatility in the pricing of input and output. It is further engaged in an agro based industry and is hence exposed to significant agro climatic risks severely impacting operating performance. Such external factors being in entirely beyond the control of KMP and Senior Management, the Company desires that their pay must get insulated from these adversities.

a) Remuneration to Chairman and Managing Director / Whole-time Director:

- ♦ The remuneration of Chairman and Managing Director/ Whole-time Director shall be governed by the provisions of the Companies Act, 2013 and Rules thereunder. It is subject to the approval of members by ordinary/ special resolution as applicable.
- ♦ The Committee shall make its recommendations from time to time to the Board for determining or revising the remuneration.
- ♦ The remuneration shall ordinarily comprise of fixed component, viz basic salary, other allowances and perquisites and retirement benefits. It would be structured in a tax-efficient manner as permissible under the tax laws of the country.
- ♦ The Chairman and Managing Director/ Executive Director/ Whole Time Director will also be eligible for variable pay, viz commission based on profits of the Company.
- ♦ Where the Company has no profit or inadequate profit in a financial year, it shall pay remuneration as per the provisions of the Companies Act, 2013.
- ♦ The remuneration is ordinarily fixed for the entire tenure with no annual increments or interim revisions. The Board on the recommendations of the Committee is however competent to change the terms of appointment any time within the overall limits approved by the shareholders and within the remuneration ceiling fixed by the Companies Act, 2013. However, the remuneration in excess of the ceiling limits fixed by the said act may be paid, if the resolution passed by the shareholders is a special resolution.
- ♦ No sitting fee is payable.
- ♦ No stock option is available as per present remuneration policy.

b) Remuneration to Non-Executive / Independent Director:

- ♦ Non-Executive/ Independent Director are entitled for remuneration by way of sitting fees for attending meetings of the Board or Committee thereof. It shall not exceed the maximum amount provided in the Companies Act, 2013 or Rules thereunder.
- ♦ No stock option is available for Non-Executive Directors including Independent Directors, as per present remuneration policy.
- ♦ Non-Executive Directors are entitled for traveling and other expenses incurred for attending Board/ Committee/ General meetings or in connection with attending to any business of the Company.

c) Remuneration to KMP / Senior Management Person:

- ♦ Remuneration to KMP and Senior Management shall consist of fixed component viz, basic pay, other allowances, perquisites and retirement benefits in accordance with the HR Policy of the Company.
- ♦ They are also eligible for a variable component as and by way of incentive payment determined by the Management. This will be decided based on the balance between performance of the Company and performance of the KMP/ Senior Management.
- ♦ Medical and accidental risk cover will be provided at appropriate levels for different grades.
- ♦ All statutory benefits available to workmen would be suitably considered for extension.

iii) Remuneration of Directors, Key Managerial Personnel (KMPs) and Senior Management Personnel:

The Nomination and Remuneration Committee recommends the remuneration of Directors, KMPs and SMPs which is approved by the Board of Directors and wherever necessary, further approved by the Shareholders through ordinary or special resolution, as applicable. Remuneration comprises of both fixed and variable pay. However, the share of variable pay is so devised as to factor in the volatile changes in profit levels inherent to the nature of industry in which the Company operates.

The Chairman and Managing Director, Joint Managing Director, Whole-Time Director, Technical Director and Director (Projects) are the only Executive Directors entitled for managerial remuneration. Their remuneration for the financial year 2022-23 is disclosed under Note No. 50 b of the Standalone Financial Statements.

Certain relatives of the Executive Directors are working as employees in the Company. This has been specifically disclosed in the Financial Statements pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014. Other than sitting fees and direct equity holding, there is no pecuniary relationship or transaction between the Company and its Non-Executive Directors. No stock option has been issued by the Company to Executive Directors.

Non-Whole Time Directors are paid sitting fees for attending the Board and Committee Meetings in accordance with the Articles of Association of the Company.

Remuneration of Non-Executive Directors for 2022-23:

S.No	Name of the Non-Executive Director	Sitting Fees Paid
1	Sri. S. Neelakantan	Rs. 1,25,000/-
2	Sri. P. Arivanandam	Rs. 1,25,000/-
3	Sri. Ramesh Krishanan (upto 18.10.2022)	Rs.50,000/-
4	Sri. Padmanabhan Sivaramakrishnan Iyer (from 14.11.2022)	Rs. 1,00,000/-

37. BOARD EVALUATION

The Board of Directors, on the recommendations of the Nomination and Remuneration Committee, approved the Board Evaluation Framework. It has laid down specific criteria for performance evaluation covering:

- ❖ Evaluation of Board Process
- ❖ Evaluation of Committees
- ❖ Individual evaluation of Board Members and the Chairperson
- ❖ Individual evaluation of Independent Directors.

As per Schedule IV to the Act, the Board is required to evaluate the performance of the Independent Directors without the participation of the director being evaluated which will be the basis for their reappointment or continuation of appointment as the case may be.

Also, Schedule IV to the Act, requires that a separate meeting of the Independent Directors is to be held every year to review the performance of non-independent directors, the Board as a whole, the Chairperson taking into account the views of the executive directors and non-executive directors and to assess the quality, quantity and timeliness of the flow of information necessary for the Board to perform its duties effectively and reasonably. Accordingly, the said meeting of the Independent Directors was held on 15.02.2023.

Evaluation of the Board and the Committees can done by taking into parameters such as their roles and responsibilities, composition and the adequacy, decision making processes and related practices, focus on important and critical issues, progress monitoring, governance and the like.

Evaluation of the independent directors was done taking into account the qualification and experience, understanding of their respective roles (as a Director and as a member of the Committees of which they are Members/Chairpersons), adherence to Codes and ethics, conduct, attendance and participation in the meetings, etc.

Normally the Directors discuss the evaluation in detail, when meetings are held. The evaluation forms and the profile of Independent Directors for the individual directors to record their views on the various parameters was discussed in the Board Meeting which was held on 30.03.2023.

38. ANTI-SEXUAL HARASSMENT POLICY

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received on sexual harassment in due compliance with the provisions relating to the same under the said Act. All employee (permanent, contractual, temporary, trainees, etc.) are covered under this policy.

No complaints on sexual harassment were received during the financial year 2022-23.

S.No	Particulars	Status of the No. of complaints received and disposed off
1	Number of complaints on Sexual harassment received	Nil
2	Number of Complaints disposed off during the year	Not Applicable
3	Number of cases pending for more than ninety days	Not Applicable
4	Number of workshops or awareness programme against sexual harassment carried out	The Company regularly conducts necessary awareness programmes for its employees
5	Nature of action taken by the employer or district officer	Not Applicable

39. RISK MANAGEMENT

The Company has a risk management frame work to identify and evaluate business risks and opportunities. It seeks to create transparency, minimize adverse impact on the business objective and enhance the Company's competitive advantages. It aims at ensuring that the executive management controls the risk through means of a properly defined frame work.

The Company has laid down appropriate procedures to inform the Board about the risk assessment and minimisation procedures. The Board periodically revisits and reviews the overall risk management plan for making desired changes in response to the dynamics of the business.

Naga risk management process includes:

1. Identification of the risks at corporate/plant level
2. Description and valuation of the risk by cause and effect
3. Early warning systems and mitigation planning
4. Review and follow up of mitigation measures
5. Reporting on a semiannual basis.

The Audit Committee and the Board periodically reviews the risks and suggest steps to be taken to manage/mitigate the same through a properly defined framework. Your Company has identified the following risks.

Key Risk	Impact to Naga Limited	Mitigation Plan
Volatility in Input Costs	The prices of raw materials used in the Food division depends upon various factors like weather, market fluctuations, effects of government policies on agricultural programs etc.	While many factors are responsible for raw material prices, it is important to note that materials are available adequately from different sources to enable the Company source it without much difficulties.

Key Risk	Impact to Naga Limited	Mitigation Plan
Competition Price risk	Intense competition is faced for selling our products in the major markets. Competition is severe with well-advertised, well known, branded including private branded and customized products.	The products of your Company are well known brands of the customers with better quality, affordable prices and with an efficient customer service. Hence your Company is able to perform better despite the competition and threat.
Product Quality and Integrity	The products have to meet the stringent quality parameters to enable the Company stay in the market.	The vision of the Company for quality “Right Quality first time every time” is a key enabler to help provide a premium customer experience.
Socio economic risk	Customers shifting to more generic, low priced and publicity-oriented products. This may lead to reduction in sales and shifting of production and sales to lower margin products there by affecting the results.	Our primary production and sales largely comprise of catering to specific customers based on their preferences and matching our supplies to the specific demands of those customers.
Interest Rate risk	Your Company's level of debt poses vulnerability to economic and industry conditions thereby becoming uncompetitive.	We ensure budgeted targets of production, sales and profits to mitigate the vulnerability of this particular risk.
Health, Safety, Security and Environment (HSSE)	These are critical areas involving humans and various stringent statutory procedures to be followed.	From the very beginning, we scrupulously follow all rules, regulations, laws and stipulations to remain safe on all the statutory norms. Our continuous compliance with all laws helps us risk free enabling us concentrate on business.

40. AUDITORS

a) Statutory Auditors

M/s. MSKA & Associates, Chennai, Firm Registration No. 105047W were appointed as Statutory Auditors of your Company at the Annual General Meeting held on 28th August, 2021 for a term of five years.

In accordance with the Companies Amendment Act, 2017, notified on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Auditors Report to the Shareholders on the Standalone and Consolidated Financials for the year ended March 31, 2023 does not contain any qualification, reservation or adverse comment.

b) Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. G.S.R. & Co., Practicing Company Secretaries, Chennai to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for FY 2022-2023 in Form MR-3 is annexed in “Annexure - D”. The report does not contain any qualification, reservation or adverse remark. The Company has appointed M/s. G.S.R. & Co., Practicing Company Secretaries, Chennai to undertake the Secretarial Audit of the Company for the FY 2023-24 at the Board meeting held on 26.05.2023.

c) Cost Auditor

Pursuant to Section 148 of Companies Act, 2013 and rules made thereunder, the Company has maintained cost accounting records for the applicable divisions viz., Detergents & Minerals Divisions of the Company for the FY 2022-23.

Cost Audit was applicable to the Detergents and Minerals Divisions of the Company for the FY 2022-23 and Dr. I. Ashok, CMA, (M.No.11929) was appointed as Cost Auditor for the FY 2022-23, to conduct audit of cost accounting records maintained by the Company for Detergents & Minerals Divisions, by the Board at its meeting held on 01.06.2022, as recommended by the Audit committee meeting held on 01.06.2022 and his remuneration of Rs.50,000/- was approved by the Shareholders at their meeting held on 10.08.2022. The audit is in progress and report will be filed with the Ministry of Corporate affairs within the prescribed period.

Pursuant to the provisions of Section 148(3) of the Act, the Board of Directors had appointed M/s. Subramanian Rajagopal and Associates, Cost Accountants, based in Trichy, having firm Registration Number : 1273, having partners (i) Sri. S. Parameswaran, M.No.11090 and (i) Sri. K. Rajagopal, M.No.17491 as Cost Auditors of the Company, for conducting the audit of cost records of Detergent & Minerals Division for the financial year 2023-24, with a remuneration of 75,000/- (Rupees Seventy Five Thousand only) excluding taxes and out of pocket expenses, if any, subject to approval by the members of the Company. An agenda for approval of remuneration of Cost Auditor is placed in the notice of 32nd Annual General Meeting.

d) Internal Auditors

M/s. KPMG Assurance and Consulting Services LLP, Chartered Accountants, Chennai were appointed as the Internal Auditors for a period of two years, from 2021-22 and 2022-23 at the Board Meeting held on 28.05.2021 and the reports were placed and reviewed by the Audit Committee.

M/s. KPMG Assurance and Consulting Services LLP, Chartered Accountants, Chennai were appointed as the Internal Auditors for a further period of two years, from 2023-24 to 2024-25 at the Board Meeting held on 26.05.2023.

41. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to Section 124(5) of the Companies Act, 2013 dividend remaining unpaid shall be transferred to Investor Education and Protection Fund (IEPF) of the Central Government. Reminders for unpaid dividend are sent to the Shareholders who have not claimed the dividend as per records every year.

Pursuant to the above, the unpaid/unclaimed dividend for the financial year 2014-15 was transferred on 07.09.2022 and for the financial year 2015-16 (Interim) on 17.04.2023. The unpaid and unclaimed dividend for the financial year 2015-16 (Final) will be transferred during October 2023. Shareholders are, therefore, advised to contact the Company / RTA immediately in case of non- receipt or non-encashment of dividend.

Upon Section 124(5) of the Companies Act, 2013 coming into force, Companies while transferring the dividend remaining unclaimed for a period of more than seven years will also have to transfer the underlying equity shares. Accordingly, the unclaimed dividend for the year 2008-09 to 2015-16 (Interim) as well as the underlying shares have already been transferred to IEPF. The list of Shareholders whose unclaimed dividend/ underlying shares have been transferred to IEPF is available on the website of the Company. Shareholders may take specific note of the same and claim the said unclaimed dividend and the underlying shares from the IEPF Authority.

Particulars of unclaimed dividend as on 31st March, 2023:

Year	Dividend (Rs. Per share)	Date of Declaration of Dividend	Unclaimed		Due date for transferring to IEPF
			No. of warrants / Cheque	Rs. in Lakh	
2015-16 (Final)	0.60	12.09.2016	406	0.10	19.10.2023
2016-17	0.80	19.08.2017	409	0.39	10.11.2024
2017-18	0.80	28.09.2018	206	0.11	04.11.2025
2018-19	0.80	26.09.2019	199	0.16	02.11.2026
2019-20 (Interim)	0.80	12.02.2020	196	0.22	21.03.2027
2020-21 (Interim)	1.00	05.01.2021	185	0.18	11.02.2028
2021-22 (Interim)	1.00	11.02.2022	188	0.13	20.03.2029
2022-23 (Interim)	1.00	15.02.2023	157	0.10	22.03.2030

Disclosure with respect to demat suspense account/unclaimed suspense account:

Particulars	No. of Shareholders	No. of Equity Shares
Aggregate number of Shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on 1st April, 2022.	2	200 equity shares
Number of Shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year.	0	0 equity shares
Number of Shareholders to whom the shares were transferred from the Unclaimed Suspense Account during the year.	0	0 equity shares
Number of Shareholders whose shares were transferred from the Unclaimed Suspense Account to Investor Education & Protection Fund Account during the year.	0	0 equity shares
Aggregate number of Shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on 31st March, 2023.	2	200 equity shares

It is hereby confirmed that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

42. DEMATERIALISATION OF SHARES

As on March 31, 2023, 65 Shareholders are holding their shares in Demat form and 1,42,23,625 shares have been de-materialized, representing 99.83% of the total Equity Share Capital. Shareholders are advised to convert their holdings from physical mode to demat mode considering overall merits of the depository system.

43. WEBSITE

The Company maintains a functional website www.nagamills.com that contains relevant information updated in time and complies with the Companies Act, 2013.

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

There is no such order passed by the Regulators / Courts / Tribunals in respect to the Company during the financial year.

45. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR.

The Company has not made any application and no proceedings are pending under the Insolvency and Bankruptcy Code, 2016 during the year.

46. ACKNOWLEDGMENT

Your Directors place on record their great appreciation of the tireless efforts of all the Executives and Employees of the Company for achieving the results despite various challenges faced by all the vagaries of business. The Directors also express their sincere thanks to the Government of India, Government of Tamil Nadu and Commercial Banks for their understanding, guidance and assistance and Dealers, Customers, Suppliers and Shareholders for their continuous support at all times.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place : Dindigul

Date : 30th June, 2023

K.S. KAMALAKANNAN

Chairman and Managing Director

DIN: 01601589

ANNEXURE - A TO THE DIRECTORS' REPORT

FORM NO. AOC-2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

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

1. Details of contracts or arrangements or transactions not at Arm's Length Basis: Nil

2. Details of contracts or arrangements or transactions at Arm's Length Basis:

S.No.	Particulars	Details		
a)	Name(s) of the related party	M/s. M.M.Detergents Company Private Limited (MMD)	M/s. Annai Power Private Limited (APPL)	M/s. Nagalakshmi Energy Private Limited (NEPL)
b)	Nature of Relationship	♦ Two of the Directors of the Company (i.e., Sri. K.S. Kamalakannan and Smt. Mageswari Kannan) are Directors and Shareholders of M/s. M.M.Detergents Company Private Limited. ♦ Ms. M. Jayalalitha, Business Head and Sister of Smt. Mageswari Kannan, Director of the Company is Director and Shareholder of M/s. M.M.Detergents Company Private Limited	♦ Three of the Directors of the Company (i.e., Sri. K.S. Kamalakannan, Smt. Mageswari Kannan and Sri.Sounder Kannan) are Directors of M/s. Annai Power Private Limited and the said Directors of the Company held shares of M/s. Annai Power Private Limited till 16.08.2022. ♦ One of the Directors of the Company (i.e., Sri K.S.Kamalakannan) holds shares of M/s. Annai Power Private Limited, as a Registered Owner from 17.08.2022 (from the event of M/s. Annai Power Private Limited, became WOS of the Company) and the beneficial ownership is with the Company. ♦ Smt. Lakshmi Vijayanand, Business Head and Daughter of Sri. K.S. Kamalakannan, and Smt. Mageswari Kannan and Sister of Sri.Sounder Kannan, Directors of the Company, is a Director and Shareholder (till 16.08.2022) of M/s. Annai Power Private Limited.	♦ Three of the Directors of the Company (i.e., Sri. K.S. Kamalakannan, Smt. Mageswari Kannan and Sri.Sounder Kannan) are Directors of M/s. Nagalakshmi Energy Private Limited and the said Directors of the Company held shares of M/s. Nagalakshmi Energy Private Limited till 16.08.2022. ♦ One of the Directors of the Company (i.e., Sri K.S.Kamalakannan) holds shares of M/s. Nagalakshmi Energy Private Limited, as a Registered Owner from 17.08.2022 (from the event of M/s. Nagalakshmi Energy Private Limited, becoming WOS of the Company) and the beneficial ownership is with the Company. ♦ Smt. Lakshmi Vijayanand, Business Head and Daughter of Sri. K.S. Kamalakannan, and Smt. Mageswari Kannan and Sister of Sri.Sounder Kannan, Directors of the Company, is a Director and Shareholder (till 16.08.2022) of M/s. Nagalakshmi Energy Private Limited.

S.No.	Particulars	Details		
c)	Nature of contracts / arrangements / transactions	a) purchase of wheat. b) availing or rendering transportation (goods) and warehousing services. c) lease rent of corporate office. d) purchase of equity shares and dividend paid.	a) purchase of wind energy. b) availing of warehousing services and lease of plant & machinery. c) lease rent of corporate office.	a) purchase of wind energy. b) availing / rendering lease of motor vehicles and corporate office. c) investments in equity.
d)	Duration of contracts / arrangements / transactions	01.04.2022 to 31.03.2023	01.04.2022 to 31.03.2023 (For all the contracts mentioned in the below row) 01.09.2022 to 31.10.2022 (Sale of Windmill Energy - Due to TNEB Tariff Change) 01.11.2022 to 31.03.2023 (Sale of Windmill Energy - Due to TNEB Tariff Change - Omnibus Approval)	01.04.2022 to 31.03.2023 (For all the contracts mentioned in the below row) 01.09.2022 to 31.10.2022 (Sale of Windmill Energy - Due to TNEB Tariff Change) 01.11.2022 to 31.03.2023 (Sale of Windmill Energy - Due to TNEB Tariff Change - Omnibus Approval)
e)	Salient terms of contracts / arrangements / transactions including the value, if any	1. Sale of Wheat to Naga Ltd - Rs. 404.21 Cr 2. Warehouse Charges paid to Naga Ltd - Rs. 0.31 Cr 3. Lorry Freight Income paid to Naga Ltd - Rs. 3.20 Cr 4. Warehouse Charges received by Naga Ltd - Rs. 1.54 Cr 5. Rent paid to Naga Ltd for Lease of Corporate Office - Rs. 0.003 Cr 6. Dividend paid by Naga Ltd - Rs. 0.16 Cr 7. Purchase of Shares of Annai Power Private Limited and Dindigul Foods Park Private Limited by Naga Ltd - Rs. 0.85 Cr	1. Sale of Windmill Energy to Naga Ltd - Rs. 2.84 Cr 2. Warehouse Charges paid by Naga Ltd - Rs. 1.41 Cr 3. Leasing Charges paid by Naga Ltd - Rs. 1.20 Cr 4. Rent paid to Naga Ltd for Lease of Corporate Office - Rs. 0.003 Cr	1. Sale of Windmill Energy to Naga Ltd - Rs. 0.82 Cr 2. Rent received from Naga Ltd for lease of 10 motor vehicles - Rs. 0.55 Cr 3. Rent paid to Naga Ltd for Lease of Corporate Office - Rs. 0.003 Cr 4. Investment in Equity Shares - Rs. 3.07 Cr
f)	Justification for entering into such contracts / arrangements / transactions	Utilising the advantages of various facilities, transactions are entered with related parties which helped conducting business in an efficient and cost effective manner. To convert the associate companies to wholly owned subsidiaries.		
g)	Date of Approval by the Board and Shareholders, if any	1. Sale of Wheat to Naga Ltd - Rs. 404.21 Cr - Board Meeting & Audit Committee dt. 11.02.2022 & EGM dt. 21.03.2022 2. Warehouse Charges paid to Naga Ltd - Rs. 0.31 Cr - Board Meeting & Audit Committee dt. 11.02.2022	1. Sale of Windmill Energy to Naga Ltd - Rs. 2.84 Cr - Board Meeting & Audit Committee dt. 11.02.2022 and 14.11.2022 2. Warehouse Charges paid by Naga Ltd - Rs. 1.41 Cr - Board Meeting & Audit Committee dt. 11.02.2022	1. Sale of Windmill Energy to Naga Ltd - Rs. 0.82 Cr - Board Meeting & Audit Committee dt. 11.02.2022 and 14.11.2022 2. Rent received from Naga Ltd for lease of 10 motor vehicles - Rs. 0.55 Cr - Board Meeting & Audit Committee dt. 11.02.2022

S.No.	Particulars	Details		
		3. Lorry Freight Income paid to Naga Ltd - Rs. 3.20 Cr - Board Meeting & Audit Committee dt. 11.02.2022 4. Warehouse Charges received by Naga Ltd - Rs. 1.54 Cr - Board Meeting & Audit Committee dt. 15.02.2023 5. Rent paid to Naga Ltd for Lease of Corporate Office - Rs. 0.003 Cr - Board Meeting & Audit Committee dt. 11.02.2022 6. Dividend paid by Naga Ltd - Rs. 0.16 Cr - Board Meeting dt. 15.02.2023 7. Purchase of Shares of Annai Power Private Limited and Dindigul Foods Park Private Limited by Naga Ltd - Rs. 0.85 Cr - Board Meeting & Audit Committee dt. 10.08.2022	3. Leasing Charges paid by Naga Ltd - Rs. 1.20 Cr - Board Meeting & Audit Committee dt. 11.02.2022 4. Rent paid to Naga Ltd for Lease of Corporate Office - Rs. 0.003 Cr - Board Meeting & Audit Committee dt. 11.02.2022	3. Rent paid to Naga Ltd for Lease of Corporate Office - Rs. 0.003 Cr - Board Meeting & Audit Committee dt. 11.02.2022 4. Investment in Equity Shares - Rs. 3.07 Cr - Board Meeting & Audit Committee dt. 14.11.2022.
h)	Amount paid as advances, if any	Nil	Nil	Nil

* M/s. Annai Power Private Limited and M/s. Nagalakshmi Energy Private Limited became the wholly owned subsidiary of Naga Limited with effect from 17.08.2022. Based on the decision of the Board of Directors, the Company made an application to RD, ROC Chennai for fast track merger of the wholly owned subsidiary with Naga Limited with effect from 01.12.2022. The above proposal for Merger was approved by the shareholders at their meeting held on 18.03.2023, and also received the approval from RD, ROC, Chennai by his order dated 12.04.2023 approving the same.

Note : The transactions which arose exclusively on account of the merger are not shown here as the company has not entered into such transactions. Hence those are not reported in AOC 2 also.

S.No.	Particulars	Details	
a)	Name(s) of the related party	M/s. Lakme Investment and Finance Limited	M/s. Pluris Global Holding (India) Limited
b)	Nature of Relationship	- Two of the Directors of the Company (i.e., Sri. K.S. Kamalakannan and Smt. Mageswari Kannan) are Shareholders of M/s. Lakme Investment and Finance Limited. - Sri. M. Sukumar, Business Head and Brother of Smt. Mageswari Kannan, Director of the Company is Shareholder of M/s. Lakme Investment and Finance Limited. - One of the Directors of the Company (i.e., Sri. Padmanabhan Sivaramakrishnan Iyer) is a Director of M/s. Lakme Investment and Finance Limited.	- One of the Directors of the Company (i.e., Smt. Mageswari Kannan) is a Shareholder of M/s. Pluris Global Holding (India) Limited. - Sri. M. Sukumar, Business Head and Brother of Smt. Mageswari Kannan, Director of the Company is a Director of M/s. Pluris Global Holding (India) Limited. - Ms. M. Jayalalitha, Business Head and Sister of Smt. Mageswari Kannan, Director of the Company is a Director of M/s. Pluris Global Holding (India) Limited.

S.No.	Particulars	Details	
c)	Nature of contracts / arrangements / transactions	-	-
d)	Duration of contracts / arrangements / transactions	-	-
e)	Salient terms of contracts / arrangements / transactions including the value, if any	1. Purchase of Shares of Dindigul Foods Park Private Limited by Naga Ltd - Rs. 0.13 Cr	1. Purchase of Shares of Dindigul Foods Park Private Limited by Naga Ltd - Rs. 0.13 Cr
f)	Justification for entering into such contracts / arrangements / transactions	For streamlining the operations and effective administration	
g)	Date of Approval by the Board and Shareholders, if any	1. Purchase of Shares of Dindigul Foods Park Private Limited by Naga Ltd - Rs. 0.13 Cr - Board Meeting & Audit Committee dt. 10.08.2022	1. Purchase of Shares of Dindigul Foods Park Private Limited by Naga Ltd - Rs. 0.13 Cr - Board Meeting & Audit Committee dt. 10.08.2022
h)	Amount paid as advances, if any	Nil	Nil

S.No.	Particulars	Details			
a)	Name(s) of the related party	M/s. Anugraha International (A.M.Gopinath-Proprietor)	M/s. Nagalakshmi Charitable Trust	M/s. Kovil Agencies (which was converted into M/s. Kovil Cereals Private Limited from 14.11.2022)	M/s. Nutri Snack LLP
b)	Nature of Relationship	One of the Directors of the Company (i.e., Smt. Mageswari Kannan) is related to Sri. A.M.Gopinath, Proprietor of M/s. Anugraha International, as sister.	♦ Three of the Directors of the Company (i.e., Sri. K.S.Kamalakannan, Smt. Mageswari Kannan and	♦ Two of the Directors of the Company (Sri. K.S. Kamalakannan and Smt. Mageswari Kannan) were one	♦ One of the Directors of the Company Smt. Mageswari Kannan was one of the 4 Partners of M/s. Nutri Snack LLP, till 01.01.2023

S.No.	Particulars	Details
		♦ Sri. Sounder Kannan) are one among the 6 trustees of M/s. Nagalakshmi Charitable Trust ♦ Smt. Lakshmi Vijayanand, Business Head and Daughter of Sri. K.S. Kamalakannan, and Smt. Mageswari Kannan and Sister of Sri. Sounder Kannan, Directors of the Company, is one among the 6 trustees of M/s. Nagalakshmi Charitable Trust. ♦ Smt. Monaa Kannan, Business Head and wife of Sri. Sounder Kannan and son's wife of Sri. K.S. Kamalakannan, and Smt. Mageswari Kannan, Directors of the Company, is one among the 6 trustees of M/s. Nagalakshmi Charitable Trust. ♦ Ms. M. Jayalalitha, Business Head and Sister of Smt. Mageswari Kannan, Director of the Company is one among the 6 trustees of M/s. Nagalakshmi Charitable Trust.
		♦ among the 4 partners of M/s. Kovil Agencies) ♦ Two of the Directors of the Company (Sri. K.S. Kamalakannan and Smt. Mageswari Kannan) are the Directors and Shareholders of M/s. Kovil Cereals Private Limited from 14.11.2022.
		♦ and she is one of the 2 designated Partners from 02.01.2023. ♦ Ms. M. Jayalalitha, Business Head and Sister of Smt. Mageswari Kannan, Director of the Company is one among the 4 partners of M/s. Nutri Snack LLP ♦ Mr. M. Sukumar Business Head and Brother of Smt. Mageswari Kannan, Director of the Company is one among the 2 designated partners of M/s. Nutri Snack LLP

S.No.	Particulars	Details			
c)	Nature of contracts / arrangements / transactions	a) Commission paid for procurement of raw materials	a) Medical Camp Charges paid b) Donation paid	a) Rent paid for Lease of Corporate Office	a) Sale of Snack b) Services charges paid c) Buying of Assets
d)	Duration of contracts / arrangements / transactions	01.04.2022 to 31.03.2023	01.04.2022 to 31.03.2023	01.04.2022 to 31.03.2023	01.04.2022 to 30.06.2022 (Sale of Snack to Naga Ltd) 01.07.2022 to 30.09.2022 & 01.10.2022 to 31.12.2022 (Service Charges paid by Naga Ltd) 01.10.2022 to 31.12.2022 (Buying of Assets by Naga Ltd)
e)	Salient terms of contracts / arrangements / transactions including the value, if any	1. Commission paid by Naga Ltd for procurement of raw materials - Rs. 0.08 Cr	1. Medical Camp Charges paid by Naga Ltd - Rs. 0.06 Cr 2. Donation paid by Naga Ltd - Rs. 0.17 Cr	1. Rent paid to Naga Ltd for Lease of Corporate Office - Rs. 0.003 Cr	1. Sale of Snack to Naga Ltd - Rs. 0.01 Cr 2. Services charges paid by Naga Ltd - Rs. 0.06 Cr 3. Buying of Assets by Naga Ltd - Rs. 0.01 Cr
f)	Justification for entering into such contracts / arrangements / transactions	For effective and cost efficient sourcing of raw materials	Basic health awareness to employees and consolidation of charitable activities	Better administration and cost effective operations	Introduction of new brands and addition to product lines
g)	Date of Approval by the Board and Shareholders, if any	1. Commission paid by Naga Ltd for procurement of raw materials - Rs. 0.08 Cr - Board Meeting & Audit Committee dt. 11.02.2022	1. Medical Camp Charges paid by Naga Ltd - Rs. 0.06 Cr - Board Meeting & Audit Committee dt. 11.02.2022 2. Donation paid by Naga Ltd - Rs. 0.17 Cr - Board Meeting & Audit Committee dt. 11.02.2022	1. Rent paid to Naga Ltd for Lease of Corporate Office - Rs. 0.003 Cr - Board Meeting & Audit Committee dt. 11.02.2022	1. Sale of Snack to Naga Ltd - Rs. 0.01 Cr - Board Meeting & Audit Committee dt. 10.08.2022 2. Services charges paid by Naga Ltd - Rs. 0.06 Cr - Board Meeting & Audit Committee dt. 14.11.2022 & 15.02.2023

S.No.	Particulars	Details			
					3. Buying of Assets by Naga Ltd - Rs. 0.01 Cr - Board Meeting & Audit Committee dt. 15.02.2023
h)	Amount paid as advances, if any	Nil	Nil	Nil	Nil

S.No.	Particulars	Details					
a)	Name(s) of the related party	Sri. K.S. Kamalakannan	Smt. Mageswari Kannan	Sri. Sounder Kannan	Sri. D. Vijay Anand	Sri. S. Ramesh	Sri. Ramesh Krishnan
b)	Nature of Relationship	Chairman and Managing Director (KMP)	Joint Managing Director (KMP)	Whole-time Director (KMP)	Technical Director (KMP)	Director (Projects) (KMP)	Director (Operations) (KMP)
c)	Nature of contracts / arrangements / transactions	a) Remuneration b) Availing / rendering of warehouse services and leasing c) Purchase of wind energy d) Purchase of land, sale of land & building e) purchase of equity shares and dividend paid	a) Remuneration b) purchase of equity shares and dividend paid	a) Remuneration b) purchase of equity shares and dividend paid	a) Remuneration b) purchase of equity shares and dividend paid	a) Remuneration	a) Remuneration
d)	Duration of contracts / arrangements / transactions	01.04.2022 to 31.03.2023	01.04.2022 to 31.03.2023	01.04.2022 to 31.03.2023	01.04.2022 to 31.03.2023	01.04.2022 to 31.03.2023	15.11.2022 to 23.12.2022
e)	Salient terms of contracts / arrangements / transactions including the value, if any	1. Remuneration paid by Naga Ltd - Rs. 1.08 Cr 2. Warehouse Charges paid by Naga Ltd - Rs. 1.099 Cr 3. Leasing of Residential House - Rs. 0.015 Cr	1. Remuneration paid by Naga Ltd - Rs. 0.90 Cr 2. Dividend paid by Naga Ltd - Rs. 0.26 Cr	1. Remuneration paid by Naga Ltd - Rs. 0.96 Cr 2. Dividend paid by Naga Ltd - Rs. 0.14 Cr	1. Remuneration paid by Naga Ltd - Rs. 0.96 Cr 2. Dividend paid by Naga Ltd - Rs. 0.01 Cr	1. Remuneration paid by Naga Ltd - Rs. 0.18 Cr	1. Remuneration paid by Naga Ltd - Rs. 0.09 Cr

S.No.	Particulars	Details					
		4. Leasing Charges paid by Naga Ltd - Rs. 0.003 Cr 5. Purchase of Wind Energy by Naga Ltd -Rs. 0.04 Cr 6. Dividend paid by Naga Ltd - Rs. 0.73 Cr 7. Purchase of Land by Naga Ltd - Rs. 1.18 Cr 8. Sale of Land and building by Naga Ltd - Rs. 3.38 Cr 9. Purchase of Shares of Annai Power Private Limited, Nagalakshmi Energy Private Limited & Dindigul Foods Park Private Limited by Naga Ltd - Rs. 0.41 Cr	3. Purchase of Shares of Annai Power Private Limited, Nagalakshmi Energy Private Limited & Dindigul Foods Park Private Limited by Naga Ltd - Rs. 0.33 Cr	3. Purchase of Shares of Annai Power Private Limited, Nagalakshmi Energy Private Limited & Dindigul Foods Park Private Limited by Naga Ltd - Rs. 0.33 Cr	3. Purchase of Shares of Dindigul Foods Park Private Limited & Tutifood Private Limited by Naga Ltd - Rs. 0.33 Cr		
f)	Justification for entering into such contracts / arrangements / transactions	Facilities available utilised for cost effective operations	To convert the associate companies to wholly owned subsidiaries.			-	-
g)	Date of Approval by the Board and Shareholders, if any	1. Remuneration paid by Naga Ltd - Rs. 1.08 Cr - AGM dt. 28.08.2021 2. Warehouse Charges paid by Naga Ltd - Rs. 1.099 Cr - Board Meeting & Audit Committee dt. 11.02.2022	1. Remuneration paid by Naga Ltd - Rs. 0.90 Cr - Board Meeting dt. 12.02.2020 2. Dividend paid by Naga Ltd - Rs. 0.26 Cr - Board Meeting dt. 15.02.2023	1. Remuneration paid by Naga Ltd - Rs. 0.96 Cr - AGM dt. 28.08.2021 2. Dividend paid by Naga Ltd - Rs. 0.14 Cr - Board Meeting dt. 15.02.2023	1. Remuneration paid by Naga Ltd - Rs. 0.96 Cr - AGM dt. 28.08.2021 2. Dividend paid by Naga Ltd - Rs. 0.01 Cr - Board Meeting dt. 15.02.2023	1. Remuneration paid by Naga Ltd - Rs. 0.18 Cr - Board Meeting dt. 11.02.2022 and AGM dt. 10.08.2022	1. Remuneration paid by Naga Ltd - Rs. 0.09 Cr - Board Meeting dt. 15.11.2022

S.No.	Particulars	Details					
		3. Leasing of Residential House - Rs. 0.015 Cr - Board Meeting & Audit Committee dt. 11.02.2022 4. Leasing Charges paid by Naga Ltd - Rs. 0.003 Cr - Board Meeting & Audit Committee dt. 14.11.2022 5. Purchase of Wind Energy by Naga Ltd -Rs. 0.04 Cr - Board Meeting & Audit Committee dt. 14.11.2022 6. Dividend paid by Naga Ltd - Rs. 0.73 Cr - Board Meeting dt. 15.02.2023 7. Purchase of Land by Naga Ltd - Rs. 1.18 Cr - Board Meeting dt. 10.08.2022 8. Sale of Land by Naga Ltd - Rs. 3.38 Cr - Board Meeting dt. 10.08.2022 9. Purchase of Shares of Annai Power Private Limited, Nagalakshmi Energy Private Limited & Dindigul Foods Park Private Limited by Naga Ltd - Rs. 0.41 Cr - Board Meeting & Audit Committee dt. 10.08.2022	3. Purchase of Shares of Annai Power Private Limited, Nagalakshmi Energy Private Limited & Dindigul Foods Park Private Limited by Naga Ltd - Rs. 0.33 Cr - Board Meeting & Audit Committee dt. 10.08.2022	3. Purchase of Shares of Annai Power Private Limited, Nagalakshmi Energy Private Limited & Dindigul Foods Park Private Limited by Naga Ltd - Rs. 0.33 Cr - Board Meeting & Audit Committee dt. 10.08.2022	Purchase of Shares of by Dindigul Foods Park Private Limited & Tutifood Private Limited - Rs. 0.03 Cr - Board Meeting & Audit Committee dt. 10.08.2022		
h)	Amount paid as advances, if any	Nil	Nil	Nil	Nil	Nil	Nil

S.No.	Particulars	Details					
a)	Name(s) of the related party	Lakshmi Vijayanand	Monaa Kannan	M. Jayalalitha	M. Sukumar	R. Hema Kumar	R. Ragavendar
b)	Nature of Relationship	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
c)	Nature of contracts / arrangements / transactions	Employment	Employment	Employment	Employment	Employment	Employment
d)	Duration of contracts / arrangements / transactions	01.04.2022 to 31.03.2023	01.04.2022 to 31.03.2023	01.04.2022 to 31.03.2023	01.04.2022 to 31.03.2023	01.04.2022 to 31.03.2023	01.04.2022 to 31.03.2023
e)	Salient terms of contracts / arrangements / transactions including the value, if any	1. Remuneration paid by Naga Ltd - Rs. 0.46 Cr 2. Dividend paid by Naga Ltd - Rs. 0.09Cr 3. Purchase of Shares of Annai Power Private Limited, Nagalakshmi Energy Private Limited & Dindigul Foods Park Private Limited by Naga Ltd - Rs. 0.19 Cr	1. Remuneration paid by Naga Ltd - Rs. 0.33 Cr 2. Dividend paid by Naga Ltd - Rs. 0.01 Cr 3. Purchase of Shares of Dindigul Foods Park Private Limited & Tutifood Private Limited by Naga Ltd - Rs. 0.03 Cr	1. Remuneration paid by Naga Ltd - Rs. 0.46 Cr 2. Dividend paid by Naga Ltd - Rs. 0.01 Cr	1. Remuneration paid by Naga Ltd - Rs. 0.34 Cr	1. Remuneration paid by Naga Ltd - Rs. 0.04 Cr	1. Remuneration paid by Naga Ltd - Rs. 0.02 Cr
f)	Justification for entering into such contracts / arrangements / transactions	To convert the associate companies to wholly owned subsidiaries.		-	-	-	-
g)	Date of Approval by the Board and Shareholders, if any	1. Remuneration paid by Naga Ltd - Rs. 0.46 Cr - Board Meeting dt. 10.08.2022 & EGM dt. 23.03.2018 2. Dividend paid by Naga Ltd - Rs. 0.09 Cr - Board Meeting dt. 15.02.2023 3. Purchase of Shares of Annai Power Private Limited, Nagalakshmi Energy Private Limited & Dindigul Foods Park Private Limited by Naga Ltd - Rs. 0.19 Cr - Board Meeting & Audit Committee dt. 10.08.2022	1. Remuneration paid by Naga Ltd - Rs. 0.33 Cr - Board Meeting dt. 10.08.2022 & EGM dt. 23.03.2018 2. Dividend paid by Naga Ltd - Rs. 0.01 Cr - Board Meeting dt. 15.02.2023 3. Purchase of Shares of Dindigul Foods Park Private Limited & Tutifood Private Limited by Naga Ltd - Rs. 0.03 Cr - Board Meeting & Audit Committee dt. 10.08.2022	1. Remuneration paid by Naga Ltd - Rs. 0.46 Cr - Board Meeting dt. 10.08.2022 & EGM dt. 23.03.2018 2. Dividend paid by Naga Ltd - Rs. 0.01 Cr - Board Meeting dt. 15.02.2023	1. Remuneration paid by Naga Ltd - Rs. 0.34 Cr - Board Meeting dt. 10.08.2022 & EGM dt. 23.03.2018	1. Remuneration paid by Naga Ltd - Rs. 0.04 Cr - Board Meeting & Audit Committee dt. 11.02.2022	1. Remuneration paid by Naga Ltd - Rs. 0.02 Cr - Board Meeting & Audit Committee dt. 11.02.2022

S.No.	Particulars	Details					
h)	Amount paid as advances, if any	Nil	Nil	Nil	Nil	Nil	Nil

S.No.	Particulars	Details		
a)	Name(s) of the related party	Sri. T.R. Sivaraman	Sri. V.Marikannan	Sri. V. Balamurugan
b)	Nature of Relationship	Chief Financial Officer	Company Secretary	Company Secretary
c)	Nature of contracts / arrangements / transactions	Employment	Employment	Employment
d)	Duration of contracts / arrangements / transactions	01.04.2022 to 31.03.2023	01.04.2022 to 15.02.2023	16.02.2023 to 31.03.2023
e)	Salient terms of contracts / arrangements / transactions including the value, if any	1. Remuneration paid by Naga Ltd - Rs. 0.23 Cr	1. Remuneration paid by Naga Ltd - Rs. 0.16 Cr	1. Remuneration paid by Naga Ltd - Rs. 0.02 Cr
f)	Justification for entering into such contracts / arrangements / transactions	-	-	-
g)	Date of Approval by the Board and Shareholders, if any	1. Remuneration paid by Naga Ltd - Rs. 0.23 Cr - Board Meeting dt. 14.11.2022	1. Remuneration paid by Naga Ltd - Rs. 0.16 Cr - Board Meeting dt. 14.11.2022	1. Remuneration paid by Naga Ltd - Rs. 0.02 Cr - Board Meeting dt. 15.02.2023
h)	Amount paid as advances, if any	Nil	Nil	Nil

**FOR AND ON BEHALF OF THE
BOARD OF DIRECTORS**

Place : Dindigul
Date : 30th June, 2023

K.S. KAMALAKANNAN
Chairman and Managing Director
DIN: 01601589

ANNEXURE - B TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company:

The CSR Policy encompasses the Company's philosophy for giving back to society as a Corporate Citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for the welfare & sustainable development of the community at large. This policy is rooted in the Company's core values of quality, reliability and trust guided by the best practices and is driven by our aspiration for excellence in the overall performance of our business. It is framed to guide its strategic planning and provide a roadmap for its CSR initiatives, which is an integral part of overall business policy and aligned with its business goals. The Objective of the Company's CSR policy is driven by the intent to make a material, visible and lasting difference to the lives of disadvantaged sections of society and a sustained positive contribution to the welfare of society at large. In the conduct of its CSR intervention, the Company aims to act as a good corporate citizen and a socially responsible entity, identify the gaps and extend need-based contribution for the betterment of the society, contribute for the sustainable and holistic development of the underserved communities through various programs having multi-dimensional impact and generate community goodwill by making proactive interventions. The Policy would also ensure compliance with Section 135 of the Companies Act, 2013 and would include the activities as covered under Schedule VII to the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 and as amended from time to time.

2. The Composition of the CSR Committee: - Changes in Composition

As on 31.03.2023, the CSR Committee, comprising of two executive Directors and one Independent, who heads the Committee. The Committee met once during the year 2022-2023 viz., on 01.06.2022. The Company Secretary is the Secretary to the Committee.

S.No.	Name of the Director	Designation/Nature of Directorship	No. of Meeting of CSR Committee during the year	
			Held	Attended
1	Sri. Ramesh Krishnan (upto 18.10.2022)	Chairman, Non Executive - Independent Director	1	1
2	Smt. Mageswari Kannan	Member, Joint Managing Director	1	1
3	Sri. Sounder Kannan	Member, Whole-time Director	1	1
4	Sri. S. Neelakantan	Chairman, Non Executive - Independent Director	-	-

3. Web-link of the CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

The CSR Committee details is available in the website of the Company at <https://online.flippingbook.com/view/476253276/>

The CSR Policy and CSR Projects approved by the Board of Directors are disclosed on the website of the Company at <https://www.nagamills.com/Investors.html>

4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014: Not Applicable

5. (a) Average net profit of the company as per sub-section (5) of section 135. - Rs. 13.67 Cr
 (b) Two percent of average net profit of the company as per sub-section (5) of section 135. - Rs. 0.27 Cr
 (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. - Nil
 (d) Amount required to be set-off for the financial year, if any. - Rs. 0.27 Cr, which is to be set off against the excess spent over the obligation of FY 2020-21 i.e., (Rs. 1.40 Cr)
 (e) Total CSR obligation for the financial year [(b)+(c)-(d)]. - Nil
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). - Nil
 (b) Amount spent in Administrative Overheads. - Nil
 (c) Amount spent on Impact Assessment, if applicable. - Not Applicable
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]. - Nil
 (e) CSR Amount Spent or Unspent for the financial year:

Total Amount Spent for the financial year 2022-23 (in Rs.)	Amount Unspent (Rs. In Cr)				
	Total Amount transferred to Unspent CSR Account as per Sec 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Sec 135(5)		
	Amount	Date of Transfer	Name of Fund	Amount	Date of Transfer
Nil					

(f) Excess Amount for set off, if any: The excess amount for set off over the obligation for the FY 2020-21 is (Rs. 1.40 Cr). Obligation for the FY 2021-22 (being, 1st FY of setting off), Rs.0.33 Cr was set off from the aforesaid excess spent and Obligation for the FY 2022-23 (being, 2nd FY of setting off), Rs.0.27 Cr was set off from the aforesaid excess spent. Further the obligation for the FY 2023-24 (being, 3rd FY of setting off), would be set off from the aforesaid excess spent.

Sl.No.	Particulars	Amount (Rs in Cr)
(i)	Two percent of average net profit of the Company as per Section 135(5)	0.47
(ii)	Total Amount Spent for the Financial Year 2020-21	1.87
(iii)	Excess Amount Spent for the financial year 2020-21 (ii-i)	1.40
(iv)	Surplus arising out of the CSR Projects or Programmes or Activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years (iii-iv)	1.40

Sl.No.	Particulars	Amount (Rs in Cr)
(i)	Two percent of average net profit of the Company as per Section 135(5)	0.33
(ii)	Total Amount Spent for the Financial Year 2021-22	0.67
(iii)	Excess Amount Spent for the financial year 2021-22 (ii-i)	0.34
(iv)	Surplus arising out of the CSR Projects or Programmes or Activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years (iii-iv)	0.34

Sl.No.	Particulars	Amount (Rs in Cr)
(i)	Two percent of average net profit of the Company as per Section 135(5)	0.27
(ii)	Total Amount Spent for the Financial Year 2022-23	-
(iii)	Excess Amount Spent for the financial year (ii-i)	-
(iv)	Surplus arising out of the CSR Projects or Programmes or Activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years (iii-iv)	-

7. Details of Unspent CSR Amount for the preceeding three financial years: Nil

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No Capital assets have been created or acquired through CSR amount spent in the Financial year.

9. Specify the reason(s), if the Company has failed to spend two per cent of the average Net Profit as per Section 135(5) of the Act: Not Applicable

**FOR AND ON BEHALF OF THE
BOARD OF DIRECTORS**

K.S. KAMALAKANNAN
Chairman and Managing Director
DIN: 01601589

S. NEELAKANTAN
Chairman - CSR Committee
DIN: 01474064

Place : Dindigul
Date : 30th June, 2023

ANNEXURE - C TO THE DIRECTORS' REPORT

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

[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

A. Conservation of energy:

- (i) the steps taken or impact on conservation of energy : Continuous rationalization of operations to reduce energy consumption
- (ii) the steps taken by the company for utilizing alternate sources of energy : The Company has it's own windmills to cater to the power demand.
- (iii) the capital investment on energy conservation equipment : Nil

B 1. Research and Development (Totally in-house):

- ◆ Developed extruded corn flour based ready to eat savory snacks like cheese balls, Tomato Ring and Masala puffs
- ◆ Developed Multi grain health mix for the general population
- ◆ Developed choco-absorbed extruded snack - Choco finger
- ◆ Completed quality improvement of the cottage vermicelli product
- ◆ Developed convenient bakery mixes like eggless pan cake
- ◆ Research on to optimize the supply of steam and hot water in the Quick cooking pasta.
- ◆ Research on optimizing the processing for producing cleaned and de-hulled millets

2. Benefits derived as a result of above R & D:

- ◆ Research on improvements in various processes help the company to optimize waste and contribute to the improved margins.
- ◆ The above Research and development of Ready to cook products has paved the way of increased usage of our product Sooji and wheat germ stabilization has helped to increase the consumption of our byproducts. This will in turn result in increased Turnover and profitability in the years to come.
- ◆ Extruded snacks developed will add to the existing bucket of products and pave way for increased volume of business
- ◆ Research on development of various products will help the company to face competitive atmosphere and remain in the market with added strength.

3. Future plan of Action:

- ◆ Continuous research on procurement of grains in terms of quality and variety
- ◆ Continuous research on analyzing properties of wheat, improvement of quality of products to optimize the cost by supply of best products.
- ◆ Continuous research on manufacturing processes for quality improvement, elimination of waste thereby saving cost.
- ◆ Development of millet flour based convenient premixes as millet idli, millet dosa etc
- ◆ Development of mixes for diabetic adults and for kids ' health and nutrition

4. Expenditure on R & D during the year:

(Rs. in Cr)

	As at 31.03.2023	As at 31.03.2022
Capital	3.05	26.76
Revenue	2.79	1.58

5. Technology Absorption:

During the year under review, no technology was acquired.

C. Foreign exchange earnings and Outgo:

(Rs. in Cr)

	As at 31.03.2023	As at 31.03.2022
Earnings	8.05	12.52
Outgo	34.96	44.42

**FOR AND ON BEHALF OF THE
BOARD OF DIRECTORS**

Place : Dindigul
Date : 30th June, 2023

K.S. KAMALAKANNAN
Chairman and Managing Director
DIN:01601589

Form No. MR-3
SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March, 2023

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

To
The Members
M/s. Naga Limited
No.1, Anna Pillai Street,
Chennai - 600001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Naga Limited bearing CIN: U24246TN1991PLC020409 (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; (Not Applicable to the Company)
- (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; (Not Applicable to the Company)
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (v) 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 as applicable to the Company;
- (vi) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company viz.,:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not Applicable to the Company)
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; (Not Applicable to the Company)
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not Applicable to the Company)
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable to the Company)

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not Applicable to the Company)
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable to the Company)
- (vii) Other Laws like labour laws, taxation and other laws applicable to the Company was as per representation given by the Management.

We 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 Memorandum and Articles of Association of the Company.

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

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws as applicable to it.

- (a) Factories Act, 1948 and the rules made thereunder and other Labour laws as certified by the management.
- (b) Water (Prevention and Control of Pollution) Act, 1974;
- (c) Air (Prevention and Control of Pollution) Act, 1981;
- (d) Environment (Protection) Act, 1986
- (e) The Electricity Act, 2003 (as Amended) and the Orders, Guidelines, Rules and Regulations issued thereunder.
- (f) Other Laws as applicable and as certified by the management.

The Company has complied with the following laws specifically applicable to it.

- (a) Food Safety and Standards Act, 2006 and the rules made thereunder;
- (b) Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011;
- (c) Food Safety and Standards (Packaging and Labelling) Regulations, 2011;
- (d) Food Safety and Standards (Food Product Standards and Food Additives) Regulations, 2011; and
- (e) The Legal Metrology Act, 2009 and the Legal Metrology (Packaged Commodities) Rules, 2011.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Independent Directors.

Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and less than seven days in applicable cases with the consent of all the directors in accordance with the provisions of the Act 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.

The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, reappointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel.

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

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

We further report that during the audit period:

1) The Board at its meeting held on 01.06.2022 has delegated Borrowing Powers to Finance Committee under Section 179(3) of the Companies Act, 2013 upto an enhanced limit of Rs.1000 Crores.

2) During the financial year, the following changes took place in the composition of Board of Directors / KMPs of the Company:

i) Appointment of Mr. P. Arivanandam who was appointed as Additional Independent Director of the Company by the Board with effect from 28.08.2021 has been regularized by the shareholders as Independent Director of the Company by passing ordinary resolution at the AGM held on 10.08.2022 for a period of 5 years with effect from 28.08.2021.

ii) Appointment of Mr. Ramesh Krishnan who was appointed as Additional Independent Director of the Company by the Board with effect from 11.02.2022 has been regularized by the shareholders as Independent Director of the Company by passing ordinary resolution at the AGM held on 10.08.2022 for a period of 5 years with effect from 11.02.2022.

iii) Appointment of Mr. S. Ramesh who was appointed as Additional Director of the Company by the Board with effect from 11.02.2022 has been regularized by the shareholders as Director of the Company by passing ordinary resolution at the AGM held on 10.08.2022.

iv) Appointment and redesignation of Mr. S. Ramesh as Director (Projects) of the Company by the Board with effect from 11.02.2022 and fixing the remuneration has been ratified by the shareholders by passing special resolution at the AGM held on 10.08.2022.

v) Mr. Ramesh Krishnan resigned as Independent Director of the Company with effect from 18.10.2022.

vi) Mr. P.S. Iyer was appointed as Additional Independent Director of the Company with effect from 14.11.2022.

vii) Mr. Ramesh Krishnan was appointed as Additional Director and redesignated as Director (Operations) of the Company for a period of 2 years with effect from 15.11.2022 subject to approval of the shareholders at the next Annual General Meeting of the Company.

viii) Mr. Ramesh Krishnan resigned as Director (Operations) of the Company with effect from 23.12.2022.

ix) Mr. V. Marikannan resigned as Company Secretary (KMP) of the Company with effect from 15.02.2023 and Mr. V. Balamurugan was appointed as Company Secretary (KMP) of the Company with effect from 16.02.2023 pursuant to the provisions of Section 203 of the Companies Act, 2013.

x) The Company has passed special resolution at the EGM held on 18.03.2023 under Section 149(10) of the Companies Act, 2013 approving the re-appointment of Mr. S. Neelakantan as Independent Director of the Company for second consecutive term of office for 5 years with effect from 21.08.2022.

- 3) The Board of Directors at its meeting held on 10.08.2022 approved the revision of remuneration with effect from 01.07.2022 payable to Mrs. Lakshmi Vijayanand, Mrs. Monaa Kannan, Ms. M. Jayalalitha, Mr. M. Sukumar, Business Heads and Relatives of Directors of the Company occupying the position of Office or Place of Profit pursuant to the approval obtained from the shareholders at the Extra-ordinary General Meeting held on 23.03.2018.
- 4) The Board at its meeting held on 10.08.2022 has accorded its approval under Section 179(3) of the Companies Act, 2013 for investing the funds of the Company of an amount of Rs.56,70,000/- in 5,67,000 equity shares of Rs.10/- each in M/s. Dindigul Foods Park Private Limited and Rs.3,00,00,000/- in 30,00,000 equity shares of Rs.10/- each in M/s. Nagalakshmi Energy Private Limited.
- 5) The Board of Directors of the Company at its Meetings held on 14.11.2022 and 15.02.2023 approved the transactions with various related parties for the period upto 31.03.2023 as approved by the Audit Committee.
- 6) The Board at its meeting held on 14.11.2022 has accorded its approval under Section 179(3) of the Companies Act, 2013 for investing the funds of the Company of an amount of Rs.7,40,000/- in 74,000 equity shares of Rs.10/- each in M/s. Nagalakshmi Energy Private Limited and Rs.1,77,60,000/- in 1,77,600 equity shares of Rs.100/- each in M/s. Annai Power Private Limited thereby the above two companies have become wholly owned subsidiaries of the Company.
- 7) The Board has passed the resolution at its meeting held on 14.11.2022 approving the Scheme of Amalgamation of M/s. Annai Power Private Limited, M/s. Nagalakshmi Energy Private Limited and M/s. Dindigul Foods Park Private Limited (Transferor Companies) with the Company (Transferee Company) under Section 233 of the Companies Act, 2013.
- 8) The Board of Directors of the Company at its Meeting held on 15.02.2023 took note of the proposed related party transactions with various related parties for the Financial Year 2023-24 as approved by the Audit Committee.
- 9) During the financial year under review, the Company has declared Interim Dividend @10% (Re.1.00 per equity share of Rs.10/- each) for an amount of Rs.142.48 Lakhs at the Board Meeting held on 15.02.2023 on its paid-up equity share capital of Rs.1424.80 Lakhs.
- 10) During the financial year, Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee have been reconstituted as there has been change in the composition of the Board on account of resignation and appointment of Independent and Executive Directors.
- 11) The Company has passed special resolution at the Extra-ordinary General Meeting held on 18.03.2023 approving the Scheme of Amalgamation of M/s. Annai Power Private Limited, M/s. Nagalakshmi Energy Private Limited and M/s. Dindigul Foods Park Private Limited (Transferor Companies) with the Company (Transferee Company) under Section 233 of the Companies Act, 2013.
- 12) The Company had filed Form RD-1 with the hon'ble Regional Director on 29.03.2023 seeking approval for amalgamation of M/s. Annai Power Private Limited, M/s. Nagalakshmi Energy Private Limited and M/s. Dindigul Foods Park Private Limited (Transferor Companies) with the Company (Transferee Company) under Section 233 of the Companies Act, 2013 and obtained the Order passed by the Regional Director subsequent to the financial year on 12.04.2023 approving the scheme of amalgamation and the copy of the said order along with Form INC-28 was filed by the Company with the Registrar of Companies on 27.04.2023.
- 13) The Company has passed special resolution at the Extra-ordinary General Meeting held on 30.03.2023 approving the re-appointment of Mr. Sounder Kannan as Whole-time Director of the Company for a period of 5 years with effect from 27.03.2023 and fixing the remuneration.

14) The Company has passed special resolutions at the Extra-ordinary General Meeting held on 30.03.2023 approving the re-appointment of Mr. K.S. Kamalakannan as Chairman and Managing Director, Mrs. Mageswari Kannan as Joint Managing Director and Mr. D. Vijayanand as Technical Director for a period of 5 years with effect from 01.04.2023 and fixing their remuneration.

15) The Company has passed special resolution at the Extra-ordinary General Meeting held on 30.03.2023 approving the continuation of Mr. K.S. Kamalakannan as Chairman and Managing Director of the Company even after attaining the age of 70 years during his term of office as Chairman and Managing Director of the Company.

16) The Company has passed special resolution at the Extra-ordinary General Meeting held on 30.03.2023 approving the revision of remuneration of Mr. S. Ramesh, Director (Projects) of the Company with effect from 01.04.2023.

17) The Company has passed ordinary resolution at the Extra Ordinary General Meeting held on 30.03.2023 under Section 188 of the Companies Act, 2013 granting approval for entering into contracts / arrangements / transactions with related party M/s. M.M.Detergents Company Private Limited for the Financial Year 2023-24.

18) The Company has passed ordinary resolution at the Extra Ordinary General Meeting held on 30.03.2023 under Section 188 of the Companies Act, 2013 granting approval for Revision of Remuneration payable with effect from 01.04.2023 to Mrs. Lakshmi Vijayanand, Mrs. Monaa Kannan, Ms. M. Jayalalitha, Mr. M. Sukumar, Business Heads and Relatives of Directors of the Company occupying the position of Office or Place of Profit.

For G.S.R. & Co.,
COMPANY SECRETARIES

Place : Dindigul
Date : 30th June, 2023

G. SREENIVASA RAO
(M.No. FCS-5691 & C.P. No. 4966)
UDIN : F005691E000528180
P.R.C. No. 3652 / 2023

Note: This report is to be read with our letter of even date which is annexed as Appendix-A and forms an integral part of this report.

APPENDIX-'A'

To
The Members
M/s. Naga Limited
No.1, Anna Pillai Street,
Chennai - 600001

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that corrected facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.,
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For G.S.R. & Co.,
COMPANY SECRETARIES

Place : Dindigul
Date : 30th June, 2023

G. SREENIVASA RAO
(M.No. FCS-5691 & C.P. No. 4966)
UDIN : F005691E000528180
P.R.C. No. 3652 / 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of Naga Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Naga Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including 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 Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, profit, comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Standalone 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 Financial Highlights, Chairman's Statement, Director's Report along with annexures but does not include the 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Management and Board of Directors are 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and

other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, the management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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 Changes in equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure C".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in 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 - Refer Note no 45 to the 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 note no 59 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 note no 59 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, as on the date of this audit report, 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.
 - v. The interim dividend declared and paid by the Company during the year is in accordance with section 123 of the Companies Act 2013.
 - vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software containing feature of recording audit trail facility is applicable for the Company with effect from April 01, 2023. Accordingly, reporting under this clause is not applicable for the financial year ended March 31, 2023.
3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Geetha Jeyakumar
Partner
Membership No. 029409
UDIN: 23029409BGTMMVM2990

Place : Dindigul
Date : 26th May, 2023

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF NAGA LIMITED

Auditor's Responsibilities for the Audit of the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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.

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.

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

Geetha Jeyakumar

Partner

Membership No. 029409

UDIN: 23029409BGTMMVM2990

Place : Dindigul

Date : 26th May, 2023

**ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE
STANDALONE FINANCIAL STATEMENTS OF NAGA LIMITED FOR THE YEAR ENDED
MARCH 31, 2023**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i. (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment, Investment property and relevant details of right-of-use assets.
B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a programme of physical verification of its property, plant and equipment by which property, plant and equipment are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) as disclosed in the financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.
- ii. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage & procedure of such verification is reasonable and 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.
- (b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from Banks/financial institutions on the basis of security of current assets. Quarterly returns / statements are filed with such Banks/ financial institutions in agreement with the books of account.
- iii. (a) According to the information explanation provided to us, the Company has not, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly provisions of (iii) (a) of the Order is not applicable.
- (b) According to the information and explanation provided to us, Company has made investments during the year which in our opinion is not prejudicial to the interest of the Company.

During the year, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under paragraph 3(iii)(c-f) of the Order are not applicable to the Company.

- iv. According to the information and explanations given to us, the Company has neither, directly or indirectly, granted any loan, or provided guarantee or security to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of Section 185 of the Act nor made investments through more than two layers of investment companies in accordance with the provisions of Section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public including amounts deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under. Accordingly provisions of clause (v) is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant Rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and services tax, duty of custom, cess and other statutory dues applicable to it were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us and the records of the Company examined by us, dues relating to Sales Tax, Value Added Tax, Service Tax, Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Duty of Excise, cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of dues	Amount Demanded Rs. crores	Amount Unpaid Rs. crores	Period to which the amount relates	Forum where dispute is pending
Employee Provident Fund Organization	PF	1.22	0.91	Apr'16 - Sept'19	Madras High Court

- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.
- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information explanation provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries or associates.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. Hence, reporting under the Clause 3(ix)(f) of the order is not applicable to the Company.
- x. (a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Hence, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.
- xi. (a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company nor on the Company has been noticed or reported during the course of our audit.
- (b) No report under subsection 12 of section 143 of Companies Act 2013 have been filed in 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 are no whistle-blower complaints received by the Company during the year.

- xii. (a) The Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered internal audit reports of the Company issued till date, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of Section 192 of the Act are not applicable to Company.
- xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(a) of the Order are not applicable to the Company.
- (b) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph 3 (xvi)(c) of the Order are not applicable to the Company.
- (d) The Company does not have any CIC as part of its group. Hence the provisions stated in paragraph clause 3 xvi (d) of the order are not applicable to the Company
- xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph 3 (xvii) of the Order are not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph 3 (xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and 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 standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance 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. According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Act are applicable to the Company. The Company has met the requirements by carrying forward the amount spent over and above the actual requirement as

per the section in the previous year and there are no unspent amounts which are required to be transferred either to a fund or to a special account as per the provisions of Section 135 of the Act read with schedule VII. Accordingly, reporting under Clause 3(xx)(a) and Clause 3(xx)(b) of the Order is not applicable to the Company.

- xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in the report.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Geetha Jeyakumar
Partner
Membership No. 029409
UDIN: 23029409BGTMMVM2990

Place : Dindigul
Date : 26th May, 2023

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF NAGA LIMITED

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Naga Limited on the Financial Statements for the year ended March 31, 2023]

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

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Naga Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, 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 with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls With reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls With reference to Standalone financial statements

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

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

Geetha Jeyakumar

Partner

Membership No. 029409

UDIN: 23029409BGTVMVM2990

Place : Dindigul

Date : 26th May, 2023

Naga Limited

CIN : U24246TN1991PLC020409

Standalone Balance Sheet as at March 31, 2023

(All amounts are in Crores of INR, unless otherwise stated)



Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	4	319.80	283.72
(b) Capital work-in-progress	5	57.11	21.12
(c) Investment Property	4.b	10.89	10.27
(d) Other intangible assets	6	0.91	1.13
(e) Right-of-use assets	4.a	18.81	7.23
(f) Financial assets			
(i) Investments	7	4.29	4.20
(ii) Other financial assets	8	10.61	9.90
(g) Income tax assets (net)	9	2.36	1.24
(h) Other non-current assets	10	15.03	12.51
Total non - current assets		439.81	351.32
Current assets			
(a) Inventories	11	126.71	164.47
(b) Financial assets			
(i) Trade receivables	12	75.34	88.97
(ii) Cash and cash equivalents	13	2.84	2.81
(iii) Bank Balance other than (ii) above	14	5.85	4.98
(iv) Loans	15	0.86	0.90
(v) Other financial assets	16	0.37	0.94
(d) Other current assets	17	9.05	20.71
(e) Asset classified as held for sale	18	3.05	-
Total current assets		224.07	283.78
Total Assets		663.88	635.10
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	19	14.25	14.25
(b) Other equity	20	152.13	144.43
Total equity		166.38	158.68
LIABILITIES			
Non- current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	239.37	183.70
(ii) Lease liability	22	6.18	-
(iii) Other financial liability	23	2.09	2.45
(b) Long term provisions	24	3.25	2.73
(c) Deferred tax liabilities (net)	25	15.69	14.03
Total non - current liabilities		266.58	202.91
Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	26	102.31	145.59
(ii) Lease liability	22	1.59	-
(iii) Trade payables			
-total outstanding dues of micro and small enterprises	27	0.89	4.46
-total outstanding dues of creditors other than micro and small enterprises	27	97.47	96.59
(iv) Other financial liabilities	28	15.86	11.07
(b) Short term provisions	24	1.40	1.04
(c) Other current liabilities	29	11.40	14.76
Total current liabilities		230.92	273.51
Total Liabilities		497.50	476.42
Total Equity and Liabilities		663.88	635.10

The accompanying notes form an integral part of the financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

K.S. KAMALAKANNAN

Chairman and Managing Director

DIN : 01601589

MAGESWARI KANNAN

Joint Managing Director

DIN : 02107556

GEETHA JEYAKUMAR

Partner

Membership No: 029409

T.R. SIVARAMAN

Chief Financial Officer

Membership No : 023228

V. BALAMURUGAN

Company Secretary

Membership No : F12312

Place: Dindigul

Date : 26th May, 2023



Particulars	Notes	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Income:			
I Revenue from operations	30	2,099.06	1,728.96
II Other income	31	7.09	3.25
III Total income (I + II)		2,106.15	1,732.21
IV Expenses:			
Cost of materials consumed	32	1,771.64	1,387.27
Purchases of stock-in-trade	33	20.75	65.71
Changes in inventories of finished goods, Work-in-Progress and stock-in-trade	34	(9.03)	19.80
Employee benefits expenses	35	74.07	55.52
Financial costs	36	34.42	29.99
Depreciation and amortisation expense	37	42.54	36.98
Other expenses	38	151.76	120.27
Total expenses		2,086.15	1,715.54
V Profit Before Tax (III - IV)		20.00	16.67
VI Tax Expenses / (Credit):			
- Current tax		4.76	3.07
- MAT Credit recognized		-	(3.07)
- Deferred tax		2.23	4.31
VII Profit for the year (V - VI)		13.01	12.36
VIII Other comprehensive income /(loss) Item that will not be reclassified subsequently to profit or loss			
(a) Re-measurement (loss) / gain on defined benefit obligations		(0.81)	0.27
(b) Changes in fairvalue of Investments measured at FVTOCI		(0.18)	-
(c) Income tax effect on above		(0.25)	(0.07)
Total other comprehensive (loss) / income, net of tax		(1.24)	0.20
IX Total comprehensive Income for the year (VII + VIII)		11.77	12.56
X Earnings Per Equity Share (EPS) (Face value of Rs. 10 each)			
Basic earnings per share (in Rs.)	39	9.13	8.67
Diluted earnings per share (in Rs.)	39	9.13	8.67

The accompanying notes form an integral part of the financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

GEETHA JEYAKUMAR

Partner

Membership No: 029409

Place: Dindigul

Date : 26th May, 2023

K.S. KAMALAKANNAN

Chairman and Managing Director

DIN : 01601589

MAGESWARI KANNAN

Joint Managing Director

DIN : 02107556

T.R. SIVARAMAN

Chief Financial Officer

Membership No : 023228

V. BALAMURUGAN

Company Secretary

Membership No : F12312

**(A) Equity Share Capital**

Balance at the beginning of April 01, 2021	14.25
Changes in equity share capital during the year	-
Balance at the end of March 31, 2022	14.25
Changes in equity share capital during the year	-
Balance at the end of March 31, 2023	14.25

(B) Other Equity

Particulars	Capital Reserve	Capital Reserve on account of merger	Securities Premium Reserve	General Reserve	Retained Earnings	OCI	Total
Balance as at March 31, 2021	0.11	-	1.36	3.34	128.93	(0.44)	133.30
Additions/ (deductions) during the year	-	-	-	0.21	(0.21)	-	-
Total Comprehensive Income for the year	-	-	-	-	12.36	0.20	12.56
Dividend paid	-	-	-	-	(1.43)	-	(1.43)
Balance as at March 31, 2022	0.11	-	1.36	3.55	139.65	(0.24)	144.43
Merger Adjustment (refer note no. 51)	-	(2.65)	-	-	-	-	(2.65)
Additions/ (deductions) during the year	-	-	-	0.21	(0.21)	-	-
Total Comprehensive Income for the year	-	-	-	-	13.01	(1.24)	11.77
Dividend paid	-	-	-	-	(1.42)	-	(1.42)
Balance as at March 31, 2023	0.11	(2.65)	1.36	3.76	151.03	(1.48)	152.13

The accompanying notes form an integral part of the financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

GEETHA JEYAKUMAR

Partner

Membership No: 029409

Place: Dindigul

Date : 26th May, 2023

K.S. KAMALAKANNAN

Chairman and Managing Director

DIN : 01601589

T.R. SIVARAMAN

Chief Financial Officer

Membership No : 023228

MAGESWARI KANNAN

Joint Managing Director

DIN : 02107556

V. BALAMURUGAN

Company Secretary

Membership No : F12312



Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
A. Cash Flow from Operating Activities		
Profit before tax	20.00	16.67
Adjustments for :		
Depreciation and amortization expenses	42.54	36.98
Loss/ (Profit) on sale of property, plant and equipment (net)	(4.00)	0.00
Interest income	(0.80)	(0.75)
Provision for doubtful debts & advances	0.91	0.60
Bad debts written off	0.11	1.05
Unrealised net (gain)/ loss on foreign currency transactions and translations	0.64	0.68
Rental income from Investment property	(2.17)	(1.52)
Loss on fair valuation of investments carried at FVTPL*	0.00	0.93
Finance cost	34.42	29.99
Operating profit before working capital changes	91.65	84.63
Movement in Working Capital:		
(Increase) / Decrease in Other financial assets	(3.11)	0.71
Decrease in Inventories	37.77	23.89
Decrease / (Increase) in Trade receivables	12.54	(39.98)
Decrease / (Increase) in Other assets	10.99	(9.49)
Increase in Other financial liabilities	5.76	1.43
Increase in Lease liability	7.77	-
(Decrease)/ Increase in Other liabilities	(3.58)	8.79
(Decrease) in trade payables	(3.34)	(0.89)
Increase in provision for Gratuity and compensated absences	0.89	1.32
Cash Generated from operations	157.34	70.41
Income tax paid (net of refund)	(6.28)	(2.21)
Net cash flow from operating activities (A)	151.06	68.20
B. Cash Flow from Investing Activities		
Payment for property, plant and equipment and intangible assets	(107.93)	(66.31)
Proceeds from sale of property, plant and equipment and intangible assets	4.85	0.43
Advance received for Sale of land	0.56	-
Interest income	0.80	0.75
Purchase of Additional stake in merged entities	(5.42)	-
Purchases of Investments	(0.87)	(1.50)
Rental income on lease arrangements	2.17	1.52
Bank Balance not considered as cash and cash equivalents :		
- Deposits matured (net)	2.11	2.17
Net cash used in investing activities (B)	(103.73)	(62.94)



Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
C. Cash flow from Financing Activities		
(Repayment of)/ Proceeds from short term borrowings	(46.88)	35.97
Proceeds from / (repayment of) long term borrowings	39.74	(8.01)
Decrease /(Increase) in loans given	0.04	(0.04)
Interest paid	(38.78)	(33.09)
Dividend paid	(1.42)	(1.42)
Net cash used in financing activities (C)	(47.30)	(6.59)
Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	0.03	(1.33)
Cash and Cash Equivalents at the beginning of the year	2.81	4.14
Cash and Cash Equivalents at the end of the year	2.84	2.81

*Values are shown as zero due to rounded off being lesser value.

Notes:

- The above cash flow statement has been prepared under indirect method prescribed in Ind AS 7 "Cash Flow Statements".
- Components of cash and cash equivalents,

Balances with banks - in current accounts	2.75	2.66
Cash on hand	0.09	0.15
	2.84	2.81

In terms of our report attached

For and on behalf of the Board of Directors

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

GEETHA JEYAKUMAR

Partner

Membership No: 029409

Place: Dindigul

Date : 26th May, 2023**K.S. KAMALAKANNAN**

Chairman and Managing Director

DIN : 01601589

T.R. SIVARAMAN

Chief Financial Officer

Membership No : 023228

MAGESWARI KANNAN

Joint Managing Director

DIN : 02107556

V. BALAMURUGAN

Company Secretary

Membership No : F12312

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

1. Notes to the Financial statements

Company Background

Naga Limited is a public limited company incorporated in India under the Companies Act, 1956 and is domiciled in India. Its Registered Office is located at No 1, Anna Pillai Street, Chennai- 600001 and the Corporate Office at No 1, Trichy Road, Dindigul-624005. The Company's Equity Shares which were listed in the Metropolitan Stock Exchange of India till 31.03.2021, were delisted with effect from 16.04.2021. The Company is engaged in the manufacture of Wheat Products, Minerals, Detergents and in Power Generation. The Plants of the Company are located in various places in and around Dindigul and its Power Generating windmills are located in Coimbatore, Dharapuram, Theni and Tirunelveli.

2. Significant Accounting Policies and key accounting estimates and judgments

Significant Accounting Policies

2.1 Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

Accounting Policies have been consistently applied except where a newly-issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the Accounting Policy hitherto adopted.

2.2 Basis of Preparation and Compliance

The financial statements are prepared in accordance with the historical cost convention except for certain items that are measured at fair value at the end of each reporting period, as explained in the accounting policies set out below. The financial statements are prepared on a “going concern” basis using accrual concept except for the cash flow information. Historical cost is generally based on fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimate using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability at the measurement date assuming the market participants act in their economic best interest.

Fair value for measurement and/or disclosure purpose in these financial statements is determined on such basis and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 - Inventories or values in use in Ind AS 36 - Impairment of Assets.

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

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 - Other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 - Unobservable inputs for the asset or liability.

Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as '-' in these financial statements.

2.3 Current/Non-Current Classification

An asset or liability is classified as Current if it satisfies any of the following conditions:

- (a) The asset / liability is expected to be realized / settled in the Company's normal operating cycle;
- (b) The asset is intended for sale or consumption;
- (c) The asset / liability is held primarily for the purpose of trading;
- (d) The asset / liability is expected to be realized / settled within twelve months after the reporting period;
- (e) The asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period;
- (f) In case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as Non- Current. For the purpose of Current / Non-Current classification, the Company has reckoned its normal operating cycle as twelve months based on the nature of products and the time between the acquisition of assets or inventories for processing and their realization in cash or cash equivalents.

Deferred Tax assets and liabilities are classified as Non-Current. Advances given towards acquisition of fixed assets, outstanding at each Balance Sheet date, are disclosed as other Non-current assets.

2. 4 New Accounting Pronouncements

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

Ind AS 16 - Property, Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its consolidated financial statements.

Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

2.5 Property, Plant and Equipment (PPE)

Property, Plant and Equipment are tangible items that:

- (a) Are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes: and
- (b) Are expected to be used during more than one period.

The cost of an item of Property, Plant and Equipment shall be recognised as an asset if and only if:

- (a) It is probable that future economic benefits associated with the item will flow to the entity; and
- (b) The cost of the item can be measured reliably.

An item of PPE that qualifies for recognition as an asset is measured on initial recognition at cost.

Following initial recognition PPEs are carried at its cost less accumulated depreciation and accumulated impairment losses.

(ii) The cost of an item of PPE comprises of purchase price, taxes and duties net of input tax credit entitlement and other items directly attributable to the cost of bringing the asset to its working condition for its intended use. Trade discounts and rebates are deducted. Cost includes cost of replacing a part of a PPE if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of PPE if the recognition criteria are met.

Borrowing cost (net of interest earned on temporary investments of those borrowings) directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of the cost of the assets till the assets are substantially ready for its intended use.

(iii) The Company identifies and determines the cost of each part of an item of PPE separately, if the part has a cost which is significant to the total cost of that item of PPE and has useful life that is materially different from that of the remaining item.

(iv) Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of PPE are capitalized at Cost. Costs in nature of repairs and maintenance are recognized in the statement of Profit and Loss as and when incurred. All up gradation / enhancements are charged off as revenue expenditure unless they bring significant additional benefits.

(v) Capital advances and Capital Work-in-Progress

Advances given towards acquisition of Property, Plant & Equipment outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets. Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as Capital Work-in-Progress. Such properties are classified to the appropriate categories of PPE when completed and ready for intended use.

(vi) Depreciation of PPE

Depreciation on Property, Plant & Equipment is provided to the extent of depreciable amount on written down value (WDV) method in respect of Soaps & Detergents Division at Vendasandur and under the straight line method in respect of other divisions. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

(vii) Estimated useful lives of the assets are as follows:

Asset	Years
Factory Building and Roads	10 - 30
Electrical and Installations	5 - 10
Plant and Equipment	1 - 15
Vehicles	1 - 15
Desktop Computers & Laptops	1 - 10
Furniture and Fixtures	1 - 10
Office Equipments	1 - 10
Solar and Wind Power Generation Plant	22

Assets costing Rs. 5,000/- and below are depreciated in full within the Financial Year.

2.6 Investment Property

Investment property is property (land or a building-or part of a building-or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business.

Investment property shall be recognized as an asset when, and only when it is probable that the future economic benefits that are associated with the investment property will flow to the entity; and the cost of the investment property can be measured reliably. An investment property shall be measured initially at its cost. Transaction costs shall be included in the initial measurement. An investment property shall be derecognized (eliminated from the balance sheet) on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal.

2.7 Intangible Assets

a) Intangible Assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life is reviewed annually with the effect of any changes in estimate being accounted for on a prospective basis.

b) Useful lives of Intangible Assets

Intangible Assets are amortised equally over the estimated useful life.

2.8 De-recognition of tangible and intangible assets

An item of tangible and intangible asset is de-recognised 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 tangible and intangible assets is determined as the difference between the sale proceeds, if any, and the carrying amount of the asset and is recognised in the Statement of Profit or Loss.

2.9 Impairment of tangible and intangible assets

The Company annually reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable

amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash generating units, or otherwise they are allocated to the smallest group of cash generating unit for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. If the recoverable amount of an asset (or cash generating unit) is estimated to be less than the carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss. When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment of loss been recognised for the asset (or cash generating unit) in prior years. A reversal of impairment of loss is recognised immediately in Statement of Profit and Loss.

2.10 Revenue Recognition

Effective from 1st April, 2018 the Company has adopted Ind AS 115 “Revenue from Contracts with Customers”.

(a) Sale of products

Revenue is recognised at a point in time upon transfer of control of the products to customers i.e., when the products are delivered to the common carrier, in an amount that reflects the consideration that the Company expects to receive in exchange for those products.

The Company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the actual underlying performance obligation that corresponds to the progress by the customer / indenter towards earning the discount / incentive.

(b) Dividend and Interest Income

Dividend income from investments is recognized 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 recognized 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 using effective interest rate method.

(c) Insurance Claims

Insurance claims are recognized on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

(d) Rental Income / Warehousing Charges

Rental income and warehousing charges from operating leases are recognized on a straight line basis over the term of the relevant lease, if the escalation is not a compensation for increase in cost of inflation index.

2.11 Inventories

Inventories including traded goods are valued at lower of cost and net realizable value. Materials and other items intended for use in the production of inventories are not written -down below cost if the finished goods in which they will be incorporated or expected to be sold at or above cost.

Cost includes taxes and duties (other than taxes and duties for which input tax credit is available), freight and other direct expenses. Stocks of Raw materials, Stores & Spares, Packing Materials and chemicals are valued at cost on First in First Out. Finished Goods / Stock-in-Progress are valued at lower of cost and net realisable value and cost includes material, direct labour, overheads (other than selling and administrative overheads) incurred in bringing the inventory to their present location and condition. Net realizable value is the estimated selling price less estimated cost of completion and estimated costs necessary to make the sale.

Obsolete, slow moving and defective inventories are periodically identified and provision is made where necessary.

2.12 Borrowing Costs

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 are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. 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 recognized in the Statement of Profit and Loss in the period in which they are incurred.

2.13 Leases

As Lessor:

Company as lessor assess lease contract to operating lease or finance lease. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. A lessor shall recognise lease payments from operating leases as income on either a straight-line basis or another systematic basis. The lessor shall apply another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

As Lessee:

The Company assesses whether a contract contains a lease at the inception of a contract. Certain lease contracts include the options to extend or terminate the lease before the end of the lease term. The leases are recognized as a right-of-use asset with a corresponding lease liability at the date on which the leased asset is available for use by the Company as a lessee except for payments associated with short term leases (lease term of 12 months or less) and low value leases, which are recognized as an expense as and when incurred.

The Right-of-Use assets are initially recognized at cost comprising initial lease liability which include lease payments made on or before the commencement date and discounted future less payments. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The future lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are re-measured with a corresponding adjustment to the related Right-of-Use assets if the Company changes its assessment as to whether it will exercise an extension or a termination option. Right-of-Use assets are depreciated on a straight-line basis over the shorter of the lease term and the useful life of the asset. Right-of-use assets and lease liability have been separately presented in the balance sheet and lease payments have been classified as financing cash flow in the cash flow statement.

2.14 Employee Benefits

(a) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognises the undiscounted amount of Short Term Employee Benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

(b) Post-employment benefits

(i) Defined Contribution Plan

Payments to Defined Contribution Retirement Benefit Plans are recognised as an expense when employees have rendered service entitling them to the contributions. Contributions to Provident Fund and Superannuation Fund are treated as Defined Contribution Plans, since funded with Provident Fund Commissioner (as per the provisions of the Employees Provident Fund and Miscellaneous Provisions Act, 1952) and Life Insurance Corporation of India, respectively.

(ii) Defined Benefit Plans

The company operates the Defined Benefit Gratuity Plan for employees. The cost of providing defined benefits is determined using the Projected Unit Credit Method with actuarial valuation being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan. Gratuity and Retirement Benefit Schemes operated by the Company are treated as Defined Benefit Plans. All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss.

Re-measurement of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit s liability / asset), are recognized in Other Comprehensive Income and taken to retained earnings. (Such re-measurements are not reclassified to the Statement of Profit and Loss in the subsequent periods). The Company presents the above liability / (asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent Actuary, however, the entire liability towards gratuity to employees (other than Directors) is considered as current as the company will contribute this amount to gratuity fund within the next twelve months.

(c) Other Long-term Employee Benefits

As per policy of the Company, compensated absence is not accumulated.

2.15 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligations, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtual certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.16 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through statement of Profit and Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Statement of Profit and Loss (FVTPL) are recognized immediately in Statement of Profit and Loss.

2.17 Financial Assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. All recognized financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(a) Classification of financial Assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost. The debt instruments carried at amortised cost includes Deposits, Loans and advances recoverable in cash.

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. All other financial assets are subsequently measured at fair value.

(b) Effective Interest Method

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 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 instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as FVTPL. Interest income is recognized in the Statement of Profit and Loss.

(c) Investment in Equity Instruments at FVTOCI

(i) Investments in Equity Instruments in Subsidiaries and associates

The Company has elected to carry investment in equity instruments in subsidiaries and associates at cost in accordance with paragraph 10 of Ind AS 27- Separate Financial Statements.

(ii) Investments in Other Equity Instruments

The Company has irrevocably designated to carry investment in Other Equity Instruments at Fair Value through Other Comprehensive Income. On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in Fair Value in Other Comprehensive Income pertaining to Investments in Equity Instruments. This election is not permitted if the equity investment is held for trading. These elected investments were initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in Other Comprehensive Income and accumulated in the 'Reserve for Equity Instruments through Other Comprehensive Income'. On derecognition of such Financial Assets, cumulative gain or loss previously reported in OCI is not reclassified from Equity to Statement of Profit and Loss. However, the Company may transfer such cumulative gain or loss into retained earnings within Equity.

The Company has Equity Investments which are not held for trading. The Company has elected the FVTOCI irrevocable option for these investments (see Note 6). Fair value is determined in the manner described in Note 2.2.

(d) Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses "Expected Credit Loss'(ECL) model, for evaluating impairment of financial assets other than those measured at fair value through Profit and Loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12 months expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instruments).
- For Trade receivable, Company applies "simplified approach" which requires expected life time losses to be recognized from initial recognition of these receivables.
- For other assets, the Company uses 12 months ECL to provide for impairment loss where there is no significant increase in credit risk, if there is significant increase in credit risk full lifetime ECL is used.

(e) Derecognition of Financial Assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109, a financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires. Concomitantly, if the asset is one that is measured at

(a) Amortised cost, the gain or loss is recognized in the Statement of Profit and Loss.

(b) Fair value through Other Comprehensive Income, the cumulative fair value adjustments previously taken to Reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is classified within equity.

2.18 Financial Liabilities and Equity Instruments

(a) Classification as Debt or Equity

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

(b) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognized at the proceeds received, net of direct issue costs.

(c) Financial Liabilities

All financial liabilities are initially recognized at the value of respective contractual obligations. Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the "Finance costs" line item.

(d) De-recognition of Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

2.19 Derivative Financial Instruments and Hedge Accounting

The Company enters into derivative financial instruments to manage its exposure to foreign exchange rate risks, by means of foreign exchange forward contracts. Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit and loss depends on the nature of the hedging relationship and the nature of the hedged item.

2.20 Foreign Currency Transactions

Functional currency of the Company is determined as Indian National Rupee (INR).

(a) Initial Recognition

On initial recognition, transactions in foreign currencies are recorded in the functional currency (ie Indian Rupees), by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency as at the date of the transaction.

(b) Measurement of foreign currency items at reporting date

Foreign currency monetary items are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

(c) Recognition of exchange difference

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements is recognized in Statement of Profit and Loss in the period in which they arise.

2.21 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash

receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.22 Taxes on Income

Taxes on income comprise of Current Tax and Deferred Tax.

(a) Current Tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from “profit before tax” as reported in the statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years (temporary difference) and items that are never taxable or deductible (permanent difference) under the Income Tax Act, 1961. Current tax is measured using tax rates and tax laws enacted during the reporting period together with any adjustment to tax payable in respect of previous years.

(b) Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under the Income Tax Act, 1961.

Deferred tax liabilities are recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the accounting profit nor the taxable profit, deferred tax liabilities are not recognized.

Deferred tax assets are recognized for all deductible temporary differences to the extent it is probable that future taxable profits will be available against which those deductible temporary differences can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

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 the benefits of part of or all of deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. MAT Credit Entitlement is in the form of unused tax credits and is accordingly grouped under Deferred Tax Assets.

(c) Current and Deferred Tax for the year

Current and deferred tax are recognized in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognized in Other Comprehensive Income or directly in equity respectively.

2.23 Events after reporting period

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size of nature are only disclosed.

2.24 Financial and Management Information System

The Company's Accounting System is designed to unify the Financial and Cost Records and also to comply with the relevant provisions of the Companies Act, 2013 to provide financial and cost information appropriate to the businesses and facilitate Internal Control.

2.25 Earnings Per Share (EPS)

Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares..

3. Key Accounting Estimates and Judgements

3.1 Use of Estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

3.2 Key sources of estimation uncertainty

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized 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.

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 is as given below.

(a) Fair value measurement and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation.

The Management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

(b) Useful life of Property, Plant and Equipment

The Company reviews the estimated useful lives of Property, Plant and Equipment at the end of each reporting period. During the current year, there has been no change in useful life considered for the assets.

(c) Cash Discounts

In accordance with Ind AS 115, the Company deducts cash discounts from the revenue for sale of products. Cash discounts on the sale of products in the last month of the year is estimated based on the past experience.

(d) Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognized in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

(e) Claims, Provisions and Contingent Liabilities

The Company has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute

can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, Management provides for its best estimate of liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

(f) Tax expense

Significant judgments and estimates are involved in estimating the budgeted profits for the purposes of advance tax, determining the provision for income tax, Minimum Alternate Tax and MAT Credit which may get revised pursuant to the determination by the Income Tax authorities.

4. Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.



4. Property, Plant and Equipment (PPE)

Particulars	Land	Buildings	Plant and Equipment	Electrical Installation	Furniture & fixture and Other Assets	Computer	Vehicles	Windmill / Solar	Total
Gross Block									
As at April 01, 2022	38.16	65.43	269.68	23.49	1.30	4.48	21.01	38.29	461.84
Merger Adjustments (refer note no.51)	6.09	4.85	1.09	0.15	-	-	0.30	9.46	21.94
Additions	2.21	13.58	33.72	2.58	3.38	0.75	2.16	-	58.38
Asset reclassified as held for sale (refer note no. 18)	(1.87)	(1.81)	-	-	-	-	-	-	(3.68)
Disposals	(0.08)	(1.41)	(4.19)	(0.45)	-	(0.19)	(0.32)	-	(6.64)
Cost as at March 31, 2023	44.51	80.64	300.30	25.77	4.68	5.04	23.15	47.75	531.84
Depreciation									
As at April 01, 2022	-	11.97	124.79	12.62	0.57	2.70	12.65	12.82	178.12
Charge for the year	-	3.16	29.48	2.00	0.49	0.31	2.24	2.66	40.34
Asset reclassified as held for sale (refer note no. 18)	-	(0.63)	-	-	-	-	-	-	(0.63)
Disposals	-	(1.07)	(3.89)	(0.43)	-	(0.19)	(0.21)	-	(5.79)
As at March 31, 2023	-	13.43	150.38	14.19	1.06	2.82	14.68	15.48	212.04
Net Block									
As at March 31, 2022	38.16	53.46	144.89	10.87	0.73	1.78	8.36	25.47	283.72
As at March 31, 2023	44.51	67.21	149.92	11.58	3.62	2.22	8.47	32.27	319.80

Notes :

- The Company has availed borrowings from Banks which carry charge over the assets of the Company (Refer Note No 48 for Securities pledged against loan).
- Refer Note No. 45.b for Disclosure of Contractual Capital Commitments for the acquisition of Property, Plant and Equipment.
- The amount of borrowing costs capitalised during the year ended March 31, 2023 was Rs.4.34 Cr (PY : Rs.3.10 Cr). The Company has applied capitalisation rate of 8.60% which is average cost of capital of the company.
- The amount of employee cost capitalized during the year ended March 31, 2023 was Rs. 1.84 Cr (PY : Rs. 1.41 Cr)
- Additions in capital expenditure incurred during the year ended March 31, 2023 was Rs.2.65 Cr (PY : Rs.26.20 Cr) at Company's inhouse R&D facilities at Dindigul are eligible for deduction under section 35(2AB) of the Income Tax Act, 1961.
- Additions in capital expenditure incurred during the year ended March 31, 2023 was Rs.0.40 Cr (PY : Rs.0.56 Cr) at Company's inhouse R&D facilities at Dindigul are eligible for deduction under section 35(1)(iv) of the Income Tax Act, 1961.

**4.a. Right of Use Assets**

Particulars	Right of Use Assets		Total
	Leasehold Land	Retail Outlets	
Gross Block			
As at April 01, 2022	7.23	-	7.23
Additions	4.56	8.56	13.12
Disposals	-	-	-
Cost as at March 31, 2023	11.79	8.56	20.35
Amortization			
As at April 01, 2022 *	0.00	-	0.00
Charge for the year	0.38	1.16	1.54
Disposals	-	-	-
As at March 31, 2023	0.38	1.16	1.54
Net Block			
As at March 31, 2022	7.23	-	7.23
As at March 31, 2023	11.41	7.40	18.81

* Values are shown as zero due to rounded off being lesser value.

4.b. Investment Property

Particulars	As at March 31, 2023	As at March 31, 2022
Carrying amount of:		
Investment Property	10.89	10.28
Total	10.89	10.28
Investment Property		
Cost		
Gross Carrying amount as at beginning of the year	10.61	10.54
Additions	0.97	0.07
Closing balance as at end of the year	11.58	10.61
Accumulated depreciation		
Accumulated depreciation as at beginning of the year	0.34	0.34
Depreciation for the year*	0.35	0.00
Closing balance as at end of the year	0.69	0.34
Net block	10.89	10.27

* Values are shown as zero due to rounded off being lesser value.

Information regarding income and expenditure of Investment property

Particulars	As at March 31, 2022	As at March 31, 2021
Rental income derived from investment property	2.17	1.52
Profit arising from investment properties before depreciation and indirect expenses	2.17	1.52
Less - Depreciation	(0.35)	(0.34)
Profit arising from investment properties before indirect expenses	1.82	1.18
Less - Indirect expenses	(0.07)	(0.14)
Profit from investment property	1.75	1.04

**5. Capital Work in Progress (CWIP)****As at March 31, 2023****a. CWIP ageing schedule**

Particulars	Amount in CWIP for a period of				Total
	< 1 Year	1-2 Years	2-3 Years	> 3 Years	
Projects in Progress	53.10	0.78	1.67	1.56	57.11
Projects temporarily suspended	-	-	-	-	-

b. CWIP completion schedule for whose completion has exceeded original plan has been provided below.

Particulars	To be completed in				Total
	< 1 Year	1-2 Years	2-3 Years	> 3 Years	
Bakery Division	1.56	-	-	-	1.56
TOTAL	1.56	-	-	-	1.56

As at March 31, 2022**a. CWIP ageing schedule**

Particulars	Amount in CWIP for a period of				Total
	< 1 Year	1-2 Years	2-3 Years	> 3 Years	
Projects in Progress	10.19	9.37	-	1.56	21.12
Projects temporarily suspended	-	-	-	-	-

b. CWIP completion schedule for whose completion has exceeded original plan has been provided below.

Particulars	To be completed in				Total
	< 1 Year	1-2 Years	2-3 Years	> 3 Years	
Bakery Division	1.56	-	-	-	1.56
TOTAL	1.56	-	-	-	1.56

6. Other Intangible Assets

Particulars	Other Intangible Assets		Total
	Software	Trade Mark (Refer note 1 below)	
Gross Block			
As at April 01, 2022	1.77	0.26	2.03
Additions	0.03	0.05	0.08
Cost as at March 31, 2023	1.80	0.31	2.11
Amortization			
As at April 01, 2022	0.90	-	0.90
Charge for the year	0.30	-	0.30
As at March 31, 2023	1.20	-	1.20
Net Block			
As at March 31, 2022	0.87	0.26	1.13
As at March 31, 2023	0.60	0.31	0.91

Notes:

1. Trade Marks with carrying amount of Rs 0.26 crores has been considered as intangible with indefinite useful life as there are no technical, technological or contractual limitations for the trade marks based on management assessment on March 31, 2023.

2. The management has tested for impairment of trade marks as of 31 March, 2023 and concluded no impairment to be recognized during the year.



Particulars	As at March 2023	As at March 2022
7 Financial assets - Non-current investments		
Trade Quoted		
Investments in Equity instruments measured at FairValue through profit and loss account (FVTPL)		
400 (PY : 400) equity shares of Rs.10/- each fully paid-up in Indian Overseas Bank *	0.00	0.00
Investments in Equity instruments measured at FairValue through other comprehensive income (FVTOCI)		
4431 (PY : Nil) Equity Shares of Rs.10/- each fully paid-up in Life Insurance Corporation Of India	0.25	-
Trade Unquoted		
Investments in Subsidiary Companies (At Cost)		
10,000 (PY : 10,000) Equity Shares of USD 10/- each fully paid-up in Naga Far East Private Limited	0.48	0.48
2,29,641 (PY : 9,641) Equity Shares of BDT 10/- each fully paid-up in Naga Mills Private Limited	0.18	0.01
Investments in Associate Companies (At Cost)		
CY Nil (PY : 62,400) Equity Shares of Rs. 100/- each fully paid-up in Annai Power Private Limited	-	0.62
CY Nil (PY : 26,000) Equity Shares of Rs. 10/- each fully paid-up in Nagalakshmi Energy Private Limited	-	0.03
Investments in Equity instruments measured at FairValue through profit and loss account (FVTPL)		
21,960 (PY : 21,960) Equity Shares of Rs. 10/- each fully paid-up in Mojro Technologies Private Limited	0.79	0.79
Investments in Equity instruments measured at FairValue through other comprehensive income (FVTOCI)		
18,00,000 (PY : 13,50,000) Equity Shares of Rs.10/- each fully paid-up in Nellai Renewables Private Limited	1.81	1.36
CY Nil (PY : 1,33,000) Equity Shares of Rs.10/- each fully paid-up in Dindigul Foods Park Private Limited	-	0.13
416 (PY : 416) Equity Shares of Rs. 10/- each fully paid-up in AR VE EM Energy Private Limited *	0.00	0.00
1,800 (PY : Nil) Equity Shares of Rs.10/- each fully paid-up in Tutifood Private Limited*	0.00	-
Total equity instruments (a)	3.51	3.42
Trade Unquoted		
Investments in Preference share instruments measured at Fair Value through profit and loss account (FVTPL)		
21,710 (PY : 21,710) Preference Shares of Rs.10/- each fully paid-up in Mojro Technologies Private Limited	0.78	0.78
Total preference instruments (b)	0.78	0.78
Total Investments (a+b)	4.29	4.20
Aggregate amount of quoted investments *	0.25	0.00
Aggregate market value of quoted investments	-	-
Aggregate cost of unquoted investments	4.04	4.20
Aggregate amount of impairment in value of investments	-	-
Category wise Non-Current investments		
Financial Assets measured at cost	0.66	1.14
FVTPL	1.57	1.57
FVTOCI	2.06	1.49

* Values are shown as zero due to rounded off being lesser value.



Particulars	As at March 2023	As at March 2022
8 Other financial assets		
(Unsecured, considered good)		
Security Deposits	5.30	3.22
Rent deposits	2.58	0.97
Bank deposits maturing after 12 months from the reporting date *	2.73	5.71
Total	10.61	9.90
* Represents balances with banks that are restricted from being exchanged or used to settle a liability for more than 12 months from the balance sheet date.		
9 Income Tax Assets (Net)		
Advance income-tax net of provision for tax of Rs. 4.76 Cr (PY : Rs. 3.07 Cr)	2.36	1.24
Total	2.36	1.24
10 Other non-current assets		
(Unsecured, considered good)		
Capital advances	13.72	11.90
Statutory and other deposits	1.31	0.61
Total	15.03	12.51
11 Inventories *		
(At Lower of cost and Net realisable value)		
Raw Materials	66.54	114.77
Raw materials-in-transit	1.19	-
Work-in-progress	8.42	6.83
Finished goods	28.73	22.38
Finished goods-in-transit	3.22	2.10
Packing materials	8.33	9.72
Stores and spares	10.28	8.67
Total	126.71	164.47

* For method of valuation please refer note no 2.11 and please refer Note 48 for security created on Inventories.

12. Financial Assets - Current : Trade receivables

At amortised cost

- Secured, considered good		
- Unsecured, considered good *	75.34	88.97
- Unsecured, significant increase in credit risk	1.51	0.60
	76.85	89.57
Less: Allowance for credit impairment	(1.51)	(0.60)
Total Trade Receivables	75.34	88.97

* Includes dues from M.M. Detergents Company Pvt. Ltd., Rs. 0.32 cr., a related party.

**Trade receivables Ageing Schedule****As on 31st March 2023**

Particulars	Not Billed	Not Due	< 6 months	6 months to 1 year	1-2 years	2-3 years	> 3 years	Total
Undisputed								
- Trade Receivables - considered good	12.28	46.76	11.33	2.04	2.25	0.27	0.41	75.34
- Trade Receivables - significant increase in credit risk	-	-	-	-	0.35	0.56	0.60	1.51
	12.28	46.76	11.33	2.04	2.60	0.83	1.01	76.85
Less: Significant increase in credit risk	-	-	-	-	(0.35)	(0.56)	(0.60)	(1.51)
Less: Credit Impaired	-	-	-	-	-	-	-	-
Total Trade Receivables	12.28	46.76	11.33	2.04	2.25	0.27	0.41	75.34

As on 31st March 2022

Particulars	Not Billed	Not Due	< 6 months	6 months to 1 year	1-2 years	2-3 years	> 3 years	Total
Undisputed								
- Trade Receivables - considered good	14.00	22.51	48.41	2.74	0.90	0.11	0.30	88.97
- Trade Receivables - significant increase in credit risk	-	-	-	-	0.25	0.12	0.23	0.60
	14.00	22.51	48.41	2.74	1.15	0.23	0.53	89.57
Less: Significant increase in credit risk	-	-	-	-	(0.25)	(0.12)	(0.23)	(0.60)
Less: Credit Impaired	-	-	-	-	-	-	-	-
Total Trade Receivables	14.00	22.51	48.41	2.74	0.90	0.11	0.30	88.97

13 Cash and cash equivalents

- Balances with Banks In Current Account	2.75	2.66
- Cash- on- Hand	0.09	0.15
Total	2.84	2.81

14 Bank Balance other than cash and cash equivalents

In fixed deposits		
In Margin money with Banks Maturing within 12 months from the reporting date*	5.83	4.63
In Earmarked Accounts		
Unpaid Dividend Account	0.02	0.02
Supplier Scheme Account	-	0.33
Total	5.85	4.98

* Represents deposits towards margin money for short term borrowings and non-fund limits.

15 Loans

(Unsecured, considered good)		
Loans and advances to employees	0.86	0.42
Loan to Subsidiary Company	-	0.48
Total	0.86	0.90

**16 Other current financial assets**

(Unsecured, considered good)

Insurance Claims Receivable *	0.00	0.00
Interest accrued but not due	0.23	0.07
MTM Assets on derivative contracts not designated through cash flow hedge	0.06	0.78
Expenses recoverable from subsidiaries	<u>0.08</u>	<u>0.09</u>
Total	<u>0.37</u>	<u>0.94</u>

* Values are shown as zero due to rounded off being lesser value.

17 Other current assets

(Unsecured, considered good)

Gratuity assets	(0.00)	0.21
Advance to suppliers	3.75	16.58
Balances with Government authorities	1.08	-
Prepaid expenses	<u>4.22</u>	<u>3.92</u>
Total	<u>9.05</u>	<u>20.71</u>

18 Asset re-classified as held for sale

Gross value of asset held for sale:

Land	1.87	-
Buildings	1.81	-
Accumulated depreciation of asset held for sale:		
Land	-	-
Buildings	<u>(0.63)</u>	<u>-</u>
Net book value of asset held for sale	<u>3.05</u>	<u>-</u>

19. Equity Share Capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Authorised Share Capital				
4,36,00,000 Equity Shares of Rs 10/- each	4,36,00,000	43.60	2,75,00,000	27.50
	4,36,00,000	43.60	2,75,00,000	27.50
Issued, Subscribed and fully paid up Share Capital				
1,42,48,000 Equity Shares of Rs10/- each fully paid	1,42,48,000	14.25	1,42,48,000	14.25
	1,42,48,000	14.25	1,42,48,000	14.25

Notes:**(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year**

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding at the beginning of the year	1,42,48,000	14.25	1,42,48,000	14.25
Add : Issued during the year	-	-	-	-
Outstanding at the end of the year	1,42,48,000	14.25	1,42,48,000	14.25

**(b) Details of shares held by each shareholder holding more than 5% shares of the total share capital**

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of shares held	% of Holding	Number of shares held	% of Holding
Sri. K.S. Kamalakannan	72,52,377	50.90%	72,52,047	50.90%
Smt. Mageswari Kannan	25,63,538	17.99%	24,79,512	17.40%
Sri. Sounder Kannan	13,17,327	9.25%	13,17,327	9.25%
M/s. M.M.Detergents Company (P) Ltd.,	16,33,460	11.46%	16,33,460	11.46%
Smt. Lakshmi Vijayanand	8,57,152	6.02%	8,57,152	6.02%

(c) Terms/Rights attached to Equity Shares

The equity shares of the Company having par-value of Rs.10/- per share rank pari-pasu in all respects including voting rights, dividend entitlement and repayment of capital.

(d) Details of shares held by Promoters

Name of the Promoters	As at March 31, 2023			As at March 31, 2022		
	Number of shares held	% of Holding	% Change during the year	Number of shares held	% of Holding	% Change during the year
Sri. K.S. Kamalakannan	72,52,377	50.90%	0.00%	72,52,047	50.90%	0.13%
M/s. K.S. Kamalakannan HUF	34,700	0.24%	0.00%	34,700	0.24%	0.00%
Smt. Mageswari Kannan	25,63,538	17.99%	0.59%	24,79,512	17.40%	0.24%
Sri. Sounder Kannan	13,17,327	9.25%	0.00%	13,17,327	9.25%	-0.99%
M/s. Sounder Kannan HUF	37,800	0.26%	0.00%	37,800	0.26%	0.00%
Smt. Monaa Kannan	1,42,480	1.00%	0.00%	1,42,480	1.00%	1.00%
Sri. D. Vijay Anand	1,42,480	1.00%	0.00%	1,42,480	1.00%	1.00%
Smt. Lakshmi Vijayanand	8,57,152	6.02%	0.00%	8,57,152	6.02%	-0.99%
Ms. M. Jayalalitha	1,42,906	1.00%	0.00%	1,42,906	1.00%	0.00%
Sri. M. Sukumar	-	0.00%	-0.51%	72,041	0.51%	0.01%
M/s. M.M.Detergents Company P.Ltd.,	16,33,460	11.46%	0.00%	16,33,460	11.46%	3.12%
	1,41,24,220	99.12%	0.08%	1,41,11,905	99.04%	3.52%

Particulars	As at March 31, 2023	As at March 31, 2022
20. Other Equity		
Reserves & Surplus		
a) Capital Reserves	0.11	0.11
b) Capital Reserves on account of Merger	(2.65)	-
c) Securities Premium Account	1.36	1.36
d) General Reserve	3.76	3.55
e) Retained Earnings	151.03	139.65
f) Other Comprehensive Income	(1.48)	(0.24)
Total	152.13	144.43
a) Capital Reserve		
Balance at the beginning and end of the year	0.11	0.11
b) Capital Reserve on account of Merger		
Capital reserve on account of merger (refer note no. 51)	(2.65)	-
c) Securities Premium Reserve		
Balance at the beginning and end of the year	1.36	1.36



Particulars	As at March 31, 2023	As at March 31, 2022
d) General Reserve		
Balance at the beginning of the year	3.55	3.34
Additions during the year	0.21	0.21
Deductions/Adjustments during the year	-	-
Balance at the end of the year	3.76	3.55
e) Retained earnings		
Balance at the beginning of the year	139.65	128.94
Net profit for the period	13.01	12.35
Transfers to General Reserve	(0.21)	(0.21)
Dividend paid during the year	(1.42)	(1.43)
Balance at the end of the year	151.03	139.65
f) Other Comprehensive Income		
Balance at the beginning of the year	(0.24)	(0.44)
Additions during the year	(1.24)	0.20
Deductions/Adjustments during the year	-	-
Balance at the end of the year	(1.48)	(0.24)
Total	152.13	144.43

* During the year 2022-23, Company has declared and paid interim dividend @ Rs. 1 per share amounting to Rs. 1.42 Crs. (PY : Rs.1.43 Crs)

21 Long Term Borrowings

Secured - At Amortized Cost		
Term loans from Banks *	229.65	183.70
Loans from Financial Institutions *	3.29	-
Unsecured Loans from Related Parties **	6.43	-
Total	239.37	183.70

Term loan from Banks are secured by lien on non-callable Fixed Deposits. The Company has also availed working capital facilities and other non-fund based facilities viz. bank guarantees and buyers credit, which are secured by hypothecation of current assets. Working capital loans and other non-fund based facilities which are repayable on demand with interest rate ranging from 8.55% p.a to 9.00% p.a and term loan interest ranging from 8.35% p.a to 10.50% p.a.

The outstanding excludes current maturities of Long Term Debt (Refer Note No.26c).

* Refer Note 49 for security details.

** Represents loan availed from related parties @12% p.a, repayable after 12 months.

22 Lease Liability

a. Changes in the lease liability

Balance as at 1 April 2021	-
Recognised during the year	-
Lease Payments made during the year	-
Balance as at 31 March 2022	-
Recognised during the year	9.23
Lease Payments made during the year	1.46
Balance as at 31 March 2023	7.77



	Particulars	As at March 31, 2023	As at March 31, 2022
	b. Break-up of current and non-current lease liabilities		
	Current Lease Liabilities	1.59	-
	Non-current Lease Liabilities	6.18	-
	c. Maturity analysis of lease liabilities		
	Particulars		
	Less than one year	1.59	-
	One to five years	3.56	-
	More than five years	2.62	-
	Total	7.77	-
	d. Amounts recognised in statement of Profit and Loss account		
	Particulars		
	Interest on Lease Liabilities	0.67	-
	Total	0.67	-
23	Other financial liabilities		
	Security Deposits	2.09	2.45
	Total	2.09	2.45
24	Provisions		
	Non Current		
	Provision for gratuity - Directors	3.25	2.73
	Total	3.25	2.73
	Current		
	Provision for Compensated absences	1.28	1.04
	Provision for Gratuity - Directors	0.12	-
	Total	1.40	1.04

25. Deferred Tax Liability - Net

Particulars	As at March 31, 2022	Adj. on account of merger	Recognised in P&L during 2022-23	OCI 2022-23	As at March 31, 2023
As at March 31, 2023					
<u>Deferred Tax Liabilities</u>					
Difference between written down value / Capital Work in Progress of Fixed Assets as per books of accounts and Income Tax Act, 1961.	19.01	-	1.29	-	20.30
Expenses allowed on payment	0.20	-	0.09	0.25	0.54
Total (I)	19.21	-	1.38	0.25	20.84
<u>Deferred Tax Assets</u>					
Expenses allowed on payment	1.05	-	0.43	-	1.48
Expenses allowed on FairValue change on financial instruments classified under FVTPL	0.21	-	-	-	0.21
Provision for doubtful debts	0.15	-	0.24	-	0.39
Carry forward losses	0.69	0.83	(1.52)	-	-
Total (II)	2.10	0.83	(0.85)	-	2.08
Deferred Tax Liability (Net) (I-II)	17.11	(0.83)	2.23	0.25	18.76
MAT Credit Entitlement	(3.07)	-	-	-	(3.07)
Net Deferred Tax Liabilities (Net)	14.04	-	2.23	0.25	15.69



Particulars	As at March 31, 2021	Recognised in P&L during 2021-22	OCI 2021-22	As at March 31, 2022
As at March 31, 2022				
Deferred Tax Liabilities				
Difference between written down value / Capital Work in Progress of Fixed Assets as per books of accounts and Income Tax Act, 1961.	13.55	5.46	-	19.01
Expenses allowed on payment	0.13	-	0.07	0.20
Total	13.68	5.46	0.07	19.21
Deferred Tax Assets				
Expenses allowed on payment	0.96	0.10	-	1.06
Expenses allowed on FairValue change on financial instruments classified under FVTPL	-	0.21	-	0.21
Provision for doubtful debts	-	0.15	-	0.15
Carry forward losses	-	0.69	-	0.69
Total	0.96	1.15	-	2.11
Deferred Tax Liabilities (Net)	12.72	4.31	0.07	17.10
MAT Credit Entitlement	-	(3.07)	-	(3.07)
Net Deferred Tax Liabilities (Net)	12.72	1.24	0.07	14.03

Particulars	As at March 31, 2023	As at March 31, 2022
26 Current liabilities - Financial Liabilities:		
i) Borrowings**		
a) Secured - At Amortised Cost		
Loans repayable on demand from banks *	36.82	65.22
b) Buyers Credit	7.97	23.93
c) Current Maturities of Long term Borrowings	57.52	56.44
Total	102.31	145.59

The loans have been utilized for the purpose for which it were obtained and no short term funds have been used for long term purpose.

* Secured by pari-passu charge on inventories & trade receivables and are repayable on demand.

** Secured by personal guarantees of some of the Directors of the Company.

27. Current liabilities - Financial Liabilities:

iii. Trade Payables

At amortised cost

- Total outstanding dues of micro and small enterprises	0.89	4.46
- Total outstanding dues of creditors other than micro and small enterprises	97.47	96.58
Total	98.36	101.05

**Trade Payables Ageing Schedule**

Particulars	Not Due	< 1 year	1-2 years	2-3 years	> 3 years	Total
As on 31st March 2023						
Total outstanding dues of micro enterprises and small enterprises	-	0.89	-	-	-	0.89
Total outstanding dues of creditors other than micro and small enterprises	70.56	26.68	0.02	0.04	0.17	97.47
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-
Total	70.56	27.57	0.02	0.04	0.17	98.36
As on 31st March 2022						
Total outstanding dues of micro enterprises and small enterprises	-	4.46	-	-	-	4.46
Total outstanding dues of creditors other than micro and small enterprises	74.86	20.87	0.61	0.17	0.08	96.59
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-
Total	74.86	25.33	0.61	0.17	0.08	101.05

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	0.89	4.46
Interest	-	-
Total	0.89	4.46
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-



Particulars		For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
28 Current liabilities - Financial Liabilities:			
Other financial liabilities			
At amortized cost			
Security Deposits	0.13	0.31	
Capital Creditors	1.44	2.77	
Employee related payables	6.60	4.90	
Provision for Expenses	7.67	3.07	
Unclaimed /Unpaid dividends	0.02	0.02	
Total	15.86	11.07	
29 Other current liabilities			
Advances received for supply of goods	3.93	11.96	
Advance received for non-current asset held for sale	0.56	0.00	
Provision for Gratuity - Employees	0.35	0.00	
Statutory dues payable to government authorities	6.56	2.80	
Total	11.40	14.76	
30 Revenue from operations			
Sale of Products			
Manufactured Products			
Wheat and Food Products	1,022.30	841.94	
Minerals	1,036.44	798.21	
Traded Goods			
Wheat and Food Products	20.53	71.31	
Minerals	0.11	0.58	
Total sale of products	(a) 2,079.38	1,712.04	
Other Operating Income			
Windmill Income	0.17	0.21	
Warehousing Charges	2.74	1.61	
Sale of scrap	10.06	11.61	
Income from Plant & Machinery and Vehicles	6.21	3.46	
Export Incentive Income	0.50	0.03	
Total other operating income	(b) 19.68	16.92	
Total Revenue from Operation	(a+b) 2,099.06	1,728.96	

Sale of products: Performance obligation in respect of sale of goods is satisfied when control of the goods is transferred to the customer and payment is generally due as per the terms of contract with customers.

31 Other income

Interest Income from Deposits with banks etc. -		
carried at amortized cost	0.80	0.75
Profit on sale of PPE (net) *	4.00	0.00
Rent Receipts	2.25	1.52
Mark to markup gain on forward contracts	0.03	0.86
Other Misc. Income **	0.01	0.12
Total	7.09	3.25

*Values are shown as zero due to rounded off being lesser value.

**Other misc. income includes write back of Bad Debts, return journey income.



Particulars		For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
32 Cost of materials consumed			
Wheat and Food Products		826.94	695.83
Minerals		944.70	691.44
Total		<u>1,771.64</u>	<u>1,387.27</u>
33 Purchases of Stock in Trade			
Wheat and Food Products		20.75	65.71
Minerals		-	-
Total		<u>20.75</u>	<u>65.71</u>
34 Changes in inventories of work-in-progress, stock-in-trade and finished goods			
Opening Stock			
Work-in-Progress			
Wheat and Food Products		6.83	8.46
Minerals		-	24.85
Finished Goods			
Wheat and Food Products		11.08	6.34
Minerals		13.39	11.45
	(a)	<u>31.30</u>	<u>51.10</u>
Closing Stock			
Work-in-Progress			
Wheat and Food Products		8.42	6.83
Minerals		-	-
Finished Goods			
Wheat and Food Products		16.02	11.08
Minerals		15.89	13.39
	(b)	<u>40.33</u>	<u>31.30</u>
Total changes in inventories	(a-b)	<u>(9.03)</u>	<u>19.80</u>
35 Employee benefits expenses *			
Salaries, wages and bonus		62.83	46.35
Contribution to provident and other funds		4.60	3.20
Staff Welfare Expenses		2.47	2.20
Directors' Remuneration		4.17	3.77
Total		<u>74.07</u>	<u>55.52</u>
* Employee benefit expense is net of Employee cost capitalised of Rs.1.84 Cr (PY Rs. 1.41 Cr)			
36 Finance Cost *			
Interest Paid - Banks		31.31	27.36
- Lease Liability		0.67	-
- Financial Institution		-	0.74
- Buyers Credit		0.58	0.39
- Others		0.85	0.02
Other Borrowing Cost		1.01	1.48
Total		<u>34.42</u>	<u>29.99</u>
* Finance cost is net of Interest capitalised of Rs.4.34 Cr (PY Rs. 3.10 Cr)			



Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
37 Depreciation and amortization expense		
Depreciation of property, plant and equipment	40.70	36.69
Amortization of Intangible assets	0.30	0.29
Amortization of Right of use assets *	1.54	0.00
Total	42.54	36.98
* Values are shown as zero due to rounded off being lesser value.		
38 Other expenses		
Manufacturing Expenses		
Production Expenses	18.94	16.69
Power and Fuel	22.13	17.60
Repairs to Machinery	13.47	10.54
Laboratory Expenses	3.27	2.20
(A)	57.81	47.03
Selling and Distribution Expenses		
Advertisement	6.98	5.74
Brokerage and Commission	1.17	1.17
Discount & Claims and Settlement	3.28	1.71
Sales Promotion	3.74	1.42
Freight and Handling	39.55	32.32
(B)	54.72	42.36
Establishment Expenses		
Repairs and Maintenance - Buildings	2.04	1.96
Others	4.21	3.78
Bank Charges and Commission	0.43	0.66
Loss on Foreign Currency Fluctuation	0.64	0.68
Provision for doubtful debts	0.91	0.60
Bad debts written Off	0.11	1.05
Printing & Stationery and Communication	1.63	1.02
Professional Charges	4.05	2.52
Payments to auditors [Refer note 40]	0.20	0.16
Directors' Sitting Fees	0.04	0.04
Donations	0.28	0.67
Travelling Expenses	6.92	3.40
Insurance, Rates, Licence and Taxes	5.54	4.24
Rent & Electricity	7.54	6.07
CSR Expenses [Refer note 41]	0.47	0.33
Windmill Expenses	2.32	1.36
Net gain / (loss) arising on financial instruments mandatorily measured at FVTPL	0.00	0.93
Miscellaneous Expenses *	1.90	1.42
(C)	39.23	30.89
Total (A+B+C)	151.76	120.28

* Miscellaneous expenses consists of Security Charges, Pooja Expenses & Subscription Expenses.



Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
39 Earnings per share (EPS)		
Net Profit after tax for the year	13.01	12.36
Basic earnings per share (Rs. 10/-)		
Weighted average no. of ordinary shares outstanding	1.42	1.42
Nominal value of ordinary shares (Rs. Per share)	10.00	10.00
Basic earnings for ordinary shares (in Rs. Per share)	9.13	8.67
Diluted earnings per share (Rs. 10/-)		
Weighted average no. of ordinary shares outstanding	1.42	1.42
Nominal value of ordinary shares (Rs. Per share)	10.00	10.00
Diluted earnings for ordinary shares (in Rs. Per share)	9.13	8.67
40 Payment to auditors		
As statutory auditors :		
Statutory Audit Fees	0.15	0.13
Tax audit fees	0.01	0.01
Fees for other services	0.04	0.01
Total	0.20	0.15
41 Expenditure on Corporate Social Responsibility (CSR)		
a) Gross amount required to be spent on Corporate Social Responsibility during the year		
(i) Brought Forward	(1.74)	(1.40)
(ii) During the year	0.47	0.33
	(1.27)	(1.07)
b) Amount spent during the year		
(i) Construction and/ or acquisition of any asset	-	0.67
(ii) Other purposes [other than (i) above]	-	-
	-	0.67
c) Closing amount over spent as at March 31, 2023	(1.27)	(1.74)
d) Nature of CSR activities		
→ Installation of Oxygen Plant in Government Hospital	-	0.67
42 Income tax expense		
(a) Major Components of Income Tax Expenses		
Current tax		
Current tax on the Taxable Income for the year	4.76	3.07
MAT Credit availed	-	(3.07)
	4.76	-
Deferred tax		
Deferred Tax Liabilities (Refer Note 25)	2.23	4.31
	2.23	4.31
Total	6.99	4.31
b) Reconciliation of Tax Expense and the Accounting Profit for the year is as under :		
Enacted income tax rate in India applicable to the Company	25.17%	25.17%
Profit Before Tax	20.00	16.67
Current tax expense on profit before tax at the enacted Income Tax rate in India	5.03	4.19



Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Tax effect of the amounts which are not deductible/ (taxable) in calculated taxable income	1.13	0.41
Effect on differential tax rate for fair value changes on financial instruments	0.20	0.04
Effect on account of merger (Refer Note 51)	0.83	-
Others	(0.20)	(0.33)
Total	6.99	4.31
43 Foreign exchange earnings & expenditure		
Foreign exchange earnings	8.05	12.52
Foreign exchange expenditure	34.96	44.42
44 Expenditure in foreign currency		
Interest	0.63	1.12
Professional / Technical Fees	2.15	-
Total	2.78	1.12
a) Contingent Liability		
1. Disputed Electricity Tax-Pending before Hon'ble Supreme Court	1.00	0.86
2. Disputed Electricity Tax-Pending before Hon'ble Madras High Court	0.10	0.05
3. Deemed Demand (Power Purchase) pending before Hon'ble Madras High Court	0.17	0.17
4. Disputed PF payables pending before Hon'ble Madras High Court	0.91	-
5. Disputed Windmill banking adjustments pending before Hon'ble Madras High Court	-	0.26
6. Export obligations pending to be completed	-	1.04

In respect of above matters, future cash outflows in respect of contingent liabilities are determinable only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. The Company is contesting these demands and the Management, including its advisors, believe that its position will likely be upheld in the appellate process.

No expense has been accrued in the standalone financial statements for the demands raised. The Management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

b) Commitments

Estimated amount of Contracts remaining to be executed on Capital account not provided for	9.75	55.35
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Particulars	Year ended March 31, 2023	Year ended March 31, 2022
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46. Lease arrangements**As Lessor**

The Company has entered into operating lease arrangements for certain surplus facilities. The leases are cancellable at the option of either party to lease and may be renewed based on mutual agreement of the parties.

Total lease income recognised in the Statement of Profit and Loss	2.17	1.52
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47. Financial Instruments**Capital Management**

The Company adheres to a cautious Capital management that seeks to trigger growth creation and maximisation of shareholders' value. For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the shareholders of the Company. The Company has been funding its growth and acquisition plans and working capital requirements through a balanced approach of internal accruals and external debt from banks. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the over all debt component of the Company.

The Following table summarises the capital of the Company:

Share Capital		14.25	14.25
Other Equity		152.13	144.43
Equity	(A)	166.38	158.68
Cash and Cash Equivalents		2.84	2.81
Other Bank Balances		5.85	4.98
Total Fund	(B)	8.69	7.79
Debt (CM + LTL+STL)		341.68	329.29
Total Debt	(C)	341.68	329.29
Net Debt	(D=C-B)	332.99	321.50
Total Capital (Equity + Net Debt)		499.37	480.18
Net Debt to Equity Ratio (No of Times)	(E=D/A)	2.00	2.03

Categories of Financial Instruments**Financial assets****a. Measured at amortised cost**

Trade receivables	75.34	88.97
Cash and cash equivalents	2.84	2.81
Bank balances other than above	5.85	4.98
Loans given (current)	0.86	0.90
Others	10.98	10.84

b. Mandatorily measured at fair value through profit or loss (FVTPL)

Investments (non-current)	1.57	1.57
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c. Measured at Cost

Investments (non-current)	0.66	1.14
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d. Measured at fair value through other comprehensive income (FVTOCI)

Investments (non-current)	2.06	1.49
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Financial liabilities**a. Measured at amortised cost**

Borrowings (Non-current)	239.37	183.70
Borrowings (Current)	102.31	145.59
Trade payables	98.36	101.05
Lease liability	7.77	-
Others	17.94	13.52



Financial risk management

Objectives and Policies

The Company's financial liabilities comprises mainly of term loan borrowings, trade payables and other payables. The Company's financial assets comprises mainly of cash and cash equivalents, other balances with banks, trade receivables and investments. The Company has financial risk exposure in the form of market risk, credit risk and liquidity risk. The risk management policies of the Company are monitored by the Board of Directors. The present disclosure made by the Company summarises the exposure to the financial risks

1. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market price comprises of three types of risk-currency risk, interest risk and other price risk. The financial instruments affected by market risk includes Rupee Term Loan and Loans and Advances.

a) Interest rate exposure

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 has availed significant Rupee Term Loan at floating rate of interest. The Company has not entered into any of the interest rate swaps and hence is exposed to interest rate risk.

Interest rate sensitivity Analysis

The Company considering the economic environment in which it operates has determined the interest rate sensitivity analysis (interest exposure) at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole of the year. A 25 basis point +/- fluctuation in the interest rate is used for disclosing the sensitivity analysis.

Impact on Profits before Tax	As at March 31, 2023	As at March 31, 2022
Interest rates - Increase by 25 basis points	(0.85)	(0.82)
- Decreased by 25 basis points	0.85	0.82

The increase / decrease in interest rate expense is mainly attributable to Company's exposure to interest rates on its variable rate of borrowings. The interest rate sensitivity analysis is done holding on the assumption that all other variables remaining constant.

b) Foreign Currency risk exposure

The Company imports wheat, minerals, stores & spares and capital goods for which payables are denominated by foreign currency. The Company is exposed to foreign currency risk on these transactions. The Company follows a conservative and sound policy by entering into simple Forward Exchange Contracts to hedge the foreign currency risk whose maturity co-terminous with the maturity period of foreign currency liabilities. (underlying) In respect of exports, exports are made against advances received. Hence, the Company is not exposed to any significant foreign currency risk in respect of its exports.

c) Other price risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded prices. The Company's investment in fixed deposits with banks is fixed and hence there is no risk price movement arising to the Company. The Company's equity investments in its Subsidiaries and Associates is for strategic purpose and not held for trading. They are carried at cost and hence are not subject to price related risk. Other investments in equity instruments are held with a view to hold them for long term basis and not for trading.

Disclosure of hedged and unhedged foreign currency exposure

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

**As on March 31, 2023**

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged Using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged Using derivatives	Net liability exposure on the currency	
USD	0.10	0.10	-	-	-	-	-
EURO	-	-	-	-	-	-	-
BDT	-	-	-	-	-	-	-
In INR	7.93	7.93	-	-	-	-	-

As on March 31, 2022

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged Using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged Using derivatives	Net liability exposure on the currency	
USD	0.42	0.25	0.17	0.00*	-	-	(0.17)
EURO	0.01	-	0.01	-	-	-	(0.01)
BDT	-	-	-	0.62	-	0.62	0.62
In INR	31.34	17.89	13.45	0.56	-	0.56	(12.89)

* Values are shown as zero due to rounded off being lesser value.

2 Credit Risk

The credit risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets as trade receivables, bank balances, other balances with banks and other receivables. The credit risk rising from the exposure of investing in other balances with banks and bank balances is limited and there is no collateral held against these because the counter parties are Public sector Banks. Trade receivables consists of a large number of customers. The Company has established a credit policy under which every customer is analysed for credit worthiness. Major customers place advances. The Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes provision at each reporting period wherever outstanding is for longer period and involves higher risk.

3 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly to meet obligations when due. The Company's exposure to liquidity risk arises primarily from mismatches of maturities of financial assets and liabilities. The Company manages the liquidity risk by i) maintaining adequate and sufficient cash and cash equivalents including investments in mutual funds ii) making available the funds from realising timely maturities of financial assets to meet obligations when due. The liquidity risk management involves matching the maturity profiles of financial assets and financial liabilities.

Financial arrangements

The Company has access to the following undrawn borrowing facilities at the end of the reporting period :

Details	March 31, 2023	March 31, 2022
Expiring within one year	274.00	151.73
Expiring beyond one year	-	-

The Company makes an annual /long term financial plan so as to ensure there are no maturity mismatches in settlement of liabilities.



48(a) Security Details of Long Term Borrowings

(i) Term loan from The ICICI Bank Limited amounting to Rs. 1.70 Crores (Including Current maturities) outstanding as at 31.03.2023 (Previous year Rs. 2.90 Crores) is primarily secured by hypothecation of the assets purchased under loan.

(ii) Term loan from The HDFC Bank Limited amounting to Rs. 121.90 Crores (Including Current maturities) outstanding as at 31.03.2023 (Previous year Rs. 96.92 Crores) is primarily secured by the assets purchased under the loan and personal assets of some of the Executive Directors.

(iii) Term loan from The IDBI Bank Limited amounting to Rs. 18.42 Crores (Including Current maturities) outstanding as at 31.03.2023 (Previous year Rs. 20.38) is primarily secured by the land and building situated at No.133, Trichy Road, Dindigul-624005.

(iv) Term loan from The Karur Vysya Bank Limited amounting to Rs. 65.69 Crores (Including Current maturities) outstanding as at 31.03.2023 (Previous year Rs. 45.78 Crores) is primarily secured by the assets purchased under the loan and equitable mortgage on Minerals land located at Dindigul.

(v) Term loan from The State Bank of India amounting to Rs. 37.10 Crores (Including Current maturities) outstanding as at 31.03.2023 (Previous year Rs. 17.69 Crores) is primarily secured by equitable mortgage of the assets of the Company located at Trichy.

(vi) Term loan from IndusInd Bank Ltd amounting to Rs.11.91 Crores (Including Current maturities) outstanding as at 31.03.2023 (Previous year Rs. 16.65 Crores) is primarily secured by hypothecation of the assets purchased under the loan and land at Seelapadi Village, Dindigul.

(vii) Term loan from IDFC First bank Limited amounting to Rs.24.89 Crores (Including Current maturities) outstanding as at 31.03.2023 (Previous year Rs. 25.66 Crores). is primarily secured by hypothecation of the assets purchased under the loan and land at Padiyur, Dindigul.

(viii)Term loan from Kotak Mahindra Bank Ltd amounting to Rs. 0.36 Crores (Including Current maturities) outstanding as at 31.03.2023 (Previous year Rs. 0.15 Crores) is primarily secured by hypothecation of the assets purchased under the loan.

(ix)Term loan from Axis Bank Ltd amounting to Rs.5.18 Crores (Including Current maturities) outstanding as at 31.03.2023 (Previous year Rs. 6.95 Crores) is primarily secured by hypothecation of the assets purchased under the loan and land at Seelapadi Village, Dindigul.

(x)Term loan from Fullerton india Pvt Ltd amounting to Rs.3.29 Crores (Including Current maturities) outstanding as at 31.03.2023 (Previous year NIL) is primarily secured by equitable mortgage on Modern Nagar land located at Dindigul.

Note:

a) The said loans are repayable in monthly / quarterly instalments.

b) The Company does not have any continuing default as on the Balance Sheet date in the repayment of loan or interest.

c) The loans have been guaranteed by some of the Directors of the Company in certain cases.

(x)Term loan from Fullerton india Pvt Ltd amounting to Rs.3.29 Crores (Including Current maturities) outstanding as at 31.03.2023 (Previous year NIL) is primarily secured by equitable mortgage on Modern Nagar land located at Dindigul.

**48(b) Term Loans Outstanding, Rates of interest & Terms of Repayments *:**

S.No.	Bank	Loan Amt	ROI	Repayment Terms	Remaining Tenure (Quarter / Months)	O/S as on 31.03.2022
1. TERM LOANS						
1	INDUSIND	9.55	10.50%	Q	3	1.10
2	ICICI	7.60	8.55%	M	17	1.70
3	INDUSIND	15.00	10.50%	Q	10	7.50
4	HDFC	11.50	9.95%	M	70	7.82
5	HDFC	12.30	9.95%	M	47	7.25
6	HDFC	36.00	9.95%	M	48	21.69
7	HDFC	13.13	9.40%	M	70	8.92
8	IDFC	30.00	9.60%	M	20	24.89
9	HDFC	26.00	9.65%	M	60	26.00
10	HDFC	9.00	9.55%	M	60	9.00
11	KVB	30.00	9.35%	M	108	21.00
12	KVB	13.16	9.50%	M	114	10.91
13	SBI	12.00	9.75%	M	35	3.86
14	SBI	10.50	9.75%	M	28	4.15
15	FULLERTON	3.73	11.15%	M	96	3.30
Total Term Loans						159.09
2. LOANS AGAINST PROPERTY						
1	HDFC	26.00	9.05%	M	25	7.99
2	HDFC	11.00	9.20%	M	25	4.04
3	SBI	17.00	8.65%	M	35	7.79
4	IDBI	16.00	9.65%	M	109	12.08
5	IDBI	3.00	9.50%	M	106	2.30
6	KVB	18.00	9.50%	Q	8	5.88
7	KVB	40.00	9.50%	Q	13	21.58
Total Loans Against Property						61.66
3. VEHICLE LOANS						
1	HDFC	0.29	8.60%	M	2	0.01
2	KOTAK	0.18	8.00%	M	34	0.12
3	HDFC	1.07	8.00%	M	54	0.96
4	HDFC	0.29	7.40%	M	55	0.27
5	HDFC	1.47	8.50%	M	2	0.01
6	KOTAK	0.39	7.25%	M	34	0.24
Total Vehicle Loans						1.61
4. GECL LOANS						
1	IDBI	3.40	9.25%	M	33	2.30
2	KVB	3.15	9.25%	M	34	2.23
3	HDFC	23.58	9.25%	M	33	16.70
4	AXIS	7.10	7.60%	M	35	5.18
5	INDUSIND	4.08	9.00%	M	39	3.31
6	KVB	5.30	9.25%	M	36	4.09



S.No.	Bank	Loan Amt	ROI	Repayment Terms	Remaining Tenure (Quarter/ Months)	O/S as on 31.03.2022
7	SBI	6.69	8.65%	M	37	5.00
8	IDBI	1.74	9.25%	M	48	1.74
9	SBI	15.72	8.65%	M	48	15.66
10	HDFC	11.79	8.40%	M	48	11.24
11	SBI	1.50	8.95%	M	17	0.65
Total GECL Loans						68.11
5. Unsecured Loans						
1	M.M.Detergents Company Pvt Ltd	6.23	12.00%	NA	NA	6.23
2	Mrs. Padmini	0.20	12.00%	NA	NA	0.20
Total Unsecured Loans						6.43
Grand Total						296.90

*The outstanding includes current maturities of Long Term Debt (Refer Note No.21)

49 Retirement benefit plans

1. Defined contribution plans

The Company makes Provident Fund which is defined contribution plan for qualifying employees. Under the scheme, the company is required to contribute a specified percentage of the payroll costs to fund the benefit. The Company recognised Rs 4.60 Cr (year ended 31.03.2022 Rs 3.20 Cr) in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the scheme.

2. Defined benefit plans

a) Gratuity

Gratuity to employees (funded) and Gratuity to Directors (non funded), the most recent actuarial valuation of the plan assets and in respect gratuity to employees scheme, the present value of the defined benefit obligation were carried out by actuarial valuation. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the projected unit cost method. The following table sets forth the status of the Gratuity Plan (Employees) and Gratuity (Directors) of the Company and the amount recognised in the Balance Sheet and Statement of Profit and Loss. The Company provides the Gratuity (Employees) benefit through annual contribution and provision is made annually for Gratuity to Directors.

As per the policy of the Company the Compensated Absence is not accumulated.

Investment risk	The probability or likelihood of occurrence of losses relating to the expected return on any particular investment.
Interest risk	The Plan exposes the Company to the risk of fall in interest rates. A fall in interest rate will result in an increase in the ultimate cost of providing above benefit and will thus result in an increase in the value of liability (as shown in financial statements). A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.
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, based on past experience. Deviation in the rate 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 adverse compared to the assumptions.



S. No.	Particulars	Post Employment Benefit			
		Gratuity-Employees		Gratuity-Directors	
		31.03.2023	31.03.2022	31.03.2023	31.03.2022
i	Changes in Defined Benefit Obligation				
	Present Value-Opening Balance	3.82	3.60	3.25	2.23
	Current Service Cost	0.60	0.60	0.13	0.50
	Interest Cost	0.27	0.24	-	-
	Past services cost	-	(0.05)	-	-
	Actuarial Loss/(Gain) on obligation	0.82	(0.22)	-	-
	Benefits Paid and Charges Deducted	(0.34)	(0.35)	-	-
	Present Value- Closing Balance	5.17	3.82	3.38	2.73
ii	Changes in Fair value of Plan Assets				
	Opening Balance	4.03	3.66	-	-
	Expected Return on plan assets	0.31	0.26	-	-
	Actuarial Gain on plan assets	0.02	0.05	-	-
	Contributions by Employer	0.80	0.41	-	-
	Benefits Paid	(0.34)	(0.35)	-	-
	Closing Balance	4.82	4.03	-	-
iii	Amount recognised in the Balance Sheet (as at the Year end)				
	Fair Value of Plan Assets	4.82	4.03	-	-
	Present Value of Obligations	5.17	3.82	3.38	2.73
	Net Asset/(Liability) Recognised	(0.35)	0.21	(3.38)	(2.73)
iv	Expenses recognised in the Statement of Profit and Loss				
	Current Service Cost	0.60	0.60	0.13	0.50
	Interest on Obligation	(0.04)	(0.02)	-	-
	Past service cost	-	(0.05)	-	-
	Expenses recognised in the Statement of Profit and Loss	0.56	0.53	0.13	0.50
v	Expenses recognised in other Comprehensive Income				
	Actuarial gains/(losses) on plan obligation	(0.82)	0.22	-	-
	Difference between actual return and interest income on plan assets	0.02	0.05	-	-
	Net Cost in other comprehensive Income	(0.80)	0.27	-	-
	Asset Information				
	Insurer Managed	100.00%	100.00%	NA	NA
	Principal Actuarial Assumptions				
	Discount Rate (%)	7.22%	7.36%	7.22%	7.36%
	Rate of Increase in Salary (%)	5.00%	5.00%	10.00%	10.00%
	Attrition Rate (%)	4.00%	1.00%	1.00%	1.00%
	Expected Rate of Return on Plan Assets (%)	7.22%	7.36%	NA	NA
	Expected average remaining life of employees Years	14.90	20.70	13.40	14.00



S. No.	Particulars	Post Employment Benefit			
		Gratuity-Employees		Gratuity-Directors	
		31.03.2023	31.03.2022	31.03.2023	31.03.2022
vi	A quantitative sensitivity analysis for significant assumption as at 31 March is as shown below:				
	Discount rate				
	0.5% increase	7.72%	7.86%	7.72%	7.86%
	0.5% decrease	6.72%	6.86%	6.72%	6.86%
	Rate of increase in salary				
	0.5% increase	5.50%	5.50%	10.50%	10.50%
	0.5% decrease	4.50%	4.50%	9.50%	9.50%
vii	Expected contribution to the fund in the next year				
	Year 1	0.32	0.11	0.11	0.09
	Year 2	0.88	0.39	0.12	0.10
	Year 3	0.35	0.32	0.12	0.10
	Year 4	0.37	0.19	1.68	0.10
	Year 5	0.63	0.24	0.08	1.41
	Next 5 Years	1.90	1.45	1.73	1.50

50. Related party disclosures**a) List of parties having significant influence****Holding company**

The Company does not have any holding company

Subsidiary Companies

Naga Far East Private Limited

Naga Mills Private Limited

*Annai Power Private Limited

*Nagalalakshmi Energy Private Limited

*Dindigul Foods Park Private Limited

Investing Parties having substantial interest

Sri. K.S. Kamalakannan

Chairman and Managing Director (KMP)

Key management personnel

Smt. Mageswari Kannan

Joint Managing Director

Sri. Sounder Kannan

Whole Time Director

Sri. D. Vijay Anand

Technical Director

Sri. S. Ramesh

Director (Projects)

Sri. T.R.Sivaraman

Chief Financial Officer

Sri. V. Balamurugan

Company Secretary (w.e.f 16.02.2023)

Sri. V. Marikannan

Company Secretary (upto 15.02.2023)

Directors

Sri. P. Arivanandam

Independent Director

Sri. Padmanabhan Sivaramakrishnan Iyer

Additional Director (from 14.11.2022)

Sri. S. Neelakantan

Independent Director

**Relatives of Key Managerial Personnel**

Smt. Lakshmi Vijayanand

Smt. Monaa Kannan

Ms. M. Jayalalitha

Sri. M. Sukumar

Sri. A.M. Gopinath

Sri. R. Hema Kumar

Sri. R. Ragavendar

Enterprises over which key managerial personnel are able to exercise significant influence

Nagalakshmi Charitable Trust

M.M.Detergents Company Private Limited

Kovil Cereals Pvt Ltd (Formerly known as "Kovil Agencies")

Dinwinn Farms LLP

Nutri Snack LLP

Sreenivasa Religious Trust

Tutifood Pvt Ltd

Lakme Investment and Finance Limited

Pluris Global Holding (India) Limited

*Confirmation Order dated 12.04.2023 for Scheme of Amalgamation of Annai Power Private Limited (Transferor Company No.1), Nagalakshmi Energy Private Limited (Transferor Company No.2), Dindigul Foods Park Private Limited (Transferor Company No.3) with Naga Limited (Transferee Company) received from the Regional Director , Chennai with the appointed date of December 01,2022 (Refer Note 51)

b) Transaction during the year

Sl. No.	Nature of transactions	As at March 31, 2023	As at March 31, 2022
1	Annai Power Private Limited (Associate company - April-2022 to August-2022)		
	Wind Power Charges paid	1.71	2.74
	Rent Paid	1.09	2.40
	Rental Income *	0.00	0.00
	Annai Power Private Limited (Subsidiary company - September-2022 to Nov-2022)		
	Wind Power Charges paid	0.64	-
	Rent Paid	0.65	-
	Rental Income *	0.00	-
	Annai Power Private Limited (Post Merger)		
	Wind Power Charges paid	0.49	-
	Rent Paid	0.87	-
	Rental Income *	0.00	-
2	Sri. K.S. Kamalakannan		
	Remuneration	1.08	1.03
	Rent Paid	1.12	1.12
	Interest Paid *	-	0.00
	Dividend Paid	0.73	0.73
	Wind Power Charges paid	0.04	-
	Purchase of Land	1.18	-
	Sale of Land & Building	3.38	-
	Purchase of Equity Shares	0.41	-
	Unsecured Loan - Repaid	-	0.04



Sl. No.	Nature of transactions	As at March 31, 2023	As at March 31, 2022
3	Smt. Mageswari Kannan		
	Remuneration	0.90	0.90
	Rent Free Accomodation	-	0.07
	Interest Paid *	-	0.00
	Dividend Paid	0.26	0.25
	Purchase of Equity Shares	0.33	-
	Unsecured Loan - Repaid	-	0.07
4	Sri. Sounder Kannan		
	Remuneration	0.96	0.91
	Dividend Paid	0.14	0.14
	Interest Paid *	-	0.00
	Purchase of Equity Shares	0.33	-
	Unsecured Loan - Repaid	-	0.09
5	Sri. D. Vijayanand		
	Remuneration	0.96	0.91
	Purchase of Equity Shares	0.03	-
	Dividend Paid	0.01	0.01
6	Sri. S.Ramesh		
	Remuneration	0.18	0.02
7	Sri. Ramesh krishnan		
	Remuneration	0.09	-
8	Sri. T.R. Sivaraman		
	Remuneration	0.23	0.13
9	Sri. V. Marikannan		
	Remuneration	0.16	0.13
10	Sri. V. Balamurugan		
	Remuneration	0.02	-
11	Smt. Lakshmi Vijay Anand		
	Salary	0.46	0.38
	Purchase of Equity Shares	0.19	-
	Dividend Paid	0.09	0.09
12	Smt. Monaa Kannan		
	Salary	0.33	0.25
	Purchase of Equity Shares	0.03	-
	Dividend Paid	0.01	0.01
13	Ms. M. Jayalalitha		
	Salary	0.46	0.38
	Dividend Paid *	0.01	0.01
14	Sri. M. Sukumar		
	Salary	0.34	0.27
	Dividend Paid	-	0.01
15	Sri. A.M.Gopinath (Prop. Anugraha International)		
	Commission Paid	0.08	0.14
16	Sri. R. Hemakumar		
	Salary	0.04	-
17	Sri. R. Ragavendar		
	Salary	0.02	-
18	Naga Mills Limited		
	Rental Income *	-	0.00
19	Dinwinn Farms LLP		
	Purchase of Agri Product	-	0.01
	Freight Income Received *	-	0.00



Sl. No.	Nature of transactions	As at March 31, 2023	As at March 31, 2022
20	Kovil agencies		
	Sale of Wheat	-	0.13
	Sale of Minerals	-	0.08
	Rental Income *	0.00	0.00
21	Kovil Cereals Private Limited		
	Rental Income *	0.00	-
22	Naga Marine Industries Limited		
	Purchases	-	207.05
	Rent Paid	-	0.16
	Rental Income *	-	0.00
	Dividend Paid	-	0.04
	Freight Income Received	-	0.30
23	Nagalakshmi Charitable Trust		
	Sale of Wheat Products	-	0.02
	Donation Paid	0.17	0.16
	Medical Camp Charges Paid	0.06	0.05
24	Nagalakshmi Energy Private Limited (Associate company - April-2022 to August-2022)		
	Freight Charges Paid	0.23	0.54
	Wind Power Charges paid	0.42	0.76
	Rental Income *	0.00	0.00
	Nagalakshmi Energy Private Limited (Subsidiary company - September-2022 to Nov-2022)		
	Freight Charges Paid	0.14	-
	Wind Power Charges paid	0.20	-
	Investment	3.00	-
	Rental Income *	0.00	-
	Nagalakshmi Energy Private Limited (Post Merger)		
	Freight Charges Paid	0.18	-
	Wind Power Charges paid	0.20	-
	Rental Income *	0.00	-
25	M.M.Detergents Company Private Limited		
	Purchases	404.21	146.92
	Rental Income *	1.54	0.00
	Rent Paid	0.31	0.10
	Purchase of Equity Shares	0.85	-
	Sale of Land	-	0.20
	Dividend Paid	0.16	0.12
	Freight Income Received	3.20	0.29
26	Pluris Global Holding India Limited		
	Purchase of Equity Shares	0.13	-
27	Lakme Investment and Finance Limited		
	Purchase of Equity Shares	0.13	-
28	Nutri Snack LLP		
	Purchase	0.01	-
	Service Charges Paid	0.06	-
	Purchase of Assets	0.01	-

Notes:

1. Post employment benefits are actuarially determined on overall basis and hence not separately provided.
2. *Value are shown as zero due to rounded off being lesser value.

**c) Balances at the end of the year**

Sl. No.	Nature of transactions	As at March 31, 2023	As at March 31, 2022
1	Sri. K.S. Kamalakannan Unsecured Loans Remuneration payable	- 0.05	- 0.05
2	Smt. Mageswari Kannan Unsecured Loans Remuneration payable	- 0.03	- 0.05
3	Sri. Sounder Kannan Unsecured Loans Remuneration payable	- 0.05	- 0.05
4	Sri. D. Vijay Anand Remuneration payable	0.06	0.07
5	Sri. S. Ramesh Remuneration payable	0.01	0.01
6	Naga Mills Private Limited Loans Receivable Expenses recoverable	- 0.06	0.48 0.09
7	Naga Far East Private Limited Expenses recoverable	0.02	0.02
8	M.M.Detergents Company Private Limited Advance Paid Rent Receivable Trade Receivable Trade Payable	- - 0.32 7.58	6.69 - - 0.05
9	Nagalakshmi Charitable Trust Trade Receivable *	-	0.00
10	Dinwinn Farms LLP Trade Receivable	-	0.01

* Values are shown as zero due to rounded off being lesser value.

Note : The transactions which arose exclusively on account of the merger are not shown here as the company has not entered into such transactions. Hence those are not reported in AOC 2 also.



51. Scheme of Merger

Description of Scheme of Amalgamation of Naga Limited (Transferee Company) and Annai Power Private Limited (Transferor Company No.1), Nagalakshmi Energy Private Limited (Transferor Company No.2), Dindigul Foods Park Private Limited (Transferor Company No.3) and their respective Shareholders and Creditors

During the current year, the company has made additional investment in the transferor companies and holds 100% shares of the said transferor companies. Additional investment details are as follows:

- (i) Annai Power Private Limited - Rs.1.78 Crores
- (ii) Nagalakshmi Energy Private limited - Rs.3.07 Crores
- (iii) Dindigul Foods Park Private Limited - Rs.0.57 Crores

The Regional Director, Chennai, on April 12, 2023, sanctioned the Scheme of Amalgamation ("Scheme") between Annai Power Private Limited (Transferor Company No.1), Nagalakshmi Energy Private Limited (Transferor Company No.2), Dindigul Foods Park Private Limited (Transferor Company No.3) with Naga Limited (Transferee Company) approved by their respective Shareholders and Creditors for the merger of the Company. Both companies have filed the certified copies of the RD Order sanctioning the Scheme on 27.04.2023 with the Registrar of Companies, Tamil Nadu. Pursuant to the Scheme becoming effective, the entire undertaking and business of transferor companies would be transferred and vested with and into the Naga Limited.

As per the clarification issued by Ministry of Corporate Affairs vide Circular no.09/2019 dated August 21, 2019 (MCA Circular), the Company has recognized the effect of the merger on December 01, 2022, and made the following adjustments, pursuant to the Scheme.

- (i) All the assets and liabilities of the transferor companies have been transferred to Naga Limited (Transferee company).
- (ii) Difference between the value of transferred assets and liabilities pertaining to the transferor company amounting to Rs.2.65 Crores have been adjusted to the reserves.

The Impact of the Merger on these financial statements is as under:

The whole of the assets and liabilities of transfereor companies became the assets and liabilities of transferee company

Particulars	As at November 30, 2022		
	Assets Transferred	Nagalakshmi Energy Private Limited	Dindigul Foods Park Private Limited
Property, plant and equipment	18.03	3.13	0.78
Deferred Tax Assets (Net)	-	1.00	-
Trade receivables	-	0.08	-
Cash and cash equivalents	0.04	0.04	0.01
Current tax assets (net) *	0.00	0.00	-
Other current assets	0.04	0.06	-
Total Assets transferred to Naga Limited (A)	18.11	4.31	0.80



Particulars	As at November 30, 2022		
	Assets Transferred	Nagalakshmi Energy Private Limited	Dindigul Foods Park Private Limited
Long Term Borrowings	9.61	0.09	-
Deferred tax liabilities (net)	0.17	-	-
Short Term Borrowings	5.31	3.97	0.23
Trade payables	0.20	0.01	-
Other financial liabilities *	0.05	0.02	0.00
Total Liabilities transferred to Naga Limited (B)	15.34	4.08	0.23

*Value are shown as zero due to rounded off being lesser value.

Adjustment to Reserve

As per Para 14 of the Order, the difference between the book value of the assets and liabilities transferred to the Naga Limited (net of investment) has been debited to the Capital Reserves of the Company on the Appointed date i.e December 01, 2022

Particulars	Assets Transferred	Nagalakshmi Energy Private Limited	Dindigul Foods Park Private Limited
Total Assets transferred to Naga Limited (A)	18.11	4.31	0.80
Total Liabilities transferred to Naga Limited (B)	15.34	4.08	0.23
Investment by Naga Limited (C)	2.40	3.10	0.70
Adjustment to Reserve (A-B-C)	0.37	(2.87)	(0.14)

52. Ratio Analysis and its elements

a) Ratio

Particulars	As at March 31, 2023	As at March 31, 2022	% Change from FY 21-22 to FY 22-23	Remarks
(a) Current Ratio	0.97	1.04	-6%	-
(b) Debt-Equity Ratio	1.78	1.51	18%	-
(c) Debt Service Coverage Ratio	1.11	1.19	-7%	-
(d) Return on Equity Ratio (%)	12.02%	10.50%	14%	-
(e) Inventory Turnover Ratio	12.25	9.13	34%	Due to decrease in Inventory
(f) Trade Receivables Turnover Ratio	25.55	32.29	-21%	-
(g) Trade Payables Turnover Ratio	17.60	16.23	8%	-
(h) Net Capital Turnover Ratio	12.62	10.90	16%	-
(i) Net Profit Ratio (%)	0.56%	0.73%	-23%	-
(j) Return on Capital Employed (%)	12.57%	12.90%	-3%	-
(k) Return on Investment (%)	7.07%	7.91%	-11%	-

**b) Elements of Ratio**

Ratios	Numerator	Denominator	March 31, 2023		March 31, 2022	
			Numerator	Denominator	Numerator	Denominator
(a) Current Ratio	Current Assets	Current Liabilities	224.07	230.92	283.78	273.51
(b) Debt-Equity Ratio	Debt (LTB+CM)	Total Equity	296.90	166.38	240.14	158.68
(c) Debt Service Coverage Ratio	EBITDA	Debt (Principal+Interest)	96.96	87.12	86.71	72.64
(d) Return on Equity Ratio	Profit for the year before Tax	Total Equity	20.00	166.38	16.67	158.68
(e) Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	1,783.35	145.59	1,472.78	161.30
(f) Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivables	2,099.06	82.16	1,728.96	53.55
(g) Trade Payables Turnover Ratio	Purchases	Average Trade Payables	1,754.62	99.70	1,459.31	89.91
(h) Net Capital Turnover Ratio	Revenue from Operations	Total Equity	2,099.06	166.38	1,728.96	158.68
(i) Net Profit Ratio	Profit for the year	Revenue from Operations	11.77	2,099.06	12.56	1,728.96
(j) Return on Capital Employed	EBIT	Total Assets - Current Liabilities	54.42	432.96	46.65	361.59
(k) Return on Investment	Profit for the year	Total Equity	11.77	166.38	12.56	158.68

53. Loans granted to Related Parties

Type of Borrower	Loan granted individually or jointly with Others	Repayable on demand (Yes / No)	Terms/ Period of repayment is specified (Yes / No)	31 March 2023		31 March 2022	
				Amount outstanding at the balance sheet date	% of Total	Amount outstanding at the balance sheet date	% of Total
Naga Mills Private Limited (Subsidiary Company)	Individually	Yes	Yes	-	0%	0.48	100%
Total of Loan (Refer Note No. 15)				-		0.48	

54 Details of Benami Property :

The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

55 Reconciliation of quarterly returns or statements of current assets filed with banks or financial institutions

Quarterly returns/statements filed by the Company with banks consisting of inventory (excluding goods in transit) and trade receivables aged less than 90 days are in agreement with the books of account



56. Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

57. Registration of charges or satisfaction with Registrar of Companies

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

58. Wilful Defaulter

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

59. Utilisation of borrowed funds and securities premium

(i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

60. Details of Crypto Currency or Virtual Currency

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

61. Undisclosed income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous 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).

62. Expenditure on Scientific Research eligible

Nature	As at March 31, 2023	As at March 31, 2022
a) Revenue		
Employee Benefit Expenses	1.67	0.90
Equipment Maintenance	0.06	0.14
Consumables	0.57	0.37
Travelling Expenses	0.15	0.02
Freight & Handling	0.02	0.01
Professional Charges	0.21	0.03
Other Expenses	0.10	0.11
b) Capital Expenditure	3.05	26.76



63. Note on Social Security Code 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

64. Approval of Financial Statements

The financial statements were approved for issue by the Board of Directors at their meeting held on 26th May, 2023.

In terms of our report attached

For and on behalf of the Board of Directors

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

GEETHA JEYAKUMAR

Partner

Membership No: 029409

Place: Dindigul

Date : 26th May, 2023

K.S. KAMALAKANNAN

Chairman and Managing Director

DIN : 01601589

T.R. SIVARAMAN

Chief Financial Officer

Membership No : 023228

MAGESWARI KANNAN

Joint Managing Director

DIN : 02107556

V. BALAMURUGAN

Company Secretary

Membership No : F12312

INDEPENDENT AUDITOR'S REPORT

To the Members of Naga Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Naga Limited (hereinafter referred to as the "Company") and its subsidiaries (Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, 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 Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2023, of consolidated profit and other comprehensive income, consolidated Changes in Equity and its consolidated cash flows for the year then ended.

Basis for Opinion

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

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

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Financial Highlights, Chairman's Statement, Director's Report along with the annexures but does not include the consolidated 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 and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 135(4) of the Act with respect to the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors included in the Group are responsible for assessing the ability of the respective companies included in the Group 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 the their respective companies 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 responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities 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 Standards on Auditing ("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.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

Other Matters

- a. We did not audit the financial statements of two subsidiaries whose financial statements reflect total assets of Rs. 0.55 crores as at March 31, 2023, total revenues of Rs. NIL and net cash outflows amounting to Rs. 0.23 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and 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 these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries are solely based on such unaudited financial statements. In our opinion and according to the information

and explanations given to us by the Management, these financial statements are not material to the Group.

- b. All of these subsidiaries, are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India.

These conversion adjustments have not been audited. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on management furnished financial statements and the conversion adjustments prepared by the management of the Company. According to the information and explanations given to us by the management of the Company, these financial statements are not material to the Group.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, 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;
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow 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 Accounting Standards specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Company as on March 31, 2023 taken on record by the Board of Directors of the Company, none of the directors are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, 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- Refer Note no 45 to the consolidated financial statements.
 - 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 Company.
 - iv. (1) The Managements of the Company have represented to us that, to the best of its knowledge and belief as disclosed in note no 59 to consolidated financial statements that 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 in any other person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries “Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(2) The respective Managements of the Company have represented to us that, to the best of its knowledge and belief as disclosed in note no 59 to consolidated financial statements that, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company or any of such subsidiaries 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.

(3) Based on the audit procedures that have been considered reasonable and according to the information and explanations provided to us by the Management of the Company in this regard, 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 (1) and (2) above, contain any material mis-statement.

- v. On the basis of our verification, interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Companies Act 2013.
 - vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software containing feature of recording audit trail facility is applicable for the Company with effect from April 01, 2023. Accordingly, reporting under this clause is not applicable for the financial year ended March 31, 2023
2. In our opinion, according to information, explanations given to us, the remuneration paid by the Company, to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.
3. According to the information and explanations given to us and based on the CARO reports issued by us for the Company, we report that there are no Qualifications/adverse remarks. Further CARO reporting is not applicable for subsidiary companies included in Group as subsidiary companies are not incorporated in India.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Geetha Jeyakumar
Partner
Membership No. 029409
UDIN: 23029409BGTMVN7747

Place : Dindigul
Date : 26th May, 2023

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF NAGA LIMITED

Auditor's Responsibilities for the Audit of the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 entities or 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. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Company 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.

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

Geetha Jeyakumar

Partner

Membership No. 029409

UDIN: 23029409BGTMVN7747

Place : Dindigul

Date : 26th May, 2023

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF NAGA LIMITED

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Naga Limited on the consolidated Financial Statements for the year ended March 31, 2023.

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls reference to consolidated financial statements of March 31, 2023 (hereinafter referred to as "the Company") and its subsidiary companies (the Company and its subsidiaries together referred to as "the Group") which are companies incorporated outside India, as of that date.

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

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements 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 ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, 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 with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing

and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated 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 internal financial controls with reference to consolidated financial statements of the Company.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

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

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

Geetha Jeyakumar

Partner

Membership No. 029409

UDIN: 23029409BGTMVN7747

Place : Dindigul

Date : 26th May, 2023

Naga Limited

CIN : U24246TN1991PLC020409

Consolidated Balance Sheet as at March 31, 2023

(All amounts are in Crores of INR, unless otherwise stated)



Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
(a) Property , Plant and Equipment	4	319.80	283.72
(b) Capital work-in-progress	5	57.11	21.12
(c) Investment Property	4.b	10.89	10.27
(d) Other intangible assets	6	0.91	1.13
(e) Right-of-use assets	4.a	18.81	7.23
(f) Financial assets			
(i) Investments	7	3.63	3.58
(ii) Other financial assets	8	10.61	9.89
(g) Income tax assets (net)	9	2.41	1.24
(h) Other non-current assets	10	15.03	12.51
Total non - current assets		439.20	350.69
Current assets			
(a) Inventories	11	126.71	164.47
(b) Financial assets			
(i) Trade receivables	12	75.34	88.99
(ii) Cash and cash equivalents	13	3.35	3.68
(iii) Bank Balance other than (ii) above	14	5.85	4.98
(iv) Loans	15	0.86	0.44
(v) Other financial assets	16	0.29	0.87
(c) Other current assets	17	9.05	20.72
(d) Asset classified as held for sale	18	3.05	-
Total current assets		224.50	284.15
Total Assets		663.70	634.84
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	19	14.25	14.25
(b) Other equity	20	151.80	144.15
Total equity		166.05	158.40
Liabilities			
Non- current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	239.37	183.70
(ii) Lease liability	22	6.18	-
(iii) Other financial liability	23	2.09	2.45
(b) Long term provisions	24	3.25	2.73
(c) Deferred tax liabilities (net)	25	15.69	14.03
Total non - current liabilities		266.58	202.91
Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	26	102.31	145.59
(ii) Lease liability	22	1.59	-
(iii) Trade payables			
-total outstanding dues of micro and small enterprises	27	0.89	4.46
-total outstanding dues of creditors other than micro and small enterprises	27	97.55	96.61
(iv) Other financial liabilities	28	15.93	11.07
(b) Short term provisions	24	1.40	1.04
(c) Other current liabilities	29	11.40	14.76
Total current liabilities		231.07	273.53
Total Liabilities		497.65	476.44
Total Equity and Liabilities		663.70	634.84

The accompanying notes form an integral part of the financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

GEETHA JEYAKUMAR

Partner

Membership No: 029409

Place: Dindigul

Date : 26th May, 2023**K.S. KAMALAKANNAN**

Chairman and Managing Director

DIN : 01601589

MAGESWARI KANNAN

Joint Managing Director

DIN : 02107556

T.R. SIVARAMAN

Chief Financial Officer

Membership No : 023228

V. BALAMURUGAN

Company Secretary

Membership No : F12312



Particulars	Notes	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Income:			
I Revenue from operations	30	2,099.06	1,728.96
II Other income	31	7.09	3.25
III Total income (I + II)		2,106.15	1,732.21
IV Expenses:			
Cost of materials consumed	32	1,771.64	1,387.27
Purchases of stock-in-trade	33	20.75	65.71
Changes in inventories of finished goods, Work-in-Progress and stock-in-trade	34	(9.03)	19.80
Employee benefits expenses	35	74.07	55.52
Financial costs	36	34.42	29.99
Depreciation and amortisation expense	37	42.54	36.97
Other expenses	38	151.90	120.31
Total expenses		2,086.29	1,715.57
V Profit before share of profit of equity accounted investees and tax (III - V)		19.86	16.64
VI Share of profit of Associates		0.19	0.19
VII Profit Before Tax (V + VI)		20.05	16.83
VIII Tax Expenses / (Credit):			
- Current tax		4.76	3.07
- MAT Credit recognized		-	(3.07)
- Deferred tax		2.23	4.31
IX Profit for the year (VII - VIII)		13.06	12.52
X Other comprehensive income /(loss) Item that will not be reclassified subsequently to profit or loss			
(a) Re-measurement (loss) / gain on defined benefit obligations	(0.81)		0.27
(b) Changes in fairvalue of Investments measured at FVTOCI	(0.18)		-
(c) Income tax effect on above	(0.25)		(0.07)
Total other comprehensive (loss) / income, net of tax		(1.24)	0.20
XI Total comprehensive Income for the year		11.82	12.72
XII Earnings Per Equity Share (EPS) (Face value of Rs. 10 each)			
Basic earnings per share (in Rs.)	39	9.17	8.79
Diluted earnings per share (in Rs.)	39	9.17	8.79

The accompanying notes form an integral part of the financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

GEETHA JEYAKUMAR

Partner

Membership No: 029409

Place: Dindigul

Date : 26th May, 2023

K.S. KAMALAKANNAN

Chairman and Managing Director

DIN : 01601589

T.R. SIVARAMAN

Chief Financial Officer

Membership No : 023228

MAGESWARI KANNAN

Joint Managing Director

DIN : 02107556

V. BALAMURUGAN

Company Secretary

Membership No : F12312

**(A) Equity Share Capital**

Balance at the beginning of April 01, 2021	14.25
Changes in equity share capital during the year	-
Balance at the end of March 31, 2022	14.25
Changes in equity share capital during the year	-
Balance at the end of March 31, 2023	14.25

(B) Other Equity

Particulars	Capital Reserve	Capital Reserve on account of merger	Securities Premium Reserve	General Reserve	Retained Earnings	OCI	Total
Balance as at March 31, 2021	0.11	-	1.36	3.34	128.45	(0.44)	132.82
Additions/ (deductions) during the year	-	-	-	0.21	(0.21)	-	-
Total Comprehensive Income for the year	-	-	-	-	12.52	0.20	12.72
Earlier period times	-	-	-	-	(0.08)	-	(0.08)
Dividend paid	-	-	-	-	(1.43)	-	(1.43)
Other foreign currency translation reserve	-	-	-	-	0.12	-	0.12
Balance as at March 31, 2022	0.11	-	1.36	3.55	139.37	(0.24)	144.15
Merger Adjustment (refer note no. 54)	-	(2.84)	-	-	-	-	(2.84)
Additions/ (deductions) during the year	-	-	-	0.21	(0.21)	-	-
Total Comprehensive Income for the year	-	-	-	-	13.06	(1.24)	11.82
Dividend paid	-	-	-	-	(1.42)	-	(1.42)
Other foreign currency translation reserve	-	-	-	-	0.09	-	0.09
Balance as at March 31, 2023	0.11	(2.84)	1.36	3.76	150.89	(1.48)	151.80

The accompanying notes form an integral part of the financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

GEETHA JEYAKUMAR

Partner

Membership No: 029409

Place: Dindigul

Date : 26th May, 2023

K.S. KAMALAKANNAN

Chairman and Managing Director

DIN : 01601589

MAGESWARI KANNAN

Joint Managing Director

DIN : 02107556

T.R. SIVARAMAN

Chief Financial Officer

Membership No : 023228

V. BALAMURUGAN

Company Secretary

Membership No : F12312



Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
A. Cash Flow from Operating Activities		
Profit before tax	19.86	16.83
Adjustments for :		
Depreciation and amortization expenses	42.53	36.97
Loss/ (Profit) on sale of property ,plant and equipment (net)	(4.00)	0.00
Interest income	(0.80)	(0.75)
Provision for doubtful debts & advances	0.91	0.60
Bad debts written off	0.11	1.05
Unrealised net (gain)/ loss on foreign currency transactions and translations	0.64	(0.19)
Rental income from Investment property	(2.17)	(1.52)
Loss on fair valuation of investments carried at FVTPL	0.00	0.93
Finance cost	34.42	29.99
Operating profit before working capital changes	91.50	83.91
Movement in Working Capital:		
(Increase) / Decrease in Other financial assets	(3.11)	0.72
Decrease in Inventories	37.77	23.90
Decrease/ (Increase) in Trade receivables	12.54	(39.99)
Decrease / (Increase) in Other assets	10.99	(8.97)
Decrease in Other financial liabilities	5.76	1.29
Increase in Lease liability	7.77	-
(Decrease) / Increase in Other liabilities	(3.58)	8.79
(Decrease) in trade payables	(3.55)	(0.02)
Increase in provision for Gratuity and compensated absences	0.89	1.34
Cash Generated from operations	156.98	70.97
Income tax paid (net of refund)	(6.28)	(2.21)
Net cash flow from operating activities (A)	150.70	68.76
B. Cash Flow from Investing Activities		
Payment for property, plant and equipment and intangible assets	(107.93)	(66.30)
Proceeds from sale of property, plant and equipment and intangible assets	4.85	0.43
Advance received for Sale of land	0.56	-
Interest income	0.80	0.75
Purchase of Additional stake in merged entities	(5.42)	-
Purchases of Investments	(0.87)	(1.70)
Rental income on lease arrangements	2.17	1.52
Bank Balance not considered as cash and cash equivalents :		
- Deposits matured (net)	2.11	2.17
Net cash used in investing activities (B)	(103.73)	(63.13)



Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
C. Cash flow from Financing Activities		
(Repayment of)/ Proceeds from short term borrowings	(46.88)	35.97
Proceeds from / (repayment of) long term borrowings	39.74	(8.01)
Decrease /(Increase) in loans given	0.04	(0.04)
Interest paid	(38.78)	(33.09)
Dividend paid	(1.42)	(1.42)
Net cash used in financing activities (C)	(47.30)	(6.59)
Net (decrease)/increase in Cash and Cash Equivalents (A+B+C)	(0.33)	(0.96)
Cash and Cash Equivalents at the beginning of the year	3.68	4.64
Cash and Cash Equivalents at the end of the year	3.35	3.68
Notes:		
1. The above cash flow statement has been prepared under indirect method prescribed in Ind AS 7 "Cash Flow Statements".		
2. Components of cash and cash equivalents,		
Balances with banks - in current accounts	3.26	3.53
Cash on hand	0.09	0.15
	3.35	3.68

In terms of our report attached

For and on behalf of the Board of Directors

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

K.S. KAMALAKANNAN

Chairman and Managing Director

DIN : 01601589

MAGESWARI KANNAN

Joint Managing Director

DIN : 02107556

GEETHA JEYAKUMAR

Partner

Membership No: 029409

T.R. SIVARAMAN

Chief Financial Officer

Membership No : 023228

V. BALAMURUGAN

Company Secretary

Membership No : F12312

Place: Dindigul

Date : 26th May, 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Notes to the Financial statements

Group Background

Naga Limited (“Company”/ “Naga”) is a public limited company incorporated in India under the Companies Act, 1956 and is domiciled in India. Its Registered Office is located at No 1, Anna Pillai Street, Chennai - 600001 and the Corporate Office at No 1, Trichy Road, Dindigul-624005. The Company's Equity Shares which were listed in the Metropolitan Stock Exchange of India till 31.03.2021, were delisted with effect from 16.04.2021. The Company is engaged in the manufacture of Wheat Products, Minerals, Detergents and in Power Generation. The Plants of the Company are located in various places in and around Dindigul and its Power Generating windmills are located in Coimbatore, Dharapuram, Theni and Tirunelveli.

Naga Limited, together with its subsidiaries and associates is hereinafter referred to as the Group.

Group's consolidated financial statements were approved by the Group's Board of Directors on June 01, 2022.

Company's subsidiaries are involved in business of trading of wheat, associates are involved in business of power generation.

2. Significant Accounting Policies and key accounting estimates and judgments

Significant Accounting Policies

2.1 Statement of Compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act. Group.

Accounting Policies have been consistently applied except where a newly-issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the Accounting Policy hitherto adopted.

2.2 Basis of Consolidation

Naga consolidates entities which it owns or controls. The Consolidated financial statements comprise the financial statements of the Company, its controlled entities and its subsidiaries, as disclosed in Note 51.

Control and significant influence is assessed annually with reference to the voting power (usually arising from equity shareholdings and potential voting rights) and other rights (usually contractual) enjoyed by the Company in its capacity as an investor that provides it the power and consequential ability to direct the investee's activities and significantly affect the Company's' returns from its investment. Such assessment requires the exercise of judgement and is disclosed by way of a note to the Financial Statements. The entity is considered not to be in control of entities where it is unclear as to whether it enjoys such power over the investee.

Subsidiaries are entities controlled by the Company. Associates are entities over which the Company exercises significant influence but does not control.

The assets, liabilities, income and expenses of subsidiaries are aggregated and consolidated, line by line, from the date control is acquired by any Group entity to the date it ceases. Profit or loss and each component of other comprehensive income are attributed to the Group as owners and to the non-controlling interests. The Group presents the noncontrolling interests in the Balance Sheet

within equity, separately from the equity of the Group as owners. The excess of the Group's investment in a subsidiary over its share in the net worth of such subsidiary on the date control is acquired is treated as goodwill while a deficit is considered as a capital reserve in the CFS. On disposal of the subsidiary, attributable amount on goodwill is included in the determination of the profit or loss and recognised in the Statement of Profit and Loss. Impairment loss, if any, to the extent the carrying amount exceeds the recoverable amount is charged off to the Statement of Profit and Loss as it arises and is not reversed. For impairment testing, goodwill is allocated to Cash Generating Unit (CGU) or a group of CGUs to which it relates, which is not larger than an operating segment, and is monitored for internal management purposes.

An investment in an associate is initially recognised at cost on the date of the investment, in the Balance Sheet. The proportionate share of the Group in the net profits /losses as also in the other comprehensive income is recognised in the Statement of Profit and Loss and the carrying value of the investment is adjusted by a like amount (referred as 'equity method'). All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.3 Basis of Preparation and Compliance

Naga consolidated financial statements are prepared in accordance with the historical cost convention except for certain items that are measured at fair value at the end of each reporting period, as explained in the accounting policies set out below. The financial statements are prepared on a "going concern" basis using accrual concept except for the cash flow information. Historical cost is generally based on fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimate using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability at the measurement date assuming the market participants act in their economic best interest.

Fair value for measurement and/or disclosure purpose in these financial statements is determined on such basis and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2- Inventories or values in use in Ind AS 36-Impairment of Assets.

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

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 - Other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 - Unobservable inputs for the asset or liability.

Transactions and balances with values below the rounding off norm adopted by the Group have been reflected as '-' in these financial statements.

2.4 Current/Non-Current Classification

An asset or liability is classified as Current if it satisfies any of the following conditions:

- (a) The asset / liability is expected to be realized / settled in the Group's normal operating cycle;
- (b) The asset is intended for sale or consumption;
- (c) The asset / liability is held primarily for the purpose of trading;
- (d) The asset / liability is expected to be realized / settled within twelve months after the reporting period;
- (e) The asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period;
- (f) In case of a liability, the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as Non- Current. For the purpose of Current / Non-Current classification, the Group has reckoned its normal operating cycle as twelve months based on the nature of products and the time between the acquisition of assets or inventories for processing and their realization in cash or cash equivalents.

Deferred Tax assets and liabilities are classified as Non-Current. Advances given towards acquisition of fixed assets, outstanding at each Balance Sheet date, are disclosed as other Non-current assets.

2.5 New Accounting Pronouncements

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

Ind AS 16 - Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Group has evaluated the amendment and there is no impact on its consolidated financial statements.

Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Group has evaluated the amendment and the impact is not expected to be material.

2.6 Property, Plant and Equipment (PPE)

Property, Plant and Equipment are tangible items that:

- (a) Are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes: and

(b) Are expected to be used during more than one period.

The cost of an item of Property, Plant and Equipment shall be recognised as an asset if and only if:

(a) It is probable that future economic benefits associated with the item will flow to the entity; and

(b) The cost of the item can be measured reliably.

An item of PPE that qualifies for recognition as an asset is measured on initial recognition at cost.

Following initial recognition PPEs are carried at its cost less accumulated depreciation and accumulated impairment losses.

(ii) The cost of an item of PPE comprises of purchase price, taxes and duties net of input tax credit entitlement and other items directly attributable to the cost of bringing the asset to its working condition for its intended use. Trade discounts and rebates are deducted. Cost includes cost of replacing a part of a PPE if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of PPE if the recognition criteria are met.

Borrowing cost (net of interest earned on temporary investments of those borrowings) directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of the cost of the assets till the assets are substantially ready for its intended use.

(iii) The Group identifies and determines the cost of each part of an item of PPE separately, if the part has a cost which is significant to the total cost of that item of PPE and has useful life that is materially different from that of the remaining item.

(iv) Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of PPE are capitalized at Cost. Costs in nature of repairs and maintenance are recognized in the statement of Profit and Loss as and when incurred. All up gradation / enhancements are charged off as revenue expenditure unless they bring significant additional benefits.

(v) Capital advances and Capital Work-in-Progress

Advances given towards acquisition of Property, Plant and Equipment outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets. Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as Capital Work-in-Progress. Such properties are classified to the appropriate categories of PPE when completed and ready for intended use.

(vi) Depreciation of PPE

Depreciation on Property, Plant and Equipment is provided to the extent of depreciable amount on written down value (WDV) method in respect of Soaps & Detergents Division at Veda sandur and under the straight line method in respect of other divisions. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

(vii) Estimated useful lives of the assets are as follows:

Asset	Years
Factory Building and Roads	10 - 30
Electrical and Installations	5 - 10
Plant and Equipment	1 - 15

Vehicles	1 - 15
Desktop Computers & Laptops	1 - 10
Furniture and Fixtures	1 - 10
Office Equipments	1 - 10
Solar and Wind Power Generation Plant	22

Assets costing Rs. 5,000/- and below are depreciated in full within the Financial Year.

2.7 Investment Property

Investment property is property (land or a building—or part of a building—or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business.

Investment property shall be recognized as an asset when, and only when it is probable that the future economic benefits that are associated with the investment property will flow to the entity; and the cost of the investment property can be measured reliably. An investment property shall be measured initially at its cost. Transaction costs shall be included in the initial measurement. An investment property shall be derecognized (eliminated from the balance sheet) on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal.

2.8 Intangible Assets

a) Intangible Assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life is reviewed annually with the effect of any changes in estimate being accounted for on a prospective basis.

b) Useful lives of Intangible Assets

Intangible Assets are amortised equally over the estimated useful life,

2.9 De-recognition of tangible and intangible assets

An item of tangible and intangible asset is de-recognised 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 tangible and intangible assets is determined as the difference between the sale proceeds, if any, and the carrying amount of the asset and is recognised in the Statement of Profit or Loss.

2.10 Impairment of tangible and intangible assets

The Group annually reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash generating units, or otherwise they are allocated to the smallest group of cash generating unit for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. If the recoverable amount of an asset (or cash generating unit) is estimated to be less than the carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss. When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment of loss been recognised for the asset (or cash generating unit) in prior years. A reversal of impairment of loss is recognised immediately in Statement of Profit and Loss.

2.11 Revenue Recognition

Effective from 1st April, 2018 the Group has adopted Ind AS 115 “Revenue from Contracts with Customers”.

(a) Sale of products

Revenue is recognised at a point in time upon transfer of control of the products to customers i.e., when the products are delivered to the common carrier, in an amount that reflects the consideration that the Group expects to receive in exchange for those products.

The Group accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the actual underlying performance obligation that corresponds to the progress by the customer / indenter towards earning the discount / incentive.

(b) Dividend and Interest Income

Dividend income from investments is recognized 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 recognized 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 using effective interest rate method.

(c) Insurance Claims

Insurance claims are recognized on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

(d) Rental Income / Warehousing Charges

Rental income and warehousing charges from operating leases are recognized on a straight line basis over the term of the relevant lease, if the escalation is not a compensation for increase in cost of inflation index.

2.12 Ind AS 115- Revenue from contracts with customers

The standard is notified on 28.03.2018 and it is applicable for the accounting periods commencing on or after 01.04.2018 and accordingly your Group has adopted this standard.

2.13 Inventories

Inventories including traded goods are valued at lower of cost and net realizable value. Materials and other items intended for use in the production of inventories are not written -down below cost if the finished goods in which they will be incorporated or expected to be sold at or above cost.

Cost includes taxes and duties (other than taxes and duties for which input tax credit is available), freight and other direct expenses. Stocks of Raw materials, Stores & Spares, Packing Materials and chemicals are valued at cost on First in First Out. Finished Goods / Stock-in-Progress are valued at lower of cost and net realisable value and cost includes material, direct labour, overheads (other than selling and administrative overheads) incurred in bringing the inventory to their present location and condition. Net realizable value is the estimated selling price less estimated cost of completion and estimated costs necessary to make the sale. Obsolete, slow moving and defective inventories are periodically identified and provision is made where necessary.

2.14 Borrowing Costs

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 are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. 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 recognized in the Statement of Profit and Loss in the period in which they are incurred.

2.15 Leases

As Lessor:

Group as lessor assess lease contract to operating lease or finance lease. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. A lessor shall recognise lease payments from operating leases as income on either a straight-line basis or another systematic basis. The lessor shall apply another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

As Lessee:

The Group assesses whether a contract contains a lease at the inception of a contract. Certain lease contracts include the options to extend or terminate the lease before the end of the lease term. The leases are recognized as a right-of-use asset with a corresponding lease liability at the date on which the leased asset is available for use by the Group as a lessee except for payments associated with short term leases (lease term of 12 months or less) and low value leases, which are recognized as an expense as and when incurred.

The Right-of-Use assets are initially recognized at cost comprising initial lease liability which include lease payments made on or before the commencement date and discounted future less payments. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The future lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are re-measured with a corresponding adjustment to the related Right-of-Use assets if the Group changes its assessment as to whether it will exercise an extension or a termination option. Right-of-Use assets are depreciated on a straight-line basis over the shorter of the lease term and the useful life of the asset. Right-of-use assets and lease liability have been separately presented in the balance sheet and lease payments have been classified as financing cash flow in the cash flow statement.

2.16 Employee Benefits

(a) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Group recognises the undiscounted amount of Short Term Employee Benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

(b) Post-employment benefits

(i) Defined Contribution Plan

Payments to Defined Contribution Retirement Benefit Plans are recognised as an expense when employees have rendered service entitling them to the contributions. Contributions to Provident Fund and Superannuation Fund are treated as Defined Contribution Plans, since funded with Provident Fund Commissioner (as per the provisions of the Employees Provident Fund and Miscellaneous Provisions Act, 1952) and Life Insurance Corporation of India, respectively.

(ii) Defined Benefit Plans

The Group operates the Defined Benefit Gratuity Plan for employees. The cost of providing defined benefits is determined using the Projected Unit Credit Method with actuarial valuation being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan. Gratuity and Retirement Benefit Schemes operated by the Group are treated as Defined Benefit Plans. All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss.

Re-measurement of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit s liability / asset) , are recognized in Other Comprehensive Income and taken to retained earnings. (Such re-measurements are not reclassified to the Statement of Profit and Loss in the subsequent periods). The Group presents the above liability / (asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent Actuary, however, the entire liability towards gratuity to employees (other than Directors) is considered as current as the Group will contribute this amount to gratuity fund within the next twelve months.

(c) Other Long-term Employee Benefits

As per policy of the Group, compensated absence is not accumulated.

2.17 Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligations, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtual certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.18 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transactions costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through statement of Profit and Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Statement of Profit and Loss (FVTPL) are recognized immediately in Statement of Profit and Loss.

2.19 Financial Assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. All recognized financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(a) Classification of financial Assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost. The debt instruments carried at amortised cost includes Deposits, Loans and advances recoverable in cash.

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. All other financial assets are subsequently measured at fair value.

(b) Effective Interest Method

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 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 instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as FVTPL. Interest income is recognized in the Statement of Profit and Loss.

(c) Investment in Equity Instruments at FVTOCI

(i) Investments in Equity Instruments in Subsidiaries and associates

The Group has elected to carry investment in equity instruments in subsidiaries and associates at cost in accordance with paragraph 10 of Ind AS 27- Separate Financial Statements.

(ii) Investments in Other Equity Instruments

The Group has irrevocably designated to carry investment in Other Equity Instruments at Fair Value through Other Comprehensive Income. On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in Fair Value in Other Comprehensive Income pertaining to Investments in Equity Instruments. This election is not permitted if the equity investment is held for trading. These elected investments were initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in Other Comprehensive Income and accumulated in the 'Reserve for Equity Instruments through Other Comprehensive Income'. On derecognition of such Financial Assets, cumulative gain or loss previously reported in OCI is not reclassified from Equity to Statement of Profit and Loss. However, the Group may transfer such cumulative gain or loss into retained earnings within Equity.

The Group has Equity Investments which are not held for trading. The Group has elected the FVTOCI irrevocable option for these investments (see Note 6). Fair value is determined in the manner described in Note 2.2.

(d) Impairment of Financial Assets

In accordance with Ind AS 109, the Group uses “Expected Credit Loss’(ECL) model, for evaluating impairment of financial assets other than those measured at fair value through Profit and Loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12 months expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instruments).
- For Trade receivable, Group applies “simplified approach” which requires expected life time losses to be recognized from initial recognition of these receivables.
- For other assets, the Group uses 12 months ECL to provide for impairment loss where there is no significant increase in credit risk, if there is significant increase in credit risk full lifetime ECL is used.

(e) Derecognition of Financial Assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109, a financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires. Concomitantly, if the asset is one that is measured at

- (a) Amortised cost, the gain or loss is recognized in the Statement of Profit and Loss.
- (b) Fair value through Other Comprehensive Income, the cumulative fair value adjustments previously taken to Reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is classified within equity.

2.20 Financial Liabilities and Equity Instruments

(a) Classification as Debt or Equity

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

(b) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group are recognized at the proceeds received, net of direct issue costs.

(c) Financial Liabilities

All financial liabilities are initially recognized at the value of respective contractual obligations. Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the "Finance costs" line item.

(d) De-recognition of Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

2.21 Derivative Financial Instruments and Hedge Accounting

The Group enters into derivative financial instruments to manage its exposure to foreign exchange rate risks, by means of foreign exchange forward contracts. Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit and loss depends on the nature of the hedging relationship and the nature of the hedged item. The hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. Any gain or loss recognised in Other Comprehensive Income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Statement of Profit and Loss. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in the Other Comprehensive Income is transferred to the Statement of Profit and Loss.

2.22 Foreign Currency Transactions

Functional currency of the Group is determined as Indian National Rupee (INR).

(a) Initial Recognition

On initial recognition, transactions in foreign currencies are recorded in the functional currency (ie Indian Rupees), by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency as at the date of the transaction.

(b) Measurement of foreign currency items at reporting date

Foreign currency monetary items are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

(c) Recognition of exchange difference

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements is recognized in Statement of Profit and Loss in the period in which they arise.

Exchange differences arising on monetary items that, in substance, form part of the Group's net investment in a foreign operation (having a functional currency other than Indian Rupee) are accumulated in foreign currency translation reserve.

For the preparation of the consolidated financial statements: (a) assets and liabilities of foreign operations, together with goodwill and fair value adjustments assumed on acquisition thereof, are translated to Indian Rupees at exchange rates prevailing at the reporting period end; (b) income and expense items are translated at the average exchange rates prevailing during the period; when exchange rates fluctuate significantly the rates prevailing on the transaction date are used instead.

On the disposal of a foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Group is reclassified to the Statement of Profit and Loss. In relation to a partial disposal, that does not result in losing control over the subsidiary, the proportionate exchange differences accumulated in equity is reclassified to the Statement of Profit and Loss.

2.23 Cash Flow Statement

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

2.24 Taxes on Income

Taxes on income comprise of Current Tax and Deferred Tax.

(a) Current Tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from "profit before tax" as reported in the statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years (temporary difference) and items that are never taxable or deductible (permanent difference) under the Income Tax Act, 1961. Current tax is measured using tax rates and tax laws enacted during the reporting period together with any adjustment to tax payable in respect of previous years.

(b) Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under the Income Tax Act, 1961.

Deferred tax liabilities are recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the accounting profit nor the taxable profit, deferred tax liabilities are not recognized.

Deferred tax assets are recognized for all deductible temporary differences to the extent it is probable that future taxable profits will be available against which those deductible temporary differences can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

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 the benefits of part of or all of deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. MAT Credit Entitlement is in the form of unused tax credits and is accordingly grouped under Deferred Tax Assets.

(c) Current and Deferred Tax for the year

Current and deferred tax are recognized in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognized in Other Comprehensive Income or directly in equity respectively.

2.25 Events after reporting period

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size of nature are only disclosed.

2.26 Financial and Management Information System

The Group's Accounting System is designed to unify the Financial and Cost Records and also to comply with the relevant provisions of the Companies Act, 2013 to provide financial and cost information appropriate to the businesses and facilitate Internal Control.

2.27 Segment Reporting

The Group has the following reporting segments, which are considered as its reporting segments. These segments offer different types of products to different customers and are managed separately because they require different technology and production process. Operating segment disclosures are consistent with the information provided to and reviewed by the Chief Operating Decision Maker.

Reporting Segment Products Offered

Foods and Windmill Wheat Products and Power Generation

Minerals and Detergents various minerals and Detergents

2.28 Earnings Per Share (EPS)

Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares..

3. Key Accounting Estimates and Judgements

3.1 Use of Estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

3.2 Key sources of estimation uncertainty

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized 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.

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 is as given below.

(a) Fair value measurement and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Group uses market observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation.

The Management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

(b) Useful life of Property, Plant and Equipment

The Group reviews the estimated useful lives of Property, Plant and Equipment at the end of each reporting period. During the current year, there has been no change in useful life considered for the assets.

(c) Cash Discounts

In accordance with Ind AS 115, the Group deducts cash discounts from the revenue for sale of products. Cash discounts on the sale of products in the last month of the year is estimated based on the past experience.

(d) Actuarial Valuation

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognized in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

(e) Claims, Provisions and Contingent Liabilities

The Group has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, Management provides for its best estimate of liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

(f) Tax expense

Significant judgments and estimates are involved in estimating the budgeted profits for the purposes of advance tax, determining the provision for income tax, Minimum Alternate Tax and MAT Credit which may get revised pursuant to the determination by the Income Tax authorities.

4. Recent pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.



4. Property, Plant and Equipment (PPE)

Particulars	Land	Buildings	Plant and Equipment	Electrical Installation	Furniture & fixture and Other Assets	Computer	Vehicles	Windmill / Solar	Total
Gross Block									
As at April 01, 2022	38.16	65.43	269.68	23.49	1.30	4.48	21.01	38.29	461.84
Merger Adjustments (refer note no.54)	6.09	4.85	1.09	0.15	-	-	0.30	9.46	21.94
Additions	2.21	13.58	33.72	2.58	3.38	0.75	2.16	-	58.38
Asset reclassified as held for sale (refer note no. 18)	(1.87)	(1.81)	-	-	-	-	-	-	(3.68)
Disposals	(0.08)	(1.41)	(4.19)	(0.45)	-	(0.19)	(0.32)	-	(6.64)
Cost as at March 31, 2023	44.51	80.64	300.30	25.77	4.68	5.04	23.15	47.75	531.84
Depreciation									
As at April 01, 2022	-	11.97	124.79	12.62	0.57	2.70	12.65	12.82	178.12
Charge for the year	-	3.16	29.48	2.00	0.49	0.31	2.24	2.66	40.34
Asset reclassified as held for sale (refer note no. 18)	-	(0.63)	-	-	-	-	-	-	(0.63)
Disposals	-	(1.07)	(3.89)	(0.43)	-	(0.19)	(0.21)	-	(5.79)
As at March 31, 2023	-	13.43	150.38	14.19	1.06	2.82	14.68	15.48	212.04
Net Block									
As at March 31, 2022	38.16	53.46	144.89	10.87	0.73	1.78	8.36	25.47	283.72
As at March 31, 2023	44.51	67.21	149.92	11.58	3.62	2.22	8.47	32.27	319.80

Notes :

- The Company has availed borrowings from Banks which carry charge over the assets of the Company (Refer Note No 49 for Securities pledged against loan).
- Refer Note No. 45.b for Disclosure of Contractual Capital Commitments for the acquisition of Property, Plant and Equipment.
- The amount of borrowing costs capitalised during the year ended March 31, 2023 was Rs.4.34 Cr (PY : Rs.3.10 Cr). The Company has applied capitalisation rate of 8.60% which is average cost of capital of the company.
- The amount of employee cost capitalized during the year ended March 31, 2022 was Rs. 1.84 Cr (PY : Rs. 1.41 Cr)
- Additions in capital expenditure incurred during the year ended March 31, 2022 was Rs.2.64 Cr (PY : Rs.26.20 Cr) at Company's inhouse R&D facilities at Dindigul are eligible for deduction under section 35(2AB) of the Income Tax Act, 1961.
- Additions in capital expenditure incurred during the year ended March 31, 2022 was Rs.0.40 Cr (PY : Rs.0.56 Cr) at Company's inhouse R&D facilities at Dindigul are eligible for deduction under section 35(1)(iv) of the Income Tax Act, 1961.

**4.a. Right of Use Assets**

Particulars	Right of Use Assets		Total
	Leasehold Land	Retail Outlets	
Gross Block			
As at April 01, 2022	7.23	-	7.23
Additions	4.56	8.56	13.12
Disposals	-	-	-
Cost as at March 31, 2023	11.79	8.56	20.35
Amortization			
As at April 01, 2022 *	-	-	-
Charge for the year	0.38	1.16	1.54
Disposals	-	-	-
As at March 31, 2023	0.38	1.16	1.54
Net Block			
As at March 31, 2022	7.23	-	7.23
As at March 31, 2023	11.41	7.40	18.81

* Values are shown as zero due to rounded off being lesser value.

4.b. Investment Property

Particulars	As at March 31, 2023	As at March 31, 2022
Carrying amount of:		
Investment Property	10.89	10.27
Total	10.89	10.27
Investment Property		
Cost		
Gross Carrying amount as at beginning of the year	10.61	10.54
Additions	0.97	0.07
Closing balance as at end of the year	11.58	10.61
Accumulated depreciation		
Accumulated depreciation as at beginning of the year	0.34	0.34
Depreciation for the year	0.35	0.00
Closing balance as at end of the year	0.69	0.34
Net block	10.89	10.27

* Values are shown as zero due to rounded off being lesser value.

Information regarding income and expenditure of Investment property

Particulars	As at March 31, 2022	As at March 31, 2021
Rental income derived from investment property	2.17	1.52
Profit arising from investment properties before depreciation and indirect expenses	2.17	1.52
Less - Depreciation	(0.35)	(0.34)
Profit arising from investment properties before indirect expenses	1.82	1.18
Less - Indirect expenses	(0.07)	(0.14)
Profit from investment property	1.75	1.04

**5. Capital Work in Progress (CWIP)****As at March 31, 2023****a. CWIP ageing schedule**

Particulars	Amount in CWIP for a period of				Total
	< 1 Year	1-2 Years	2-3 Years	> 3 Years	
Projects in Progress	53.10	0.78	1.67	1.56	57.11
Projects temporarily suspended	-	-	-	-	-

b. CWIP completion schedule for whose completion has exceeded original plan has been provided below.

Particulars	To be completed in				Total
	< 1 Year	1-2 Years	2-3 Years	> 3 Years	
Bakery Division	1.56	-	-	-	1.56
TOTAL	1.56	-	-	-	1.56

As at March 31, 2022**a. CWIP ageing schedule**

Particulars	Amount in CWIP for a period of				Total
	< 1 Year	1-2 Years	2-3 Years	> 3 Years	
Projects in Progress	10.19	9.37	-	1.56	21.12
Projects temporarily suspended	-	-	-	-	-

b. CWIP completion schedule for whose completion has exceeded original plan has been provided below.

Particulars	To be completed in				Total
	< 1 Year	1-2 Years	2-3 Years	> 3 Years	
Bakery Division	1.56	-	-	-	1.56
TOTAL	1.56	-	-	-	1.56

6. Other Intangible Assets

Particulars	Other Intangible Assets		Total
	Software	Trade Mark (Refer note 1 below)	
Gross Block			
As at April 01, 2022	1.77	0.26	2.03
Additions	0.03	0.05	0.08
Cost as at March 31, 2023	1.80	0.31	2.11
Amortization			
As at April 01, 2022	0.90	-	0.90
Charge for the year	0.30	-	0.30
As at March 31, 2023	1.20	-	1.20
Net Block			
As at March 31, 2022	0.87	0.26	1.13
As at March 31, 2023	0.60	0.31	0.91

Notes:

1. Trade Marks with carrying amount of Rs 0.26 crores has been considered as intangible with indefinite useful life as there are no technical, technological or contractual limitations for the trade marks based on management assessment on March 31, 2023.
2. The management has tested for impairment of trade marks as of 31 March, 2023 and concluded no impairment to be recognized during the year.



Particulars	As at March 2023	As at March 2022
7 Financial assets - Non-current investments		
Trade Quoted		
Investments in Equity instruments measured at FairValue through profit and loss account (FVTPL)		
400 (PY : 400) equity shares of ₹10/- each fully paid-up in Indian Overseas Bank *	0.00	0.00
Investments in Equity instruments measured at Fair Value through other comprehensive income (FVTOCI)		
4431 (PY : Nil) Equity Shares of ₹10/- each fully paid-up in Life Insurance Corporation Of India	0.25	-
Trade Unquoted		
Investments in Associate Companies (At Cost)		
CY Nil (PY : 62400) Equity Shares of ₹100/- each fully paid-up in Annai Power Private Limited	-	0.52
CY Nil (PY : 26,000) Equity Shares of ₹10/- each fully paid-up in Nagalakshmi Energy Private Limited	-	-
Investments in Equity instruments measured at Fair Value through profit and loss account (FVTPL)		
21,960 (PY : 21,960) Equity Shares of ₹10/- each fully paid-up in Mojro Technologies Private Limited	0.79	0.79
Investments in Equity instruments measured at FairValue through other comprehensive income (FVTOCI)		
18,00,000 (PY : 13,50,000) Equity Shares of ₹10/- each fully paid-up in Nellai Renewables Private Limited	1.81	1.36
CY Nil (PY : 1,33,000) Equity Shares of ₹10/- each fully paid-up in Dindigul Foods Park Private Limited	-	0.13
416 (PY : 416) Equity Shares of ₹10/- each fully paid-up in AR VE EM Energy Private Limited *	0.00	0.00
1,800 (PY : Nil) Equity Shares of ₹10/- each fully paid-up in Tutifood Private Limited	0.00	-
Total equity instruments (a)	2.85	2.80
Trade Unquoted		
Investments in Preference share instruments measured at FairValue through profit and loss account (FVTPL)		
21,710 (31 March 2021: 21,710) Preference Shares of ₹10/- each fully paid-up in Mojro Technologies Private Limited	0.78	0.78
Total preference instruments (b)	0.78	0.78
Total Investments (a+b)	3.63	3.58
Aggregate amount of quoted investments *	0.00	0.00
Aggregate market value of quoted investments	-	-
Aggregate cost of unquoted investments	3.63	3.58
Aggregate amount of impairment in value of investments	-	-
Category wise Non-Current investments		
Financial Assets measured at cost	-	0.52
FVTPL	1.57	1.57
FVTOCI	2.06	1.49

* Values are shown as zero due to rounded off being lesser value.



Particulars	As at March 2023	As at March 2022
8 Other financial assets		
(Unsecured, considered good)		
Security Deposits	5.30	3.22
Rent deposits	2.58	0.96
Bank deposits maturing after 12 months from the reporting date *	2.73	5.71
Total	10.61	9.89
* Represents balances with banks that are restricted from being exchanged or used to settle a liability for more than 12 months from the balance sheet date.		
9 Income Tax Assets (Net)		
Advance income-tax net of provision for tax of Rs. 4.76 Cr (PY : Rs. 3.07 Cr)	2.41	1.24
Total	2.41	1.24
10 Other non-current assets		
(Unsecured, considered good)		
Capital advances	13.72	11.90
Statutory and other deposits	1.31	0.61
Total	15.03	12.51
11 Inventories *		
(At Lower of cost and Net realisable value)		
Raw Materials	66.54	114.77
Raw materials-in-transit	1.19	-
Work-in-progress	8.42	6.83
Finished goods	28.73	22.38
Finished goods-in-transit	3.22	2.10
Packing materials	8.33	9.72
Stores and spares	10.28	8.67
Total	126.71	164.47

* For method of valuation please refer note no 2.13 and please refer Note 49 for security created on Inventories.

12. Financial Assets - Current : Trade receivables

At amortised cost

- Secured, considered good		
- Unsecured, considered good *	75.34	88.99
- Unsecured, significant increase in credit risk	1.51	0.60
	76.85	89.59
Less: Allowance for credit impairment	(1.51)	(0.60)
Total Trade Receivables	75.34	88.99

* Includes dues from M.M. Detergents Company Pvt. Ltd., Rs. 0.32 cr., a related party.

**Trade receivables Ageing Schedule****As on 31st March 2023**

Particulars	Not Billed	Not Due	< 6 months	6 months to 1 year	1-2 years	2-3 years	> 3 years	Total
Undisputed								
- Trade Receivables - considered good	12.28	46.76	11.33	2.04	2.25	0.27	0.41	75.34
- Trade Receivables - significant increase in credit risk	-	-	-	-	0.35	0.56	0.60	1.51
	12.28	46.76	11.33	2.04	2.60	0.83	1.01	76.85
Less: Significant increase in credit risk	-	-	-	-	(0.35)	(0.56)	(0.60)	(1.51)
Less: Credit Impaired	-	-	-	-	-	-	-	-
Total	12.28	46.76	11.33	2.04	2.25	0.27	0.41	75.34

As on 31st March 2022

Particulars	Not Billed	Not Due	< 6 months	6 months to 1 year	1-2 years	2-3 years	> 3 years	Total
Undisputed								
- Trade Receivables - considered good	14.00	22.51	48.43	2.74	0.90	0.11	0.30	88.99
- Trade Receivables - significant increase in credit risk	-	-	-	-	0.25	0.12	0.23	0.60
	14.00	22.51	48.43	2.74	1.15	0.23	0.53	89.59
Less: Significant increase in credit risk	-	-	-	-	(0.25)	(0.12)	(0.23)	(0.60)
Less: Credit Impaired	-	-	-	-	-	-	-	-
Total	14.00	22.51	48.43	2.74	0.90	0.11	0.30	88.99

Particulars	As at March 31, 2023	As at March 31, 2022
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13 Cash and cash equivalents

- Balances with Banks In Current Account	3.26	3.53
- Cash- on- Hand	0.09	0.15
Total	3.35	3.68

14 Bank Balance other than cash and cash equivalents**In fixed deposits**

In Margin money with Banks Maturing within 12 months from the reporting date*	5.83	4.63
In Earmarked Accounts		
Unpaid Dividend Account	0.02	0.02
Supplier Scheme Account	-	0.33
Total	5.85	4.98

* Represents deposits towards margin money for short term borrowings and non-fund limits.

15 Loans

(Unsecured, considered good)

Loans and advances to employees	0.86	0.44
Total	0.86	0.44



Particulars	As at March 31, 2023	As at March 31, 2022
16 Other current financial assets		
(Unsecured, considered good)		
Interest accrued but not due	0.23	0.08
MTM Assets on derivative contracts not designated through cash flow hedge	0.06	0.78
Total	0.29	0.87
* Values are shown as zero due to rounded off being nearest value.		
17 Other current assets		
(Unsecured, considered good)		
Gratuity assets	(0.00)	0.21
Advance to suppliers	3.75	16.59
Balances with Government authorities	1.08	-
Prepaid expenses	4.22	3.92
Total	9.05	20.72
18 Asset re-classified as held for sale		
Gross value of asset held for sale:		
Land	1.87	-
Buildings	1.81	-
Accumulated depreciation of asset held for sale:		
Land	-	-
Buildings	(0.63)	-
Net book value of asset held for sale	3.05	-

19. Equity Share Capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Authorised Share Capital				
4,36,00,000 Equity Shares of Rs 10/- each	4,36,00,000	43.60	2,75,00,000	27.50
	4,36,00,000	43.60	2,75,00,000	27.50
Issued, Subscribed and fully paid up Share Capital				
1,42,48,000 Equity Shares of Rs10/- each fully paid	1,42,48,000	14.25	1,42,48,000	14.25
	1,42,48,000	14.25	1,42,48,000	14.25

Notes:**(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year**

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding at the beginning of the year	1,42,48,000	14.25	1,42,48,000	14.25
Add : Issued during the year	-	-	-	-
Outstanding at the end of the year	1,42,48,000	14.25	1,42,48,000	14.25

**(b) Details of shares held by each shareholder holding more than 5% shares of the total share capital**

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of shares held	% of Holding	Number of shares held	% of Holding
Sri. K.S. Kamalakannan	72,52,377	50.90%	72,52,047	50.90%
Smt. Mageswari Kannan	25,63,538	17.99%	24,79,512	17.40%
Sri. Sounder Kannan	13,17,327	9.25%	13,17,327	9.25%
M/s. M.M.Detergents Company (P) Ltd.,	16,33,460	11.46%	16,33,460	11.46%
Smt. Lakshmi Vijayanand	8,57,152	6.02%	8,57,152	6.02%

(c) Terms/Rights attached to Equity Shares

The equity shares of the Company having par-value of Rs.10/- per share rank pari-pasu in all respects including voting rights, dividend entitlement and repayment of capital.

(d) Details of shares held by Promoters

Name of the Promoters	As at March 31, 2023			As at March 31, 2022		
	Number of shares held	% of Holding	% Change during the year	Number of shares held	% of Holding	% Change during the year
Sri. K.S. Kamalakannan	72,52,377	50.90%	0.00%	72,52,047	50.90%	0.13%
M/s. K.S. Kamalakannan HUF	34,700	0.24%	0.00%	34,700	0.24%	0.00%
Smt. Mageswari Kannan	25,63,538	17.99%	0.59%	24,79,512	17.40%	0.24%
Sri. Sounder Kannan	13,17,327	9.25%	0.00%	13,17,327	9.25%	-0.99%
M/s. Sounder Kannan HUF	37,800	0.26%	0.00%	37,800	0.26%	0.00%
Smt. Monaa Kannan	1,42,480	1.00%	0.00%	1,42,480	1.00%	1.00%
Sri. D. Vijay Anand	1,42,480	1.00%	0.00%	1,42,480	1.00%	1.00%
Smt. Lakshmi Vijayanand	8,57,152	6.02%	0.00%	8,57,152	6.02%	-0.99%
Ms. M. Jayalalitha	1,42,906	1.00%	0.00%	1,42,906	1.00%	0.00%
Sri. M. Sukumar	-	0.00%	-0.51%	72,041	0.51%	0.01%
M/s. M.M.Detergents Company P.Ltd.,	16,33,460	11.46%	0.00%	16,33,460	11.46%	3.12%
	1,41,24,220	99.12%	0.08%	1,41,11,905	99.04%	3.52%

Particulars	As at March 31, 2023	As at March 31, 2022
20. Other Equity		
Reserves & Surplus		
a) Capital Reserves	0.11	0.11
b) Capital Reserves on account of Merger	(2.84)	-
c) Securities Premium Account	1.36	1.36
d) General Reserve	3.76	3.55
e) Retained Earnings	150.89	139.37
f) Other Comprehensive Income	(1.48)	(0.24)
Total	151.80	144.15
a) Capital Reserve		
Balance at the beginning and end of the year	0.11	0.11
b) Capital Reserve on account of Merger		
Capital reserve on account of merger (refer note no. 54)	(2.84)	-
c) Securities Premium Reserve		
Balance at the beginning and end of the year	1.36	1.36



Particulars	As at March 31, 2023	As at March 31, 2022
d) General Reserve		
Balance at the beginning of the year	3.55	3.34
Additions during the year	0.21	0.21
Deductions/Adjustments during the year	-	-
Balance at the end of the year	3.76	3.55
e) Retained earnings		
Balance at the beginning of the year	139.37	128.45
Net profit for the year	13.06	12.52
Transfers to General Reserve	(0.21)	(0.21)
Earlier Period Items		(0.08)
Dividend paid during the year	(1.42)	(1.43)
Other foreign currency translation reserve	0.09	0.12
Balance at the end of the year	150.89	139.37
f) Other Comprehensive Income		
Balance at the beginning of the year	(0.24)	(0.44)
Additions during the year	(1.24)	0.20
Deductions/Adjustments during the year	-	-
Balance at the end of the year	(1.48)	(0.24)
Total	151.80	144.15

* During the year 2022-23, Company has declared and paid interim dividend @ Rs. 1 per share amounting to Rs. 1.42 Crs. (PY : Rs.1.43 Crs)

21 Long Term Borrowings

Secured - At Amortized Cost		
Term loans from Banks *	229.65	183.70
Loans from Financial Institutions *	3.29	-
Unsecured Loans from Related Parties **	6.43	-
Total	239.37	183.70

Term loan from Banks are secured by lien on non-callable Fixed Deposits. The Company has also availed working capital facilities and other non-fund based facilities viz. bank guarantees and buyers credit, which are secured by hypothecation of current assets. Working capital loans and other non-fund based facilities which is repayable on demand with interest rate ranging from 8.55% p.a to 9.00% p.a and term loan interest ranging from 8.35 % p.a to 10.50% p.a.

The outstanding excludes current maturities of Long Term Debt (Refer Note No.26c).

* Refer Note 49 for security details.

** Represents loan availed from related parties @12% p.a, repayable after 12 months.

22 Lease Liability

a. Changes in the lease liability

Balance as at 1 April 2021	-
Recognised during the year	-
Lease Payments made during the year	-
Balance as at 31 March 2022	-
Recognised during the year	9.23
Lease Payments made during the year	1.46
Balance as at 31 March 2023	7.77



Particulars		As at March 31, 2023	As at March 31, 2022
b. Break-up of current and non-current lease liabilities			
Current Lease Liabilities		1.59	0.00
Non-current Lease Liabilities		6.18	0.00
c. Maturity analysis of lease liabilities			
Less than one year		1.59	-
One to five years		3.56	-
More than five years		2.62	-
Total		7.77	0.00
d. Amounts recognised in statement of Profit and Loss account			
Interest on Lease Liabilities		0.67	-
Total		0.67	0.00
23 Other financial liabilities			
Security Deposits		2.09	2.45
Total		2.09	2.45
24 Provisions			
Non Current			
Provision for gratuity - Directors		3.25	2.73
Total		3.25	2.73
Current			
Provision for Compensated absences		1.28	1.04
Provision for Gratuity - Directors		0.12	0.00
Total		1.40	1.04

25. Deferred Tax Liability - Net

Particulars	As at March 31, 2022	Adj. on account of merger	Recognised in P&L during 2022-23	OCI 2022-23	As at March 31, 2023
As at March 31, 2023					
<u>Deferred Tax Liabilities</u>					
Difference between written down value / Capital Work in Progress of Fixed Assets as per books of accounts and Income Tax Act, 1961.	19.01	-	1.29	-	20.30
Expenses allowed on payment	0.20	-	0.09	0.25	0.54
Total (I)	19.21	-	1.38	0.25	20.84
<u>Deferred Tax Assets</u>					
Expenses allowed on payment	1.05	-	0.43	-	1.48
Expenses allowed on FairValue change on financial instruments classified under FVTPL	0.21	-	-	-	0.21
Provision for doubtful debts	0.15	-	0.24	-	0.39
Carry forward losses	0.69	0.83	(1.52)	-	-
Total (II)	2.10	0.83	(0.85)	-	2.08
Deferred Tax Liability (Net) (I-II)	17.11	(0.83)	2.23	0.25	18.76
MAT Credit Entitlement	(3.07)	-	-	-	(3.07)
Net Deferred Tax Liabilities (Net)	14.04	-	2.23	0.25	15.69



Particulars	As at March 31, 2021	Recognised in P&L during 2021-22	OCI 2021-22	As at March 31, 2022
As at March 31, 2022				
Deferred Tax Liabilities				
Difference between written down value / Capital Work in Progress of Fixed Assets as per books of accounts and Income Tax Act, 1961.	13.55	5.46	-	19.01
Expenses allowed on payment	0.13	-	0.07	0.20
Total	13.68	5.46	0.07	19.21
Deferred Tax Assets				
Expenses allowed on payment	0.96	0.10	-	1.06
Expenses allowed on FairValue change on financial instruments classified under FVTPL	-	0.21	-	0.21
Provision for doubtful debts	-	0.15	-	0.15
Carry forward losses	-	0.69	-	0.69
Total	0.96	1.15	-	2.11
Deferred Tax Liabilities (Net)	12.72	4.31	0.07	17.10
MAT Credit Entitlement	-	(3.07)	-	(3.07)
Net Deferred Tax Liabilities (Net)	12.72	1.24	0.07	14.03

Particulars	As at March 31, 2023	As at March 31, 2022
26 Current liabilities - Financial Liabilities:		
Borrowings**		
a) Secured - At Amortised Cost		
Loans repayable on demand from banks *	36.82	65.22
b) Buyers Credit	7.97	23.93
c) Current Maturities of Long term Borrowings	57.52	56.44
	102.31	145.59

The loans have been utilized for the purpose for which it were obtained and no short term funds have been used for long term purpose.

* Secured by pari-passu charge on inventories & trade receivables and are repayable on demand.

** Secured by personal guarantees of some of the Directors of the Company.

27. Current liabilities - Financial Liabilities:

iii. Trade Payables

At amortised cost

- Total outstanding dues of micro and small enterprises	0.89	4.46
- Total outstanding dues of creditors other than micro and small enterprises	97.54	96.61
Total	98.43	101.07

**Trade Payables Ageing Schedule**

Particulars	Not Due	< 1 year	1-2 years	2-3 years	> 3 years	Total
As on 31st March 2023						
Total outstanding dues of micro enterprises and small enterprises	-	0.89	-	-	-	0.89
Total outstanding dues of creditors other than micro and small enterprises	70.56	26.75	0.02	0.04	0.17	97.54
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-
Total	70.56	27.64	0.02	0.04	0.17	98.43
As on 31st March 2022						
Total outstanding dues of micro enterprises and small enterprises	-	4.46	-	-	-	4.46
Total outstanding dues of creditors other than micro and small enterprises	74.86	20.89	0.61	0.17	0.08	96.61
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-
Total	74.86	25.35	0.61	0.17	0.08	101.07

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars	As at 31-03-2023	As at 31-03-2022
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	0.89	4.46
Interest	-	-
Total	0.89	4.46
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-



Particulars		For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
28 Current liabilities - Financial Liabilities:			
Other financial liabilities			
At amortized cost			
Security Deposits	0.13	0.31	
Capital Creditors	1.44	2.77	
Employee related payables	6.60	4.90	
Provision for Expenses	7.74	3.07	
Unclaimed /Unpaid dividends	0.02	0.02	
Total	15.93	11.07	
29 Other current liabilities			
Advances received for supply of goods	3.93	11.96	
Advance received for non-current asset held for sale	0.56	0.00	
Provision for Gratuity - Employees	0.35	0.00	
Statutory dues payable to government authorities	6.56	2.80	
Total	11.40	14.76	
30 Revenue from operations			
Sale of Products			
Manufactured Products			
Wheat and Food Products	1,022.30	841.94	
Minerals	1,036.44	798.21	
Traded Goods			
Wheat and Food Products	20.53	71.31	
Minerals	0.11	0.58	
Total sale of products	(a) 2,079.38	1,712.04	
Other Operating Income			
Windmill Income	0.17	0.21	
Warehousing Charges	2.74	1.61	
Sale of scrap	10.06	11.61	
Income from Plant & Machinery and Vehicles	6.21	3.46	
Export Incentive Income	0.50	0.03	
Total other operating income	(b) 19.68	16.92	
Total	(c) 2,099.06	1,728.96	
Sale of products: Performance obligation in respect of sale of goods is satisfied when control of the goods is transferred to the customer and payment is generally due as per the terms of contract with customers.			
31 Other income			
Interest Income from Deposits with banks etc. -			
carried at amortized cost	0.80	0.75	
Profit on sale of PPE (net) *	4.00	0.00	
Rent Receipts	2.25	1.52	
Mark to markup gain on forward contracts	0.03	0.86	
Other Misc. Income**	0.01	0.12	
Total	7.09	3.25	

*Values are shown as zero due to rounded off being lesser value.

**Other misc. income includes write back of Bad Debts, return journey income.



Particulars		For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
32 Cost of materials consumed			
Wheat and Food Products		826.94	695.83
Minerals		944.70	691.44
Total		1,771.64	1,387.27
33 Purchases of Stock in Trade			
Wheat and Food Products		20.75	65.71
Minerals		-	-
Total		20.75	65.71
34 Changes in inventories of work-in-progress, stock in trade and finished goods			
Opening Stock			
Work-in-Progress			
Wheat and Food Products		6.83	8.46
Minerals		0.00	24.85
Finished Goods			
Wheat and Food Products		11.08	6.34
Minerals		13.39	11.46
Total	(a)	31.30	51.11
Closing Stock			
Work-in-Progress			
Wheat and Food Products		8.42	6.83
Minerals		0.00	-
Finished Goods			
Wheat and Food Products		16.02	11.09
Minerals		15.89	13.39
Total	(b)	40.33	31.31
Total	(a-b)	(9.03)	19.80
35 Employee benefits expenses *			
Salaries, wages and bonus		62.83	46.35
Contribution to provident and other funds		4.60	3.20
Staff Welfare Expenses		2.47	2.20
Directors' Remuneration		4.17	3.77
Total		74.07	55.52
* Employee benefit expense is net of Employee cost capitalised of Rs.1.84 Cr (PY Rs. 1.41 Cr)			
36 Finance Cost *			
Interest Paid - Banks		31.31	27.36
- Lease Liability		0.67	-
- Financial Institution		-	0.74
- Buyers Credit		0.58	0.39
- Others		0.85	0.02
Other Borrowing Cost		1.01	1.48
Total		34.42	29.99
* Finance cost is net of Interest capitalised of Rs.4.34 Cr (PY Rs. 3.10 Cr)			



Particulars		For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
37 Depreciation and amortization expense			
Depreciation of property, plant and equipment		40.70	36.68
Amortization of Intangible assets		0.30	0.29
Amortization of Right of use assets *		1.54	0.00
Total		42.54	36.97
* Values are shown as zero due to rounded off being lesser value.			
38 Other expenses			
Manufacturing Expenses			
Production Expenses		18.94	16.69
Power and Fuel		22.13	17.60
Repairs to Machinery		13.47	10.54
Laboratory Expenses		3.27	2.20
	(A)	57.81	47.03
Selling and Distribution Expenses			
Advertisement		6.98	5.74
Brokerage and Commission		1.17	1.17
Discount & Claims and Settlement		3.28	1.71
Sales Promotion		3.74	1.42
Freight and Handling		39.55	32.32
	(B)	54.72	42.36
Establishment Expenses			
Repairs and Maintenance - Buildings		2.04	1.96
Repairs and Maintenance - Others		4.21	3.78
Bank Charges and Commission		0.43	0.66
Loss on Foreign Currency Fluctuation		0.64	0.68
Provision for doubtful debts		0.91	0.60
Bad debts written Off		0.11	1.05
Printing & Stationery and Communication		1.63	1.02
Professional Charges		4.19	2.53
Payments to auditors [Refer note 40]		0.20	0.15
Directors' Sitting Fees		0.04	0.04
Donations		0.28	0.67
Travelling Expenses		6.92	3.40
Insurance, Rates, Licence and Taxes		5.54	4.25
Rent & Electricity		7.54	6.08
CSR Expenses [Refer note 41]		0.47	0.33
Windmill Expenses		2.33	1.36
Net gain / (loss) arising on financial instruments mandatorily measured at FVTPL		0.00	0.93
Miscellaneous Expenses *		1.89	1.43
	(C)	39.37	30.92
Total Other Expenses	(A+B+C)	151.90	120.31

* Miscellaneous expenses consists of Security Charges, Pooja Expenses & Subscription Expenses.



Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
39 Earnings per share (EPS)		
Net Profit after tax for the year	13.06	12.52
Basic earnings per share (Rs. 10/-)		
Weighted average no. of ordinary shares outstanding	1.42	1.42
Nominal value of ordinary shares (Rs. Per share)	10.00	10.00
Basic earnings for ordinary shares (in Rs. Per share)	9.17	8.79
Diluted earnings per share (Rs. 10/-)		
Weighted average no. of ordinary shares outstanding	1.42	1.42
Nominal value of ordinary shares (Rs. Per share)	10.00	10.00
Diluted earnings for ordinary shares (in Rs. Per share)	9.17	8.79
40 Payment to auditors		
As statutory auditors :		
Statutory Audit Fees	0.15	0.13
Tax audit fees	0.01	0.01
Fees for other services	0.04	0.01
Total	0.20	0.15
41 Expenditure on Corporate Social Responsibility (CSR)		
a) Gross amount required to be spent on Corporate Social Responsibility during the year		
(i) Brought Forward	(1.74)	(1.40)
(ii) During the year	0.47	0.33
Total	(1.27)	(1.07)
b) Amount spent during the year		
(i) Construction and/ or acquisition of any asset	-	0.67
(ii) Other purposes [other than (i) above]	-	-
	-	0.67
c) Closing amount over spent as at March 31, 2023	(1.27)	(1.74)
d) Nature of CSR activities		
→ Installation of Oxygen Plant in Government Hospital	-	0.67
42 Income tax expense		
(a) Major Components of Income Tax Expenses		
Current tax		
Current tax on the Taxable Income for the year	4.76	3.07
MAT Credit availed	-	(3.07)
	4.76	-
Deferred tax		
Deferred Tax Liabilities (Refer Note 25)	2.23	4.31
	2.23	4.31
Total	6.99	4.31



Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
b) Reconciliation of Tax Expense and the Accounting		
Profit for the year is as under :		
Enacted income tax rate in India applicable to the Company	25.17%	25.17%
Profit Before Tax	19.86	16.64
Current tax expense on profit before tax at the enacted Income Tax rate in India	5.00	4.19
Tax effect of the amounts which are not deductible/ (taxable) in calculated taxable income	-	0.41
Effect on differential tax rate for fair value changes on financial instruments	-	0.04
Others	1.99	(0.33)
Total	6.99	4.31
43 Foreign exchange earnings & Expenditure		
Foreign exchange earnings	8.05	12.52
Foreign exchange Expenditure	34.96	44.42
44 Expenditure in foreign currency		
Interest	0.63	1.12
Professional / Technical Fees	2.15	-
Total	2.78	1.12
45. Contingent liabilities and Commitments		
a) Contingent Liability		
1. Disputed Electricity Tax-Pending before Hon'ble Supreme Court	1.00	0.86
2. Disputed Electricity Tax-Pending before Hon'ble Madras High Court	0.10	0.05
3. Deemed Demand (Power Purchase) pending before Hon'ble Madras High Court	0.17	0.17
4. Disputed PF payables pending before Hon'ble Madras High Court	0.91	-
5. Disputed Windmill banking adjustments pending before Hon'ble Madras High Court	-	0.26
6. Export obligations pending to be completed	-	1.04

In respect of above matters, future cash outflows in respect of contingent liabilities are determinable only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. The Company is contesting these demands and the Management, including its advisors, believe that its position will likely be upheld in the appellate process.

No expense has been accrued in the stand alone financial statements for the demands raised. The Management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

a) Commitments

1. Estimated amount of Contracts remaining to be executed on Capital account not provided for	9.75	55.35
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46. Operating Segments

The Company is engaged in the business of "Wheat Products, Minerals, Detergents and in Generation of Power" and has two reportable segment. As per Ind As 108 "Operating Segments" the same is presented as part of Consolidated Financial Statement.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Segment Revenue:		
(a) Foods & Windmill	1,060.26	928.13
(b) Minerals & Detergents	1,038.80	800.83
(c) Unallocated Income	-	-
Net Income from Operations	2,099.06	1,728.96
Segment Results:		
(a) Foods & Windmill	40.28	34.18
(b) Minerals & Detergents	(0.23)	14.69
Total	40.05	48.87
Less : Interest & Finance Charges	34.42	29.99
Less : Other net unallocable Income / (Expenses)	(14.43)	2.05
Total Profit Before Tax	20.06	16.83
Segment Assets:		
(a) Foods & Windmill	423.53	404.33
(b) Minerals & Detergents	190.97	200.48
(c) Unallocated Assets	49.19	30.03
Total Segment Assets	663.69	634.84
Segment Liabilities:		
(a) Foods & Windmill	321.44	313.71
(b) Minerals & Detergents	122.18	140.21
(c) Unallocated Liabilities	54.02	22.52
Total Segment Liabilities	497.64	476.44

47. Lease arrangements

As Lessor

The Company has entered into operating lease arrangements for certain surplus facilities. The leases are cancellable at the option of either party to lease and may be renewed based on mutual agreement of the parties.

Total lease income recognised in the Statement of Profit and Loss	2.17	1.52
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48. Financial Instruments

Capital Management

The Company adheres to a cautious Capital management that seeks to trigger growth creation and maximisation of shareholders' value. For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the shareholders of the Company. The Company has been funding its growth and acquisition plans and working capital requirements through a balanced approach of internal accruals and external debt from banks. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the over all debt component of the Company.



Particulars	As at March 31, 2023	As at March 31, 2022
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The Following table summarises the capital of the Company:

Share Capital	14.25	14.25
Other Equity	151.80	144.15
Equity (A)	166.05	158.40
Cash and Cash Equivalents	3.35	3.68
Other Bank Balances	5.85	4.98
Total Fund (B)	9.20	8.66
Debt (CM + LTL+STL)	341.68	329.29
Total Debt (C)	341.68	329.29
Net Debt (D=C-B)	332.48	320.63
Total Capital (Equity + Net Debt)	498.53	479.03
Net Debt to Equity Ratio (No of Times) (E=D/A)	2.00	2.02

Categories of Financial Instruments

Financial assets

a. Measured at amortised cost

Trade receivables	75.34	88.99
Cash and cash equivalents	3.35	3.68
Bank balances other than above	5.85	4.98
Loans given (current)	0.86	0.44
Others	10.90	10.76

b. Mandatorily measured at fair value through profit or loss (FVTPL)

Investments (non-current)	1.57	1.57
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c. Measured at Cost

Investments (non-current)	-	0.52
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d. Measured at fair value through other comprehensive income (FVTOCI)

Investments (non-current)	2.06	1.49
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Financial liabilities

a. Measured at amortised cost

Borrowings (Non-current)	239.37	183.70
Borrowings (Current)	102.31	145.59
Trade payables	98.44	101.07
Lease liability	7.77	-
Others	18.02	13.52



Financial risk management

Objectives and Policies

The Company's financial liabilities comprises mainly of term loan borrowings, trade payables and other payables. The Company's financial assets comprises mainly of cash and cash equivalents, other balances with banks, trade receivables and investments. The Company has financial risk exposure in the form of market risk, credit risk and liquidity risk. The risk management policies of the Company are monitored by the Board of Directors. The present disclosure made by the Company summarises the exposure to the financial risks

1. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market price comprises of three types of risk-currency risk, interest risk and other price risk. The financial instruments affected by market risk includes Rupee Term Loan and Loans and Advances.

a) Interest rate exposure

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 has availed significant Rupee Term Loan at floating rate of interest. The Company has not entered into any of the interest rate swaps and hence is exposed to interest rate risk.

Interest rate sensitivity Analysis

The Company considering the economic environment in which it operates has determined the interest rate sensitivity analysis (interest exposure) at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole of the year. A 25 basis point +/- fluctuation in the interest rate is used for disclosing the sensitivity analysis.

Impact on Profits before Tax	As at March 31, 2023	As at March 31, 2022
Interest rates - Increase by 25 basis points	(0.85)	(0.82)
- Decreased by 25 basis points	0.85	0.82

The increase / decrease in interest rate expense is mainly attributable to Company's exposure to interest rates on its variable rate of borrowings. The interest rate sensitivity analysis is done holding on the assumption that all other variables remaining constant.

b) Foreign Currency risk exposure

The Company imports wheat, minerals, stores & spares and capital goods for which payables are denominated by foreign currency. The Company is exposed to foreign currency risk on these transactions. The Company follows a conservative and sound policy by entering into simple Forward Exchange Contracts to hedge the foreign currency risk whose maturity co-terminous with the maturity period of foreign currency liabilities. (underlying) In respect of exports, exports are made against advances received. Hence, the Company is not exposed to any significant foreign currency risk in respect of its exports.

c) Other price risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded prices. The Company's investment in fixed deposits with banks is fixed and hence there is no risk price movement arising to the Company. The Company's equity investments in its Subsidiaries and Associates is for strategic purpose and not held for trading. They are carried at cost and hence are not subject to price related risk. Other investments in equity instruments are held with a view to hold them for long term basis and not for trading.

Disclosure of hedged and unhedged foreign currency exposure

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

**As on March 31, 2023**

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged Using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged Using derivatives	Net liability exposure on the currency	
USD	0.10	0.10	-	-	-	-	-
EURO	-	-	-	-	-	-	-
BDT	-	-	-	-	-	-	-
In INR	7.93	7.93	-	-	-	-	-

As on March 31, 2022

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged Using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged Using derivatives	Net liability exposure on the currency	
USD	0.42	0.25	0.17	0.00*	-	-	(0.17)
EURO	0.01	-	0.01	-	-	-	(0.01)
BDT	-	-	-	0.62	-	0.62	0.62
In INR	31.34	17.89	13.45	0.56	-	0.56	(12.89)

* Values are shown as zero due to rounded off being lesser value.

2 Credit Risk

The credit risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets as trade receivables, bank balances, other balances with banks and other receivables. The credit risk rising from the exposure of investing in other balances with banks and bank balances is limited and there is no collateral held against these because the counter parties are Public sector Banks. Trade receivables consists of a large number of customers. The Company has established a credit policy under which every customer is analysed for credit worthiness. Major customers places advances. The Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes provision at each reporting period wherever outstanding is for longer period and involves higher risk.

3 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly to meet obligations when due. The Company's exposure to liquidity risk arises primarily from mismatches of maturities of financial assets and liabilities. The Company manages the liquidity risk by i) maintaining adequate and sufficient cash and cash equivalents including investments in mutual funds ii) making available the funds from realising timely maturities of financial assets to meet obligations when due. The liquidity risk management involves matching the maturity profiles of financial assets and financial liabilities.

Financial arrangements

The Company has access to the following undrawn borrowing facilities at the end of the reporting period :

Details	March 31, 2023	March 31, 2022
Expiring within one year	274.00	151.73
Expiring beyond one year	-	-

The Company makes an annual /long term financial plan so as to ensure there are no maturity mismatches in settlement of liabilities.



49(a). Security Details of Long Term Borrowings

(i) Term loan from The ICICI Bank Limited amounting to Rs. 1.70 Crores (Including Current maturities) outstanding as at 31.03.2023 (Previous year Rs. 2.90 Crores) is primarily secured by hypothecation of the assets purchased under loan.

(ii) Term loan from The HDFC Bank Limited amounting to Rs. 121.90 Crores (Including Current maturities) outstanding as at 31.03.2023 (Previous year Rs. 96.92 Crores) is primarily secured by the assets purchased under the loan and personal assets of some of the Executive Directors.

(iii) Term loan from The IDBI Bank Limited amounting to Rs. 18.42 Crores (Including Current maturities) outstanding as at 31.03.2023 (Previous year Rs. 20.38) is primarily secured by the land and building situated at No.133, Trichy Road, Dindigul-624005.

(iv) Term loan from The Karur Vysya Bank Limited amounting to Rs. 65.69 Crores (Including Current maturities) outstanding as at 31.03.2023 (Previous year Rs. 45.78 Crores) is primarily secured by the assets purchased under the loan and equitable mortgage on Minerals land located at Dindigul.

(v) Term loan from The State Bank of India amounting to Rs. 37.10 Crores (Including Current maturities) outstanding as at 31.03.2023 (Previous year Rs. 17.69 Crores) is primarily secured by equitable mortgage of the assets of the Company located at Trichy.

(vi) Term loan from IndusInd Bank Ltd amounting to Rs.11.91 Crores (Including Current maturities) outstanding as at 31.03.2023 (Previous year Rs. 16.65 Crores) is primarily secured by hypothecation of the assets purchased under the loan and land at Seelapadi Village, Dindigul.

(vii) Term loan from IDFC First bank Limited amounting to Rs.24.89 Crores (Including Current maturities) outstanding as at 31.03.2023 (Previous year Rs. 25.66 Crores). is primarily secured by hypothecation of the assets purchased under the loan and land at Padiyur, Dindigul.

(viii)Term loan from Kotak Mahindra Bank Ltd amounting to Rs. 0.36 Crores (Including Current maturities) outstanding as at 31.03.2023 (Previous year Rs. 0.15 Crores) is primarily secured by hypothecation of the assets purchased under the loan.

(ix) Term loan from Axis Bank Ltd amounting to Rs.5.18 Crores (Including Current maturities) outstanding as at 31.03.2023 (Previous year Rs. 6.95 Crores) is primarily secured by hypothecation of the assets purchased under the loan and land at Seelapadi Village, Dindigul.

(x)Term loan from Fullerton india Pvt Ltd amounting to Rs.3.29 Crores (Including Current maturities) outstanding as at 31.03.2023 (Previous year NIL) is primarily secured by equitable mortgage on Modern Nagar land located at Dindigul.

Note:

a) The said loans are repayable in monthly / quarterly instalments.

b) The Company does not have any continuing default as on the Balance Sheet date in the repayment of loan or interest.

c) The loans have been guaranteed by some of the Directors of the Company in certain cases.



S.No.	Bank	Loan Amt	ROI	Repayment Terms	Remaining Tenure (Quarter / Months)	O/S as on 31.03.2022
1. TERM LOANS						
1	INDUSIND	9.55	10.50%	Q	3	1.10
2	ICICI	7.60	8.55%	M	17	1.70
3	INDUSIND	15.00	10.50%	Q	10	7.50
4	HDFC	11.50	9.95%	M	70	7.82
5	HDFC	12.30	9.95%	M	47	7.25
6	HDFC	36.00	9.95%	M	48	21.69
7	HDFC	13.13	9.40%	M	70	8.92
8	IDFC	30.00	9.60%	M	20	24.89
9	HDFC	26.00	9.65%	M	60	26.00
10	HDFC	9.00	9.55%	M	60	9.00
11	KVB	30.00	9.35%	M	108	21.00
12	KVB	13.16	9.50%	M	114	10.91
13	SBI	12.00	9.75%	M	35	3.86
14	SBI	10.50	9.75%	M	28	4.15
15	FULLERTON	3.73	11.15%	M	96	3.30
Total Term Loans						159.09
2. LOANS AGAINST PROPERTY						
1	HDFC	26.00	9.05%	M	25	7.99
2	HDFC	11.00	9.20%	M	25	4.04
3	SBI	17.00	8.65%	M	35	7.79
4	IDBI	16.00	9.65%	M	109	12.08
5	IDBI	3.00	9.50%	M	106	2.30
6	KVB	18.00	9.50%	Q	8	5.88
7	KVB	40.00	9.50%	Q	13	21.58
Total Loans Against Property						61.66
3. VEHICLE LOANS						
1	HDFC	0.29	8.60%	M	2	0.01
2	KOTAK	0.18	8.00%	M	34	0.12
3	HDFC	1.07	8.00%	M	54	0.96
4	HDFC	0.29	7.40%	M	55	0.27
5	HDFC	1.47	8.50%	M	2	0.01
6	KOTAK	0.39	7.25%	M	34	0.24
Total Vehicle Loans						1.61
4. GECL LOANS						
1	IDBI	3.40	9.25%	M	33	2.30
2	KVB	3.15	9.25%	M	34	2.23
3	HDFC	23.58	9.25%	M	33	16.70
4	AXIS	7.10	7.60%	M	35	5.18
5	INDUSIND	4.08	9.00%	M	39	3.31
6	KVB	5.30	9.25%	M	36	4.09



S.No.	Bank	Loan Amt	ROI	Repayment Terms	Remaining Tenure (Quarter/ Months)	O/S as on 31.03.2022
7	SBI	6.69	8.65%	M	37	5.00
8	IDBI	1.74	9.25%	M	48	1.74
9	SBI	15.72	8.65%	M	48	15.66
10	HDFC	11.79	8.40%	M	48	11.24
11	SBI	1.50	8.95%	M	17	0.65
Total GECL Loans						68.11
5. Unsecured Loans						
1	M.M.Detergents Company Pvt Ltd	6.23	12.00%	NA	NA	6.23
2	Mrs. Padmini	0.20	12.00%	NA	NA	0.20
Total Unsecured Loans						6.43
Grand Total						296.90

*The outstanding includes current maturities of Long Term Debt (Refer Note No.21)

50 Retirement benefit plans

1. Defined contribution plans

The Company makes Provident Fund which is defined contribution plan for qualifying employees. Under the scheme, the company is required to contribute a specified percentage of the payroll costs to fund the benefit. The Company recognised Rs 4.60 Cr (year ended 31.03.2022 Rs 3.20 Cr) in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the scheme.

2. Defined benefit plans

a) Gratuity

Gratuity to employees (funded) and Gratuity to Directors (non funded), the most recent actuarial valuation of the plan assets and in respect gratuity to employees scheme, the present value of the defined benefit obligation were carried out by actuarial valuation. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the projected unit cost method. The following table sets forth the status of the Gratuity Plan (Employees) and Gratuity (Directors) of the Company and the amount recognised in the Balance Sheet and Statement of Profit and Loss. The Company provides the Gratuity (Employees) benefit through annual contribution and provision is made annually for Gratuity to Directors.

As per the policy of the Company the Compensated Absence is not accumulated.

Investment risk	The probability or likelihood of occurrence of losses relating to the expected return on any particular investment.
Interest risk	The Plan exposes the Company to the risk of fall in interest rates. A fall in interest rate will result in an increase in the ultimate cost of providing above benefit and will thus result in an increase in the value of liability (as shown in financial statements). A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.
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, based on past experience. Deviation in the rate 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 adverse compared to the assumptions.



S. No.	Particulars	Post Employment Benefit			
		Gratuity-Employees		Gratuity-Directors	
		31.03.2023	31.03.2022	31.03.2023	31.03.2022
i	Changes in Defined Benefit Obligation				
	Present Value-Opening Balance	3.82	3.60	3.25	2.23
	Current Service Cost	0.60	0.60	0.13	0.50
	Interest Cost	0.27	0.24	-	-
	Past services cost	-	(0.05)	-	-
	Actuarial Loss/(Gain) on obligation	0.82	(0.22)	-	-
	Benefits Paid and Charges Deducted	(0.34)	(0.35)	-	-
	Present Value- Closing Balance	5.17	3.82	3.38	2.73
ii	Changes in Fair value of Plan Assets				
	Opening Balance	4.03	3.66	-	-
	Expected Return on plan assets	0.31	0.26	-	-
	Actuarial Gain on plan assets	0.02	0.05	-	-
	Contributions by Employer	0.80	0.41	-	-
	Benefits Paid	(0.34)	(0.35)	-	-
	Closing Balance	4.82	4.03	-	-
iii	Amount recognised in the Balance Sheet (as at the Year end)				
	Fair Value of Plan Assets	4.82	4.03	-	-
	Present Value of Obligations	5.17	3.82	3.38	2.73
	Net Asset/(Liability) Recognised	(0.35)	0.21	(3.38)	(2.73)
iv	Expenses recognised in the Statement of Profit and Loss				
	Current Service Cost	0.60	0.60	0.13	0.50
	Interest on Obligation	(0.04)	(0.02)	-	-
	Past service cost	-	(0.05)	-	-
	Expenses recognised in the Statement of Profit and Loss	0.56	0.53	0.13	0.50
v	Expenses recognised in other Comprehensive Income				
	Actuarial gains/(losses) on plan obligation	(0.82)	0.22	-	-
	Difference between actual return and interest income on plan assets	0.02	0.05	-	-
	Net Cost in other comprehensive Income	(0.80)	0.27	-	-
	Asset Information				
	Insurer Managed	100.00%	100.00%	NA	NA
	Principal Actuarial Assumptions				
	Discount Rate (%)	7.22%	7.36%	7.22%	7.36%
	Rate of Increase in Salary (%)	5.00%	5.00%	10.00%	10.00%
	Attrition Rate (%)	4.00%	1.00%	1.00%	1.00%
	Expected Rate of Return on Plan Assets(%)	7.22%	7.36%	NA	NA
	Expected average remaining life of employees Years	14.90	20.70	13.40	14.00



S. No.	Particulars	Post Employment Benefit			
		Gratuity-Employees		Gratuity-Directors	
		31.03.2023	31.03.2022	31.03.2023	31.03.2022
vi	A quantitative sensitivity analysis for significant assumption as at 31 March is as shown below:				
	Discount rate				
	0.5% increase	7.72%	7.86%	7.72%	7.86%
	0.5% decrease	6.72%	6.86%	6.72%	6.86%
	Rate of increase in salary				
	0.5% increase	5.50%	5.50%	10.50%	10.50%
	0.5% decrease	4.50%	4.50%	9.50%	9.50%
vii	Expected contribution to the fund in the next year				
	Year 1	0.32	0.11	0.11	0.09
	Year 2	0.88	0.39	0.12	0.10
	Year 3	0.35	0.32	0.12	0.10
	Year 4	0.37	0.19	1.68	0.10
	Year 5	0.63	0.24	0.08	1.41
	Next 5 Years	1.90	1.45	1.73	1.50

51. Information relating to subsidiaries

A. Information relating to non-wholly owned subsidiaries

Naga of Subsidiary	Proportion of Ownership and voting rights held by non-controlling interest		Total Other Comprehensive allocated to non-controlling interest		Accumulated non-controlling interest	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Naga Far East Private Limited	Nil	Nil	Nil	Nil	Nil	Nil
Naga Mills Private Limited	0.28%	0.28%	-	-	0.28%	0.28%
Both the Companies have been incorporated during 17-18. While Naga Far East Private Limited has commenced its operations in the year 2018-19, Naga Mills Private Limited is yet to commence its operations.						

Summarised financial information in respect of each of the Groups subsidiaries that has material non-controlling interest as set out below. The summarised financial information below represents amounts before intragroup eliminations.



(Value represented in the table are in INR/USD/BDT)

Details	Naga Far East Private Limited		Naga Mills Private Limited	
	Year Ended March 31, 2023		Year Ended March 31, 2023	
	in INR	in USD	in INR	in USD
Currenet assets	37,44,459.72	45,384.64	12,80,511.09	16,58,908.00
Non-current assets	-	-	4,63,982.14	6,01,091.00
Total assets	37,44,459.72	45,384.64	17,44,493.23	22,59,999.00
Current liabilities	9,17,584.31	11,121.56	13,40,081.70	17,36,082.00
Non-current liabilities	-	-	-	-
Total liabilities	9,17,584.31	11,121.56	13,40,081.70	17,36,082.00
Equity attributable to owners of the Company	28,26,875.42	34,263.08	4,03,279.95	5,22,451.03
Non-controlling Interest	-	-	1,132.35	1,466.97
Revenue	-	-	-	-
Expenses (including tax)	8,94,936.69	10,847.06	9,01,606.22	11,68,035.00
Profit for the year	(8,94,936.69)	(10,847.06)	(9,01,606.22)	(11,68,035.00)
Attributable to owners of the Company	(8,94,936.69)	(10,847.06)	(8,99,081.72)	(11,64,764.50)
Atributable to non-controlling interests	-	-	(2,524.50)	(3,270.50)
Profit for the year	(8,94,936.69)	(10,847.06)	(9,01,606.22)	(11,68,035.00)
OCI Attributable to owners of the Company	-	-	-	-
OCI Atributable to non-controlling interests	-	-	-	-
Other comprehensive income for the year	-	-	-	-
Total Comprehensive Income	-	-	-	-
Attributable to owners of the Company	-	-	-	-
Total Comprehensive Income	-	-	-	-
Atributable to non-controlling interests	-	-	-	-
Total Comprehensive Income for the year	(8,94,936.69)	(10,847.06)	(9,01,606.22)	(11,68,035.00)
Dividend paid to non-controlling interest	-	-	-	-
Net cash from operating activities	4,59,214.58	5,565.90	(27,70,309.73)	(35,88,949.00)
Net cash from investing activities	-	-	-	-
Net cash from financing activities	-	-	-	-
Net cash (outflow) / inflow	4,59,214.58	5,565.90	(27,70,309.73)	(35,88,949.00)

**52. Information relating to associates**

There are no associates which are individually material and thus, only aggregate information of associates that are not individually material is given below:

Aggregate information of the associates	Year Ended	
	March 31, 2023 (unaudited)	March 31, 2022 (unaudited)
The group's share of profit / (loss) from continuing operations	0.19	0.19
The group's share of other comprehensive income	-	-
Aggregate carrying amount of the groups interest in these associates	0.71	0.52
Unrecognised share of loss of an associate for the year*	-	-
Cumulative share of profit / loss of an associate	(0.30)	(0.28)

53. Related party disclosures**a) List of parties having significant influence****Holding company**

The Company does not have any holding company

Investing Parties having substantial interest

Sri. K.S. Kamalakannan

Chairman and Managing Director (KMP)

Key management personnel

Smt. Mageswari Kannan

Joint Managing Director

Sri. Sounder Kannan

Whole Time Director

Sri. D. Vijay Anand

Technical Director

Sri. S. Ramesh

Director (Projects)

Sri. T.R.Sivaraman

Chief Financial Officer

Sri. V. Balamurugan

Company Secretary (w.e.f 16.02.2023)

Sri. V. Marikannan

Company Secretary (upto 15.02.2023)

Directors

Sri. P. Arivanandam

Independent Director

Sri. Padmanabhan Sivaramakrishnan Iyer

Additional Director (from 14.11.2022)

Sri. S. Neelakantan

Independent Director

Relatives of Key Managerial Personnel

Smt. Lakshmi Vijayanand

Smt. Monaa Kannan

Ms. M. Jayalalitha

Sri. M. Sukumar

Sri. A.M. Gopinath

Sri. R. Hema Kumar

Sri. R. Ragavendar

**Enterprises over which key managerial personnel are able to exercise significant influence**

Nagalakshmi Charitable Trust

M.M.Detergents Company Private Limited

Kovil Cereals Pvt Ltd (Formerly known as "Kovil Agencies")

Dinwinn Farms LLP

Nutri Snack LLP

Sreenivasa Religious Trust

Tutifood Pvt Ltd

Lakme Investment and Finance Limited

Pluris Global Holding (India) Limited

*Confirmation Order dated 12.04.2023 for Scheme of Amalgamation of Annai Power Private Limited (Transferor Company No.1), Nagalakshmi Energy Private Limited (Transferor Company No.2), Dindigul Foods Park Private Limited (Transferor Company No.3) with Naga Limited (Transferee Company) received from the Regional Director , Chennai with the appointed date of December 01,2022 (Refer Note 54)

b) Transaction during the year

Sl. No.	Nature of transactions	As at March 31, 2023	As at March 31, 2022
1	Annai Power Private Limited (Associate company - April-2022 to August-2022)		
	Wind Power Charges paid	1.71	2.74
	Rent Paid	1.09	2.40
	Rental Income *	0.00	0.00
	Annai Power Private Limited (Subsidiary company - September-2022 to Nov-2022)		
	Wind Power Charges paid	0.64	-
	Rent Paid	0.65	-
	Rental Income *	0.00	-
	Annai Power Private Limited (Post Merger)		
	Wind Power Charges paid	0.49	-
	Rent Paid	0.87	-
	Rental Income *	0.00	-
2	Sri. K.S. Kamalakannan		
	Remuneration	1.08	1.03
	Rent Paid	1.12	1.12
	Interest Paid *	-	0.00
	Dividend Paid	0.73	0.73
	Wind Power Charges paid	0.04	-
	Purchase of Land	1.18	-
	Sale of Land & Building	3.38	-
	Purchase of Equity Shares	0.41	-
	Unsecured Loan - Repaid	-	0.04
3	Smt. Mageswari Kannan		
	Remuneration	0.90	0.90
	Rent Free Accomodation	-	0.07
	Interest Paid *	-	0.00
	Dividend Paid	0.26	0.25
	Purchase of Equity Shares	0.33	-
	Unsecured Loan - Repaid	-	0.07



Sl. No.	Nature of transactions	As at March 31, 2023	As at March 31, 2022
4	Sri. Sounder Kannan		
	Remuneration	0.96	0.91
	Dividend Paid	0.14	0.14
	Interest Paid *	-	0.00
	Purchase of Equity Shares	0.33	-
	Unsecured Loan - Repaid	-	0.09
5	Sri. D. Vijayanand		
	Remuneration	0.96	0.91
	Purchase of Equity Shares	0.03	-
	Dividend Paid	0.01	0.01
6	Sri. S.Ramesh		
	Remuneration	0.18	0.02
7	Sri. Ramesh krishnan		
	Remuneration	0.09	-
8	Sri. T.R. Sivaraman		
	Remuneration	0.23	0.13
9	Sri. V. Marikannan		
	Remuneration	0.16	0.13
10	Sri. V. Balamurugan		
	Remuneration	0.02	-
11	Smt. Lakshmi Vijay Anand		
	Salary	0.46	0.38
	Purchase of Equity Shares	0.19	-
	Dividend Paid	0.09	0.09
12	Smt. Monaa Kannan		
	Salary	0.33	0.25
	Purchase of Equity Shares	0.03	-
	Dividend Paid	0.01	0.01
13	Ms. M. Jayalalitha		
	Salary	0.46	0.38
	Dividend Paid *	0.01	0.01
14	Sri. M. Sukumar		
	Salary	0.34	0.27
	Dividend Paid	-	0.01
15	Sri. A.M.Gopinath (Prop. Anugraha International)		
	Commission Paid	0.08	0.14
16	Sri. R. Hemakumar		
	Salary	0.04	-
17	Sri. R. Ragavendar		
	Salary	0.02	-
18	Naga Mills Limited		
	Rental Income *	-	0.00
19	Dinwinn Farms LLP		
	Purchase of Agri Product	-	0.01
	Freight Income Received *	-	0.00
20	Kovil agencies		
	Sale of Wheat	-	0.13
	Sale of Minerals	-	0.08
	Rental Income *	0.00	0.00



Sl. No.	Nature of transactions	As at March 31, 2023	As at March 31, 2022
21	Kovil cereals private limited		
	Rental Income *	0.00	-
22	Naga Marine Industries Limited		
	Purchases	-	207.05
	Rent Paid	-	0.16
	Rental Income *	-	0.00
	Dividend Paid	-	0.04
	Freight Income Received	-	0.30
23	Nagalakshmi Charitable Trust		
	Sale of Wheat Products	-	0.02
	Donation Paid	0.17	0.16
	Medical Camp Charges Paid	0.06	0.05
24	Nagalakshmi Energy Private Limited		
	(Associate company -April-2022 to August-2022)		
	Freight Charges Paid	0.23	0.54
	Wind Power Charges paid	0.42	0.76
	Rental Income *	0.00	0.00
	Nagalakshmi Energy Private Limited (Subsidiary company		
	- September-2022 to Nov-2022)		
	Freight Charges Paid	0.14	-
	Wind Power Charges paid	0.20	-
	Investment	3.00	-
	Rental Income *	0.00	-
	Nagalakshmi Energy Private Limited (Post Merger)		
	Freight Charges Paid	0.18	-
	Wind Power Charges paid	0.20	-
	Rental Income *	0.00	-
25	M.M.Detergents Company Private Limited		
	Purchases	404.21	146.92
	Rental Income *	1.54	0.00
	Rent Paid	0.31	0.10
	Purchase of Equity Shares	0.85	-
	Sale of Land	-	0.20
	Dividend Paid	0.16	0.12
	Freight Income Received	3.20	0.29
26	Pluris Global Holding (India) Limited		
	Purchase of Equity Shares	0.13	-
27	Lakme Investment and Finance Limited		
	Purchase of Equity Shares	0.13	-
28	Nutri Snack LLP		
	Purchase	0.01	-
	Service Charges Paid	0.06	-
	Purchase of Assets	0.01	-

Notes:

1. Post employment benefits are actuarially determined on overall basis and hence not separately provided.



(c) Balances at the end of the year:

Sl. No.	Nature of transactions	As at March 31, 2023	As at March 31, 2022
1	Sri. K.S. Kamalakannan Unsecured Loans Remuneration payable	- 0.05	- 0.05
2	Smt. Mageswari Kannan Unsecured Loans Remuneration payable	- 0.03	- 0.05
3	Sri. Sounder Kannan Unsecured Loans Remuneration payable	- 0.05	- 0.05
4	Sri. D. Vijay Anand Remuneration payable	0.06	0.07
5	Sri. S. Ramesh Remuneration payable	0.01	0.01
6	M.M. Detergents Company Private Limited Advance Paid Rent Receivable Trade Receivable Trade Payable	- - 0.32 7.58	6.69 - - 0.05
7	Nagalakshmi Charitable Trust Trade Receivable *	-	0.00
8	Dinwinn Farms LLP Trade Receivable	-	0.01

* Values are shown as zero due to rounded off being lesser value.

Note : The transactions which arose exclusively on account of the merger are not shown here as the company has not entered into such transactions. Hence those are not reported in AOC 2 also.



54. Scheme of Merger

Description of Scheme of Amalgamation of Naga Limited (Transferee Company) and Annai Power Private Limited (Transferor Company No.1), Nagalakshmi Energy Private Limited (Transferor Company No.2), Dindigul Foods Park Private Limited (Transferor Company No.3) and with the approved of its respective Shareholders and Creditors.

During the current year, the transferee company has made additional investment in the transferor companies and holds 100% shares of the said transferer companies. Additional investment by transferee company during the year of which details are as follows:

- (i) Annai Power Private Limited - Rs.1.78 Crores
- (ii) Nagalakshmi Energy Private limited - Rs.3.07 Crores
- (iii) Dindigul Foods Park Private Limited - Rs.0.57 Crores

The Regional Director, Chennai, on April 12, 2023, sanctioned the Scheme of Amalgamation ("Scheme") between Annai Power Private Limited (Transferor Company No.1), Nagalakshmi Energy Private Limited (Transferor Company No.2), Dindigul Foods Park Private Limited (Transferor Company No.3) with Naga Limited (Transferee Company) approved by their respective Shareholders and Creditors for the merger of the Company. Both companies have filed the certified copies of the RD Order sanctioning the Scheme on 27.04.2023, with the Registrar of Companies, Tamil Nadu. Pursuant to the Scheme becoming effective, the entire undertaking and business of transferor companies would be transferred and vested with and into the Naga Limited.

As per the clarification issued by Ministry of Corporate Affairs vide Circular no.09/2019 dated August 21, 2019 (MCA Circular), the Company has recognized the effect of the merger on December 01, 2022, and made the following adjustments, pursuant to the Scheme.

(i) All the assets and liabilities of the transferor companies have been transferred to Naga Limited (Transferee company).

(ii) Difference between the value of transferred assets and liabilities pertaining to the transferor company amounting to Rs.2.65 Crores have been adjusted to the reserves.

The Impact of the Merger on these financial statements is as under:

The whole of the assets and liabilities of transferor companies became the assets and liabilities of transferee company

Particulars	As at November 30, 2022		
Assets Transferred	Assets Transferred	Nagalakshmi Energy Private Limited	Dindigul Foods Park Private Limited
Property, Plant and equipment	18.03	3.13	0.78
Deferred Tax Assets (Net)	-	1.00	-
Trade receivables	-	0.08	-
Cash and cash equivalents	0.04	0.04	0.01
Current tax assets (net) *	0.00	0.00	-
Other current assets	0.04	0.06	-
Total Assets transferred to Naga Limited (A)	18.11	4.31	0.80



Particulars	As at November 30, 2022		
	Assets Transferred	Nagalakshmi Energy Private Limited	Dindigul Foods Park Private Limited
Long Term Borrowings	9.61	0.09	-
Deferred tax liabilities (net)	0.17	-	-
Short Term Borrowings	5.31	3.97	0.24
Trade payables	0.20	0.01	-
Other financial liabilities *	0.05	0.02	0.00
Total Liabilities transferred to Naga Limited (B)	15.34	4.09	0.24

Adjustment to Reserve

As per Para 14 of the Order, the difference between the book value of the assets and liabilities transferred to the Naga Limited (net of investment) has been debited to the Capital Reserves of the Company on the Appointed date i.e December 01, 2022

Particulars	Assets Transferred	Nagalakshmi Energy Private Limited	Dindigul Foods Park Private Limited
Total Assets transferred to Naga Limited (A)	18.11	4.31	0.80
Total Liabilities transferred to Naga Limited (B)	15.34	4.09	0.24
Investment by Naga Limited (C)	2.40	3.10	0.70
Adjustment to Reserve (A-B-C)	0.37	(2.88)	(0.14)

55. Details of Benami Property :

The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

56. Reconciliation of quarterly returns or statements of current assets filed with banks or financial institutions:

Quarterly returns/statements filed by the Company with banks consisting of inventory (excluding goods in transit) and trade receivables aged less than 90 days are in agreement with the books of account.

57. Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956:

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

58. Wilful Defaulter

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

**59. Utilisation of borrowed funds and securities premium**

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

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries)

(b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

60. Details of Crypto Currency or Virtual Currency

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

61. Undisclosed income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous 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).

62. Expenditure on Scientific Research eligible

Nature	As at March 31, 2023	As at March 31, 2022
a) Revenue		
Employee Benefit Expenses	1.67	0.90
Equipment Maintenace	0.06	0.14
Consumables	0.57	0.37
Travelling Expenses	0.15	0.02
Freight & Handling	0.02	0.01
Professional Charges	0.21	0.03
Other Expenses	0.10	0.11
b) Capital Expenditure	3.05	26.76



63. Note on Social Security Code 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

64. Approval of Financial Statements

The financial statements were approved for issue by the Board of Directors at their meeting held on 26th May, 2023.

In terms of our report attached

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

GEETHA JEYAKUMAR

Partner

Membership No: 029409

Place: Dindigul

Date : 26th May, 2023

For and on behalf of the Board of Directors

K.S. KAMALAKANNAN

Chairman and Managing Director

DIN : 01601589

MAGESWARI KANNAN

Joint Managing Director

DIN : 02107556

T.R. SIVARAMAN

Chief Financial Officer

Membership No : 023228

V. BALAMURUGAN

Company Secretary

Membership No : F12312

ANNEXURE TO THE CONSOLIDATED FINANCIAL STATEMENT

FORM AOC-1

(Pursuant to first proviso 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 / associate companies

Part "A" : Subsidiaries

(Rs. in Lakhs)

S. No.	Particulars	Financial Year		Financial Year	
		2023	2022	2023	2022
1	Name of the Subsidiary	Naga Far East Private Limited, Singapore		Naga Mills Private Limited, Bangladesh	
2	The date since when subsidiary was acquired	13th September 2017		06th February 2018	
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31st March 2023	31st March 2022	31st March 2023	31st March 2022
4	Reporting currency and Exchange rate as on the last date of the Financial year	United States Dollar 1 USD = 82.505 INR	United States Dollar 1 USD = 75.793 INR	Bangladeshi Taka 1 BDT = 0.772 INR	Bangladeshi Taka 1 BDT = 0.863 INR
5	Share Capital (including Share Application)	62.50	57.42	17.73	0.85
6	Reserves and Surplus	(34.24)	(19.06)	(13.68)	(5.32)
7	Total Assets	37.44	41.16	17.44	51.82
8	Total Liabilities	9.18	2.81	13.40	56.29
9	Investments	-	-	-	-
10	Turnover	-	-	-	-
11	Profit / (Loss) Before Taxation	(8.95)	(0.06)	(9.02)	(3.06)
12	Provision for Taxation	-	-	-	-
13	Profit / (Loss) After Taxation	(8.95)	(0.06)	(9.02)	(3.06)
14	Proposed Dividend	-	-	-	-
15	% of Shareholding	100.00%	100.00%	99.72%	99.72%

Note :

During the year 2022-23, three Companies have become Subsidiary Company. Also, during the year 2022-23, the three Companies have merged with Naga Limited, hence not disclosed in the above format (Refer detailed information given in Note 54 - Scheme of Merger in Notes to the Consolidated Financial Statements for the year ended 31st March, 2023).

Part "B" : Associates
Statement pursuant to Section 129 (3) of the Companies Act, 2013
related to Associate Companies :

(Rs. in Lakhs)

S. No.	Particulars	Financial Year		Financial Year	
		2023	2022	2023	2022
1	Name of the Subsidiary	Annai Power Private Limited		Nagalakshmi Energy Private Limited	
2	Latest audited Balance Sheet Date	31st March 2023	31st March 2022	31st March 2023	31st March 2022
3	No. of Shares of Associate held by the company on the year end	NA	62400 Equity Shares	NA	26000 Equity Shares
4	Amount of Investment in Associate / Joint Venture	NA	62.40	NA	2.60
5	Extend of Holding %	NA	26%	NA	26%
6	Description of how there is significant influence	The explanation to Section 2(6) of the Companies Act, 2013 provides that significant influence means control of atleast 20% of total share capital. The Company holds morethan 20% in the Equity Share of its Associate. Hence, the Company is having significant influence over its associate.			
7	Reason why the associate is not consolidate	Refer note below	Not applicable	Refer note below	Not applicable
8	Net worth attributable to shareholding as per latest audited Balance Sheet	NA	(1.41)		(13.16)
9	Profit / (Loss) for the year:				
10	Considered in Consolidation	NA	(1.41)		(0.16)
11	Not Considered in Consolidation	Refer note below	-	Refer note below	(13.00)

Note :

Both the Associate Companies are merged with Naga Limited w.e.f 1st December, 2022 (Refer detailed information given in Note 54 - Scheme of Merger in Notes to the Consolidated Financial Statements for the year ended 31st March, 2023).

**Part "C" Joint Venture - There are no Joint Ventures in the Group.
ENTITIES FORMED/ACQUIRED AND CEASED DURING THE FINANCIAL YEAR 2022-23 :**

S. No.	Particulars
A	Formed / Acquired : NIL
B	Ceased : NIL

In terms of our report attached

For and on behalf of the Board of Directors

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

GEETHA JEYAKUMAR
Partner
Membership No: 029409

Place: Dindigul
Date : 26th May, 2023

K.S. KAMALAKANNAN
Chairman and Managing Director
DIN : 01601589

T.R. SIVARAMAN
Chief Financial Officer
Membership No : 023228

MAGESWARI KANNAN
Joint Managing Director
DIN : 02107556

V. BALAMURUGAN
Company Secretary
Membership No : F12312

FORM NO. MGT 11

PROXY FORM

(Pursuant to section 105(6) of the Companies Act 2013 and Rule 19(3) of the Companies (Management and Administration) Rules 2014)

NAGA LIMITED

(CIN U24246TN1991PLC020409)

Registered Office: No.1, Anna Pillai Street, Chennai - 600 001.

Email: cs@nagamills.com, Website: www.nagamills.com, Phone/Fax: 044-25363535

Name of member(s) :

Registered address :

E Mail Id:

Folio No. / DP ID - Client ID:

I / We, being the member(s) of _____ shares of the above named Company, hereby appoint:

1)Name: _____ Email: _____

Address: _____

_____ Signature _____

Or failing him / her

2)Name: _____ Email: _____

Address: _____

_____ Signature _____

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 32nd Annual General Meeting of the Company, to be held on Monday 14th day of August, 2023 at 12.15 P.M. at Presidency Club, No.51, Ethiraj Salai, Egmore, Chennai - 600 008 and at any adjournment thereof in respect of such resolutions, in the manner as indicated below:

Resolution No.	Description	Type of Resolution	*Optional	
			For	Against
Ordinary Business:				
1	Adoption of Audited Standalone & Consolidated Financial Statements and Reports of the Board of Directors and Auditors for the financial period ended on 31st March 2023.	Ordinary		
2	To appoint a Director in place of Sri. D. Vijay Anand (DIN 07400565), who retires by rotation and being eligible, offers himself for re-appointment.	Ordinary		
Special Business:				
3	To approve the remuneration of the Cost Auditor for the Financial year 2023-24	Ordinary		
4	To appoint Sri. Padmanabhan Sivaramakrishnan Iyer, as Non-	Ordinary		

Signed this day of 2023

Signature of Shareholder : Signature of Proxyholder(s) :

Affix Re. 1
revenue
stamp

NOTE:

1. This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting;
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 32nd AGM;
- *3. It is optional to put a 'tick' in the appropriate column against the Resolution indicated in the Box, if you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he / she think appropriate;
4. Please complete all details including details of member(s) in above box before submission;

Attendance Slip

NAGA LIMITED

(CIN U24246TN1991PLC020409)

Registered Office: No.1, Anna Pillai Street, Chennai - 600 001.

Email: cs@nagamills.com, Website: www.nagamills.com Phone/Fax: 044-25363535

32nd Annual General Meeting - 14th August, 2023

Registered Folio No. / DP ID No. / Client ID No.

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Number of Shares held

--	--	--	--	--	--	--	--	--	--

I certify that I am a member / proxy for the members of the Company.

I hereby record my presence at the 32nd Annual General Meeting of the Company at Presidency Club, No.51, Ethiraj Salai, Egmore, Chennai - 600 008 on Monday, 14th day of August, 2023 at 12.15 P.M.

.....
Name of the Member / Proxy
(in BLOCK letters)

.....
Signature of the Members / Proxy

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall.



INNOVATIVE FOODS DIVISION

