KPR
MILL LIMITED

FASO®

INNERWEAR | ATHLEISURE

21st Annual Report 2023-24

Education to Women Employees - Empowering the Nation

HIGHLIGHTS 2023-24

	(₹ in Lakhs)
Total Revenue	6,12,694
PBDIT	1,30,395
PBT	1,04,039
PAT	80,535
Cash Profit	99,454

	(₹ in Lakhs)
Assets	4,56,115
Net worth	4,35,823
Market Cap.	28,45,943
EPS - ₹	23.56
Cash EPS - ₹	29.10

Continuous Bleaching Range

Originated in 1984, with proven track record, KPR Group has emerged as one of the fastest-growing business conglomerates expanding its operations successfully from Textiles to Sugar, Ethanol, Renewable Energy, Education and Automobiles. Remaining committed to its Maxim 'Quality' in whatever it produces or service it renders, KPR has been manufacturing an exciting product range of textile varieties such as Readymade Knitted Apparel; Fabrics; Compact, Melange, Carded, Polyester, Combed and Red Label Yarn. Embracing the latest technologies and processes, it delivers outstanding quality products to its customers worldwide - over 60 countries. Offering meaningful career opportunities to more than 30,000 employees (90% Women). KPR creates better products, besides making safer, more efficient, and greener workplaces. KPR's comprehensive approach to sustainability with sourcing power from renewable energy, collective endeavors to protect the environment; empowering women and uplift of communities, KPR remains steadfast in its pursuit of operational excellence, social up-liftment and mission to redefine standards in the Indian apparel industry.

Under the visionary leadership of KPR Brothers, it continues to play a pivotal role in Indian textile industry, contributing to economic growth, sustainability, and community development through its 15 Manufacturing units of advanced technology equipped with a capacity to produce 1,00,000 MT of Cotton yarn & 10,000 MT Viscose vortex yarn per annum; 40,000 MT fabrics per annum; 157 million ready-made knitted apparel per annum, one of the largest Garment Producers in India; Industry acclaimed ETP embedded Fabric Processing capacity of 30,000 MT per annum equipped with Advanced Cold Processing Technology and Sophisticated Printing Division with a capacity to print 15,000 MT per annum; 1,00,000 High Fashion Garments placement printing per day; 63 MW Windmill capacity; 37 MW Solar Power; 93 MW Co-gen power (overall 193 MW renewable energy catering to most of its power needs through Green Energy); Sugar Plants with an aggregate capacity of 20,000 TCD and Ethanol Plants with 500 KLPD capacity. The unique 100% organic cotton based FASO products with multiple special features has set its foot strongly in the Southern States of the Nation and getting ready for its Pan-India spread.

Ring Frame

CHAIRMAN'S LETTER

Dear Fellow Shareholders,

The Financial year 2024 was yet another year of significant challenges across the globe. Deteriorated global geopolitical situation and economic uncertainty, including higher energy and food prices, mounting inflation rates and volatile markets prevailed. Almost all nations felt its impacts. However, India withstood the challenges by leaning on high demand, moderate inflation, stable interest rate and strong foreign exchange reserves.

It was a challenging year for the Textile Industry also as a whole. The fluctuation in cotton prices resulting in lower yarn realization; reduced demand from downstream apparel companies; increase in energy cost; piling up of inventories, severe competition from competing countries, etc. were some of the contributing factors. Embracing the challenges and opportunities, KPR once again demonstrated its risk-bearing prowess by achieving considerable revenue and profitability with the support of its integral strengths, aggressive competitiveness, ability to meet the changing market trend and the supportive garment segment. In spite of the unsettling landscape, 2024 was another performance year for KPR that enabled declaration of an aggregate Dividend of 500% to the Shareholders of the Company.

KPR's UNIQUENESS

As you are aware, to sustain the momentum of your company, we have built a solid foundation of people, process and systems. While, Peers also have access to the similar opportunities, financial resources, strategies and markets, the rationale behind KPR's uniqueness in sustaining its growth levels even during difficult times is attributable to its strong and dedicated intangible assets which includes organization structure, people competencies, systems & processes, our Culture and most importantly our principles – Honesty, Integrity and Hard work. These core values have guided KPR in its progress so far and continue to serve as the foundation of KPR, a dynamic entity. We would like every member of our group to follow these values over generations. We could also have a great sense of satisfaction that we are able to play our part well, to the extent possible in societal development whether it is Human development or Sustainability practices.

10TH GRADUATION CEREMONY OF EMPLOYEES

Recognising its importance in steering the Nation's growth path we have been contributing to these values ever since we commenced our business. Good corporate governance, for us, does not mean just compliance with regulatory requirements, because the spirit of governance goes beyond the statutory form protecting the interests of all stakeholders in a just and equitable manner.

CREDENTIALS

- Under career development process, 194 employees secured placement in various reputed organizations such as Tata Electronics, Tech Mahindra, and Titan etc.
- In 2022 Civil Service Examination, 11 candidates from the KPR IAS Academy have successfully passed. Among them 2 candidates who are already IFos and IPS have also passed the IAS Exam.
- With immense pleasure we wish to inform you that KPR has made its prestigious entry in the list of 'India's Top 100 Richest' with a net worth of 2.3 billion US dollars as per the reputed Business Magazine 'Forbes India'.
- In the recently concluded 12th Standard Government Examination, 100% Results were achieved by our Employees. As in every year, recognizing their achievement, KPR has awarded the top scorers 'Scholarship' for their collegiate education.
- KPR is continuing its No.2 position in 'Indian Textile and Apparel Sector' based on Market Capitalization in BSE & NSE.

FUTURE PROSPECTS

India will continue to be the fastest-growing major economy in the world, as per the latest projections of the Organization for Economic Co-operation and Development (OECD). Indian Textile Industry is expected to rebound in the current year on consistent improvement in the domestic demand, lower cotton prices and gradual recovery in exports. KPR's expansion in vortex spinning, strengthening of renewable power resources through roof-top solar power plant and modernization of spinning division to improve quality and productivity further are expected to drive its growth level to the next stage. I am confident that your company will continue to be a key player in this textile arena in the years ahead also.

ACKNOWLEDGEMENT

I wish to express my appreciation to my colleagues on the Board and our employees for their dedication and commitment. I express my sincere gratitude to the Shareholders, our Bankers and all Stakeholders for their continued support and confidence and look forward to the same in the years ahead.

With best wishes

K.P.Ramasamy

Chairman

SPREAD JOY - CHASE YOUR DREAMS

BOARD OF DIRECTORS

Sri K.P. Ramasamy
Chairman

Sri KPD Sigamani
Managing Director

Sri P. Nataraj
Managing Director

Sri C.R. Anandakrishnan
Executive Director

Sri E.K. Sakthivel
Executive Director

Sri P. Selvakumar
Wholetime Director

Dr. S. Renganayakei
Women Independent Director

Sri M. Alagiriswamy
Independent Director

Smt V. Bhuvaneshwari
Women Independent Director

Sri K.V. Ramananda Rao
Independent Director

Sri K.Thangavelu
Independent Director

Sri R. Sridharan
Independent Director

REGISTERED OFFICE

No.9, Gokul Buildings,
1st Floor, A.K.S. Nagar,
Thadagam Road,
Coimbatore - 641 001.
Ph: 0422-2478090
FAX: 0422-2478050

CORPORATE OFFICE

1st Floor, Srivari Shrimat,
1045, Avinashi Road,
Coimbatore – 641 018.
Ph: 0422-2207777
FAX: 0422-2207778
Email: corporate@kprmill.com
Web: www.kprmilllimited.com

CHIEF FINANCIAL OFFICER

PL Murugappan

COMPANY SECRETARY & COMPLIANCE OFFICER

P. Kandaswamy

STATUTORY AUDITORS

B S R & Co. LLP,
Chartered Accountants,
KRM Tower, 1st and 2nd Floor,
No.1, Harrington Road, Chetpet,
Chennai - 600 031.

BANKERS

Bank of Baroda
IDBI Bank Limited
Union Bank of India
Bank of India
ICICI Bank Limited
Citi Bank N.A.
HDFC Bank Limited
The Federal Bank Ltd
Standard Chartered Bank
Punjab National Bank
The Hongkong and Shanghai Banking Corporation Limited

REGISTRAR AND SHARE TRANSFER AGENTS

NSDL Database Management Limited
4th Floor, Tower 3, One International Centre,
Prabhadevi, Senapati Bapat Marg,
Mumbai – 400 013.
Phone: 022-49142700 / 2578
Fax: 022-49142503
Email: investor.ndmlrta@nsdl.co.in
Website: www.ndml-nsdl.co.in

COMPANY CIN

L17111TZ2003PLC010518

FASO®

MEN & WOMEN

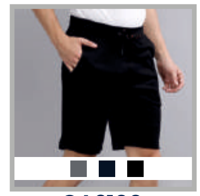
KA1001

FS9001

CA2001

KA1100

KA1300



CA2100

SA3005

SA3006

FS4001

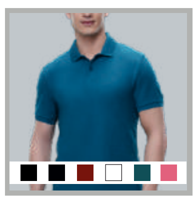
FS4002

FA4020

FA4025

SA3500

FA5001

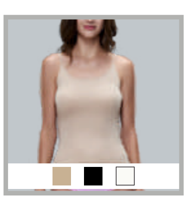


FA5002

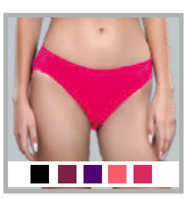
SA3150

SA3100

CA2400



FW101



FW201

FW202

FW203

FW204

FW205

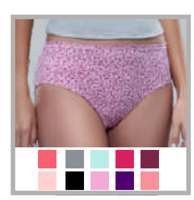
FW206

FW207

FW208

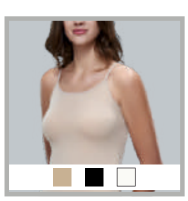
FW210

FW220

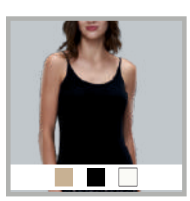


FW230

FW1201

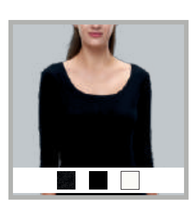


FW1001



FW3001

FW9001



FW9002

FW9003

KPR
Mill Limited

KPR EXPORTS TO OVER 60 COUNTRIES


Breathable
UltraSoft Waistband
FASO®
MEN & WOMEN
ATHLEISURE
CA2100-BERMUDA
WK1100 - CAPRI
WWW.FASO.IN
/ FASOCLOTHINGS

BOARD'S REPORT

Dear Members,

The Board of Directors takes pleasure in presenting the report on the operations and business of the Company along with Audited Financial Statements for the Financial Year ended 31st March, 2024.

FINANCIAL RESULTS (₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2023-24	2022-23	**2023-24**	2022-23
Sales and Other Income				
Domestic Sales	**2,48,802**	2,85,579	**3,57,243**	3,69,601
Export Sales	**1,41,639**	1,71,502	**2,25,145**	2,26,417
Other Income	**35,321**	29,886	**30,306**	28,802
	4,25,762	4,86,967	**6,12,694**	6,24,820
Profit before Interest & Depreciation	**79,918**	92,909	**1,30,395**	1,33,671
Less : Interest	**2,284**	2,670	**7,437**	7,886
Depreciation	**8,163**	7,764	**18,919**	17,369
Profit Before Tax	**69,471**	82,475	**1,04,039**	1,08,416
Less : Taxation:-				
Provision for Current Tax	**13,227**	18,324	**21,430**	25,273
Tax relating to earlier years	**254**	(802)	**(44)**	(982)
	13,481	17,522	**21,386**	24,291
Deferred Tax expense / Credit	**498**	1,449	**2,118**	2,715
Profit After Tax	**55,492**	63,504	**80,535**	81,410
Other Comprehensive Income (Net of tax)	**-**	-	**-**	-
Total Comprehensive Income	**55,492**	63,504	**80,535**	81,410

REVIEW OF OPERATIONS

During the year under review, the Indian Cotton Textile Industry witnessed a multi-year low margins for the spinners on the back of high cotton prices; import duty on cotton, reduced demand from downstream apparel companies; increase in energy cost; piling up of inventories, severe competition from competing countries, etc. These factors impacted the prices of cotton yarn as well as the revenue considerably. However, overcoming the challenges with its inherent strengths; increased competitiveness; ability to meet the changing market trend; supportive Garment segment, KPR has generated a consolidated revenue of INR 6,127 Crores and a net profit of INR 805 Crores.

WAY FORWARD

After a year of turmoil last fiscal, the Indian cotton yarn spinning industry is expected to witness a breather this fiscal with the improved revenue growth & operating margins, gradual recovery in exports, lower cotton prices, evolving market conditions etc., reaffirming its status as a cornerstone of the textile ecosystem. KPR is well positioned to accelerate its growth level with its strong fundamentals, high competence, challenging ability; Modernisation and Expansions implemented.

EXPANSION AND MODERNISATION

To generate additional revenue, an exclusive vortex spinning mill at an outlay of ₹100 Crores has been established at Sathyamangalam, considering its ability to produce yarn at a greater speed, low maintenance costs and fully automated processing system.

To strengthen renewable power resource an additional investment of ₹100 Crores has been made in Roof-top Solar Power Plant. With this investment the capacity of Solar Power has reached 37 M.W.

To improve the quality and productivity further in spinning, we have modernized the Spinning Division with a total outlay of ₹150 Crores.

BOARD'S REPORT

DIVIDEND

Considering better performance and strong liquidity during the year, the Board of Directors have declared an Interim Dividend @ 250% on equity shares (₹2.50 per Equity Share) at their meeting held on 05.02.2024. The Board at its meeting held on 02.05.2024 also has recommended a Final Dividend @ 250% on equity shares (₹2.50 per Equity share) thus aggregating to 500% (₹5 per Share on Equity Share of the Face Value of ₹1 each), for the Financial Year 2023-24, subject to the approval of the Members of the Company at the 21st (Twenty First) Annual General Meeting.

RESERVES

Your Directors do not propose to transfer any amount to the reserves.

FINANCE

Led by the successful financial planning, comfortable financial position continued during the year also. Some of the term loans availed were repaid.

SUBSIDIARY COMPANIES

The statements pursuant to Section 129(3) of the Companies Act, 2013 (Hereinafter referred to as the 'Act') in 'Form AOC – 1' containing the details of following Wholly Owned Subsidiary Companies forms part of this Annual Report. However as required by the 'Act', we give below a brief report on their performance.

I. K.P.R. Sugar Mill Limited
II. KPR Sugar and Apparels Limited
III. Jahnvi Motor Private Limited
IV. Quantum Knits Pvt. Limited
V. Galaxy Knits Limited
VI. KPR Exports Plc
VII. KPR Mill Pte. Ltd.

SUGAR AND COGEN

The year under review was a normal year for the Indian Sugar industry as a whole and is on track for steady growth in the current year too. Due to uneven and inadequate monsoon in key cane-growing regions, the overall sugar production during the year under review is lower. However, the deficit is expected to be marginal.

ETHANOL

India has achieved the target of blending 12% ethanol with petrol during the current ethanol supply year. Ethanol usage in India is set to rise due to increased demand for biofuel. According to a report, the period between 2023 and 2029 predicts significant growth in India's ethanol market, reaching a value of USD 4.15 billion with a CAGR of 9.16%.

The Government's directive not to use sugar cane juice / sugar syrup for ethanol is expected to have a divergent impact on the sugar industry in the current year. This is expected to be a temporary measure. The Government may restore the normal ethanol production from next year.

KPR SUGAR MILL LIMITED

The sugarcane crushing commenced in November 2023, produced 85,370.00 MT of Sugar. The Co-gen plant produced 1500.36 lakhs units of Power. Out of the above, 933.14 lakhs units were sold and 567.22 lakhs units were captively consumed.

During the year 37172 KL of Ethanol was produced, using Sugar Syrup and Molasses and the entire production was sold to Oil Marketing Companies. The expansion of Ethanol production capacity 240 KLPD with Zero Liquid Discharge System has been completed.

Considering better performance and strong liquidity during the year, the Board of Directors have declared an Interim Dividend @ ₹250 per Equity Share at their meeting held on 22.07.2023. Subsequently, the Board in its meeting held on 27.01.2024 has also declared a second interim Dividend @ ₹190 per Equity Share on Equity Shares, thus aggregating to ₹440 per Share (on Equity Share of Face Value of ₹10 each), for the Financial Year 2023-24.

KPR SUGAR AND APPARELS LIMITED

The sugarcane crushing commenced in November 2023, produced 91,170 MT of Sugar. The Co-gen plant produced 1,701.93 lakhs units of power. Out of the above, 1,053.24 lakhs units were sold and 648.69 lakh units were captively consumed. During the year 57,130 KL of Ethanol was produced, using Sugar Syrup and Molasses and the entire production was sold to Oil Marketing Companies.

The Board of Directors have declared an Interim Dividend @ ₹450 per Equity Share of Face Value of ₹10 each at their meeting held on 27.01.2024.

BOARD'S REPORT

The future of the sugar industry appears to be bright and promising. India's sugar producers hope for freedom to sell at high prices in the days to come.

JAHNVI MOTOR PRIVATE LIMITED

During the year, the Company could sell 155 Audi Cars and earned a revenue of ₹102.34 Crores. Steady economic growth amid signs of moderating inflation, coupled with strong earnings, is fueling the demand at the higher end of the market and supporting sales of luxury vehicles. Local demand continues to be strong.

The Board of Directors have declared an Interim Dividend @ ₹10 per Equity Share of Face Value of ₹10 each at their meeting held on 22.07.2023.

QUANTUM KNITS PVT. LIMITED

The garment business has been consolidated for effective management.

GALAXY KNITS LIMITED

The Company has not yet commenced its operation.

K P R EXPORTS PLC (ETHIOPIA)

As informed in the earlier report, we have already approached the Ethiopian Authorities seeking their assistance to formally close the Apparel manufacturing unit at Ethiopia due to civil disturbance and to bring back capital materials therein. The same is being followed up.

KPR MILL PTE. LTD (SINGAPORE)

As the Company was established primarily for the purpose of marketing the products manufactured at Ethiopia and consequent on the closure of activities therein due to political turmoil, the Management of the Company has applied for strike off of the Company with Singapore authorities.

DEPOSITS

The Company has not accepted any deposits from public during the year under review.

DIRECTORS

Taking note of the completion of the second term of Five consecutive years by the Independent Directors of the Company viz, Mr.G.P.Muniappan (DIN:01653599), Dr.K.Sabapathy (DIN:00001794), Mr.A.M.Palanisamy (DIN:00112303) and Mr.C.Thirumurthy (DIN:00001991) and the consequential cessation of their office in the Company with effect from 31st March 2024, the Board placed on record its sincere appreciation for the invaluable services rendered by them during their tenure.

Based on the recommendation of the Nomination & Remuneration Committee, the Board appointed the following Directors as Additional Directors in the capacity of Independent Directors of the Company for a term of five consecutive years w.e.f. 1st April, 2024 to 31st March, 2029 subject to the approval of Shareholders of the Company.

1. Mr. M. Alagiriswamy (DIN:02112350)
2. Mr. K.V. Ramananda Rao (DIN: 09170522)
3. Mr. K. Thangavelu (DIN: 08993868)
4. Mr. R. Sridharan (DIN: 00018356)

Pursuant to the provisions of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, the aforesaid Directors hold the 'Independent Directors Data Bank Certificate' issued by the 'Indian Institute of Corporate Affairs'.

The Shareholders of the Company have also approved their appointment as Independent Directors of the Company by passing special resolution through postal ballot on May 02, 2024.

The Company has adequate Independent Directors in compliance with the Act and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (Hereinafter referred to as Listing Regulations). Familiarization Program on the Company and its operation was conducted for the Independent Directors. Requisite declaration from the Independent Directors of the Company under Section 149 (7) of the Act confirming that they meet with the criteria of their Independence laid in Section 149 (6) have been obtained.

The Board is of the opinion that the Independent Non-Executive Directors of the Company including those appointed during the year possess requisite qualifications, expertise and experience and they hold highest standards of integrity.

Mr. E.K. Sakthivel (DIN:01876822), Executive Director, retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting.

KEY MANAGERIAL PERSONNEL AND MANAGERIAL REMUNERATION CRITERIA

In pursuance of the Act the Company has Key Managerial Personnel. None of the Managing Directors or Whole Time Directors receives any remuneration or commission from the

Subsidiary Companies and the remuneration paid to them is within the purview of the provisions of Section 197 of the Act. The Company pays remuneration by way of salary, perquisites, commission etc., to its Chairman, Managing Directors and fixed monthly remuneration to its Executive Directors and Whole Time Director in line with the approvals accorded by the General Meetings and in pursuance of the recommendation of the Nomination and Remuneration Committee as per the guiding principles laid down in the Nomination and Remuneration Policy. The information as required by Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended and forms part of this report.

ANNUAL PERFORMANCE EVALUATION

In line with the criteria evolved by the Nomination and Remuneration Committee, the performance of all Directors, Committees, Chairman etc., have been evaluated pursuant to the provisions of the Act and the Listing Regulations.

COMMITTEES

As required by the provisions of the Act and Listing Regulations, the Company has already formed the following Committees, the details of which are disclosed in the Report on Corporate Governance forming part of this Report.

I. Audit Committee

II. Stakeholders Relationship Committee

III. Nomination and Remuneration Committee

IV. Corporate Social Responsibility (CSR) Committee

V. Risk Management Committee

POLICIES

In pursuance of the Act and the Listing Regulations, the following policies have been framed and disclosed on the Company's website www.kprmilllimited.com/policy/

I. Nomination & Remuneration Policy

The Web-link - https://kprmilllimited.com/file/wp-content/uploads/2018/11/5.KPR-NR-Policy.pdf

II. Related Party Transaction Policy

III. CSR Policy

IV. Whistle Blower Policy consisting of Vigil Mechanism

V. Policy on Determining Material Subsidiaries

VI. Code for Fair Disclosure

VII. Risk Management Policy

VIII. Dividend Distribution Policy

The Web-link - https://kprmilllimited.com/file/wp-content/uploads/2018/11/DD-Policy.pdf

IX. Policy for Disclosure of Material Events / Information

X. Policy on Succession Planning for Board and Senior Management

RISK MANAGEMENT

Pursuant to Section 134(3) (n) of the Act & Regulation 17(9) of the Listing Regulations, the Company has a Risk Management Policy and has constituted a Risk Management Committee. The Risk Management Committee held its meetings on 06.06.2023 and 28.11.2023 in which all members were present.

VIGIL MECHANISM & WHISTLE BLOWER POLICY

The Company has an established Vigil Mechanism for Directors and Employees to report concerns about unethical behaviors, actual or suspected fraud or violation of the code of conduct or ethics policy. It also provides for adequate safeguards against victimization of Directors/Employees who avail of the mechanism. The Company affirms that no personnel have been denied access to the Audit Committee. The Company has a Policy of Vigil Mechanism and has established a mechanism that any personnel may raise reportable matters. All suspected violations and reportable matters can be reported to the Chairman of the Audit Committee at e-mail id whistleblower@kprmill.com. The key directions / actions can be informed to the Chairman/ Managing Director of the Company. The Whistle Blower Policy has been reviewed by the Board of Directors and displayed in the Company's website.

CSR EXPENDITURE

During the year, in pursuance of the recommendations of the CSR committee, the Company has contributed ₹1590 Lakhs (2.02% of the average three years' net profit of the Company) towards implementing the CSR activities. Annual Report on CSR, as required by the Act, is appended. The CSR policy is available on the website of your Company at https://kprmilllimited.com/file/wp-content/uploads/2021/05/CSR-POLICY.pdf

BOARD MEETINGS

The Board of Directors met Five times during the financial year on

03.05.2023, 01.08.2023, 06.11.2023, 05.02.2024 and 21.03.2024 in the physical mode. The Composition of Board, procedure, venue, dates, time and other details are included in the Corporate Governance Report that forms part of this Report.

CONSOLIDATED FINANCIAL STATEMENTS

Your Directors have pleasure in annexing the Consolidated Financial Statements pursuant to the provisions of the 'Act' and the Listing Regulations. They are prepared in accordance with the Ind-AS prescribed by the Institute of Chartered Accountants of India, in this regard.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has duly complied with the provisions of Section 186 of the Act and as required therein the details of the Borrowings, Security, Investment etc., are annexed by way of notes to accounts.

RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the financial year were only between the Holding Company and Wholly owned Subsidiary Companies at arm's length basis in the ordinary course of business, whose accounts are consolidated with the Holding Company and placed before the shareholders at the General Meeting for approval. However, as per regulatory requirements an omnibus approval of the audit committee for such transactions has been obtained. The Company has not entered into any contract / arrangement / transaction with related parties which is required to be reported in Form No. AOC-2 in terms of Section 134(3)(h) read with Section 188 of the Act. Accordingly, reporting of the same in Form No. AOC-2 is not applicable to the Company. However, the details of all transactions with related parties have been disclosed in Notes to the Standalone Financial Statement forming an integral part of this Annual Report.

The Transactions as required under Indian Accounting Standards 'Ind AS-24' are reported in Note 40 of the Notes to Accounts of the Standalone Financial Statements as well as Note 39 of the Notes to Accounts of the Consolidated Financial Statements of your Company. The Company's Policy on dealing with related party transactions is available on the Company's website.

EMPLOYEE WELFARE

Fully recognizing that the quality of life of an employee is directly proportional to the company's overall health, KPR strives to keep its workforce physically and mentally happy ever since it commenced business through its distinctive HR practices. Adopting one of the best HR Policy, KPR reaps the benefits such as comfortable retention rate; enhanced morale & engagement; positive attitude with a sense of belonging; ability to attract the best talent; reduced attrition rate and increased competence to mobilise human force at times of need etc. The sustained higher education facilities and Career growth policy ensure the upliftment of Employees' livelihood considerably.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company upto the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the Company Secretary in advance.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 provides for protection against sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment and also for the matters incidental thereto. The Company has accordingly adopted the policy against Sexual Harassment of Women at Workplace, for the purpose of preventing, prohibiting and redressing sexual harassment of female employees at all the workplace within the Company which are based on fundamental principles of justice and fair play.

According to the notifications of Ministry of Corporate Affairs dated 31st July 2018, Internal Complaints Committee under the sexual harassment of women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, has been formed and complied with. Further, Anti Sexual Harassment Committee constituted at each unit shall be responsible for redressal of complaints related to sexual harassment. The details of all such Complaints and its proper redressal through prompt corrective steps are informed to the Top Management so as to ensure that suitable processes and mechanisms are put in place to ensure that issues of sexual harassment, if any, are effectively addressed. During the year, no complaints of sexual harassment was received by the Company from any of its Units.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act read with the Companies (Accounts) Rules, 2014 are provided in the Annexure to the Report.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Act, the Board of Directors of the Company hereby state and confirm that;

I. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

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

III. The Directors have taken proper and sufficient care for the maintenance of adequate 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.

IV. The Directors have arranged preparation of the accounts for the financial year ended 31.03.2024 on a going concern basis.

V. 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.

VI. 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.

CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Corporate Governance Report & Management Discussion and Analysis Report are attached to this Report. Certificate from the Statutory Auditors of the Company confirming the compliance with the conditions of Corporate Governance as stipulated under Schedule V of the Listing Regulations is also attached to this report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

In pursuance of Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility and Sustainability Report, containing the initiatives taken by the company from environmental, social and governance perspective, forms part of this Report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The details of internal financial control and their adequacy are included in the Report of Management Discussion & Analysis, which forms part of this report.

RATIO OF REMUNERATION TO EACH DIRECTOR

Details / Disclosures of Ratio of Remuneration of Director to the median employee's remuneration as required by the Act and Companies Rules are appended.

DETAILS REGARDING ISSUE OF SHARES

During the year under review the Company has not issued any shares.

AUDITORS

In the 19th Annual General Meeting of the Company held on 23.08.2022 M/s. B S R & Co LLP, Chartered Accountants (ICAI Firm Regn. No.101248W/W-100022) were re-appointed as Statutory Auditors of the Company for a second term of five consecutive years from the Financial Year 2022-23.

AUDITORS' REPORT

The Auditors' Report to the Shareholders does not contain any qualification. There were no frauds reported by the Statutory Auditors under provisions of Section 143 (12) of the Companies Act, 2013 and rules made thereunder.

COST RECORDS

Pursuant to Section 148 of the Act, the Company is covered under the limits specified under this section and hence the Company has maintained proper books of accounts with all the particulars relating to the utilization of material, labour and to other items of cost.

BOARD'S REPORT

COST AUDIT

In pursuance of Companies (Cost Records and Audit) Rules, 2014, the Company appointed Mr. B. Venkateswar, Cost Accountant (M.No:27622) as Cost Auditor of the Company to audit the cost records for the Financial Year 2023-24.

SECRETARIAL AUDIT REPORT & CERTIFICATES AND SECRETARIAL STANDARDS COMPLIANCE

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI). As required by the Act a Secretarial Audit Report issued by a Company Secretary in practice (PCS) a Peer Reviewed Unit in Form MR 3 is annexed with this report and it does not contain any qualification. Certificate from PCS that none of the Directors are debarred or disqualified forms part of this Annual Report. Annual Secretarial Compliance Report certifying compliance of SEBI Regulations has been obtained and filed with the Stock Exchanges.

ANNUAL RETURN

Pursuant to Section 92 of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return in the prescribed form is available on the Company's website:**https://kprmilllimited.com/financial-result_annual-reports/**

DETAILS OF DEMAT/UNCLAIMED SUSPENSE ACCOUNT

The status of unclaimed shares of the Company transferred to the demat account, 'K.P.R. Mill Limited - Unclaimed Shares Demat Suspense Account', in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is as follows:

Particulars	No. of. Shareholders	No. of. Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	2	2750
Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	-	-
Number of shareholders to whom shares were transferred from suspense account during the year	-	-
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	2	2750

The Voting rights in respect of these shares will remain frozen till the time such shares are transferred from the Unclaimed Suspense Account to the concerned Shareholders.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year as on 31.03.2024 and the date of this Report.

NO CHANGES IN THE BUSINESS

Your Directors would like to inform that Company is doing its regular business and there has been no change in its objectives.

GENERAL

During the year, there were no transactions requiring disclosure or reporting in respect of matters relating to:

(a) Significant or material order passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future;

(b) Pendency of any proceeding under the Insolvency and Bankruptcy Code, 2016 and

(c) Instance of one-time settlement with any bank or financial institution.

Disclosures under sub rule 5 (xi) and (xii) of rule 8 of Companies (Accounts) Rules, 2014 are not applicable to the Company.

ACKNOWLEDGEMENT

Your Directors acknowledge with gratitude and express their appreciation for the assistances and co-operation received from the Bankers, Government Authorities, Customers, Vendors, and Members during the year under review. Your Directors also wish to thank the employees at all levels for their co-operation and dedication.

FOR AND ON BEHALF OF THE BOARD

K.P. Ramasamy
Chairman
DIN: 00003736

Coimbatore
02.05.2024

ANNEXURE TO THE BOARD'S REPORT

Form AOC – 1

(Pursuant to first provision to sub-section 12 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Financial Summary of Subsidiary Companies

(₹ in Lakhs)

Particulars	K.P.R. Sugar Mill Limited	Quantum Knits Pvt. Limited	Galaxy Knits Limited	Jahnvi Motor Private Limited	KPR Sugar and Apparels Limited	KPR Exports PLC	KPR Mill PTE. Ltd
Share Capital	205	10	5	193	7,100	424	21
Reserves & Surplus	68,799	162	(1)	1,551	92,306	(275)	23
Total Assets	1,00,697	172	4	3,551	1,91,050	149	44
Total Liabilities	31,693	-	-	1,807	91,644	-	-
Investments (Excluding investment in subsidiaries)	-	-	-	-	-	-	-
Turnover	90,513	3,614	-	12,014	1,49,438	-	-
Profit / (loss) Before Tax	19,924	389	-	232	30,732	-	261
Provision for Tax	4,817	(9)	-	55	4,662	-	-
Profit / (loss) After Tax	15,107	398	-	177	26,070	-	261
Proposed Dividend	-	-	-	-	-	-	-
% Share Holding	100	100	100	100	100	100	100

Form AOC-2

(All the transactions are at arm's length basis only)

Particulars of Employees - (Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014)

Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Remuneration paid to Whole-Time Directors (WTD)

Name of the Director	Title	% Increase Over Previous Year	Ratio of Remuneration to MRE
Mr. K. P. Ramasamy	Chairman	No increase	404.30
Mr. KPD Sigamani	Managing Director	No increase	404.30
Mr. P. Nataraj	Managing Director	No increase	404.30
Mr. C. R. Anandakrishnan	Executive Director	No increase	16.96
Mr. E.K. Sakthivel	Executive Director	No increase	12.72
Mr. P. Selvakumar	Whole time Director	16.35%	14.08

2. Remuneration paid to Non-Executive Directors

The Non-Executive Directors of the Company are entitled for sitting fee only and its details are provided in the Corporate Governance Report.

ANNEXURE TO THE BOARD'S REPORT

3. Remuneration paid to other Key Managerial Personnel (KMP)

Name of the KMP	Title	% Increase Over Previous Year
Mr. PL. Murugappan	Chief Financial Officer	15.09%
Mr. P. Kandaswamy	Company Secretary	8.89%

4. Percentage increase in the Median Remuneration of employees in the financial year : 8.99%

5. Number of Permanent Employees on the roll of the Company at the end of the year : 20,774

6. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration.

The average annual increase in the salaries of employees during the year was 8.99% which is more than the average increase, if any, in Managerial Remuneration.

7. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration policy of the Company.

FOR AND ON BEHALF OF THE BOARD

Coimbatore
02.05.2024

K.P. Ramasamy
Chairman
DIN: 00003736

ANNEXURE TO THE BOARD'S REPORT

Annual Report on Corporate Social Responsibility (CSR) activities for Financial Year 2023-24

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken.

   Education plays a vital role in social development. It is only through imparting knowledge of various social values, beliefs, ideals and cultural heritage, a developed and systematic form of society can be achieved.

   KPR's CSR Policy fulcrum is to enhance the culture, values and ethics of human kind through education. Since access to quality education is fundamental to the growth of India, the Company primarily involves in 'Promotion of Education' under its CSR activities.

   The Company earns and spends a part of it to pay back to the society through its various activities which fall in line with the Schedule VII of the Companies Act, 2013.

2. The Composition of the CSR Committee is as follows.

S.No.	Name of the Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. K.P.Ramasamy	Chairman	1	1
2	Mr. KPD Sigamani	Managing Director	1	1
3	Mr. P. Nataraj	Managing Director	1	1
4	Dr. S. Renganayakei	Woman Independent Director	1	1

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

   https://kprmilllimited.com/file/wp-content/uploads/2021/05/CSR-POLICY.pdf and
   https://kprmilllimited.com/file/wp-content/uploads/2021/05/CSR-PROJECTS-COMPOSITION-OF-CSR-COMMITTEE.pdf

4. Provide the executive summary along with web-link of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable – **Not Applicable**

5. (a). Average net profit of the company as per sub-section (5) of Section 135 - **₹78,845 Lakhs**
   (b). Two percent of average net profit of the company as per sub-section (5) of Section 135 - **₹1,576.90 Lakhs**
   (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 - **Nil**
   (e). Total CSR obligation for the financial year [(b)+(c)-(d)] - **₹1,576.90 Lakhs**

6. (a). Amount spent on CSR Projects (both Ongoing Project and Other than Ongoing Project) - **₹1,590.05 Lakhs**
   (b). Amount spent in Administrative Overheads - **Nil**
   (c). Amount spent on Impact Assessment, if applicable - **Nil**
   (d). Total amount spent for the Financial Year [(a)+(b)+(c)] - **₹1,590.05 Lakhs**
   (e). CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ In Lakhs)	Amount Unspent (₹ In Lakhs)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
1,590.05	Nil				

ANNEXURE TO THE BOARD'S REPORT

(f). Excess amount for set off, if any – **Nil**

S.No.	Particulars	Amount (₹ In Lakhs)
(i)	Two percent of average net profit of the company as per sub-section (5) of Section 135	1,576.90
(ii)	Total amount spent for the Financial Year	1,590.05
(iii)	Excess amount spent for the financial year [(ii)-(i)]	13.15
(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)]	13.15

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years: - **Nil**

S.No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a fund as specified under Schedule VII as per Second proviso to sub-section (5) of Section 135, if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	FY-1	NIL						
2	FY-2							
3	FY-3							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year : – **No**

   If Yes, enter the number of Capital assets created / acquired – **Not Applicable**

   The details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the financial year:

S.No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property of asset(s)	Date of Creation	Amount of CSR amount spent	Details of entity / Authority / beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
NIL							

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of Section 135 - **Not applicable**

FOR AND ON BEHALF OF THE BOARD

	S. Renganayakei	**P. Nataraj**	**K.P. Ramasamy**
Coimbatore	Woman Independent Director	Chief Executive Officer &	Chairman
02.05.2024	DIN: 07116244	Managing Director	CSR Committee
		DIN: 00229137	DIN: 00003736

ANNEXURE TO THE BOARD'S REPORT

INFORMATION PURSUANT TO COMPANIES (ACCOUNTS) RULES, 2014

A) CONSERVATION OF ENERGY

a) ENERGY CONSERVATION MEASURES TAKEN

1) To optimize the power consumption in all our textile and garment units, the existing motors and pumps were continuously replaced by high efficiency Motors of IE3 to IE5 standards with Variable frequency drives along with automation applications.
2) To reduce the power consumption, Solar power generation of 20.20 MW capacity was installed in all our plant roof and the same was partially commissioned.

b) ADDITIONAL INVESTMENTS AND PROPOSALS, IF ANY, BEING IMPLEMENTED FOR CONSERVATION OF ENERGY

Further efforts are being taken to reduce power consumption at all units by installing the Power Monitoring equipment.

c) IMPACT OF THE MEASURE (a) & (b) ABOVE FOR REDUCTION OF ENERGY CONSUMPTION AND CONSEQUENT IMPACT ON COST OF PRODUCTION OF GOODS

The energy saving measures result in consumption of economized power and fuel that would reduce the cost of production. Total energy consumption & Consumption per unit of production are as per Form 'A' below:

FORM A – PARTICULARS IN RESPECT OF ENERGY CONSUMPTION:

Particulars	Units	2023-24	2022-23
1. Power & Fuel Consumption			
A) Electricity			
i) Connected Load	KVA	44,815	43,865
ii) Purchase of Units	Lakh Units	1,957	1,644
iii) Total Amount	₹ Lakhs	17,514	12,397
iv) Rate Per Unit (Average)	₹	8.95	7.54
v) Demand Charges	₹ Lakhs	2,941	2,183
B) Electricity from Third Party			
i) Purchase of Units	Lakh Units	2	261
ii) Total Amount	₹ Lakhs	6	1,317
iii) Rate Per Unit (Average)	₹	3.24	5.04
2. Own Generation			
i) Through Diesel Generator			
Units generated	Lakh Units	2	2
Total Amount	₹ Lakhs	72	60
Cost/Unit	₹	31.07	26.79
Units/Litre of Diesel	Units	3.04	3.25
ii) Through Wind Mill			
Units generated	Lakh Units	877	992
iii) Through Steam Turbine Units			
Coal / Furnace Oil / Others	Units	NIL	NIL
3. Consumption per unit of Production			
a) Production of Yarn	Kgs	8,95,85,383	8,77,94,375
Electricity (units) per Kg of yarn Production	Units	2.74	2.82
b) Processed Fabric	Kgs	1,96,40,856	2,11,20,040
Electricity (units) per Kg of Fabric Processed	Units	1.20	1.14
c) Garment Produced – In House	Garments	10,10,27,781	10,30,85,906
Electricity consumed / Garment Production	Units	0.24	0.23

ANNEXURE TO THE BOARD'S REPORT

B. TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT (R&D):

1. Specific areas in which R&D carried out by the Company:

   Further Improvement in Quality of Products, Development of new Products and Designs, Cost control measures, Energy Conservation etc.

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

   Sustained quality of products at economized cost.

3. Future Plan of Action:

   Continuous focus on innovations in Textile development processes & products.

4. Technology absorption, adaptation and innovation:

   Advanced Technology machinery and systems are introduced wherever applicable.

   The advanced technology of cold processing adopted at our new state of the art processing unit reduces the water consumption by 30% and eliminates the usage of Salt completely. This eco - friendly facility will economize the cost of production besides enhancing the quality.

   All manufacturing facilities are equipped with high-tech quality control equipment and well trained Personnel. ETP at Processing Division has Zero Discharge System.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(₹ in Lakhs)

S.No.	Particulars	2023-24	2022-23
1	Foreign Exchange earnings	1,41,639	1,71,502
2	Foreign Exchange outgo	12,137	53,694

FOR AND ON BEHALF OF THE BOARD

K.P. Ramasamy
Chairman
DIN: 00003736

Coimbatore
02.05.2024

ANNEXURE TO THE BOARD'S REPORT

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2024

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. K.P.R. Mill Limited
Coimbatore.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by K.P.R. Mill Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, subject to the Annual Report, the Company has, during the audit period covering the financial year ended on 31st March 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2024 according to the provisions of:

I. The Companies Act, 2013 (the Act) and the rules made thereunder;
ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:-
   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
   d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client;
   e) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018;
vi. and other applicable laws to a Textile Industry viz., Textile Control Orders, Textile Committee Produce Cess Act, Textile (Development and Regulation) Order etc.,

As per the information and explanation provided by the management and officers of the Company and also on verification of reports and certificates of professionals, I report that adequate systems are in place to monitor and ensure compliance of Laws relating to Direct and Indirect Taxes, Labour and other Legislations.

I have also examined compliance with the Listing Agreement and applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Secretarial Standards issued by The Institute of Company Secretaries of India.

ANNEXURE TO THE BOARD'S REPORT

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and Women Directors. There were no changes in the composition of the Board of Directors during the year under review except as follows:

The tenure of Independent Directors viz., Mr.G.P.Muniappan (DIN:01653599), Dr.K.Sabapathy (DIN:00001794), Mr.A.M.Palanisamy (DIN:00112303) and Mr.C.Thirumurthy (DIN:00001991) expired on 31.03.2024. The Board of Directors at their meeting held on 21.03.2024 subject to the approval of the Members have appointed Mr.M.Alagiriswamy (DIN:02112350), Mr.K.V.Ramananda Rao (DIN: 09170522), Mr.K.Thangavelu (DIN: 08993868) and Mr.R.Sridharan (DIN: 00018356), as new Independent Directors of the Company for a period of 5 years with effect from 01.04.2024.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance. 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.

As per the minutes of the Meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

As informed, the Company has responded appropriately to the notices received from various statutory / regulatory authorities, wherever found necessary.

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

I further report that during the audit period there were no instance of

a) Public / Rights / Preferential Issue of Shares / Debentures / Sweat Equity
b) Redemption
c) Foreign Technical Collaboration
d) Merger / Amalgamation / Reconstruction, etc

This report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

K Radhakrishnan B.Com FCS
Practising Company Secretary
FCS No: 12236 CP No: 16911
Peer review Certificate No.1181/2021

Place : Coimbatore
Date : 02.05.2024
UDIN : F012236F000286290

ANNEXURE TO THE BOARD'S REPORT

Annexure 'A'

To,
The Members
M/s. K.P.R. Mill Limited,
Coimbatore

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. I have obtained the Management representation about the Compliance of Laws, Rules and Regulations and happenings of events, etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

K Radhakrishnan B.Com FCS
Practising Company Secretary
FCS No: 12236 CP No: 16911
Peer review Certificate No.1181/2021

Place : Coimbatore
Date : 02.05.2024
UDIN : F012236F000286290

ANNEXURE TO THE BOARD'S REPORT

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To

The Members of
M/s. K.P.R. Mill Limited
9, Gokul Buildings
First Floor, AKS Nagar
Thadagam Road
Coimbatore – 641 001.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. K.P.R. Mill Limited having CIN: L17111TZ2003PLC010518 and having registered office at 9, Gokul Buildings, First Floor, AKS Nagar, Thadagam Road, Coimbatore – 641 001 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification.

K Radhakrishnan B.Com FCS
Practising Company Secretary
FCS No: 12236 CP No: 16911
Peer review Certificate No.1181/2021

Place : Coimbatore
Date : 02.05.2024
UDIN : F012236F000286378

CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

There is a growing emphasis on the importance of good corporate governance, particularly in relation to the roles of directors and governing bodies within organizations. The Companies Act, 2013 and SEBI, through their regulations, have integrated provisions aimed at ensuring the establishment of an environment characterized by trust, transparency, and accountability. However, the true essence of good governance lies in adhering to the spirit of the law and conducting business fairly, in the best interests of various stakeholders.

BOARD OF DIRECTORS

The Board consists of eminent Professionals from different fraternity empowering the Corporate's strive for sustained better Corporate Governance practices. It comprises of twelve Directors viz., One Executive Chairman, Five Executive Directors and Six Independent Directors (Including two woman Directors) having no business relationship with the Company and constituting 50% of Board's composition in compliance with the Listing Regulations & Companies Act, 2013 ('Act').

Name of the Director	Category	Number of Directorships held ***	Number of Board & Committee Memberships in Other Companies ****	
			Chairman	Member
Mr. K.P. Ramasamy	Executive Director	11	-	-
Mr. KPD Sigamani	Executive Director	12	-	-
Mr. P. Nataraj	Executive Director	12	-	-
Mr. C.R. Anandakrishnan	Executive Director	3	-	-
Mr. E.K. Sakthivel	Executive Director	1	-	-
Mr. P. Selvakumar	Executive Director	5	-	-
Mr. G.P. Muniappan*	Independent Director	5	1	1
Dr. K. Sabapathy*	Independent Director	4	-	-
Mr. A.M. Palanisamy*	Independent Director	7	2	2
Mr. C. Thirumurthy*	Independent Director	1	-	-
Dr. S. Renganayakei	Woman Independent Director	4	-	-
Mrs. V. Bhuvaneshwari	Woman Independent Director	8	-	4
Mr. M. Alagiriswamy**	Independent Director	2	2	3
Mr. R. Sridharan**	Independent Director	1	-	-
Mr. K. Thangavelu**	Independent Director	3	1	2
Mr. K.V. Ramananda Rao**	Independent Director	5	1	1

* ceased to be a Director w.e.f. 31.03.2024

** Appointed as an Independent Director w.e.f. 01.04.2024

*** Excluding Directorship in Companies under Section 8 of the Act, alternate Directorship and Companies incorporated outside India.

**** Chairmanship / Membership of Board Committees include Audit Committee and Stakeholders Relationship Committee but exclude Committees of Subsidiary Company, Private Limited Companies, Foreign Companies and Companies under Section 8 of the Act.

Name of the Director	Names of Listed Entity in which directorships held	Category of Director
1. Mrs. V. Bhuvaneshwari	Precot Limited	Independent Director
	Elgi Rubber Company Limited	Independent Director
	Kovai Medical Center and Hospital Limited	Independent Director
	Shiva Texyarn Limited	Independent Director
2. Mr. M. Alagiriswamy	Lotus Eye Hospital & Institute Limited	Independent Director

Their Directorships are within the limit prescribed. The Independent Directors have the option and freedom to interact with the Company Management periodically and they are provided with the information required to perform their functions effectively.

Based on the declarations received from the Independent Directors, the Board of Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1) (b) of the SEBI Listing Regulations and that they are independent of the management.

The Terms and Conditions of appointment of Independent Directors are as per the applicable provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The roles and offices of Chairman and CEO are separated to promote balance of power.

CHART / MATRIX SETTING OUT THE SKILLS / EXPERTISE / COMPETENCE OF THE BOARD OF DIRECTORS (as per Schedule V(C) (2) (h) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018)

The Board of Directors of the Company is composed of a wide range of Dignitaries, Technical experts and Individuals with proven experience in Textile Industry and / or various fields such as Corporate Law, Banking, Medical, Chartered Accountancy and Company Secretary. The Board constantly endeavors to achieve the highest standards of Corporate Governance.

The Nomination and Remuneration Committee of the Company normally consider the following key qualifications, skills and attributes which are taken into consideration while nominating candidates to serve on the Board of the Company for its effective functioning.

SKILLS/ EXPERTISE/ COMPETENCE OF THE BOARD OF DIRECTORS

- **Leadership** - The capacity to set and achieve challenging goals, take fast and decisive action when needed, outperform the competition and inspire others to perform at their highest possible level.
- **Governance** - The collection of mechanisms, processes and relations by which Corporate is governed. Corporate governance is the combination of rules, processes and laws by which businesses are operated, regulated or controlled.
- **Technology** - The combination of techniques, skills, methods and processes used in the production of goods or services or in the accomplishment of objectives.
- **Corporate finance** - Managing sources and deployment of funds to enable the best returns both for the long and short term so as to increase the value of the Corporate to the stakeholders.
- **International business** - Encompasses all commercial activities that take place to promote the transfer of goods, services, resources, people, ideas and technologies across national boundaries.
- **Sales and marketing** - Generating revenue from the operations of the Corporate. The role of marketing is to create market awareness, preference and demand for the products of the Corporate. Sales is responsible for converting that demand into actual sales.

The proficiency of individual Members in the specific areas are indicated here below (✓). However the absence of indication in any area should not be construed that the individual does not possess the related skill or qualification.

CORPORATE GOVERNANCE

Board Members Qualification & Experience

Name of the Director	Leadership	Governance	Technology	Financial	Industry Global Business	Industry Sales and Marketing
Mr. K.P.Ramasamy Chairman	✓	✓	✓	✓	✓	✓
Mr.KPD Sigamani Managing Director	✓	✓	✓	✓	✓	✓
Mr. P.Nataraj Managing Director	✓	✓	✓	✓	✓	✓
Mr. C.R.Anandakrishnan Executive Director	✓	✓	✓	✓	✓	✓
Mr. E.K.Sakthivel Executive Director	✓	✓	✓	✓	✓	✓
Mr. P.Selvakumar Whole time Director	✓	✓	-	✓	✓	-
Dr. K.Sabapathy* Independent Director	✓	✓	-	✓	✓	-
Mr. G.P.Muniappan* Independent Director	✓	✓	-	✓	-	-
Mr. A.M.Palanisamy* Independent Director	✓	✓	-	✓	✓	✓
Mr. C.Thirumurthy* Independent Director	✓	✓	-	✓	-	-
Dr. S.Renganayakei Woman Independent Director	✓	✓	-	✓	-	-
Mrs. V.Bhuvaneshwari Woman Independent Director	✓	✓	-	✓	✓	-

* ceased to be a Director w.e.f 31.03.2024

As the new Independent Directors viz., Mr. M. Alagiriswamy, Mr. K.V. Ramananda Rao, Mr. K. Thangavelu and Mr. R. Sridharan were appointed with effect from 01.04.2024 only, the aforesaid reporting will be applicable to them from the current year (2024-25).

BOARD PROCEDURE

Five Board Meetings were held during the year under review. The dates and notices were fixed / issued well in advance in compliance with the Secretarial Standards. Meetings were held on 03.05.2023, 01.08.2023, 06.11.2023, 05.02.2024 & 21.03.2024 at 10.00 A.M / 10.30 A.M at Corporate Office situated at First Floor, Srivari Shrimat, 1045, Avinashi Road, Coimbatore – 641018.

CORPORATE GOVERNANCE

All the meetings were held through physical mode.

The Agenda and Notes on agenda containing all material information such as Purchase and stock of raw materials; Production, Sale, Export, Realisation and stock details of yarn fabric and Garments; Data on Fabric processing; Capacity utilization in each segment; Wind power generated, power consumed, availment of working capital facilities and term loan; FOREX risk exposures, annual budget, capital expenditure, sale of assets, proposal for Investments & Projects and status of its implementation, financials of Subsidiary Companies; Cash flow Statement; Comparison of performance with the budget; applicable Regulatory changes etc., are circulated to the Directors in advance for facilitating meaningful and focussed discussions at the Meetings. The attendance record of each Director at the Board Meetings and at the last Annual General Meeting is given below:

S.No.	Name of the Director	Number of Board Meeting		Last AGM Attended Yes / No
		Held	Attended	
1	Mr. K. P. Ramasamy	5	5	Yes
2	Mr. KPD Sigamani	5	5	Yes
3	Mr. P. Nataraj	5	5	Yes
4	Mr. C. R. Anandakrishnan	5	3	Yes
5	Mr. E. K. Sakthivel	5	5	Yes
6	Dr. K. Sabapathy	5	5	Yes
7	Mr. G. P. Muniappan	5	5	Yes
8	Mr. A. M. Palanisamy	5	5	Yes
9	Mr. C. Thirumurthy	5	4	Yes
10	Dr. S. Renganayakei	5	5	Yes
11	Mr. P. Selvakumar	5	5	Yes
12	Mrs. V. Bhuvaneshwari	5	5	Yes

AUDIT COMMITTEE

The Audit Committee consists of 3 Directors out of which 2 are Independent Directors. All the Members of the Audit Committee are Chartered Accountant / financially literate. The terms of reference to the Audit Committee are as per the provisions of Section 177(4) of the Act & Regulation 18 of the Listing Regulation and in pursuance of Audit Committee Charter.

Mr. G.P. Muniappan*	-	Independent & Non - Executive Director (Chairman)
Dr. K. Sabapathy **	-	Independent & Non - Executive Director
Mr. P. Nataraj	-	Non Independent & Executive Director
Mr. M. Alagiriswamy***	-	Independent & Non - Executive Director (Chairman)
Mr. K. Thangavelu****	-	Independent & Non - Executive Director

* Ceased to be Chairman of the Committee w.e.f 31.03.2024

** Ceased to be a member of the Committee w.e.f 31.03.2024

*** Mr. M. Alagiriswamy was appointed as Chairman of the Committee w.e.f 01.04.2024

**** Mr. K. Thangavelu was appointed as a member of the Committee w.e.f 01.04.2024

During the year under review, the Audit Committee met Four times and the attendance of each Member through physical mode is furnished as below:

Name of the Member	Attendance at the Meetings held on			
	03.05.2023	01.08.2023	06.11.2023	05.02.2024
Mr. G.P. Muniappan - Independent & Non - Executive Director (Chairman)	✓	✓	✓	✓
Dr.K.Sabapathy - Independent & Non - Executive Director	✓	✓	✓	✓
Mr.P.Nataraj - Non - Independent & Executive Director	✓	✓	✓	✓

✓Attended

The Audit Committee Meetings were held on 03.05.2023, 01.08.2023, 06.11.2023 and 05.02.2024 at 9.00 A.M / 9.30 A.M at Corporate Office situated at First Floor, Srivari Shrimat, 1045, Avinashi Road, Coimbatore – 641018.

All the meetings were held through physical mode.

Statutory Auditors, the permanent invitees to the Committee Meetings attended all the aforesaid meetings.

Mr. P. Kandaswamy, Company Secretary functions as the Secretary of the Committee.

The Committee recommends the appointment & remuneration of Internal Auditors, Statutory Auditors and Cost Auditors. A qualified Professional with good exposure conducts Internal Audit. The Chairman of the Audit Committee was present at the last Annual General Meeting held on 28.07.2023.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee consists of 3 Independent Directors as its Members.

Mr. G.P. Muniappan*	-	Independent & Non - Executive Director (Chairman)
Dr. K. Sabapathy **	-	Independent & Non - Executive Director
Dr. S. Renganayakei	-	Woman Independent & Non - Executive Director
Mr. M. Alagiriswamy***	-	Independent & Non - Executive Director (Chairman)
Mr. K. Thangavelu****	-	Independent & Non - Executive Director

* Ceased to be Chairman of the Committee w.e.f 31.03.2024
** Ceased to be a member of the Committee w.e.f 31.03.2024
*** Mr. M. Alagiriswamy was appointed as Chairman of the Committee w.e.f 01.04.2024
**** Mr. K. Thangavelu was appointed as a member of the Committee w.e.f 01.04.2024

The terms of reference specified by the Board of Directors to the Committee are as per the provisions of Section 178 of the Act & Regulation 19 of the Listing Regulations and Nomination & Remuneration Policy which are broadly indicated hereunder.

The functions of Committee is to formulate criteria to determine qualifications, positive attributes and independence of Directors, Key Managerial Personnel (KMP), Senior Management etc., recommend to the Board a Policy relating to their appointment and remuneration, so as to ensure that the Company's policies in respect of the Directors, KMP are competitive to recruit and retain the best talent in the Company; to recommend revision in their remuneration; to ensure appropriate disclosure of remuneration paid to the said persons etc. The details of remuneration paid to Directors are furnished below. The Whole Time Directors are appointed for a term of Five years by the Shareholders of the Company. There is no 'Stock Option Scheme' in the Company.

During the year under review, the Nomination and Remuneration Committee met Four times and the attendance of each member is furnished as below:

Name of the Member	Attendance at the Meetings held on			
	21.04.2023	09.08.2023	27.01.2024	14.03.2024
Mr.G.P.Muniappan - Independent & Non - Executive Director (Chairman)	✓	✓	✓	✓
Dr.K.Sabapathy - Independent & Non - Executive Director	✓	✓	✓	✓
Dr.S.Renganayakei - Woman Independent & Non - Executive Director	✓	✓	✓	✓

✓Attended

CORPORATE GOVERNANCE

The Nomination and Remuneration Committee Meetings were held on 21.04.2023, 09.08.2023, 27.01.2024 and 14.03.2024 at 09.00 A.M / 12.00 Noon at Corporate Office situated at First Floor, Srivari Shrimat, 1045, Avinashi Road, Coimbatore – 641018. The meeting was held through physical mode.

Details of Remuneration and Sitting Fee paid to the Directors are given below:

Name of the Director	Remuneration during the year 2023 - 24 (₹ in Lakhs)	Sitting fees for attending meeting of the board and/or committee there of (₹ in Lakhs)
Mr. K.P. Ramasamy	572.00	Nil
Mr. KPD Sigamani	572.00	Nil
Mr. P. Nataraj	572.00	Nil
Mr. C.R. Anandakrishnan	24.00	Nil
Mr. E.K. Sakthivel	18.00	Nil
Mr. P. Selvakumar	20.12	Nil
Dr. K. Sabapathy	Nil	3.30
Mr. G.P. Muniappan	Nil	3.30
Mr. A.M. Palanisamy	Nil	1.50
Mr. C. Thirumurthy	Nil	1.20
Dr. S. Renganayakei	Nil	1.50
Mrs. V. Bhuvaneshwari	Nil	1.50

The Non-Executive Independent Directors are entitled to sitting fees only as per the statutory provisions and the limits approved by the Members.

The Nomination and Remuneration Committee Policy has been framed and displayed in the Company's Website.

The performance evaluation criteria for Independent Directors have already been included in the Nomination Remuneration committee policy. The Website link to the policy is provided here:

https://kprmilllimited.com/file/wp-content/uploads/2018/11/5.KPR-NR-Policy.pdf

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has a Stakeholder Relationship Committee to consider and resolve the grievances of Security holders of the Company. The Committee consists of 3 Directors of whom 2 are independent.

Dr. K. Sabapathy*	- Independent & Non - Executive Director (Chairman)
Mr. G.P. Muniappan**	- Independent & Non - Executive Director
Mr. P. Nataraj	- Non Independent & Executive Director
Mr. K. Thangavelu***	- Independent & Non - Executive Director (Chairman)
Mr. M. Alagiriswamy****	- Independent & Non - Executive Director

* Ceased to be Chairman of the Committee w.e.f 31.03.2024
** Ceased to be a member of the Committee w.e.f 31.03.2024
*** Mr. K. Thangavelu was appointed as Chairman of the Committee w.e.f 01.04.2024
**** Mr. M. Alagiriswamy was appointed as a member of the Committee w.e.f 01.04.2024

Two Meetings were held during the Financial Year and the attendance of each Member is furnished as below:

Name of the Member	Attendance at the Meetings held on	
	03.05.2023	06.11.2023
Dr. K. Sabapathy – Independent & Non - Executive Director (Chairman)	✓	✓
Mr. G.P. Muniappan – Independent & Non - Executive Director	✓	✓
Mr. P. Nataraj – Non Independent & Executive Director	✓	✓

✓Attended

The Stakeholders Relationship Committee Meetings were held on 03.05.2023 and 06.11.2023 at 10.00 A.M at Corporate Office situated at First Floor, Srivari Shrimat, 1045, Avinashi Road, Coimbatore – 641018.

All the meetings were held through physical mode.

Mr. P. Kandaswamy, Company Secretary is the Secretary to the Committee and the Compliance Officer of the Company.

Nature of complaint / queries received during the Financial Year 2023 – 24	No. of Complaints
For non-receipt of dividend, annual report, shares lodged for transfer, issue of duplicate share certificates	0
Complaints from BSE/NSE/SEBI/Legal	0
Queries/Complaints redressed	0
Pending queries/Complaints as on 31.03.2024	0

Pursuant to SEBI's Directions, Company has created a centralized web based complaints redressal system 'SCORES' and there was no complaint received during the year in that system.

As per SEBI circular, the Company has registered in the Online Dispute Resolution (ODR) portal. If the Investor is not satisfied with the outcome of the compliant raised in 'SCORES' portal they can initiate dispute resolution through the ODR portal and there was no complaint received during the year in that portal.

As per Regulation 46 of the Listing Regulation, the Company has designated the following exclusive E-mail ID for the convenience of Investors: **investors@kprmill.com**

In addition they can also forward their grievance, if any, to the E-mail ID: **kandaswamy@kprmill.com.**

As required by the Listing Regulations, Company's website **www.kprmilllimited.com** is updated with the Quarterly information conveyed to the Stock Exchanges.

All information required to be disseminated in the Company's website as per Regulation 46 (2) of the Listing Regulations are disseminated. The Company's website contains a separate dedicated section '**Investor'** wherein shareholders' information are available. The Company's Annual Report is also available in a user-friendly and downloadable form.

With a view to regulate trading in securities by the Directors and Designated Employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee consists of Four Directors of which one is Independent Director.

1.	Mr. K.P. Ramasamy	- Non - Independent & Executive Director (Chairman)
2.	Mr. KPD Sigamani	- Non - Independent & Executive Director
3.	Mr. P. Nataraj	- Non - Independent & Executive Director
4.	Dr. S. Renganayakei	- Woman Independent & Non - Executive Director

The main objective of the Corporate Social Responsibility Committee is to assist the Board of Directors and the Company in fulfilling its Corporate Social Responsibility ("CSR") activities. Besides and in line with the terms of reference made by the Board of Directors while constituting the Committee, the Committee has the overall responsibility for identifying the areas of CSR activities; recommending the amount of expenditure to be incurred on the identified CSR activities; devising and implementing the CSR policy; coordinating with the Agency, if any, appointed to implement programs and executing initiatives as per CSR policy of the Company. The Committee is also responsible for reporting the progress of various initiatives and in making appropriate disclosures on a periodical basis. The CSR Policy has also been framed and its details are uploaded in the Company's website www.kprmilllimited.com.

The Corporate Social Responsibility Committee met once during the Financial Year and the attendance of each Member is furnished as below:

Name of the Member	Attendance at the meeting held on 21.04.2023
Mr. K.P.Ramasamy – Non Independent & Executive Director (Chairman)	✓
Mr. KPD Sigamani – Non Independent & Executive Director	✓
Mr. P. Nataraj – Non Independent & Executive Director	✓
Dr. S. Renganayakei – Woman Independent & Non-Executive Director	✓

✓Attended

The Corporate Social Responsibility Committee Meeting was held on 21.04.2023 at 10.00 A.M at Corporate Office situated at First Floor, Srivari Shrimat, 1045, Avinashi Road, Coimbatore – 641018.

The meeting was held through physical mode.

RISK MANAGEMENT

Pursuant to Section 134 (3) (n) of the Companies Act, 2013 & Regulation 21 of the Listing Regulation, the Company has framed a Risk Management Policy. In the opinion of the Board there appears to be no element of risk which may threaten the existence of the Company. The Risk Management Policy is disseminated in the website of the Company. The Risk Management Committee consisting of following members:

Mr. P. Nataraj	– Non Independent & Executive Director (Chairman)
Mr. PL. Murugappan	– Chief Financial Officer
Dr. K. Sabapathy*	– Independent & Non - Executive Director
Mr. M. Alagiriswamy**	– Independent & Non – Executive Director

* Ceased to be a member of the Committee w.e.f. 31.03.2024
**Mr.M. Alagirswamy was appointed as member of the Committee w.e.f. 01.04.2024

The Risk Management Committee met twice during the Financial Year, reviewed the risks relating to the Industry and Company. The attendance of each Member is furnished as below:

Name of the Member		Attendance at the meeting held on	
		06.06.2023	28.11.2023
Mr. P. Nataraj	– Non Independent & Executive Director (Chairman)	✓	✓
Dr. K. Sabapathy*	– Independent & Non - Executive Director	✓	✓
Mr. PL. Murugappan	– Chief Financial Officer	✓	✓

✓Attended

* Ceased to be a member of the Committee w.e.f 31.03.2024
Mr. M. Alagiriswamy was appointed as a member of the Committee w.e.f 01.04.2024

The Risk Management Committee Meetings were held on 06.06.2023 and 28.11.2023 at 10.00 A.M at Corporate Office situated at First Floor, Srivari Shrimat, 1045, Avinashi Road, Coimbatore – 641018.
All the meetings were held through physical mode.

FAMILIARISATION PROGRAMME

Familiarisation Programme on the Company and its operations was conducted apprising the Independent Directors of the following:

1. Roles, Rights and Responsibilities of Independent Directors in the Company
2. Manufacturing Facilities / Units of the Company
3. Products Manufactured
4. Production Capacity of each segment and expansion under progress that are approved by Board from time to time
5. Key Strengths
6. Evolution
7. Unique Employment Model
8. Power Self-sufficiency through captive green power – Windmills, Cogen and Solar
9. CSR Activities
10. Expansion plans in Garment, Sugar, Ethanol and Co-gen Power
11. Update on retail business
12. Historical performance & Future Plans

Besides Reports on the following activities apprising the system and procedures followed by the Company in ensuring compliance / observance of those activities were also provided:

1. Compliance with applicable Legislations and Regulations
2. Risk Management
3. Ensuring significant development in Human Resources / Industrial Relations
4. Annual Budgets and Funding Plans consistent with agreed corporate strategies
5. Internal Finance Control
6. Integrity of financial information
7. Evaluation of Non-Independent Directors, the Chairperson and the Board as a whole
8. Related Party Transactions

The following is the Web link for the details of Familiarisation Programme imparted to the Independent Directors:
https://kprmilllimited.com/file/wp-content/uploads/2024/04/FAMILIARISATION-PROGRAMME-2024.pdf

CEO / CFO CERTIFICATION

The CEO and CFO have furnished a certificate relating to financial statements and internal controls and systems to the Board of Directors as required and forms part of this Annual Report.

GENERAL BODY MEETING

Details of Location, Date of the General Meetings held during the last three years:

Annual General Meeting	Date	Venue	Time of the Meeting	Special resolution passed
18th	09.09.2021	Video Conferencing (VC) / Other Audio Visual Means (OAVM)	02.30 P.M	Alteration of the existing Articles of Association of the Company by adoption of a new set of Articles of Association.
19th	23.08.2022	Video Conferencing (VC) / Other Audio Visual Means (OAVM)	02.30 P.M	Alteration of Clause 72 (ii) of the Articles of Association of the Company.
20th	28.07.2023	Video Conferencing (VC) / Other Audio Visual Means (OAVM)	02.30 P.M	Appointment of Mrs.V.Bhuvaneshwari, Woman Independent Director of the Company.

POSTAL VOTING AND E-VOTING

In pursuance of the Listing agreement, E-Voting at the 20th Annual General Meeting (AGM) and remote e-voting were extended to all the Shareholders of the Company to facilitate voting on the Subjects/Resolutions contained in the 20th AGM notice. To conduct the voting procedure in a fair and transparent manner, a Scrutinizer was appointed for the above purposes. Accordingly the Scrutinizer conducted the voting process and submitted his reports on the voting polled, to the Chairman of the Company.

As per the said Report, the results of the voting on the Subjects/ Resolutions, contained in the Agenda of the meeting were announced. Besides, Reports were forwarded to the Stock Exchanges and they were also uploaded along with the scrutinizers report, in Company's website. Entire Resolutions contained in the said agenda were passed.

During the year under review no Extra - Ordinary General Meeting was held.

Special Resolutions for Appointment of New Independent Directors and Removal of Cap on commission payable to Chairman and Managing Directors of the Company was placed before the Shareholders of the Company for their approval through Postal Ballot on 02.05.2024 in compliance with the procedure laid down under the applicable provisions of the Companies Act, 2013 read with rules made thereunder, SEBI (LODR) Regulations, 2015 and Articles of Association of the Company.

The Company had appointed Mr. A. Vetrivel (FCA. 25028) Chartered Accountant, to act as the Scrutiniser, for conducting the Postal Ballot process for the resolutions mentioned above, in a fair and transparent manner.

DISCLOSURE

I. None of the transactions with related parties during the year 2023-24 were in conflict with the interest of the Company and all the transactions were only with the Wholly Owned Subsidiary Companies at arm's length price basis.

II. No penalty or levy has been imposed by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets during last year.

III. Mr. K.P. Ramasamy, Chairman, Mr. KPD Sigamani, Managing Director and Mr.P.Nataraj, Managing Director are related to each other. Mr.C.R. Anandakrishnan, Executive Director is related to Mr.K.P.Ramasamy, Chairman and Mr.E.K.Sakthivel, Executive Director is related to Mr.KPD Sigamani, Managing Director.

IV. The Independent Director/s of the Holding Company was/were nominated in the Subsidiary Companies viz: M/s. K.P.R. Sugar Mill Limited (Material Subsidiary), M/s.KPR Sugar and Apparels Limited (Material Subsidiary), M/s. Jahnvi Motor Private Limited and M/s. Quantum Knits Private Limited.

V. Directors Responsibility Statement and Management Discussion and Analysis Report have been furnished elsewhere in the Annual Report.

VI. The Company has a system to inform the Members of the Board about the risk Assessment and its minimization procedure.

VII. The corporate governance requirements as specified in SEBI (Listing Obligation and Disclosure Requirements) Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46 have been duly complied with by the Company.

CORPORATE GOVERNANCE

MEANS OF COMMUNICATION

The Annual Report containing the financial statements is posted / e-mailed to the shareholders of the Company in compliance with the provisions of the Act. **Towards Green Initiative, the Shareholders are requested to convey / update their e-mail address as well as register the same with their respective Depository Participant.**

Official-news releases and official media releases are sent to Stock Exchanges.

i. Quarterly Results are usually published in "Business Line" (English) and "Malaimalar" (Tamil).

ii. The Financial Results are also accessible on the Company's Website - **www.kprmilllimited.com**

iii. Presentations made to institutional investors and financial analysts on the Company's unaudited quarterly as well as audited annual financial results are uploaded on the Company's website.

SHAREHOLDERS INFORMATION

Annual General Meeting for the financial year 2023-24:		
Day and Date	:	Monday, 22.07.2024
Time	:	2.30 P.M. (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM)

DATE OF BOOK CLOSURE

The Register of Members and Share Transfer Books of the Company will remain closed from 16.07.2024 to 22.07.2024 (Both days inclusive) for the purpose of Final Dividend and Annual General Meeting of the Company.

DATE OF PAYMENT OF DIVIDEND

The payment of Interim Dividend declared by the Board of Directors at their meeting held on 05.02.2024 was made on 22.02.2024.

Dividends if declared at the Annual General Meeting will be paid to the Shareholders within stipulated time as per the Act.

SHARE DETAILS

The Equity Shares of the Company are listed at the following Stock Exchanges:

BSE Limited **Scrip Code: 532889**

Phiiroze Jeejeebhoy Towers,

Dalal Street, Mumbai – 400 001.

National Stock Exchange of India Limited **Symbol: KPRMILL**

Exchange Plaza, Plot: C/1, G Block,

Bandra-Kurla Complex, Bandra (E),

Mumbai – 400 051.

The Annual Listing Fee payable to the Stock Exchanges for the Financial Year 2023-24 have been paid in full.

DEMATERIALISATION OF SHARES

Members have the option to hold their shares in demat form either through the National Securities Depository Limited or the Central Depository services Limited. The ISIN Number of the Company is **INE930H01031.**

The Annual Custodian Fee for the Financial Year 2023-24 to NSDL and CDSL have been paid in full.

As on 31.03.2024, shares representing 99.99% of the total paid up capital of the Company are held in dematerialized form with NSDL and CDSL.

REGISTRAR AND TRANSFER AGENTS

NSDL Database Management Limited
4th Floor, Tower 3, One International Center,
Senapati Bapat Marg, Prabhadevi, Mumbai-400013
Phone: 022-49142700 / 2578 | Fax: 022-49142503
Email: investor.ndmlrta@nsdl.com | Website: https://ndml.in/rta.php

SHARE TRANSFER SYSTEM

After confirmation of the sale transaction from the Broker, Shareholder should approach the Depository Participant (DP) with a request, in the form of delivery instruction slip, to transfer the shares to the account of the broker. The depository participant will execute the instruction and transfer the share to the account of the Broker.

Similarly, in the case of a purchase, the Broker will arrange to credit the shares in the Demat account of Share Holder within 24 hours after the payout has been declared by the Exchange. There is no need for a separate communication with the Company or its Share Transfer Agents.

Please register your mobile number and email id with the DP, to get instant information through SMS from the Depository, whenever shares are debited from your DP account. Please ensure from your DP that your order is intact. Please collect a copy of transaction/holding from your DP periodically. Also use the nomination facility available with the Depository and register the nominee.

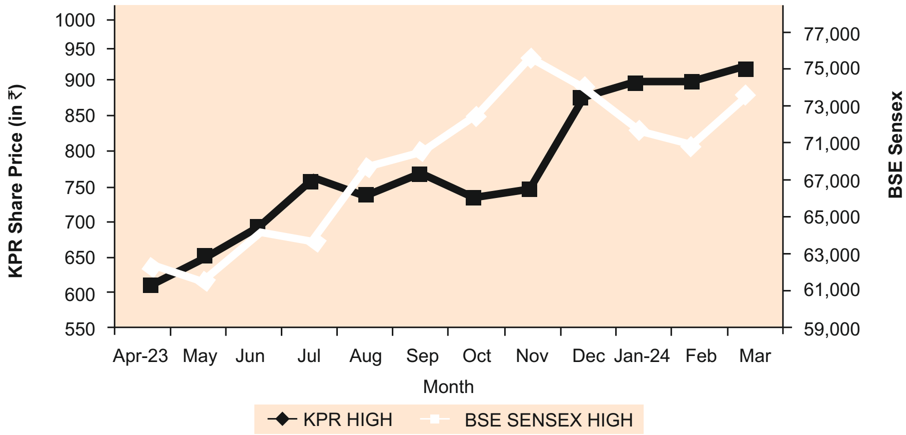
In respect of shares to be transferred in physical form, the facility has been done away with as per the new amendment SEBI (LODR amendment) Regulations, 2018. Unless and until the shares in physical forms are converted into Demat, the transfer of shares/securities cannot be done. It is to be made clear that, this Regulation is only with respect to transfer of shares/securities in physical mode and not with respect to transposition or transmission of securities. Such transposition and transmission can still be done in physical mode. So, for effecting the transfer of shares, the shareholders are requested to send application to the depository for conversion of physically held shares in dematerialized form.

MARKET PRICE DATA

The details of the monthly highest and lowest closing quotations of the Equity Shares of the Company at the BSE Limited and National Stock Exchange of India Limited, during the financial year 2023-24 are given below:

MONTH	BSE			NSE		
	High (₹) (Ps)	Low (₹) (Ps)	Total Traded Quantity (in Crs)	High (₹) (Ps)	Low (₹) (Ps)	Total Traded Quantity (in Crs)
April 2023	631.00	565.95	0.02	633.25	565.65	0.34
May 2023	611.30	551.60	0.03	613.00	551.50	0.42
June 2023	685.00	573.00	0.05	685.90	572.50	0.93
July 2023	668.70	616.60	0.04	670.00	617.05	0.42
August 2023	772.00	615.00	0.26	773.00	615.00	1.44
September 2023	796.00	712.70	0.03	796.80	715.55	0.55
October 2023	843.15	720.00	0.05	843.65	718.00	0.81
November 2023	927.40	758.00	0.06	928.15	759.85	0.89
December 2023	888.55	806.00	0.03	886.85	805.55	0.42
January 2024	824.55	731.30	0.03	826.45	731.50	0.79
February 2024	804.90	710.45	0.02	804.80	710.00	0.62
March 2024	873.00	747.65	0.03	873.80	749.10	0.59

KPR Share Price Vs BSE Sensex



DISTRIBUTION OF SHAREHOLDINGS AS ON 31ST MARCH 2024

Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Equity
1-500	1,02,603	95.23	54,24,982	1.59
501-1000	2,327	2.16	17,54,949	0.51
1001-2000	1,258	1.17	18,78,336	0.55
2001-3000	473	0.44	11,73,666	0.34
3001-4000	234	0.22	8,31,747	0.24
4001-5000	178	0.16	8,27,368	0.24
5001-10000	284	0.26	20,06,156	0.59
10001 & Above	385	0.36	32,79,16,796	95.94
Total	**1,07,742**	**100.00**	**34,18,14,000**	**100.00**

SHAREHOLDING PATTERN AS ON 31ST MARCH 2024

Category	Number of Shares Held	% of Holding
Promoters & Promoters Group	25,21,06,116	73.76
Mutual Funds	4,46,60,202	13.07
Foreign Institutional Investors	1,58,55,460	4.64
NRIs	10,63,635	0.31
Bodies Corporate & LLP	18,59,815	0.54
Public	2,62,68,772	7.69
Total	**34,18,14,000**	**100.00**

SHAREHOLDING OF DIRECTORS AS ON 31ST MARCH 2024

S.No.	Name of the Director	No. of Shares
1	Mr. K.P. Ramasamy	7,30,30,816
2	Mr. KPD Sigamani	7,30,31,217
3	Mr. P. Nataraj	7,30,31,217
4	Mr. C.R.Anandakrishnan	6,950
5	Mr. E.K.Sakthivel	-
6	Mr. P. Selvakumar	-
7	Dr. K. Sabapathy *	-
8	Mr. G.P.Muniappan *	-
9	Mr. A.M. Palanisamy *	-
10	Mr. C.Thirumurthy * (Shares in the name of relative only)	50
11	Dr. S. Renganayakei	-
12	Mr. M. Alagiriswamy **	-
13	Mrs. V.Bhuvaneshwari	-
14	Mr. K.V. Ramananda Rao **	-
15	Mr. K. Thangavelu **	-
16	Mr. R. Sridharan **	-

** ceased to be a Director w.e.f 31.03.2024*
*** Appointed as an Independent Director w.e.f 01.04.2024*

CORPORATE GOVERNANCE

PLANT LOCATIONS:

LOCATION	TELEPHONE	FACILITIES
Indiampalayam Village, Sathyamangalam - 638 454.	Tel: + 91 4285 251490	Spinning
S.F.No.273, Kittampalayam, Karumathampatti, Coimbatore - 641 659.	Tel: + 91 89733 88844	Spinning, Knitting, Compact & Mélange
S.F. No.525, Neelambur, Coimbatore - 641 062.	Tel: + 91 99655 54208	Spinning & Knitting
S.F.No.181, Kollupalayam, Arasur, Coimbatore - 641 407.	Tel: + 91 422 2635500	Spinning, Knitting & Garmenting
252, Periyar Colony, Tirupur - 641 652.	Tel: + 91 421 2259200	Garmenting
SIPCOT Industrial Area, Perundurai - 638 052.	Tel: + 91 4294 234800	Processing
270 J, Periyar Colony, Tirupur - 641 652.	Tel: + 91 421 2259500	Marketing (Yarn & Fabric)
S.F. No 7, Avinashi Main Road, Thekkalur, Tirupur - 641 654.	Ph: +91 89733 33255	Garmenting
No 460, Avinashi Main Road, Thekkalur, Tirupur - 641 654.	Tel: +91 4296 277300	Garmenting
SIPCOT Industrial Area, Perundurai - 638 052.	Tel: + 91 4294 234800	Processing Unit II and Printing Division
Tirunelveli, Tenkasi, Theni & Coimbatore District	-	Windmills

ADDRESS FOR CORRESPONDENCE

Company Secretary,
K.P.R. Mill Limited,
1st Floor, Srivari Shrimat,
1045, Avinashi Road,
Coimbatore – 641 018
Ph: +91 422 220 7777

For your reference the Company's **CIN: L17111TZ2003PLC010518**

CORPORATE GOVERNANCE

LIST OF ALL CREDIT RATINGS OBTAINED BY THE ENTITY ALONG WITH ANY REVISIONS THERETO DURING THE RELEVANT FINANCIAL YEAR

CARE Ratings Limited has accorded and re-affirmed its Credit Rating as follows:

Facilities	Ratings	Rating Action
Long-term Bank Facilities	CARE AA+; Stable (Double A Plus; Outlook; Stable)	Reaffirmed
Short- term Bank Facilities	CARE A1+ (A one Plus)	Reaffirmed

CAPITAL INTEGRITY AUDIT

The Certificate from a Practicing Company Secretary, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with the National Securities Depository Limited and Central Depository Services (India) Limited, is placed before the Board on a quarterly basis. A copy of the said Certificate is submitted to the Stock Exchanges where the securities of the Company are listed.

PREVENTION OF INSIDER TRADING

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has prescribed a Code of Conduct for prevention of insider trading through Purchase / Sale of Share of the Company by an insider on the basis of unpublished price sensitive information. The same is followed and the designated persons are disclosing the related information periodically. As per SEBI (Prohibition of Insider Trading) Regulations, the Automation of System Driven Disclosures are also adopted. The Company is maintaining the Structured Digital Database in accordance with the SEBI Regulations.

The Company has also formulated a Code for Fair Disclosure of the Price Sensitive information in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 2015 and the same is disseminated in the website of the Company.

Mr.P.Kandaswamy, Company Secretary functions as the Compliance Officer.

SUBSIDIARY

The financials of the Subsidiary Companies viz., M/s.K.P.R. Sugar Mill Limited, M/s.Jahnvi Motor Private Limited, M/s. Quantum Knits Private Limited, M/s.Galaxy Knits Limited, M/s.KPR Sugar and Apparels Limited, M/s.KPR Export PLC, Ethiopia and M/s.KPR Mill Pte. Ltd, Singapore have been duly reviewed by the Audit Committee and the Board of the Holding Company. Salient features of the Board minutes of the unlisted subsidiary companies have been placed before the Board of the Holding Company. The Holding Company's Board is also periodically informed about all significant transactions and arrangements entered into by the Subsidiary Companies.

MATERIAL SUBSIDIARY

The Company has also formulated a policy for determining the Material Subsidiary. In order to fall in line with the requirements of SEBI (LODR) Regulations, 2015 the 'Policy for determining material subsidiary' was amended by the Board of Directors at their meeting held on 03.05.2023 and the details of such policies are disseminated in the website of the Company. The Website link to the policy is as below :

https://kprmilllimited.com/file/wp-content/uploads/2023/05/Policy-for-Material-Subsidiaries-KPRML.pdf

In addition to K.P.R. Sugar Mill Limited, a Wholly Owned Subsidiary Company, KPR Sugar and Apparels Limited, another Wholly Owned Subsidiary Company also became Material Subsidiary with effect from 01.04.2023.

1. K.P.R. Sugar Mill Limited was incorporated on 03.03.2006 at Coimbatore and its Statutory Auditor, Mr.A.Vetrivel was appointed on 19.08.2022 to audit the accounts from FY 2022-23 to FY 2026-27.

2. KPR Sugar and Apparels Limited was incorporated on 01.10.2020 at Coimbatore and its Statutory Auditor, Mr. A. Vetrivel was appointed on 06.09.2021 to audit the accounts from FY 2021-22 to FY 2025-26.

Its Secretarial Audit Report as per 24A of SEBI (LODR) Regulations is provided in the following web link: https://kprmilllimited.com/financial- result_annual-reports/

LOANS AND ADVANCES

The Wholly owned Subsidiary Company K.P.R. Sugar Mill Limited has extended loan to another wholly owned Subsidiary Company KPR Sugar and Apparels Limited and its outstanding is ₹10,000 lakhs as on 31.03.2024.

RELATED PARTY TRANSACTIONS (RPT)

There has been no materially significant related party transaction with the Company's Promoters, Directors, KMP and the Management, their Subsidiaries or relatives which may have potential conflict with the interests of the Company at large. The necessary disclosures regarding the transactions in pursuance of Accounting Standards are given in the notes to accounts and Directors' Report.

As per SEBI (LODR), periodical report on related party transactions are filed with the Stock Exchanges and uploaded in the Company website.

The Company has also formulated a policy on dealing with the Related Party Transactions and the details of such policies are disseminated on the website of the Company.

The Website link to the policy is as below:

https://kprmilllimited.com/file/wp-content/uploads/2022/11/RELATED-PARTY-TRANSACTION-POLICY.pdf

CORPORATE GOVERNANCE

DETAILS OF NON – COMPLIANCE BY LISTED ENTITY

During the last three financial years there were no non - compliances by the listed entity nor any penalties or strictures imposed on the Listed Entity by the Stock Exchanges or Board or any Statutory Authority on the matters related to Capital Market.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM AND WHISTLE BLOWER POLICY

The Company has formed Vigil Mechanism and Whistle Blower Policy that provides for adequate safeguards against victimization of Directors / Employees who avail of the mechanism. The Company affirms that no personnel have been denied access to the Audit Committee. Further details of the same are provided in the Directors report.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS:

Certificate from a Practising Company Secretary stating that none of the directors are debarred or disqualified forms a part of this Annual Report.

REGARDING THE PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

As per the requirements of Sexual harassment of women at workplace (Prevention, Prohibition and Redressal Act) 2013 Internal Complaints Committee has been formed. There were no complaints filed/disposed or pending during the financial year 2023-24.

TRANSFER TO IEPF ACCOUNT OF CENTRAL GOVERNMENT

The Company has transferred the following unpaid dividend amounts which remained unpaid for more than seven years that were due for transfer during the financial year 2023-24 to the Investor Education and Protection Fund of the Central Government:

Transfer of Unclaimed Dividends to IEPF Account

S.No.	Dividend	Date of Transfer	Amount of Transfer (₹)
1	Final Dividend 2015-16	25.09.2023	23,046.00

Transfer of Shares to IEPF Demat Account

No. of Shareholders	No. of. Shares	Date of Transfer
1	160	03.05.2023
6	2,695	11.10.2023

FEES TO STATUTORY AUDITOR

The particulars of payment of Statutory Auditors' fees, including subsidiaries on a consolidated basis is given below:

(₹ in Lakhs)

Particulars	Amount
Services as statutory auditors (including quarterly audits)	29.00
Tax audit	-
Services for tax matters	-
Other matters	-
Re-imbursement of out-of-pocket expenses	1.00
Total	**30.00**

CODE OF CONDUCT AND ETHICS – DECLARATION

It is hereby declared that the Board of Directors of the Company have adopted a Code of Conduct for the Board members and Senior/Key Management Personnel of the Company and the same has also been posted in the website of the Company and that all the Board Members and Senior/Key Management Personnel to whom this Code of Conduct is applicable have affirmed the compliance of Code of Conduct during the year 2023 - 24.

FOR AND ON BEHALF OF THE BOARD

P.Nataraj
Chief Executive Officer &
Managing Director
DIN: 00229137

Coimbatore
02.05.2024

CERTIFICATE

INDEPENDENT AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (Listing Obligations and Disclosure Requirements) REGULATIONS, 2015

To the Members of K.P.R. Mill Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated April 8, 2024.
2. We have examined the compliance of conditions of Corporate Governance by K.P.R Mill Limited ("the Company"), for the year ended March 31, 2024, as stipulated in regulations 17 to 27, clauses (b) to (i) and (t) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with the National Stock Exchange of India Limited and the BSE Limited (collectively referred to as "Stock Exchanges").

Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended March 31, 2024.
6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI") and the Standards on Auditing specified under Section 143(10) of the Companies Act, in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

K Sudhakar
Partner
Membership No. 214150
ICAI UDIN: 24214150BKETAR7252

Place : Coimbatore
Date : May 2, 2024

CERTIFICATE

CEO / CFO CERTIFICATE

The Board of Directors
K.P.R. Mill Limited,
Regd Office: No.9, Gokul Buildings, 1st Floor,
A.K.S. Nagar, Thadagam Road,
Coimbatore - 641 001

In relation to the **Audited Financial Accounts of the Company as at 31.03.2024** we hereby certify that:

a) We have reviewed financial statements (standalone and consolidated) for the year ended and that to the best of our knowledge and belief:

   (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Indian Accounting Standards, applicable laws and regulations.

b) To the best of our knowledge and belief, no transactions entered into by the Company during the period are fraudulent, illegal or violative of the Company's Code of Conduct.

c) We accept that it is our responsibility to establish and maintain internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting and we have disclosed to the Auditor and the Audit Committee, deficiencies in the design or operation or such internal controls, if any of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

   (i) There were no deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data and there have been no material weakness in internal controls over financial reporting including any corrective actions with regard to deficiencies.

   (ii) There were no significant changes in internal control during the period covered by this report.

   (iii) Significant changes in accounting policies if any, during the period have been disclosed in the notes to the financial statements;

   (iv) There were no instances of fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Coimbatore
Date: 02.05.2024

PL. Murugappan
Chief Financial Officer

P. Nataraj
Chief Executive Officer &
Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMY

GLOBAL

The Global economy journey has been eventful, starting with supply-chain disruptions in the aftermath of the pandemic, an energy and food crisis triggered by Russia's war on Ukraine, a considerable surge in inflation, followed by a globally synchronized monetary policy tightening. Despite gloomy predictions, the global economy remains remarkably resilient, with steady growth and inflation slowing almost as quickly as it rose. Many large emerging market economies are performing strongly, increasing their footprint on the global economy. Despite these welcome developments, numerous challenges remain, and decisive actions are needed.

INDIA

India's economy is projected to grow by 6.8% in 2024, according to a report by the IMF which noted that multinationals extending their manufacturing processes into the country to diversify their supply chains will have a positive impact on Indian exports. The expansion in 2023 was driven by strong public investment outlays as well as the vitality of the services sector which benefited from robust local demand for consumer services and firm external demand for the country's business services exports. These factors are expected to continue to support growth in India in 2024.

TEXTILE INDUSTRY

GLOBAL

The Global Textile market is anticipated to rise at a considerable rate due to factors such as the continued increase in global population and urbanization, the rapid expansion of e-commerce, heightened expenditure on leisure activities, the growing retail penetration, increased internet accessibility and smartphone usage, and a rising preference for contactless delivery solutions. Notable trends expected in the forecast period include a shift towards adopting digital textile printing, focus on utilizing non-woven fabrics, an emphasis on the use of organic fibers, a spotlight on sustainable fibers, adoption of digital platforms for textile supply chain management.

INDIA

Adverse economic conditions prevailed in major importing Countries, coupled with the Red Sea crisis are impacting the export of Indian textile products, including ready-made garments, to foreign destinations. However, with the US market showing signs of revival, experts believe exports to improve in the upcoming months. The domestic market, which accounts for around three-fourths of the overall demand, continues to witness a steady growth. Demand ahead of the spring-summer season in the West is likely to boost the off take of garments from India, thereby supporting the growth of the entire value chain. With better consumer demand big retailers in the overseas markets will have to restock inventory, improving order flow from Indian exporters. A favourable landscape marked by easing cost pressures and demand revival is likely to support the growth of Indian textiles in 2024. Addressing structural challenges and leveraging policy support are pivotal for the textile industry's sustained growth.

COTTON

Cotton is one of the most important cash crops in India. As a raw material for the textile industry, cotton contributes significantly to the agricultural and industrial economics of India and exerts considerable influence on India's economy. India is one of the major cotton producing as well as cotton consuming countries in the world. The area under cotton crop in India is the largest, constituting nearly one fourth of the world cotton area. KPR is in the Hosiery segment using predominantly the best available cotton (Shankar 6) through meticulous procurement system by engaging competent Personnel of the Company at procurement area exclusively for the purpose. This ensures production of high quality products that carry reputation in the competitive market.

INDIAN COTTON BALANCE SHEET FOR THE SEASON 2023-24

As on 31.03.2024	(In Lakh Bales)
Opening Stock	61.16
Production	323.11
Imports	12.00
TOTAL SUPPLY	**396.27**
Consumption	317.00
Exports	27.00
TOTAL DEMAND	**344.00**
Closing Stock	52.27

(Source: Committee on Cotton Production & Consumption)

YARN

The Global cotton yarn market size has grown strongly in recent years due to the growth of the textile industry, the preference for natural fibers, trends in global cotton production, innovations in cotton yarn, and the increased affordability and accessibility of textile materials. However the year under review has witnessed an unprecedented lower margin due to drop in yarn prices on account of fluctuation in cotton prices and lesser demand. The surge in the power cost has also impacted its margin.

GARMENTS

The increasing product demand within the apparel sector is leading the market towards growth. This can primarily be attributed particularly to the growing popularity of casual and sportswear worldwide. This trend is largely attributable to shift in societal norms, lifestyle changes, and the rise of athleisure fashion, which blends comfort with style. Knitted fabrics with their inherent properties of flexibility, elasticity and breathability are ideally suited for the production of casual wear and athletic garments. Its ability to conform to body movements while providing excellent comfort levels is particularly appealing to consumers. The market is also influenced by the growing focus on sustainability. Consumers and businesses alike are increasingly attentive to the environmental impact of textiles. Knitted fabrics, which can be produced with less waste and energy than woven fabrics, are therefore appealing to the environmentally conscious consumers. There is also a rising inclination towards the adoption of more sustainable and ethical production practices. This includes the use of organic and recycled fibers, and fair-trade and transparent supply chains.

INTERNAL CONTROL

Internal Control comprises of the plan of organization and all the coordinate methods and measures adopted within a business to safeguard its assets; check the accuracy and reliability of its accounting data and completeness of accounting records; promote operational efficiency; to encourage adherence to the prescribed managerial policies, to assist in achieving the orderly and efficient conduct of business; prevention and detection of fraud and errors and timely preparation of financial statements.

Our Internal Control System is fully equipped with necessary checks and balances ensuring that the transactions are adequately authorized and reported correctly. The Internal Auditor conducts regular Audits of various departments and Units to ensure that necessary controls are in place. The Audit Committee while reviewing the system and the Internal Audit Report, call for comments of Auditors on internal control systems and discuss any related issues with the Auditors and the Management of the company before submission to the Board. The Independent Directors also satisfy themselves on the integrity of financial information and ensure that financial controls including Signature controls, Budget Controls, Data control and systems of risk management are in place. The systems and procedures are documented by way of Manually.

EMPLOYEE WELFARE

KPR's HR Policy is entwined with the societal objective of economic empowerment of its employees in every possible manner. 90% of its employees are women recruited from Villages and they are equipped with proper training and outstanding welfare facilities including the most admired Higher education facilities. The trendsetter HR Policy was devised on the Principle that in the changing dynamics of the society, women empowerment is much relevant and very important for the progress of the society as well as the Country as a whole. As education plays an important role in building self-confidence among women, it also enables to change her status in the society. Education enables and builds confidence to take decisions in a better way. Skilling and employment empower women financially stable and therefore she is no longer dependent upon others to lead her livelihood. Women, who are educated and earning, are in much better position in our society. Moving one step ahead, KPR has also been extending career placement service to the qualified employees equipping them with suitable training so as to elevate in their career prospects.

PERFORMANCE

The FY 2023-24 has been a challenging year for the Industry as a whole due to fluctuating cotton prices, dent in yarn margin, diminishing demand, capacity under utilization and dumping of imported fabrics and garments from China and Bangladesh. Notwithstanding these impediments KPR could achieve considerable revenue and profitability with the support of its inherent strengths.

EXPANSION PLANS

During the year the following Expansion and Modernisation programmes have been implemented:

- Establishment of exclusive Vortex Spinning Mill
- Expansion in Processing & Printing facilities
- Establishment of additional Roof-top Solar Power generating capacity.
- Modernisation in Spinning Segment

We hope that the above initiatives would accelerate the revenue in the years to come.

RISKS AND THREATS

Risk relating to Raw material

Indian Cotton production during the cotton season 2023-24 is 6% lesser than the previous season, as area for alternative crops was favoured over cotton by the Farmers. Cotton production is also affected by pink bollworm and inadequate monsoon in many parts. Global cotton production is expected to be higher by 3%. The main issue during this year will be demand and not supply. Currently, Indian cotton prices are at par with the International prices. If the international prices decline, Indian cotton will become expensive. The Government of India has announced an increase in the Minimum Support Price (MSP) for unginned cotton (Kapas), potentially boosting earnings for Indian farmers.

However, the prudent and pragmatic cotton procurement strategies and availability of exclusive personnel in the cotton growing areas and cotton market to monitor and report the events affecting its availability and supplies enables KPR to access the quality cotton at competitive prices. As KPR is an integrated Apparel Unit, the impact of higher cost of raw material on its performance is minimal as the additional cost can be shouldered by the resultant products.

Risk relating to Technology obsolescence

Further to the sector's potential growth, the technology element plays a crucial role in the growth of the Indian textile industry. Technology has reshaped the textile industry to meet the rising demands and trends by providing data-driven customer operations. The Advanced Technology machinery with high quality cotton enables the company to manufacture superior quality yarn.

Considering these and the factors such as increased efficiency and productivity KPR always buys new advanced Technology Machinery and Equipments only. Moreover, regular updation of technology advancement in the machinery and production process continues, thereby modernization and automation, wherever possible, is introduced which also entails production and supply of high quality goods and services.

Market Risks / Industry Risks:

The textile industry is facing a number of challenges due to the massive fluctuations in cotton prices, high inflation, Ukraine war, low demand in Europe and the US, supply chain disruptions and competition from neighbouring countries, high power cost etc. These factors are putting pressures on margin. However, the industry also has a number of opportunities. The industry has grown significantly, tapping into current trends while facing challenges. There are some signs of improvement in the global textile industry. Order cancellations have decreased and inventory levels are under control. Overall, with the remarkable advances and backed by solid domestic consumption and healthy export demand, the future for the Indian textile industry seems to be bright. It is hoped that with the unstinted support from all the Stakeholders KPR would be able to manage such risk.

Logistics Risks:

Efficient supply chain management plays a vital role in delivering high-quality textiles at competitive prices. India must focus on strengthening its supply chain infrastructure, optimising logistics and transportation and streamlining processes to reduce costs and delivery time. Inadequate roads, railways, and ports, as well as poor storage facilities lead to delays in the transportation of raw materials and finished goods, which increases costs for the Industry as a whole. However, KPR with its strategic Logistic team is able to source and supply products as per plans.

Political environment risks:

The Government has been paying due attention to the problems faced by the industry. The industry associations have also brought before the Government all major issues faced by the industry then and there.

Disaster Risks:

The Company has a well-designed safety management policy that eliminates / reduces the risk of workplace incidents, injuries and fatalities through adoption of various well defined safety measures and devices. Its proper implementation and updation enable effective prevention besides equipping the employees to handle any incident that may occur. The properties of the Company are insured against natural risks like Fire, Storm Tempest Flood Inundation (STFI), Earthquakes, etc. with periodical review of adequacy, rates and risks covered.

Financial Risks:

Proper financial planning evolved by qualified and competent Personnel is put in place with detailed Annual Business Plans. Annual and quarterly budgets are prepared and put up to the management for detailed discussion and analysis. The Projects and expenses are regularly monitored. Preparation of daily and monthly cash flows ensures utilization of funds in an effective manner. The Budgets are regularly placed at Audit Committee and the Board.

i. Credit Risks:

Systems are put in place for assessment of credit worthiness of customers before admission into dealing. Continuous and periodical monitoring of outstanding, appropriate recovery management system including legal course of action and vigorous follow up are adopted by the Company to mitigate this risk.

ii. Foreign Exchange Risks:

We have foreign currency exposure in Exports and Imports, significantly in US Dollar & Euro. Foreign currencies are exposed to risk on account of adverse currency movements. Exchange rate fluctuations could cause some of our costs to grow higher than the proportionate revenues. To manage our foreign exchange risk arising from commercial transactions and recognized assets and liabilities, we use forward contracts and selectively enter into hedging transactions to reduce the risks of currency fluctuations. To manage the Forex related matters we have a competent team consisting of qualified and experienced Personnel.

Labour Shortage

India has acquired recognition as a desirable outsourcing location, primarily because of the large labour force availability. The textile industry is the only sector in India that offers skilled and unskilled labourers a significant amount of employment; However, there is a shortage of skilled labour. More than 70% of Indian workers are either illiterate or have just a basic education. The skill shortage in the Indian textile manufacturing is unable to take its skillset forward, or help the sector grow beyond a certain point. The need of the hour is for encouraging education and knowledge transfer through activities like vocational training programs that will also aid in creating job prospects in rural regions. Considering the industry's growth potential and employment generation, in the recent years, the government introduced the Integrated Skill Development Service (ISDS) Scheme to address the skilled labour required to run the diverse textiles sector and its segments.

That is why KPR has been consistently concentrating on upgrading the Employees' academic and skill strengths through its industry acclaimed HR Practices that are embedded with Higher education and Vocational facilities that are unique and distinctive from others. Low absenteeism and attrition rate, higher productivity, ability to source required work force are the fruits of its strategic HR policies.

MANAGEMENT DISCUSSION AND ANALYSIS

Stiff competition from low cost Countries

Indian textile exporters can benefit from the FTA as tariff and non-tariff barriers may be eased under the deal. Currently, Bangladesh, Sri Lanka, Pakistan and some other countries get preferential treatment while exporting to the UK, Europe and US. Indian exporters feel that they are not getting level playing field in the developed economies. It is expected that the concluded and the 'on-going FTAs' will provide Indian exporters some relief.

CYBER RISK AND SECURITY

In the present world, the cyber threats presented by modern tech are a cause of concern and as such cyber security measures are inevitable. Cyber security encompasses technologies, processes and methods to defend computer systems, data, and networks from attacks. The Company employs different best practices to secure computer systems and networks as suggested by the cyber security team consisting of Tech Savvy Personnel who has wide knowledge in the IT field. Periodical monitoring of the measures is also in place to strengthen the security systems.

The following measures are adopted by the Company to mitigate the risk:

1. End-user training
2. Operating System and Application patches and updates
3. Endpoint Update and Monitoring
4. Strong password policy
5. Access control measures
6. Minimize administrative access
7. Network segmentation and segregation
8. Device security
9. Protect mobile devices
10. Strong IT policies
11. Staff training on cyber security awareness and policies
12. Data backups

Periodical Forensic Audit - Vulnerability Assessment and Penetration Test (VAPT) was conducted by Ernst & Young Global Limited. Their recommendations are under implementation by our IT department.

FUTURE PROSPECTS

The increasing base of domestic per capita consumption of textile Products is an encouraging factor for the textile industry across the value chain. With the US market showing signs of revival, experts believe that the textile exports to improve in the upcoming months. According to CRISIL, India's textiles industry is expected to rebound in the current year on three tailwinds: consistent improvement in domestic demand, gradual recovery in exports and lower cotton prices. We are optimistic that the new government, post- election, would expedite the signing of FTAs under progress. A favourable landscape marked by easing cost pressures and demand revival is likely to support the growth of Indian textiles. Addressing structural challenges and leveraging policy support are pivotal for the textile industry's sustained growth.

FOR AND ON BEHALF OF THE BOARD

K.P. Ramasamy
Chairman
DIN: 00003736

Coimbatore
02.05.2024

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. DETAILS OF THE COMPANY

1	Corporate Identity Number (CIN) of the Listed Entity	**L17111TZ2003PLC010518**
2	Name of the Listed Entity	**K.P.R. Mill Limited**
3	Year of incorporation	**2003**
4	Registered office address	**No. 9, Gokul Buildings, 1st Floor, A.K.S Nagar, Thadagam Road, Coimbatore – 641 001, Tamil Nadu.**
5	Corporate office address	**1st Floor, Srivari Shrimat, 1045, Avinashi Road, Coimbatore – 641 018, Tamil Nadu.**
6	E-mail	**kandaswamy@kprmill.com**
7	Telephone	**0422-2207777**
8	Website	**www.kprmilllimited.com**
9	Financial year for which reporting is being done	**2023-24**
10	Name of the Stock Exchange(s) where shares are listed	**BSE Limited & National Stock Exchange of India Limited**
11	Paid-up Capital	**₹ 34,18,14,000**
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	**Mr.P.Kandaswamy Company Secretary 1st Floor, Srivari Shrimat, 1045, Avinashi Road, Coimbatore – 641 018, Tamil Nadu. Phone No. 0422-2207777 E-mail ID: kandaswamy@kprmill.com**
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	**Disclosures made in this report are on a standalone basis**
14	Name of assurance provider	NA
15	Type of assurance obtained	NA

II. PRODUCTS/SERVICES

16. Details of business activities (accounting for 90% of the Turnover):

S.No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Yarn	43.26
2.	Manufacturing	Fabric	10.11
3.	Manufacturing	Garment	41.88

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S.No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Garment	18101	41.88
2.	Yarn	17121	43.26
3.	Fabric	17115	10.11

III. OPERATIONS

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	11	1	12
International	Nil	Nil	Nil

19. Markets served by the entity:

a. Number of locations

Location	Number
National (No. of States)	15
International (No. of Countries)	60

b. What is the contribution of exports as a percentage of the total turnover of the entity?

In the reporting year, the contribution of exports is 36.28%.

c. A brief on types of customers

Our commitment to quality and customer service earned a strong customer base-over 1300 regular domestic clients for yarn and fabrics and Leading Brands from more than 60 countries for Apparels.

IV. EMPLOYEES

20. Details as at the end of Financial Year 2023-24:

a. Employees and workers (including differently abled):

S.No.	Particulars	Total (A)	Male		Female	
			No.(B)	% (B/A)	No.(C)	% (C/A)
EMPLOYEES						
1	Permanent (D)	3,330	2,789	83.75	541	16.25
2	Other than Permanent (E)	-	-	-	-	-
3	Total employees (D + E)	3,330	2,789	83.75	541	16.25
WORKERS						
4	Permanent (F)	17,444	614	3.52	16,830	96.48
5	Other than Permanent (G)	-	-	-	-	-
6	Total workers (F + G)	17,444	614	3.52	16,830	96.48

b. Differently abled Employees and workers:

S.No.	Particulars	Total (A)	Male		Female	
			No.(B)	% (B/A)	No.(C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1	Permanent (D)	-	-	-	-	-
2	Other than Permanent (E)	-	-	-	-	-
3	Total differently abled employees (D + E)	-	-	-	-	-
DIFFERENTLY ABLED WORKERS						
4	Permanent (F)	-	-	-	-	-
5	Other than Permanent (G)	-	-	-	-	-
6	Total differently abled workers (F + G)	-	-	-	-	-

21. Participation/Inclusion/Representation of women:

Particulars	Total (A)	No. and percentage of Females	
		No.(B)	% (B/A)
Board of Directors	12	2	16.67
Key Management Personnel	2	-	-

22. Turnover rate for permanent employees and workers: (in percentage)

Particulars	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	3	4	7	3	5	8	3	5	8
Permanent Workers	8	7	15	11	9	20	12	9	21

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S.No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	K.P.R. Sugar Mill Limited	Subsidiary	100%	NO
2	Quantum Knits Private Limited	Subsidiary	100%	
3	Jahnvi Motor Private Limited	Subsidiary	100%	
4	Galaxy Knits Limited	Subsidiary	100%	
5	KPR Sugar and Apparels Limited	Subsidiary	100%	
6	KPR Exports PLC	Subsidiary	100%	
7	KPR Mill Pte Ltd	Subsidiary	100%	

VI. CSR DETAILS

24. (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013: (Yes/No) - **Yes**

(ii) Turnover (in lakhs) : ₹ **3,90,441**

(iii) Networth (in lakhs) : ₹ **3,37,407**

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-2024			FY 2022-2023		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Community	Yes. 1. The Company has framed Whistle Blower Policy facilitating better Corporate Governance practices which ultimately benefit all the Stakeholders. Industry acclaimed HR Policy covering different areas including grievance redressal mechanism for employees and workers are in place. Also, the Company has Standard operating procedure in place to resolve the grievances of its customers and ensure Customer satisfaction. (Web portal: https://kprmilllimited.com/file/wp-content/uploads/2024/05/WHISTLE-BLOWER-POLICY.pdf 2. We have engaged an NGO who monitors advisory body for resolving employees and workers grievances through 'Ungal Kural' and 'Ulula Grievances Mechanisms system'. Ulula has given a toll free number to call and register their grievances directly at any time for effective remediation. Ulula app is also available.	0	0	-	0	0	-
Investors (other than shareholders)		0	0	-	0	0	-
Customers		0	0	-	0	0	-
Value Chain Partners		0	0	-	0	0	-
Employees and workers		0	0	-	0	0	-

Shareholders	Investor Grievances are promptly redressed by our RTA, M/s. NSDL Database Management Limited by following 'SEBI Investor Charter' formulated by SEBI. In addition, the Company also effectively addresses the grievances, if any, received directly through its competent & experienced Personnel in the secretarial department. Further, SEBI has also provided for 'SCORES platform' & Smart ODR portal to register grievances directly by the investors, which are also periodically monitored and addressed by the Company. The Stakeholders Relationship Committee also monitors all such issues periodically. The Investors can contact / lodge their grievance in the following e-mail id's: 1.investor.ndmlrta@nsdl.com 2.investors@kprmill.com	0	0	-	3	0	All the complaints had been redressed
Other (please specify)	NA	0	0	-	0	0	-

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S.No.	Material issue identified	Indicate whether Risk or Opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Sustainable Raw material procurement	Opportunity and Risk	**Opportunity:** As quality is our Watch-word, be it the products we produce or service we provide, we always buy best quality Cotton Shankar – 6 from Gujarat to ensure consistent quality. Wherever required, we also buy sustainable Cotton such as BCI, Organic, CMIA, PSCP according to the requirements. Sourcing sustainable cotton reduces environmental and social impacts besides delivering high quality products to our valued customers. **Risk:** Cotton being our key raw material, sourcing of high quality cotton at competitive price is always a major challenge. Speculative trading, unseasonal rains and global shortage are the causes of its price fluctuations.	We have a dedicated cotton team to monitor its availability and its price fluctuations. The availability of exclusive personnel at the cotton growing areas and their prudent & pragmatic cotton procurement strategies enable us to access quality cotton.	**Positive:** The products produced out of high quality cotton & sustainable cotton always fetch remunerative prices and reputation in the market. **Negative:** Cotton prices have direct impact on the profit margins of the Company. Cotton being a single major cost of production, fluctuation in its prices tend to impact the bottom line.

S.No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Water Use and Management	Opportunity	**Opportunity:** We always consider that water being a vital resource, its conservation is essential for making the earth green for the wellbeing, progress and prosperity of human beings. Towards conserving environment the following measures at our Units are already in force: 1. Fully automated controlling systems 2. Flow meter 3. ETP & STP for recycling 4. ETP water is used only in processing unit. 5. STP water used in our green development areas to recharge ground level water. 6. Stopped using bore water (ground water) for production process.	-	**Positive:** Though the initial installation cost of recycling water management is huge, in the long run benefits will definitely overweigh the cost.
3	Energy Management	Opportunity	**Opportunity:** Ever since we commenced our manufacturing activities we concentrated on generating renewable energy that minimizes carbon pollution and has a much lower impact on our environment, through green resources such as Wind, Co-generation and now Solar which caters to most of our power requirements. Besides we have also established various power saving devices at our production facilities such as: 1. 5 star rated equipments 2. BLDC and IE3 motors 3. Separate Meters for monitoring 4. Automated cutoff system for boiler and compressor. 5. Energy Audit for purchase of new equipment. 6. 34 mw Solar plant installation completed.	-	**Positive:** The energy saving measures result in consumption of economized power and fuel that would reduce the cost of production. It also enables 1. Emission Control 2. Mitigates Global warming 3. Reduced Carbon emission

S.No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Chemical Management	Opportunity and Risk	**Opportunity:** 1. We are following RSL & MRSL guidelines in procuring high quality and low cost chemicals in bulk quantities globally thereby achieving economies of scale. 2. Zero discharge of hazardous chemical. 3. Clean chain 4. Bhive chemical inventory **Risk:** We always adopt cautious and efficient handling of hazardous and toxic chemicals in our production.	Our workers are trained by industry experts to handle chemical safely as well as economically. Also, we have put in place safe chemical disposal mechanism in order to ensure environment sustainability.	**Positive:** Effective purchase and prudent practices contributes to increased profit margins, improving financial stability, and become more competitive in the market besides eliminating the usage of hazardous chemicals thereby assisting environmental safety.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURE

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the National Guidelines on Responsible Business Conduct (NGRBC) Principles and Core Elements.

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

P1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

P2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

P3 - Businesses should promote the wellbeing of all employees

P4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

P5 - Businesses should respect and promote human rights

P6 - Businesses should respect, protect, and make efforts to restore the environment

P7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

P8 - Businesses should support inclusive growth and equitable development

P9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner

<table>
<tr><th>Disclosure Questions</th><th>P1</th><th>P2</th><th>P3</th><th>P4</th><th>P5</th><th>P6</th><th>P7</th><th>P8</th><th>P9</th></tr>
<tr><td>Policy and management processes
1. a Whether your entity’s policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td></tr>
<tr><td>b. Has the policy been approved by the Board? (Yes/No)</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td></tr>
<tr><td>c. Web Link of the Policies, if available</td><td colspan="9">https://kprmilllimited.com/policy/</td></tr>
<tr><td>2. Whether the entity has translated the policy into procedures. (Yes / No)</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td></tr>
<tr><td>3. Do the enlisted policies extend to your value chain partners? (Yes/No)</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td></tr>
<tr><td>4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.</td><td>SA 8000: 2014</td><td>OCS, BCI, DISNEY (FAMA), GMP</td><td>FSLM, ISO 45001: 2018</td><td>ICS, SQP</td><td>FSLM, ISO 45001: 2018</td><td>FEM, ISO 14001: 2015, ZDHC, BWE3</td><td>ISO 9001: 2015</td><td>BSCI, GRS, RCS</td><td>SEDEX, WRAP, GOTS, Oeko-Tex Standard 100</td></tr>
<tr><td>5. Specific commitments, goals and targets set by the entity with defined timelines, if any.</td><td colspan="9" rowspan="2">Though not set any such specific commitment goals, we continue to adhere all the guiding principles.</td></tr>
<tr><td>6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.</td></tr>
<tr><td>Governance, leadership and oversight
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements</td><td colspan="9" rowspan="2">The concept of Sustainable business refers to the utilisation of the available resources in such a manner that the requirements of the future generations are also fully taken into account. To put it in other words the finite natural resources are utilised by the enterprise in a judicious manner and conserved for the future necessities of the enterprise, society and environment. Sustainable business involves the pursuit of activities and initiative to ensure that their economic activities not only address the current environmental concerns apart from making profits, but also focus on environment protection, preservation of natural resources, work towards social justice and equality.

These sustainable practices are not new to K.P.R. and have been practiced ever since it started setting up its main business. Be it environment friendly measures, promotion of employee welfare, empowering downtrodden, following good governance etc.</td></tr>
<tr><td>8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</td></tr>
</table>

9. Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	K.P.R's Corporate plans and procedures have inbuilt mechanisms to achieve the above factors so as to ensure that the corporate moves towards attaining sustainability. As K.P.R. adopts transparency in its activities and follows good Corporate Governance practices it is easier to measure its overall fulfilment of the business obligations towards the stakeholders in the same sanctity as the financial statements of the business. The Business Responsibility (BR) Committee shall comprise of the Whole-time Director and the departmental head of the respective functions of the Company. The Company Secretary shall also be the member of the Committee who would advise on various legal mandates and would also act as the Secretary of the Committee. Name: Mr. P. SELVAKUMAR Designation: Whole Time Director DIN Number: 07228760

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above Policies and follow up action	Business Responsibility Committee									Annually								
Compliance with statutory requirements of relevance to the principles, And rectification of any non - compliances	Business Responsibility Committee									Annually								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency. **No**

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Essential Indicators:

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	5	1. Roles, Rights & Responsibilities of Independent Director in the Company 2. Compliance with applicable legislations and regulations 3. Risk Management 4. Ensuring Significant development in Human resources/ industrial relations 5. Annual Budgets and funding plans consistent with agreed corporate strategies 6. Internal Financial control 7. Sustainability Initiatives	100%
Key Management Personnel	4	1. Compliance with applicable legislations and regulations 2. Risk Management 3. Annual Budgets and funding plans consistent with agreed corporate strategies 4. Internal Financial control	100%
Employees other than BoD and KMPs	12	1. Leadership Development 2. Workplace Stress Management 3. Yoga and Meditation 4. Sports and Physical fitness 5. Zero tolerance awareness	100%
Workers	12	1. Safety Officer monitor Programme 2. Fire Safety and Disaster Management Programme 3. Chemical Spillage handling Programme 4. Mockdrill 5. Zero tolerance awareness	100%

2. Details of fines / penalties / punishment / award / compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format: **NIL**

Particulars	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (in ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-

Particulars	Non Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (in ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-	-	-
Punishment	-	-	-	-	-

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
-	-

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. The Suppliers and Customers of the Company have also been apprised of the 'Zero tolerance policy towards Bribery & Corruption' followed by the Company, by means of communication seeking their co-operation for its strict implementation. The policy is available on the Company's website at https://kprmilllimited.com/file/wp-content/uploads/2023/06/ANTI-BRIBERY-AND-ANTI-CORRUPTION-POLICY.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption: **NIL**

Particulars	FY 2023-24	FY 2022-23
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regard to conflict of interest: **NIL**

Particulars	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	-	-	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

Particulars	FY 2023-24	FY 2022-23
Number of days of accounts payables	12	23

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrix	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	-	-
	b. Number of trading houses where purchases are made from	-	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	0.34	0.42
	b. Number of dealers / distributors to whom sales are made	123	102
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	31.68	42.15
Share of RPTs in	a. Purchases (Purchases with related parties /Total Purchases) (%)	1.72	4.42
	b. Sales (Sales to related parties / Total Sales) (%)	8.68	11.03
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances) (%)	100	100
	d. Investments (Investments in related parties / Total Investments made) (%)	99.79	99.80

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
12	1. Zero tolerance awareness 2. Higg (Worldly) Awareness	100% 55%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board?

(Yes/No) - If Yes, provide details of the same.

Yes. The Directors and Senior Management are scrupulous by carefully avoiding conflicts of interest with the Company. In case there is likely to be a conflict of interest, Senior Management personnel should make full disclosure of all facts and circumstances thereof to the Managing Director and a prior written approval should be obtained. In case there is likely to be a conflict of interest in the case of Managing Director, he should make full disclosure of all facts and circumstances to the Audit Committee and the Independent Directors in the Committee should report on the same. The Chairman and any Director of the Board in like circumstances should make full disclosures to the Board.

PRINCIPLE 2 : Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Particulars	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D	30%	100%	1. Conducted energy audit and put the energy saving tips into practice. 2. Products that save water, such as dye-free, washing free, cloth manufacturing techniques have been introduced.
Capex	25%	2.99%	Meeting 30% of our power requirement through wind energy. Installation of Solar would further strengthen our green power generation

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No).

Yes. We have a dedicated cotton team to monitor its availability and its price fluctuations. The availability of exclusive personnel at the cotton growing areas and their regular visit to the generous cotton association there enable following prudent & pragmatic cotton procurement strategies to access quality cotton.

b. If yes, what percentage of inputs were sourced sustainably?

Our major raw material is cotton for which we use the best quality cotton Shankar 6. As per buyer's requirement, sustainable cotton (~40%) is procured from vendors who are certified to be compliant with social and environmental standards. With regard to other inputs also we focus on procuring from such vendors. We also procure BCI, Organic, CMIA, PSCP cotton that confers sustainability.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

a) Plastics : Eco-friendly plastics refer to a group of engineered polymers designed to break down or be recycled in a circular fashion. Generally, this group breaks out into three categories: bioplastics, biodegradable plastics and recycled plastics.

b) E-waste : Properly disposing to our TNPCB authorized e-waste vendors, due to this we can reduce the number of harmful chemicals released into the environment and prevent soil and water contamination.

c) Hazardous waste : Properly disposing to our TNPCB authorized H-waste vendors, due to this we can reduce the number of harmful chemicals released into the environment and prevent soil and water contamination.

d) Other waste : Properly disposing of waste to pre-verified merchants who have promised to recycle, an environmentally TNPCB acceptable way the waste recycle and to provide it for reuse.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes. The waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Board. Waiting for their advice.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of product / service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
52051210	Melange	20	2 to 5 years based on mixed parameters	No	No

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
Cotton knitted garments	Consumption of high-water during cultivation & decompose time taken 5 to 10 months	Introduced recycle cotton fiber added with recycle polyester added melange

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24	FY 2022-23
Colour wise cutting waste	20 to 30 %	10 to 20 %

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Particulars	FY 2023-24			FY 2022-23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (Including packaging)	100%	100%	All plastic waste sold to recycle plants	100%	100%	All plastic waste sold to recycle plants
E-waste	100%	100%	All the E-waste sold to TNPCB Approved plants	100%	100%	All the E-waste sold to TNPCB Approved plants
Hazardous waste	100%	100%	All the Hazardous waste sold to TNPCB Approved plants	100%	100%	All the Hazardous waste sold to TNPCB Approved plants
Other Waste	90%	90%	All the solid waste sold to recycle plants	90%	90%	All the solid waste sold to recycle plants

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Colour Cotton	20%

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1.a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	%(B/A)	Number (C)	%(C/A)	Number (D)	%(D/A)	Number (E)	%(E/A)	Number (F)	%(F/A)
Permanent employees											
Male	2,789	971	34.81	2,789	100	-	-	-	-	2,552	91.50
Female	541	419	77.45	541	100	419	77.45	-	-	505	93.34
Total	**3,330**	**1,390**	**41.74**	**3,330**	**100**	**419**	**77.45**	-	-	**3,057**	**91.80**
Other than Permanent employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	%(B/A)	Number (C)	%(C/A)	Number (D)	%(D/A)	Number (E)	%(E/A)	Number (F)	%(F/A)
Permanent workers											
Male	614	597	97.23	614	100	-	-	-	-	614	100
Female	16,830	16,830	100	16,830	100	16,830	100	-	-	16,830	100
Total	**17,444**	**17,427**	**99.90**	**17,444**	**100**	**16,830**	**100**	-	-	**17,444**	**100**

Other than Permanent workers											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

Particulars	FY 2023-24	FY 2022-23
Cost incurred on wellbeing measures as a % of total revenue of the company	0	0

2. Details of retirement benefits:

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	99.31	99.86	Y	99.33	99.93	Y
Gratuity	100	100	NA	100	100	NA
ESI	41.74	99.90	Y	49.39	100	Y
Others – please specify	-	-	-	-	-	-

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Considering the nature of manufacturing process we have not employed any disabled people in our factory, so the same is not applicable.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company is committed for an equal opportunity to employees and values them irrespective of gender, marital status, sexuality, race, ethnic or national origin, colour, political or religious belief, disability or age. We believe that diversity and inclusivity at workplace is an instrument for economic growth, sustainable competitive advantage and societal progress. The Company's recruitment and selection policy and procedure, ensure that there is no discrimination either direct or indirect.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	-	-	-	-
Female	-	-	-	-
Total	-	-	-	-

Female employees are covered under ESI and they can avail maternity leave and benefits as per ESI rules. However more than 95% of such employees are unmarried.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

Category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers Other than Permanent Workers Permanent Employees Other than Permanent Employees	**Yes** I. The Company has framed Whistle Blower Policy facilitating better Corporate Governance practices which ultimately benefit all the stakeholders. Industry acclaimed HR Policy covering different areas including grievance redressal mechanism for employees and workers are in place. Also, the Company has Standard operating procedure in place to resolve the grievances of its customers and ensure customer satisfaction. (Web portal: https://kprmilllimited.com/file/wp-content/uploads/2024/05/WHISTLE-BLOWER-POLICY.pdf) II. We have engaged an NGO who monitors advisory body for resolving employees and workers grievances through "Ungal Kural" and 'Ulula Grievances Mechanisms system'. Ungal Kural and Ulula has given a toll free number to call and register their grievances directly at any time for effective remediation. Ulula app is also available. III. The Company has placed suggestion boxes at prominent places of all units to enable the employees and workers to report their genuine concerns. IV. The Company has appointed Welfare Officer at all units to ensure the well-being of all working groups.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity: **NIL**

Category	FY 2023-24			FY 2022-23		
	Total employees / workers in respective category (A)	No. of employees / Workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees/ workers in respective category (C)	No. of employees / Workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees						
- Male	-	-	-	-	-	-
- Female	-	-	-	-	-	-
Total Permanent Workers						
- Male	-	-	-	-	-	-
- Female	-	-	-	-	-	-

As we have full-fledged Grievance Redressal Committee, Works Committee, Canteen Committee, Environment, Health and Safety Committee at all our units which meets every alternative months also and NGO monitored advisory body takes care of grievances, if any through 'Ungal Kural' & 'Ulula Grievance Mechanism System'. There is no such Association/Union.

8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and Safety Measures		On Skill upgradation		Total (D)	On Health and Safety Measures		On Skill upgradation	
		Number (B)	%(B/A)	Number (C)	%(C/A)		Number (E)	%(E/D)	Number (F)	%(F/D)
Employees										
Male	2,789	-	-	2,789	100	2,876	-	-	2,876	100
Female	541	-	-	541	100	586	-	-	586	100
Total	**3,330**	-	-	**3,330**	**100**	**3,462**	-	-	**3,462**	**100**
Workers										
Male	614	614	100	614	100	545	545	100	545	100
Female	16,830	16,830	100	16,830	100	17,812	17,812	100	17,812	100
Total	**17,444**	**17,444**	**100**	**17,444**	**100**	**18,357**	**18,357**	**100**	**18,357**	**100**

9. Details of performance and career development reviews of employees and workers:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	2,789	2,789	100	2,876	2,876	100
Female	541	541	100	586	586	100
Total	**3,330**	**3,330**	**100**	**3,462**	**3,462**	**100**
Workers						
Male	614	614	100	545	545	100
Female	16,830	16,830	100	17,812	17,812	100
Total	**17,444**	**17,444**	**100**	**18,357**	**18,357**	**100**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

Yes. We have implemented unit wise occupational health and safety management system and also certified ISO 45001:2018 which endeavours to facilitate safer workplace, improved employee morale and other health and safety programs for our business processes.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

KPR follow standardized hazard identification and risk assessment on a routine and non-routine basis.

1. Identify Hazards – Surveying the work place on a routine basis to access what is expected to cause harm.

2. Evaluating Risk – Evaluation when, where and how much the person is exposed to the potential hazard.

3. Deciding the control measures – Based on the evaluation we follow hierarchy of controls to be implemented.

4. Documenting the findings – We document the detailed process in accessing the risk, evaluations made and conclusions drawn.

5. Review of Assessment – Reviewing the controls implemented on a regular timely basis to check if they are effective for daily changing environment.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes. Workers from lower to higher hierarchy can at anytime report genuine concerns to management.

d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes, we had provided Occupational Health Centre services with duty doctor and nurse team in all our units.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	< 1%	-
	Workers	< 1%	-
Total recordable work-related injuries	Employees	< 1%	-
	Workers	< 1%	-
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

We prioritize the safety of our employees above all. We have process in place to be aware of the hazards, implementing workplace safety programs, safety training to employees, periodic health check-ups, 24 hrs first aid and ambulance facility, Nursing and Comprehensive medical facilities, installing fire extinguishers wherever required, easy access to exits in case of emergencies. We had created the social performance team among interested experience workers who join together and assess the risk with safety officer and taken necessary steps to reduce the risk at the work place.

13. Number of Complaints on the following made by employees and workers:

Particulars	FY 2023-24			FY 2022-23		
	Filed During the year	Pending resolution at the end of year	Remarks	Filed During the year	Pending resolution at the end of year	Remarks
Working Conditions	14	-	Resolved	-	-	-
Health & Safety	29	-	Resolved	-	-	-

14. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	**100%**
Working Conditions	**100%**

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

No significant risks or incident had occurred.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N):

Yes. We have unit wise Mediclaim and Accidental cover under ESI & EPF for our workers and employees. In the event of death of any Worker/Employee, the same is given to their family members.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

We ensure that such dues are collected and remitted to the Government by our value chain partners.

3. Provide the number of employees having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment : **NIL**

Particulars	Total no. of affected employees/ workers		No. of employees that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	-	-	-	-
Workers	-	-	-	-

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No):

No, but the unique placement scheme extended by the Company enabled the employees to get placement in other reputed Companies in the On-campus selection conducted by them under our initiative.

5. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	**100%**
Working Conditions	**100%**

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

We are strongly monitoring our vendors to follow the sustainable practice and they are monitored by third party audits. Now 30% to 50% of the vendors are doing the self-audits and third party audits.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company has mapped its internal as well as external stakeholders to deepen its insights into their needs and expectations and to develop sustainable strategies for the short, medium and long term. Key stakeholders identified by the Company are Shareholders/Investors, Government and Regulators, Employees, Customers and Suppliers. Sustainable business policy have to be signed and the continual improvement to be shown yearly. Quality, quantity, on time delivery, communication, sustainable practice must be maintained properly.

2. List of stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channel of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website) other	Frequency of Engagement (Annual / Half Yearly / Quarterly / Others – Please specify)	Purpose and Scope of engagement including key topics and concerns raised during such engagement
Investors	No	Meetings, Website and Correspondence	Quarterly/ Annually	Discussions about top line and bottom line of the company performance, Dividend declarations etc.
Employees	No	Personal/group interactions, mails and trainings.	Regularly	Discussions about productivity, Training, Growth and career Development.
Suppliers	No	Meetings	Whenever Required	Discussing the business related issues like problems in supply chain.
Customers	No	Newspaper, Survey, Advertisement and website	Whenever Required	Understanding of customer issues and their timely redressal and follow up activities.
Community	No	CSR initiatives	Whenever Required	We have made CSR donations for Education purpose.
Government/ Regulators	No	Industry representation meetings	Whenever Required	Compliances of law and corporate governance.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The consultation with stakeholders on Economic, Environmental and Social topics has been delegated to the concerned departments who are responsible for engaging the stakeholders on continuous basis.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

The consultation with the stakeholders always helps the company in devising company's policy on economic, environmental and social topics.

3. Provide details of instances of engagement with and actions taken to; address the concerns of vulnerable / marginalised stakeholder groups. **Nil**

PRINCIPLE 5 : Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of. employees/ workers covered (B)	% (B/A)	Total (C)	No. of. employees/ workers covered (D)	% (D/C)
Employees						
Permanent	3,330	3,330	100	3,462	3,462	100
Other than permanent	-	-	-	-	-	-
Total Employees	**3,330**	**3,330**	**100**	**3,462**	**3,462**	**100**
Workers						
Permanent	17,444	17,444	100	18,357	18,357	100
Other than permanent	-	-	-	-	-	-
Total Workers	**17,444**	**17,444**	**100**	**18357**	**18,357**	**100**

2. Details of minimum wages paid to employees and workers, in the following format:

All employees and workers have been paid more than minimum wages in accordance with the laws of the land where the Company operates.

Category	FY 2023-24			FY 2022-23		
	Total (A)	Equal to Minimum Wage (B)	More than Minimum Wage % (B/A)	Total (C)	Equal to Minimum Wage (D)	More than Minimum Wage % (D/C)
Employees						
Permanent	3,330	-	100	3,462	-	100
Other than permanent	-	-	-	-	-	-
Total Employees	**3,330**	-	100	**3,462**	**-**	**100**
Workers						
Permanent	17,444	-	100	18,357	-	100
Other than permanent	-	-	-	-	-	-
Total Workers	**17,444**	-	100	**18,357**	**-**	**100**

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

Particulars	Male		Female	
	Number	Median remuneration/ salary/wages of respective category (in ₹)	Number	Median remuneration/ salary/wages of respective category (in ₹)
Board of Directors (BoD)	10	2,98,00,000	2	-
Key Managerial Personnel	2	31,64,700	-	-
Employees other than BoD and KMP	2,884	23,000	592	15,500
Workers	538	16,875	18,264	11,502

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	70%	65%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)- **Yes**

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

I. We have established a Grievance redressal Committee which periodically reviews the employees concerns.

II. We have installed suggestion box in prominent work places which is taken care by concerned department and timely remedial measures are taken.

III. Ulula & Ungal Kural Toll free numbers are displayed everywhere in workplace, which enables the employees to redress their grievances.

IV. We have also set up a works committee, which have framed policies favouring labour welfare.

V. We have set up notice board to display the upcoming events for Employees and Workers at all units.

VI. We have engaged an NGO who monitors advisory body for resolving employees and workers grievances through 'Ungal Kural' & 'Ulula Grievances Mechanisms system'. Ungal Kural and Ulula has given a toll free number to call and register their grievances directly at any time for effective remediation. Ulula app is also available.

6. Number of Complaints on the following made by employees and workers: **NIL**

Particulars	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/ Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format: **NIL**

Particulars	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	-	-
Complaints on POSH as a % of female employees / workers	-	-
Complaints on POSH upheld	-	-

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

We have specifically set up an Internal Compliance committee which looks after the instances of harassment and discrimination at the work place. There were no complaints received from our workers.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No) **Yes**

10. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100
Others – please specify	NA

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

No such instances of complaints received.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances / complaints.

Not applicable as no such modifications has been introduced in the current reporting year.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The Company's Human rights policy recognizes the following priority issues:

i. Our premises is FSLM and SA8000:2014, BSCI, WRAP, ETI, ICS Complied, whereby we were duly audited and certified by the concerned authorities. The results are transparent and uploaded in their website.

ii. We have our own code of conduct. We are zero tolerant to the child / forced or compulsory labour in operations and supply chains.

iii. We have human rights policy and we provide equal opportunity for all employees and also providing opportunities for all employees to express concerns and seek redressal.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes

4. Details on assessment of value chain partners

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Child labour	100
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100
Others – please specify	NA

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24	FY 2022-23
From renewable sources		
Total electricity consumption (A) (TJ)	393.69	373.54
Total fuel consumption (B) (TJ)	27.34	NIL
Energy consumption through other sources (C) (TJ)	NIL	NIL
Total energy consumed from renewable sources (A+B+C) (TJ)	**421.02**	**373.54**
From non - renewable sources		
Total electricity consumption (D) (TJ)	694.14	693.65
Total fuel consumption (E) (TJ)	626.69	2.41
Energy consumption through other sources (F)(TJ)	NIL	NIL
Total energy consumed from non-renewable sources (D+E+F) (TJ)	**1,320.83**	**696.05**
Total energy consumed (A+B+C+D+E+F) (TJ)	**1,741.85**	**1069.60**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.04 091 TJ / INR Million	0.02195 TJ / INR Million
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	-	-
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note : Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. Independent assessment done by Mr.R.Manivasagam, Chartered Textile Engineer, Sustainability Consultant & Carbon Footprint Analyst.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Yes, report submitted to bureau of energy efficiency result as below:

UNIT NAME	PAT CYCLE	YEAR	ASSESSMENT TOE	TARGET TOE	ACHIEVED TOE	ENERGY SAVING CERTIFICATE	
						DECLARED SAVINGS	SHORTFALL TO PURCHASE
ARASUR	III	2017-2020	0.3792	0.3606	0.3220	597	NIL
KARUMATHAMPATTI	III	2017-2020	0.4071	0.3857	0.4049	NIL	383

We are conducting Factories Environmental Module (FEM) every year in all factories and the results are also verified by certified third parties external agencies such as INTER TEK, BV, SITRA, etc. The details are also available in HIGG INDEX Website.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	1,19,110.00	1,00,694.00
(ii) Groundwater	11,36,237.44	10,05,401.94
(iii) Third party water	5,86,899.19	4,05,599.18
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	18,42,246.63	15,11,695.12
Total volume of water consumption (in kilolitres)	18,42,246.63	15,11,695.12
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.05	0.03
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	-	-
Water intensity in terms of physical output	-	-
Water intensity (optional) - the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**

4. Provide the following details related to water discharged:

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Not applicable	Not applicable
- No treatment		
- With treatment - please specify level of treatment		
(ii) To Groundwater	Not applicable	Not applicable
- No treatment		
- With treatment - please specify level of treatment		
(iii) To Seawater	Not applicable	Not applicable
- No treatment		
- With treatment - please specify level of treatment		
(iv) Sent to third - parties	Not applicable	Not applicable
- No treatment		
- With treatment - please specify level of treatment		
(v) Others	Not applicable	Not applicable
- No treatment		
- With treatment - please specify level of treatment		
Total water discharged (in kiloliters)	**Not applicable**	**Not applicable**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes. The Company's manufacturing Units are compliant with Zero Liquid Discharge.

KPR has installed an Effluent Treatment Plant (ETP) with capabilities to treat 3 million liters/day of waste water generated from our dyeing process, which enables the company to reuse 100% of the treated waste water for the process again. On-site Zero Liquid Discharge treatment system treats and recovers almost all waste water such that the only water lost is through evaporation or as moisture in the sludge from treatment plant operations.

Through these measures, KPR is committed to protecting the fragile eco system of the planet, which is our gift to our children and our future. Our ETP stands tall as a model recycling facility in this part of the Country.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24	FY 2022-23*
NOx	Tonnes/Year	0.003	3.285
SOx	Tonnes/Year	0.001	2.555
Particulate matter (PM)	Tonnes/Year	0.007	4.745
Persistent organic pollutants (POP)	Tonnes/Year	-	-
Volatile organic compounds (VOC)	Tonnes/Year	BDL	BDL (DL-0.001)
Hazardous air pollutants (HAP)	Tonnes/Year	BDL	BDL (DL-0.001)
Others – Carbon Monoxide (CO)	Tonnes/Year	BDL	2.555
Note : BDL -Below Detectable Limit		DL-Detectable Limit	

*Details in respect of Processing Unit

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. The external agency is M/s. Global Enviro Healthcare Services.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Please specify unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into Co_2, CH_4, N_2O, HFCs, PFCs, Sf_6, NF_3, if available)	Metric tonnes of Co_2 equivalent	59,833.96	88,234.74
Total Scope 2 emissions (Break-up of the GHG into Co_2,CH4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of Co_2 equivalent	1,61,703.12	11,774.29
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of Co_2 Equivalent per INR Million	5.203	2.054
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	-	-	-
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. Independent assessment done by Mr.R.Manivasagam, Chartered Textile Engineer, Sustainability Consultant & Carbon Footprint Analyst.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, we have already completed several projects relating to GHG emission and in order to enhance our efforts towards the same we have devised short term and long term plans, details of which are available in our web link

https://kprmilllimited.com/file/wp-content/uploads/2023/06/GHG-EMISSION-CONTROL-PLAN.pdf

https://kprmilllimited.com/file/wp-content/uploads/2023/06/GHG-EMISSION-CONTROL-PROCEDURE.pdf

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	22.8	98.3
E-waste (B)	15.8	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	1.5	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G) Used oil, Oil filter sludge, chemical swiping, Oil cloth, Chemical can	78.3	83.4
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	1,710	1,797
Total (A + B + C + D + E + F + G + H)	**1,828.40**	**1,978.70**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.043 (Metric tonnes per INR Million)	0
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	-	-
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste	Waste Recovered (in metric tonnes)
(i) Recycled	**All the cutting wastes are segregated by colour wise and sent to the recycling unit.**
(ii) Re-used	
(iii) Other recovery operations	
Total	

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste	Waste Disposed (in metric tonnes)
(i) Incineration	Nil
(ii) Landfilling	
(iii) Other disposal operations	
Total	

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

KPR has a standardised waste management system which includes Collection, segregation of hazardous and non-hazardous wastes, Recycling, Treatment and disposal. We have also adopted GRS (Global Recycle Standard), which enable us to recycle and reuse wherever possible.

With respect to Hazardous and Toxic chemical usage, we have ZDHC Management in place (Zero Discharge of Hazardous Chemicals), which enables us to reduce the amount of hazardous chemicals that are discharged into water.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Not Applicable

S.No.	Location of operations/offices No.	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
-	-	-	-
-	-	-	-

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
ISO 14001:2015	51_SO804E	20 JAN 2016	YES	YES	https://certcheck.ukas.com/certification/3a2d8681-7030-583b-8f5c-1ded54a34809
HIGG INDEX	S.O.804(E) dated 14.03.2017	25 APR 2023	YES	YES	https://kprmilllimited.com/certifications/

We are proud to report that KPR is ranked among the' India's Highest Top Scorer in HIGG INDEX VFEM'. The scores awarded by various Third Party Certifying Agencies, as indicated below, stands as a Testimony to our remarkable achievement and our great concern for ecofriendly environment. We remain strongly focussed on its continuous improvement, by constantly assessing and improving processes and systems, to achieve long-term sustainability goals.

K.P.R. MILL LIMITED HIGG INDEX VFEM SCORE				
Year	Processing Unit	Arasur Garment	Thekkalur Garment - 1	Thekkalur Garment - 2
2020	73.2	61.1	47.4	67.2
2021	84.6	71.6	64.7	69.1
2022	84.8	75.0	73.6	74.8
2023	87.6	77.0	80.0	76.5

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes

S.No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
-	-	-	-	
-	-	-	-	

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kiloliters):

Not applicable

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area - Not applicable

(ii) Nature of operations - Not applicable

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	Not applicable	Not applicable
(ii) Groundwater	Not applicable	Not applicable
(iii) Third party water	Not applicable	Not applicable
(iv) Seawater / desalinated water	Not applicable	Not applicable
(v) Others	Not applicable	Not applicable
Total volume of water withdrawal (in kilolitres)	Not applicable	Not applicable
Total volume of water consumption (in kilolitres)	Not applicable	Not applicable
Water intensity per rupee of turnover (Water consumed / turnover)	Not applicable	Not applicable
Water intensity (optional) – the relevant metric may be selected by the entity	Not applicable	Not applicable

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	Not applicable	Not applicable
- No treatment	Not applicable	Not applicable
- With treatment-please specify level of treatment	Not applicable	Not applicable
(ii) Into Groundwater	Not applicable	Not applicable
- No treatment	Not applicable	Not applicable
- With treatment-please specify level of treatment	Not applicable	Not applicable
(iii) Into Seawater	Not applicable	Not applicable
- No treatment	Not applicable	Not applicable
- With treatment-please specify level of treatment	Not applicable	Not applicable
(iv) Sent to third-parties	Not applicable	Not applicable
- No treatment	Not applicable	Not applicable
- With treatment-please specify level of treatment	Not applicable	Not applicable
(v) Others	Not applicable	Not applicable
- No treatment	Not applicable	Not applicable
- With treatment-please specify level of treatment	Not applicable	Not applicable
Total water discharged (in kiloliters)	**Not applicable**	**Not applicable**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Please provide details of total Scope 3 emissions and its intensity, in the following format:

Parameter	Please specify unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFC_s, PFC_s, SF_6, NF_3, if available)	**Metric tonnes of CO_2 equivalent**	Not applicable	Not applicable
Total Scope 3 emissions per rupee of turnover	**Metric tonnes of CO_2 equivalent**	Not applicable	Not applicable
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		Not applicable	Not applicable

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S.No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Using Electrical Boiler	Using 100% efficiency electrical boilers which are run by renewable energy whereby the emission is reduced.	Reducing Co_2 emission.
2	Separate compressor for high & low pressure process	Wherever the compressor air is used in our factory based on low & high pressure requirement, separate compressor is provided with fully auto function. It will save energy.	Energy saving & Co_2 emission reducing.
3	Waste recycling plant	Through cutting waste recycling plant in Karumathampatti unit, we can convert colour wise fabric cutting waste to colour fibers. With this we can add recycled polyester and then the fabric will be made 100% recycled raw material.	Save water Save energy Reduce Co_2 emission
4	Reaching 100% renewable energy	All available roof top areas are covered by solar roof top. 33% of power requirement is met.	Save energy Reduce Co_2 emission.
5	Cold Pad Batch (CPB) dyeing	CPB dyeing offers the most economical and convenient method of dyeing cotton with reactive dyes.	The energy and water consumptions are at the lowest and salt addition is eliminated 100%.
6	Waste reduction	Using automatic cutting machine with auto spreader technology. Using CAD system to control waste under 2 to 3 %.	Raw material save and resource saving
7	Direct drive machines	All process introduced direct driven motors which will save energy in all process.	Save energy Reduce Co_2 emission.
8	Ie3, IE4 Motor	Replacing all old conventional motor to IE3, IE4 motors	Save energy Reduce Co_2 emission.
9	Bio gas plant	All food waste and human waste sent to bio gas plant and the Gas is used for cooking in our all units. Its saves 30 % to 50 % of the LPG consumption to us.	Save energy Reduce Co_2 emission.
10	STP & ETP	All our factories are having water treatment plant. From this our waste water is treated and again reused for gardening and production process like dyeing.	Save energy Save water Reduce Co_2 emission.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.

Yes

The Company has devised Business Continuity and Disaster Management plan for each units of the Company to be implemented in the event of a sudden natural calamity or emergency situations such as flood, fire or sabotage in the respective locations. The objective of the disaster plan is to educate and follow, how to control disaster, combat fire, rescue people, save life of those not only inside the factory but also neighbouring area, etc.

It also lays down the procedure for preparing and responding to a potential environmental, occupational, health and safety emergency or incident, accident including spills and releases.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

NIL

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

NIL

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1.a. Number of affiliations with trade and industry chambers/ associations **- 11 chambers/ associations**

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/affiliated to.

S.No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	The Southern India Mills Association	National
2	Tamilnadu Spinning Mill Association	State
3	Tirupur Exporters Association	State
4	Indian Wind Power Association	National
5	Indian Cotton Federation	National
6	The Indian Chamber of Commerce and Industry, Coimbatore	National
7	Tamilnadu Electricity Consumers Association	State
8	Cotton Made in Africa	Global
9	The Cotton Textiles Export Promotion Council	National
10	Better Cotton Initiative	Global
11	Confederation of Indian Textile Industry	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of the authority	Brief of the Case	Corrective action taken
-	-	-

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S.No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually / Half yearly / Quarterly / Others – please specify)	Web Link, if available
-	-	-	-	-	-

PRINCIPLE 8 : Businesses should promote inclusive growth and equitable development

Essential Indicators

1.Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

<table>
<tr><th>Name and brief details of project</th><th>SIA Notification no.</th><th>Date of Notification</th><th>Whether conducted by Independent external agency (Yes / No)</th><th>Results communicated in public domain (Yes / No)</th><th>Relevant web link</th></tr>
<tr><td>SA 8000:2014</td><td colspan="2" rowspan="5">SIA G.S.R. 574(E)
8th August, 2014</td><td>Yes</td><td>No</td><td>-</td></tr>
<tr><td>WRAP</td><td>Yes</td><td>Yes</td><td>https://my.wrapcompliance.org/Pages/Facility-Dashboard.aspx?SF_ID=10369&SourceURL=https%253A%252F2Fmy.wrapcompliance.org%252FPages%252FMy-Dashboard.aspx</td></tr>
<tr><td>BSCI</td><td>Yes</td><td>No</td><td>-</td></tr>
<tr><td>ICS</td><td>Yes</td><td>No</td><td>-</td></tr>
<tr><td>FSLM/SLCP</td><td>Yes.
The Information may be furnished upon request.</td><td>No</td><td>-</td></tr>
</table>

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format: **Not Applicable**

S.No.	Name of project for which R&R is ongoing	State	District	No.of project Affected families (PAFs)	% of PAFs covered by R&R	Amount paid to PAFs in the FY (in INR)
-	-	-	-	-	-	-

3. Describe the mechanisms to receive and redress grievances of the community.

The Company proactively meets the community representatives. It has a designated team at each manufacturing location. Each need is noted, analysed and a feasible solution is implemented.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Particulars	FY 2023-24	FY 2022-23
Directly sourced from MSMEs / small producers	8.11%	1.55%
Sourced directly from within the district and neighbouring districts	27.24%	32.85%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2023-24	FY 2022-23
Rural	79%	65%
Semi-urban	14%	25%
Urban	3%	5%
Metropolitan	5%	5%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Nil	**NA**

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Not Applicable as no CSR projects were undertaken in designated aspirational districts as identified by government bodies

S.No.	State	Aspirational District	Amount spent (In INR)
-	-	-	-

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?

The Company does not have any preferential procurement policy at present.

(b) From which marginalized /vulnerable groups do you procure?

Not Applicable

(c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Not Applicable, no benefits derived and shared from the intellectual properties owned or acquired

S.No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating Benefit share
-	-	-	-	-

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not Applicable

Name of authority	Brief of the Case	Corrective action taken
-	-	-

6. Details of beneficiaries of CSR Projects

S.No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Promotion of Education	**9,000 (Approx)**	-
2	TN Champions foundation (TN Chief Minister's Trophy)	**30,000**	-
3	Rural Development	**The beneficiaries are general public in sulur village**	-

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner
Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Our Organisation is a consumer centric and we believe our customers are our King. There is growing relevance of excellence in customer service to propel growth considering the intense competition. We have a proper and effective redressal mechanism for customers. The broad principles of our customer complaint resolution mechanism are as under.

- **Customers must be served with courtesy, respect and understanding at all times.**
- **Customers must be treated with fairness - both actual and perceived.**
- **There is a structured and well publicized mechanism for customers to ventilate grievances.**
- **Complaints are addressed within a reasonable time frame and to the satisfaction of the customers.**
- **Strategies are in place to improve customer service on a continuous basis to minimize the scope for grievances.**
- **Employees are sensitized to the importance of customer acquisition and retention.**

2. Turnover of products and / services as a percentage of turnover from all products/service that carry information about:

Particulars	as a percentage to total turnover
Environmental and social parameters relevant to the product	**100% (For all garments sold)**
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following: **NIL**

Particulars	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	-	-	-	-	-	-

4. Details of instances of product recalls on account of safety issues:

Particulars	Number	Reasons for recall
Voluntary recalls	**There were no instances of Product recall during the year**	
Forced recalls		

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. The Risk Management Policy is available on the Company's website at https://kprmilllimited.com/file/wp-content/uploads/2024/04/RISK-MANAGEMENT-POLICY-1.pdf

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

During the year, there were no instances of issues in the above mentioned areas.

7. Provide the following information relating to data breaches**:**
a. Number of instances of data breaches - **NIL**
b. Percentage of data breaches involving personally identifiable information of customers - **NIL**
c. Impact, if any, of the data breaches - **NIL**

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available)

The information on Company's products can be accessed through Company's website i.e., www.kprmilllimited.com

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Our product tag contains the information on the safe and responsible usage of the products such as Wash care instructions, product features, Customer care details etc. We mention these instructions on all of our apparel products.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Not applicable

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The Company displays the mandated product information on cartons. The Proximity of our units to the major knit wear market of Asia, Tirupur enables regular feedback on our products. Similarly the reputed International Garment Retailers always conduct Audit to ensure that all their parameters are met by us.

No specific survey is needed.

FOR AND ON BEHALF OF THE BOARD

Coimbatore
02.05.2024

K.P.Ramasamy
Chairman
DIN: 00003736

INDEPENDENT AUDITORS' REPORT

To the Members of K.P.R. Mill Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of K.P.R. Mill Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2024, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material 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 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit and other 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 SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

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

Revenue recognition

See notes 3 and 27 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company's revenue is derived primarily from sale of goods. Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer and there are no longer any unfulfilled performance obligations. The performance obligations in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms. Inappropriate assessment could lead to risk of revenue being recognized before transfer of control. In view of the above and since revenue is a key performance indicator of the Company, we have identified timing of revenue recognition from sale of goods as a key audit matter.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: • Assessing the appropriateness of the accounting policy for revenue recognition with relevant accounting standards; • Evaluating the design and implementation of the Company's key internal financial controls in relation to timing of revenue recognition and tested the operating effectiveness of such controls for selected samples; • Performing detailed testing by selecting samples of revenue transactions recorded during the year and around the year end date using statistical sampling. We assessed fulfilment of performance obligations during the year by verifying the underlying documents. These documents included contract specifying terms of sale, invoices, goods dispatch notes, customer acceptances, as applicable, and shipping documents; • Testing, on a sample basis using specified risk based criteria, journal entries affecting revenue recognised during the year to identify unusual items.

Valuation of Inventories

See notes 3 and 9 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company is an integrated textile manufacturer and the inventory primarily comprises of yarn, fabric and garments. Inventories are valued at lower of cost and net realisable value. The Company maintains its inventory levels based on forecast demand and expected future selling prices. There is a risk of inventories being measured at values which are not representative of the lower of costs and net realisable value ('NRV'). The Company exercises high degree of judgment in assessing the NRV of the inventories on account of estimation of future market and economic conditions. The carrying value of inventories is material in the context of total assets of the Company. We identified the valuation of inventories as a key audit matter.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: • Assessing the appropriateness of the accounting policy for inventories with relevant accounting standards; • Evaluating the design and implementation of the Company's key internal financial controls over valuation of inventories and testing the operating effectiveness of such controls for selected samples; • Observing the physical verification of inventory on a sample basis. In this regard, we have considered the physical condition of inventory by way of obsolescence or wear and tear or efflux of time, wherever relevant and applicable, in determining the valuation of such inventory. • For NRV testing, selecting inventory items, on a sample basis at reporting date and compared their carrying value to their subsequent selling prices as indicated in sales invoices subsequent to the reporting date.

INDEPENDENT AUDITORS' REPORT

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

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's directors' report, but does not include the financial statements and 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.

Management's and Board of Directors' Responsibilities 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 state of affairs, profit / loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. 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 statements 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.

The Board of Directors is 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.

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 financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related

disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements 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.

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

Report on other Legal and Regulatory Requirements

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

2 A. 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 except for the matters stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on various dates taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f. the reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. 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:

a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - Refer note 36 to the standalone financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 50 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.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 50 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in compliance accordance with Section 123 of the Act.

The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 49 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account, however, the feature of recording audit trail (edit log) facility has not been enabled. Consequently, we are unable to comment on audit trail feature of the said software.

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

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

K Sudhakar
Partner
Membership No. 214150
ICAI UDIN: 24214150BKETAN5313

Place : Coimbatore
Date : 02 May 2024

INDEPENDENT AUDITORS' REPORT

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of K.P.R. Mill Limited for the year ended 31 March 2024

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

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(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 regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. 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 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 immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value (₹ in lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Freehold land located at Kittampalayam and Tirunelveli admeasuring 19 acres and 8 acres respectively	66.76	K.P.R. Spinning Mill Private Limited	NO	April 1, 2005	The title deeds are in the name of K.P.R.Spinning Mill Private Limited, erstwhile Company that was merged with the Company under section 391 to 394 of the Companies Act, 1956 in terms of the approval of Honourable High Court(s) of judicature.
Freehold land located at Arasur, Bogampatti, Thenkasi, Tirunelveli admeasuring 40.65 acres, 18.20 acres, 57.63 acres and 6 acres respectively	64.47	K.P.R. Mill Private Limited	NO	April 1, 2005	The title deeds are in the name of K.P.R. Mill Private Limited, erstwhile Company that was merged with the Company under section 391 to 394 of the Companies Act, 1956 in terms of the approval of Honourable High Court(s) of judicature.
Freehold land located at Tirunelveli admeasuring 2 acres	9.61	K.P.R. Knits	NO	April 1, 2005	The title deeds are in the name of K.P.R. Knits, erstwhile Company that was acquired through out-right purchase.

Immovable properties whose title deeds have been charged as security for loans are held in the name of the Company based on the confirmations directly received by us from lenders.

INDEPENDENT AUDITORS' REPORT

(d) 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 not revalued its Property, Plant and Equipment (including Right-of-use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(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 been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) 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 not made any investments, provided guarantee or security, granted loans or advances in the nature of loans, secured or unsecured to firms, limited liability partnership or any other parties during the year. The Company has not provided security or granted loans or advances in the nature of loans, secured or unsecured to any company during the year. The Company has made investments and stood guarantee to companies during the year in respect of which the requisite information, as applicable, is provided below.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to entities as below:

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company. The Company has not provided any loans and advances in the nature of loans or any security to companies, firms, limited liability partnership or any other parties during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular, where applicable. Also refer note 48 to the standalone financial statements. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Also refer note 48 to the standalone financial statements. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) 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 not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(₹ in Lakhs)

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted during the year				
Subsidiaries*	-	-	-	-
Joint ventures*	-	-	-	-
Associates*	-	-	-	-
Others*	19	-	-	-
Balance outstanding as at balance sheet date				
Subsidiaries*	1,31,700	-	188	-
Joint ventures*	-	-	-	-
Associates*	-	-	-	-
Others*	248	-	-	-

**As per the Companies Act, 2013*

Also refer note 48 to the standalone financial statements.

INDEPENDENT AUDITORS' REPORT

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into Goods and Services Tax (GST).

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including GST, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of GST, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to GST, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute, except as follows:

(viii) 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 not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) 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 not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(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 not been declared as a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix) (c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet 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 and explanations 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 any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act. The Company does not hold any investment in any associates or joint ventures (as defined under the Act) during the year ended 31 March 2024.

(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 as defined under the Act. The Company does not hold any investment in any associates or joint ventures (as defined under the Act) during the year ended 31 March 2024.

Name of the statute	Nature of the dues	Amount* (₹ in lakhs)	Financial year to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income tax	2.68	2016-2017	Commissioner of Income Tax (Appeals), Faceless Appeal Centre, New Delhi.
Income-tax Act, 1961	Income tax	7.23	2020-2021	Commissioner of Income Tax (Appeals), Faceless Appeal Centre, New Delhi.
Goods and Services Tax Act	GST	173.67	2014- 2017	Commissioner of GST & Central Excise (Appeals), Coimbatore
Goods and Services Tax Act	GST	21.47	2017-2020	Commissioner of GST & Central Excise (Appeals), Coimbatore

*net of amount paid under protest

INDEPENDENT AUDITORS' REPORT

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(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 not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi) (c) of the Order is not applicable.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

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

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information comprising Board's report, Management Discussion and Analysis and Corporate Governance Report, 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 the 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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

K Sudhakar
Partner
Membership No.: 214150
ICAI UDIN:24214150BKETAN5313

Place : Coimbatore
Date : 02 May 2024

INDEPENDENT AUDITORS' REPORT

Annexure B to the Independent Auditor's Report on the standalone financial statements of K.P.R. Mill Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

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

Opinion

We have audited the internal financial controls with reference to financial statements of K.P.R. Mill Limited ("the Company") as of 31 March 2024 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, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to 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 "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to 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 financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 financial statements were 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations

INDEPENDENT AUDITORS' REPORT

of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No :101248W/W-100022

K Sudhakar
Partner

Place : Coimbatore
Date : 02 May 2024

Membership No.: 214150
ICAI UDIN : 24214150BKETAN5313

BALANCE SHEET

(₹ in Lakhs)

Particulars	Note	As at 31.03.2024	As at 31.03.2023
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4	97,346	94,924
(b) Capital work-in-progress	4	9,572	2,126
(c) Intangible assets	4	65	96
(d) Financial assets			
(i) Investments	5	72,873	75,731
(ii) Loans	6	188	223
(iii) Other financial assets	7	4,171	3,413
(e) Other non - current assets	8	2,547	5,208
Total non - current assets		**1,86,762**	**1,81,721**
(2) Current assets			
(a) Inventories	9	1,16,714	1,23,247
(b) Financial assets			
(i) Investments	10	3,204	12,716
(ii) Trade receivables	11	52,391	49,209
(iii) Cash and cash equivalents	12	6,057	4,050
(iv) Bank balances other than cash and cash equivalents	13	10,215	226
(v) Other financial assets	14	381	252
(c) Other current assets	15	16,129	16,008
Total current assets		**2,05,091**	**2,05,708**
Total assets		**3,91,853**	**3,87,429**
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	16	3,418	3,418
(b) Other equity	17	3,33,989	2,93,878
Total equity		**3,37,407**	**2,97,296**
Liabilities			
(2) Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	-	29
(ii) Other financial liabilities	19	288	311
(b) Deferred tax liabilities (net)	20	6,314	5,817
(c) Other non-current liabilities	21	223	1
Total non - current liabilities		**6,825**	**6,158**
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	28,651	49,770
(ii) Trade payables			
(A)Total outstanding dues of micro and small enterprises; and	23 (A)	704	645
(B)Total outstanding dues of creditors other than micro enterprises and small enterprises	23 (B)	7,117	19,285
(iii) Other financial liabilities	24	83	209
(b) Other current liabilities	25	10,523	14,012
(c) Current tax liabilities (net)	26	543	54
Total Current Liabilities		**47,621**	**83,975**
Total Liabilities		**54,446**	**90,133**
Total Equity & Liabilities		**3,91,853**	**3,87,429**

Material accounting policies — 3

The notes from 1 to 51 are an integral part of these standalone financial statements

For and on behalf of the Board of Directors of
K.P.R. Mill Limited
CIN : L17111TZ2003PLC010518

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number : 101248W/W-100022

K.P.Ramasamy
Chairman
DIN: 00003736

KPD Sigamani
Managing Director
DIN: 00003744

P.Nataraj
Chief Executive Officer and Managing Director
DIN : 00229137

K Sudhakar
Partner
Membership No. : 214150

Coimbatore
02.05.2024

PL Murugappan
Chief Financial Officer

P.Kandaswamy
Company Secretary

Coimbatore
02.05.2024

STATEMENT OF PROFIT & LOSS

(₹ in Lakhs)

Particulars	Note	Year Ended 31.03.2024	Year Ended 31.03.2023
I. Revenue from operations	27	**4,05,367**	**4,73,955**
II. Other income	28	20,395	13,012
III. Total Income (I+II)		**4,25,762**	**4,86,967**
IV. Expenses			
Cost of materials consumed	29	2,39,939	3,03,973
Purchase of stock-in-trade		-	13,750
Changes in inventories of finished goods, stock-in-trade and work-in-progress	30	10,900	(19,471)
Employee benefits expense	31	48,789	46,200
Finance costs	32	2,284	2,670
Depreciation and amortisation expense	4	8,163	7,764
Other expenses	33	46,216	49,606
V. Total expenses		**3,56,291**	**4,04,492**
VI. Profit before tax (III-V)		**69,471**	**82,475**
VII. Tax expenses			
Current tax			
- Pertaining to current year		13,227	18,324
- Pertaining to prior year		254	(802)
Deferred tax		498	1,449
Total tax expense		**13,979**	**18,971**
VIII. Profit for the year (VI-VII)		**55,492**	**63,504**
Other comprehensive income			
Item that will be reclassified to profit or loss		-	-
Item that will not be reclassified to profit or loss		-	-
IX. Other comprehensive income for the year, net of tax		-	-
X. Total comprehensive income for the year (VIII+IX)		**55,492**	**63,504**
Earnings per equity share (EPS)			
Basic and diluted EPS (in ₹) of face value ₹ 1/- each	41	**16.23**	**18.57**

Material accounting policies 3

The notes from 1 to 51 are an integral part of these standalone financial statements

For and on behalf of the Board of Directors of
K.P.R. Mill Limited
CIN : L17111TZ2003PLC010518

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number : 101248W/W-100022

K.P.Ramasamy
Chairman
DIN: 00003736

KPD Sigamani
Managing Director
DIN: 00003744

P.Nataraj
Chief Executive Officer and Managing Director
DIN : 00229137

K Sudhakar
Partner
Membership No. : 214150

PL Murugappan
Chief Financial Officer

P.Kandaswamy
Company Secretary

Coimbatore
02.05.2024

Coimbatore
02.05.2024

CASH FLOW STATEMENT

(₹ in Lakhs)

Particulars	Note	Year Ended 31.03.2024	Year Ended 31.03.2023
CASH FLOW FROM OPERATING ACTIVITIES			
Profit for the year		**55,492**	**63,504**
Adjustments for:			
Income tax expenses recognised in the statement of profit and loss		13,979	18,971
Depreciation and amortisation expenses		8,163	7,764
Net loss / (gain) on sale of property, plant and equipment		(591)	(2,074)
Finance costs		2,284	2,670
Interest income		(518)	(212)
Dividend income from non-current investments in subsidiaries		(14,141)	(4,684)
Gain on sale of investments (net)		(3,957)	(3,627)
Rental income from operating leases		(235)	(236)
Impairment loss on financial assets		172	182
Financial guarantee income		(132)	(169)
Impairment of non-current investments (including investment pending allotment)		186	-
Recovery of Bad debts		(184)	-
Operating profit before working capital changes		**60,518**	**82,089**
Changes in Working Capital:			
Adjustments for (increase) / decrease in operating assets:			
Inventories		6,533	(38,057)
Trade receivables		(3,107)	(10,128)
Other current assets		(121)	4,598
Other non current financial assets		(765)	(1,063)
Other non-current assets		1,678	(3,454)
Other financial assets		(1)	(54)
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		(12,109)	8,439
Other financial liabilities		(18)	(11)
Other current liabilities		(3,489)	702
Other non-current liabilities		36	(2)
Cash generated from operations		**49,155**	**43,059**
Net income tax (paid)		(13,027)	(19,517)
Net cash flow from/ (used in) operating activities	**(A)**	**36,128**	**23,542**
CASH FLOW FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment, including capital advances		(17,224)	(18,874)
Proceeds/ (purchase) from sale of current investments (net)		10,726	15,950
Decrease/ (increase) in margin deposit accounts		178	253
Proceeds from sale of property, plant and equipment		799	2,764
(Investment in)/ proceeds from maturity of term deposits (having original maturity of more than 3 months)		(10,167)	4,000
Purchase of non-current investments in Subsidiaries		-	(20,000)
Proceeds from sale of non-current investments in subsidiaries		5,580	5,202
Interest received from others		390	437
Dividend received from subsidiaries		14,141	4,684
Rental income		235	236
Net cash flow (used in) / from investing activities	**(B)**	**4,658**	**(5,348)**

CASH FLOW STATEMENT

(₹in Lakhs)

Particulars	Note	Year Ended 31.03.2024	Year Ended 31.03.2023
CASH FLOW FROM FINANCING ACTIVITIES			
Payment towards buy-back of shares		-	(18,001)
Income tax on buy-back of shares		-	(4,076)
Proceeds from / (repayment of) non-current borrowings (Net)		(34)	(2)
Proceeds from/ (repayment of) current borrowings (net)		(21,115)	8,015
Finance costs paid		(2,249)	(2,292)
Dividends paid		(15,381)	(7,349)
Net cash flow (used in) / from financing activities	**(C)**	**(38,779)**	**(23,705)**
Net (decrease) / increase in cash and cash equivalents	**(A+B+C)**	2,007	(5,511)
Add: Opening cash and cash equivalents		4,050	9,561
Closing cash and cash equivalents (refer note 12)		**6,057**	**4,050**
Closing cash and cash equivalents comprises			
(a) Balance with banks:			
i) In Current accounts		5,397	2,305
ii) In EEFC accounts		621	1,682
(b) Cash on hand		39	63
		6,057	**4,050**

Material accounting policies 3

The notes from 1 to 51 are an integral part of these standalone financial statements

For and on behalf of the Board of Directors of
K.P.R. Mill Limited
CIN : L17111TZ2003PLC010518

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number : 101248W/W-100022

K.P.Ramasamy
Chairman
DIN: 00003736

KPD Sigamani
Managing Director
DIN: 00003744

P.Nataraj
Chief Executive Officer and Managing Director
DIN : 00229137

K Sudhakar
Partner
Membership No. : 214150

PL Murugappan
Chief Financial Officer

P.Kandaswamy
Company Secretary

Coimbatore
02.05.2024

Coimbatore
02.05.2024

CHANGES IN EQUITY

a. Equity share capital	Notes	(₹ in Lakhs)
Balance as at 01.04.2022		3,441
Less : Buy-back of equity shares	41	23
Balance as at 31.03.2023		**3,418**
Changes in equity share capital during 2023-24		-
Balance as at 31.03.2024		**3,418**

b. Other Equity (₹ in Lakhs)

Particulars	Reserves and Surplus				Other comprehensive income	Total Other Equity
	Securities Premium	Capital Redemption Reserve	General Reserve	Retained Earnings		
Balance as at 01.04.2022	**15,233**	**1,827**	**24,716**	**2,18,001**	**-**	**2,59,777**
Profit for the year	-	-	-	63,504	-	63,504
Premium on buy back of Equity Shares	(15,233)			(2,745)		(17,978)
Income tax on buy-back of equity shares				(4,076)		(4,076)
Transfer to Capital Redemption Reserve		23		(23)		-
Final dividend relating to 2021-22 paid (₹ 0.15 per share on face value of ₹ 1/-)	-	-	-	(513)	-	(513)
Interim dividend relating to 2022-23 paid (₹ 2 per share on face value of ₹1/-)				(6,836)		(6,836)
Balance as at 31.03.2023	-	**1,850**	**24,716**	**2,67,312**	**-**	**2,93,878**
Profit for the year	-	-	-	55,492	-	55,492
Final dividend relating to 2022-23 paid (₹ 2.00 per share on face value of ₹1/-)	-	-	-	(6,836)	-	(6,836)
Interim dividend relating to 2023-24 paid (₹ 2.50 per share on face value of ₹1/-)	-	-	-	(8,545)	-	(8,545)
Balance as at 31.03.2024	-	**1,850**	**24,716**	**3,07,423**	-	**3,33,989**

Material accounting policies 3

The notes from 1 to 51 are an integral part of these standalone financial statements

For and on behalf of the Board of Directors of
K.P.R. Mill Limited
CIN : L17111TZ2003PLC010518

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number : 101248W/W-100022

K.P.Ramasamy
Chairman
DIN: 00003736

KPD Sigamani
Managing Director
DIN: 00003744

P.Nataraj
Chief Executive Officer and Managing Director
DIN : 00229137

K Sudhakar
Partner
Membership No. : 214150

PL Murugappan
Chief Financial Officer

P.Kandaswamy
Company Secretary

Coimbatore
02.05.2024

Coimbatore
02.05.2024

ACCOUNTING POLICIES

1 CORPORATE INFORMATION

K.P.R. Mill Limited ('the Company') is one of the largest vertically integrated apparel manufacturing companies in India with its registered office situated at Coimbatore. The Company produces Yarn, Knitted Fabric, Readymade Garments and Wind power. It has state-of-the-art production facilities in the State of Tamil Nadu, India. The Company's registered office is at No. 9, Gokul Buildings, A.K.S Nagar, Thadagam Road, Coimbatore - 641001, Tamil Nadu, India.

The Company's shares are listed in BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

2 BASIS OF PREPARATION

A STATEMENT OF COMPLIANCE:

These standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act, as amended from time to time.

These standalone financial statements for the year ended 31.03.2024 are approved for issue by the Company's Board of Directors on 02.05.2024.

Details of the Company’s accounting policies, including changes thereto, are included in note 3. The Company has consistently applied the accounting policies to all the periods present in these standalone financial statements.

B FUNCTIONAL AND PRESENTATION CURRENCY

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company’s functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

C BASIS OF MEASUREMENT

These standalone financial statements have been prepared under the historical cost basis and on an accrual basis, except for the following items which are measured on an alternative basis on each reporting date:

i. Derivative financial instruments measured at fair value through profit and loss;

ii. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments) and

iii. Net defined (asset) / liability measured at fair value of plan assets less present value of obligations limited as explained in note 3 (K).

D USE OF JUDGEMENTS AND ESTIMATES

In preparing these standalone financial statements, management has made judgments and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

Note 15 - classification, measurement and recognition of Government grants

Note 3(L) Leases - whether the arrangement contains a lease; and lease classification

Note 3(H) and 39 - Financial instruments: Classification and measurement

Assumptions and estimation uncertainties:

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

(i) Impairment of non-financial assets:

In assessing impairment, management has estimated economic use of assets, the recoverable amount of each asset or cash-generating units based on expected future cash flows and use an interest rate to discount them. Estimation of uncertainty relates to assumptions about future operating cash flows and determination of a suitable discount rate. (also refer Note 3)

(ii) Useful lives of depreciable assets:

Management reviews its estimate of useful lives of depreciable assets at each reporting date, based on expected utility of assets. Uncertainties in these estimates relate to technological obsolescence that may change utility of assets (also refer note 3).

(iii) Inventories:

Management has carefully estimated the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by market-driven changes (also refer note 3).

(iv) Defined benefit obligation (DBO):

The actuarial valuation of the DBO is based on a number of critical underlying management’s assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly

ACCOUNTING POLICIES

impact the DBO amount and the annual defined benefit expenses (also refer note 44).

(v) Recognition and measurement of provisions and contingencies:

Key assumptions about the likelihood and magnitude of an outflow of resources (also refer note 36).

(vi) Impairment of financial assets - Refer Note 3

Measurement of expected credit loss allowance for trade receivables, loans and other financial assets: key assumptions in determining the weighted-average loss rate (also refer note 11)

E MEASUREMENT OF FAIR VALUES

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. The inputs used to measure the fair value of assets or a liability fall into different levels of the fair value hierarchy. Accordingly, the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the low level input that is significant to the entire measurement.

Management uses various valuation techniques to determine fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management based on its assumptions on observable data as far as possible but where it is not available, the management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date (also refer Note 39). The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

F CURRENT AND NON-CURRENT CLASSIFICATION

The Company classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- it expects to settle the liability in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company's normal operating cycle is twelve months.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES

A) INVENTORIES

Inventories are valued at lower of cost and net realizable value. The cost of raw materials, components, stock-in-trade, consumable stores and spare parts are determined using first-in first-out / specific identification method and includes freight, taxes and duties, net of duty credits wherever applicable, and any other expenditure incurred in bringing them to their present location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of manufacturing overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials, stores and spares, packing and others held for use in the production of finished goods are not written down below except in cases where material prices have declined and it is estimated that the cost of the finished goods will exceed their net realizable value.

ACCOUNTING POLICIES

The comparison of cost and net realisable value is made on an item by item basis.

B) CASH AND CASH EQUIVALENTS (FOR PURPOSES OF CASH FLOW STATEMENT)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

C) CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit / (loss) 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. In cash flow statement, cash and cash equivalents include cash in hand, balances with banks in current accounts and other short-term highly liquid investments with original maturities of three months or less.

D) PROPERTY, PLANT AND EQUIPMENT

Recognition and measurement

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Freehold land is stated at historical cost less any accumulated impairment losses. Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises:

a. purchase price, including import duties and non-refundable taxes on purchase (goods and service tax), after deducting trade discounts and rebates.

b. any directly attributable cost of bringing the item to its working condition for its intended use, estimated costs of dismantling and removing the item and restoring the site on which it is located.

c. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Any gain/loss on disposal of an item of property, plant and equipment is recognised in the statement of profit and loss.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Component accounting

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation

Depreciation is calculated on the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over the estimated useful lives and is generally recognised in the Statement of profit and loss. Freehold land is not depreciated.

Depreciation on property, plant and equipment is charged over the estimated useful life of the asset or part of the asset (after considering double/triple shifts) as evaluated on technical assessment on straight-line method, in accordance with Part A of Schedule II to the Companies Act, 2013.

The estimated useful life of the property, plant and equipment followed by the Company for the current and the comparative period are as follows :

Asset	Management's estimated useful life	Useful life as per Schedule II
Factory Building	~ 30 Years	~ 30 Years
Non Factory Building	~ 60 Years	~ 60 Years
Plant & Equipments	~ 10-20 Years	~ 8-20 Years
Windmill	~ 12 Years	~ 22 Years
Electricals	~ 14 Years	~ 10 Years
Furnitures & fixtures	~ 10 Years	~ 10 Years
Computers & accessories	~ 3 Years	~ 3-6 Years
Vehicles	~ 8-10 Years	~ 8-10 Years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if necessary, for each reporting period. Based on technical evaluation, the management believes that its estimate of useful life as given above best represent the period over which management expects to use the asset.

On property, plant and equipment added/ disposed off during the year, depreciation is charged on pro-rata basis for the period from/upto which the asset is ready for use/disposed off.

Capital work-in-progress

Property, plant and equipment in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional

ACCOUNTING POLICIES

fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. They are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

INTANGIBLE ASSETS

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated on a straight-line basis over their estimated useful lives and it is included in the statement of profit and loss. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

The estimated useful life of intangible assets consisting computer software is 3 years.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit and loss when the asset is derecognised.

E) REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company generates revenue primarily from sale of Yarn, Knitted Fabric and Readymade Garments. The Company also earns revenue from rendering of services.

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a goods or service to a customer.

1.1 Sale of products:

Revenue is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control over a promised goods refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the individual delivery and acceptance terms agreed with the customers.

The amount of revenue to be recognized (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as sales tax or other taxes directly linked to sales. If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative stand-alone selling prices. Revenue from product sales are recorded net of allowances for estimated rebates, cash discounts and estimates of product returns, all of which are established at the time of sale.

1.2 Revenue from services:

Revenue from sale of services is recognised when related services are rendered as per the terms agreed with customers.

1.3 Export incentives:

Export incentives are accounted in the year of exports based on eligibility and expected amount on realisation.

1.4 Sales returns:

Our customers have the contractual right to return goods only when authorised by the Company.

F) OTHER INCOME

Dividend income from investments is recognized when the right to receive the payment is established and when no significant uncertainty as to measurability or collectability exists.

Rental income under operating leases is recognized in the statement of profit and loss on a straight-line basis over the term of the lease except where another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

Interest income is recognised using effective interest rate method. Interest income on overdue receivables is recognized only when there is a certainty of receipt. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of financial instrument to the gross carrying amount of the financial asset; or the amortised cost of the financial liability.

G) FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS

Transactions in foreign currencies are translated into the functional currency at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions are recognised in the statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured at historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences arising on translation are recognised in the statement of profit and loss.

ACCOUNTING POLICIES

H) FINANCIAL INSTRUMENTS

(i) Recognition and initial measurement

Trade receivables and debt securities are initially recognised when they are originated.

All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

The 'trade payable' is in respect of the amount due on account of goods purchased in the normal course of business. They are recognised at their transaction and services availed value if the transaction do not contain significant financing component.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- Amortised cost;
- Fair value through other comprehensive income (FVTOCI) – debt investment
- Fair value through other comprehensive income (FVTOCI) – equity investment; or
- Fair value through profit and loss (FVTPL)

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI or fair value through profit and loss account (FVTPL), non derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

(iii) Classification and subsequent measurement

a) Non-derivative financial assets

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

(a) it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

(b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt investment at FVTOCI

A debt Investment will be measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

(a) it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

(b) its contractual terms give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

Equity instruments at FVTOCI

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in Other comprehensive income ('OCI'). This election is made on an investment-by-investment basis.

If the Company decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently recycled to statement of profit and loss.

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL.

On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

ACCOUNTING POLICIES

- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non- recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets : Subsequent measurement and gains and losses

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at FVTPL:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in standalone statement of profit and loss.

Financial assets at amortised cost:

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in standalone statement of profit and loss. Any gain or loss on derecognition is recognised in standalone statement of profit and loss.

Debt investments at FVOCI:

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to standalone statement of profit and loss.

Equity investments at FVOCI:

These assets are subsequently measured at fair value. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividends are recognised as income in profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to standalone statement of profit and loss.

Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit and loss. Any gain or loss on derecognition is also recognised in standalone statement of profit and loss.

ACCOUNTING POLICIES

(iv) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which either substantially all of the risks and rewards of ownership of the financial asset are transferred or the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in standalone statement of profit and loss.

(v) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(vi) Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in foreign exchange rates on foreign currency assets or liabilities and forecasted cash flows denominated in foreign currencies. The counterparty for these contracts is generally a bank.

Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in statement of profit and loss. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit and loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

I) GOVERNMENT GRANTS, SUBSIDIES AND EXPORT INCENTIVES

Government grants and subsidies related to assets, including non-monetary grants, are initially recognised as deferred income at fair value if there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant; they are then recognised in statement of profit and loss as other operating revenue / other income on a systematic basis.

Government grants received in relation to assets are presented as a reduction to the carrying amount of the related asset and the same is recognised in statement of profit and loss over the life of a depreciable asset as a reduced depreciation expense. Repayment of a grant related to an asset is recognised by increasing the carrying amount of the asset and the cumulative additional depreciation that would have been recognised in the statement of profit and loss in the absence of the grant is recognised immediately in the statement of profit and loss.

Government grants relating to income are deferred and recognised in the statement of profit and loss over the period necessary to match them with the costs that they intended to compensate and presented in other operating revenue.

Grants that compensate the Company for expenses incurred are recognised in profit and loss as other income on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

J) INVESTMENTS

Investment in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and written down immediately to its recoverable amount.

K) EMPLOYEE BENEFITS

(a) Short term employee benefits:

Short-term employee benefits are measured on an undiscounted basis and expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(b) Defined contribution plan

Provident Fund and Employee State Insurance

A defined contribution plan is a post-employment benefit plan where the Company's legal or constructive obligation is limited to the amount that it contributes to a separate legal entity. The Company makes specified contributions towards Government administered provident fund and employee state insurance schemes. Obligations for contributions to defined contribution

ACCOUNTING POLICIES

plan are expensed as an employee benefits expense in the statement of profit and loss in period in which the related service is provided by the employee. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(c) Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Post employment benefit comprises of Gratuity which is accounted for as follows:

Gratuity Fund

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate determined by reference to market yields at the end of the reporting period on government bonds. This rate is applied on the net defined benefit liability (asset), both as determined at the start of the annual reporting period, taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in standalone statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

L) LEASES

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in Ind AS 116.

i) As a lessee:

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments
- variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and

ACCOUNTING POLICIES

- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revision in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero. The Company presents right-of-use assets that do not meet the definition of investment property in "property, plant and equipment" and lease liabilities separately in balance sheet within "Financial liabilities".

Short term leases and low value assets:

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Company recognises the lease payments associated with these leases are recognized as an expense in standalone statement of profit and loss on a straight-line basis over the lease term.

ii) As a lessor

At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As a part of this assessment, the company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of other income. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

If an arrangement contains lease and non-lease components, then the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

M) BORROWING COSTS

Borrowing cost are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are considered as adjustment to interest costs) incurred in connection with the borrowings of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the year in which they are incurred.

N) SEGMENT REPORTING

The Company is engaged in manufacture and sale of Yarn, Knitted Fabric and Readymade Garments and thus the Company has only one reportable segment (i.e.) Textile business.

O) EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). Diluted earnings per share is computed by dividing the profit (considered in determination of basic earnings per share) after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share adjusted for the weighted average number of equity shares that would have been issued upon conversion of all dilutive potential equity shares.

P) INCOME TAXES

Income tax expense comprises current and deferred tax. It is recognised in standalone statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

ACCOUNTING POLICIES

i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects the uncertainty related to income taxes, if any. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax liabilities and current tax assets are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interest are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Such reductions are reversed when the probability of future taxable profit improves.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by same tax authority on same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or its tax assets and liabilities will be realised simultaneously.

iii) Recognition

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Q) IMPAIRMENT

Impairment of Financial Instruments & contract assets

The Company recognises loss allowance for expected credit loss on financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit - impaired includes the following observable data:

- significant financial difficulty;
- a breach of contract such as a default or being past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for trade receivables are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are credit losses that result from all possible default events over expected life of financial instrument. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

ACCOUNTING POLICIES

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information. The Company assumes that credit risk on a financial asset has increased significantly if it is past due.

The Company considers a financial asset to be in default when:

- the recipient is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is past due.

Measurement of expected credit losses

Expected credit losses are a probability - weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Impairment of Non-Financial Assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in estimates used to determine recoverable amount. Such a reversal is made only to an extent that asset's carrying amount does not exceed carrying amount that would have been determined, net of depreciation/ amortisation, if no impairment loss was recognised.

R) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Where the Company expects some or all of the expenditure required to settle a provision will be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset.

Contingent liabilities:

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present

ACCOUNTING POLICIES

obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognise a contingent liability but discloses its existence in the standalone financial statements.

Contingent assets :

Contingent asset is not recognised in standalone financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

S) ONEROUS CONTRACTS

A contract is said to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with the contract.

3A 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. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

NOTES

4. Property, Plant & Equipment, Intangible Asset and Capital work-in-Progress

(₹ in Lakhs)

Particulars	Leased Asset - Land	Property, Plant & Equipment									Capital work-in progress	Intangible assets (Computer software)
		Freehold Land	Factory Building	Non-factory Building	Plant and Equipment	Windmill	Electricals	Furniture and Fixture	Computers and accessories	Vehicles	Total		
Gross carrying amount												
As at 31.03.2022	**550**	**13,460**	**23,340**	**11,831**	**81,575**	**12,845**	**5,207**	**3,173**	**648**	**1,371**	**1,54,000**	**491**	**270**
Additions	-	102	1,177	457	16,105	-	64	524	96	396	18,921	2,126	41
Disposals / adjustments	-	(23)	-	-	(1,385)	-	(28)	(83)	(13)	(169)	(1,701)	(491)	-
As at 31.03.2023	**550**	**13,539**	**24,517**	**12,288**	**96,295**	**12,845**	**5,243**	**3,614**	**731**	**1,598**	**1,71,220**	**2,126**	**311**
Additions	-	-	739	697	8,377	-	149	476	93	230	10,761	9,572	-
Disposals / adjustments	-	-	-	-	(686)	-	(20)	(76)	(3)	(87)	(872)	(2,126)	-
As at 31.03.2024	**550**	**13,539**	**25,256**	**12,985**	**1,03,986**	**12,845**	**5,372**	**4,014**	**821**	**1,741**	**1,81,109**	**9,572**	**311**
Accumulated Depreciation and amortisation													
As at 31.03.2022	**16**	**-**	**5,386**	**1,199**	**46,417**	**10,660**	**3,086**	**1,655**	**453**	**695**	**69,567**	**-**	**190**
Depreciation and amortisation expenses	6	-	897	297	5,335	400	313	228	87	176	7,739	-	25
Disposals / adjustments	-	-	-	-	(910)	-	(16)	(22)	(11)	(51)	(1,010)	-	-
As at 31.03.2023	**22**	**-**	**6,283**	**1,496**	**50,842**	**11,060**	**3,383**	**1,861**	**529**	**820**	**76,296**	**-**	**215**
Depreciation and amortisation expenses	6	-	916	275	6,115	2	314	266	88	153	8,135	-	31
Disposals / adjustments	-	-	-	-	(548)	-	(16)	(56)	(3)	(45)	(668)	-	-
As at 31.03.2024	**28**	**-**	**7,199**	**1,771**	**56,409**	**11,062**	**3,681**	**2,071**	**614**	**928**	**83,763**	**-**	**246**
Net carrying amount													
As at 31.03.2023	**528**	**13,539**	**18,234**	**10,792**	**45,453**	**1,785**	**1,860**	**1,753**	**202**	**778**	**94,924**	**2,126**	**96**
As at 31.03.2024	**522**	**13,539**	**18,057**	**11,214**	**47,577**	**1,783**	**1,691**	**1,943**	**207**	**813**	**97,346**	**9,572**	**65**

Notes:

1. Refer note 18 and 22 for assets given as securities for borrowings.

2. Property, plant and equipment includes right-of-use assets of ₹ 522 lakhs as at 31.03.2024 (Pr.Yr. ₹ 528 lakhs) related to leased properties that do not meet the definition of investment property.

NOTES

4.1 Title deeds of Immovable Properties not held in name of the Parent Company:

(a)

Particulars	As at 31.03.2024	As at 31.03.2023
(i) Relevant line item in the balance sheet	Property, plant and equipment	Property, plant and equipment
(ii) Description of item of property	Freehold Land	Freehold Land
(iii) Gross carrying value (₹ in Lakhs)	67	67
(iv) Title deeds held in the name of	K.P.R. Spinning Mill Private Limited	K.P.R. Spinning Mill Private Limited
(v) Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter /director	No	No
(vi) Property held since which date	01.04.2005	01.04.2005
(vii) Reason for not being held in the name of the Company	The title deeds are in the name of K.P.R. Spinning Mill Private Limited, erstwhile Company that was merged with the Company under section 391 to 394 of the Companies Act, 1956 in terms of the approval of Honourable High Court(s) of judicature.	The title deeds are in the name of K.P.R. Spinning Mill Private Limited, erstwhile Company that was merged with the Company under section 391 to 394 of the Companies Act, 1956 in terms of the approval of Honourable High Court(s) of judicature.
(viii) Whether disputed	No	No

(b)

Particulars	As at 31.03.2024	As at 31.03.2023
(i) Relevant line item in the balance sheet	Property, plant and equipment	Property, plant and equipment
(ii) Description of item of property	Freehold Land	Freehold Land
(iii) Gross carrying value (₹ in Lakhs)	64	64
(iv) Title deeds held in the name of	K.P.R. Mill Private Limited	K.P.R. Mill Private Limited
(v) Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter /director	No	No
(vi) Property held since which date	01.04.2005	01.04.2005
(vii) Reason for not being held in the name of the Company	The title deeds are in the name of K.P.R. Mill Private Limited, erstwhile Company that was merged with the Company under section 391 to 394 of the Companies Act, 1956 in terms of the approval of Honourable High Court(s) of judicature.	The title deeds are in the name of K.P.R. Mill Private Limited, erstwhile Company that was merged with the Company under section 391 to 394 of the Companies Act, 1956 in terms of the approval of Honourable High Court(s) of judicature.
(viii) Whether disputed	No	No

NOTES

(c)

Particulars	As at 31.03.2024	As at 31.03.2023
(i) Relevant line item in the balance sheet	Property, plant and equipment	Property, plant and equipment
(ii) Description of item of property	Freehold Land	Freehold Land
(iii) Gross carrying value (₹ in Lakhs)	10	10
(iv) Title deeds held in the name of	K.P.R. Knits	K.P.R. Knits
(v) Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter /director	No	No
(vi) Property held since which date	01.04.2005	01.04.2005
(vii) Reason for not being held in the name of the Company	The title deeds are in the name of K.P.R. Knits, erstwhile Company that was acquired through out-right purchase.	The title deeds are in the name of K.P.R. Knits, erstwhile Company that was acquired through out-right purchase.
(viii) Whether disputed	No	No

4.2 Capital work-in-progress (CWIP) ageing schedule:

As at 31.03.2024

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More Than 3 years	Total
Projects in progress	9,547	25	-	-	**9,572**
Projects temporarily suspended	-	-	-	-	-

Note: The Company does not have any CWIP which is overdue or has exceeded its cost compared to its original plan and hence CWIP completion schedule is not applicable.

As at 31.03.2023

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More Than 3 years	Total
Projects in progress	2,126	-	-	-	**2,126**
Projects temporarily suspended	-	-	-	-	**-**

Note: The Company does not have any CWIP which is overdue or has exceeded its cost compared to its original plan and hence CWIP completion schedule is not applicable.

NOTES

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2024	As at 31.03.2023
5	**FINANCIAL ASSETS**		
	INVESTMENTS		
	(See accounting policy in note 3(H) and note 3(J))		
	A) Investments measured at cost:		
	Unquoted (all fully paid-up)		
	a) In Equity instruments		
	i) Indian subsidiaries		
	1,00,000 (Pr.Yr. 1,00,000) equity shares of ₹10 each in Quantum Knits Private Limited.	10	10
	50,000 (Pr.Yr. 50,000) equity shares of ₹10 each in Galaxy Knits Limited.	5	5
	15,10,000 (Pr.Yr. 15,10,000) equity shares of ₹10 each in Jahnvi Motor Private Limited.	151	151
	4,16,666 (Pr.Yr. 4,16,666) equity shares of ₹10 each at a premium of ₹20 each in Jahnvi Motor Private Limited.	125	125
	10,50,000 (Pr.Yr. 10,50,000) equity shares of ₹10 each at a premium of ₹140 per share in K.P.R. Sugar Mill Limited.	1,575	1,575
	10,00,000 (Pr.Yr. 10,00,000) equity shares of ₹10 each in K.P.R. Sugar Mill Limited.	100	100
	10,00,000 (Pr. Yr. 10,00,000) equity shares of ₹10 each in KPR Sugar and Apparels Limited.	100	100
	Deemed equity in Jahnvi Motor Private Limited, K.P.R. Sugar Mill Limited and KPR Sugar and Apparels Limited (refer note 5.3 below).	657	657
	ii)Foreign subsidiaries		
	41,000 (Pr.Yr. 41,000) equity shares of Singapore Dollar 1 each in KPR Mill Pte Limited, Singapore.	21	21
	1,68,855 (Pr.Yr. 1,68,855) equity shares of Birr 100 each in KPR Exports PLC. Ethiopia.	424	424
	Less : Provision for impairment of investment in KPR Exports PLC, Ethiopia and KPR Mill Pte Limited (refer note 33, 39 and 48).	(445)	(424)
	b) Investment in Preference shares of subsidiaries		
	Nil (Pr.Yr.18,91,500) 7% Optionally Convertible Non - Cumulative Redeemable Preference shares of ₹10 each at a premium of ₹140 per share in K.P.R. Sugar Mill Limited. (refer note 5.1 below).	-	2,837
	70,00,000 (Pr.Yr.70,00,000) 7% Optionally Convertible Non - Cumulative Redeemable Preference shares of ₹100 each at a premium of ₹900 per share in KPR Sugar and Apparels Limited.	70,000	70,000
	B) Investment measured at fair value through profit and loss		
	Unquoted (all fully paid-up)		
	Investment in equity shares of other entity		
	1,50,000 (Pr.Yr. 1,50,000) equity shares of ₹100 each of Somanur Water Scheme Pvt Ltd.	150	150
	Total (A + B)	**72,873**	**75,731**
	Aggregate amount of unquoted investments	**73,318**	**76,155**
	Aggregate amount of impairment in value of investments	**(445)**	**(424)**
	Aggregate amount of quoted investments in market value thereof	**-**	-

5.1 During the year, K.P.R. Sugar Mill Limited has redeemed 18,91,500 7% Optionally Convertible Non - Cumulative Redeemable Preference Shares (issued at ₹150 with a face value of ₹10 per share) at a redemption price of ₹295 per share. The resultant gain of ₹2,742.88 lakhs on such redemption has been presented as other income. Refer note 28.

5.2 Information about the Company's fair value measurement is included in note 39.

5.3 The amount shown as deemed equity investments is in respect of financial guarantee given without any consideration. Also refer note 36.

5.4 Also, refer note 40 for transactions with related parties.

5.5 Also, refer note 46.

5.6 **Proportion of ownership interest in subsidiaries**

Name of investees	Principal place of business	As at 31.03.2024	As at 31.03.2023
Quantum Knits Private Limited	India	100%	100%
K.P.R. Sugar Mill Limited	India	100%	100%
Jahnvi Motor Private Limited	India	100%	100%
Galaxy Knits Limited	India	100%	100%
KPR Sugar and Apparels Limited	India	100%	100%
KPR Exports Plc, Ethiopia	Ethiopia	100%	100%
KPR Mill Pte Limited, Singapore	Singapore	100%	100%

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2024	As at 31.03.2023
6	**LOANS**		
	(See accounting policy in note 3(H))		
	Loans to related parties - credit impaired		
	KPR Mill Pte. Ltd, Singapore	223	223
	KPR Exports PLC, Ethiopia	306	118
	Less: Loss allowance (refer note 33, 39 and 48)	(341)	(118)
		188	**223**
	Non-current Loans	188	223
	Current Loans	-	-

The Company provided loan to its subsidiary (KPR Mill Pte. Ltd, Singapore and KPR Exports PLC, Ethiopia) which carries interest of 4% p.a. Repayment of loan is as per the terms of the agreement.

Information about the Company's exposure to credit risk and market risk are disclosed in note 39.

For terms and conditions relating to related party loans, refer note 40.

S.No.	Particulars	As at 31.03.2024	As at 31.03.2023
7	**OTHER FINANCIAL ASSETS**		
	(See accounting policy in note 3(H))		
	Security deposits	4,171	3,406
	Investment in wholly - owned subsidiaries pending allotment		
	KPR Exports PLC, Ethiopia	1,170	1,170
	KPR Mill Pte. Limited, Singapore	7	7
	Less: Loss allowance (refer note 33, 39 and 48)	(1,177)	(1,170)
		4,171	**3,413**

Information about the Company's exposure to credit risk and market risk are disclosed in note 39

For terms and conditions relating to related party, refer note 40

S.No.	Particulars	As at 31.03.2024	As at 31.03.2023
8	**OTHER NON - CURRENT ASSETS**		
	Capital advances	771	1,754
	Others (Corporate social responsibility (CSR) pre - spent)*	1,776	3,454
		2,547	**5,208**

*Refer note 15 and 38.

S.No.	Particulars	As at 31.03.2024	As at 31.03.2023
9	**INVENTORIES**		
	(See accounting policy in note 3(A))		
	Raw materials	78,062	73,318
	Work-in-progress *	4,477	5,196
	Finished goods	29,568	39,749
	Stores, spares, packing and others	4,607	4,984
		1,16,714	**1,23,247**

* Includes Cotton ₹ 3,486 Lakhs (Pr. Yr. ₹3,863 Lakhs), Fabric ₹34 Lakhs (Pr. Yr. ₹34 Lakhs) and Garments ₹957 Lakhs (Pr. Yr. ₹1,299 Lakhs)

The mode of valuation of inventories has been stated in note 3(A).

Refer note 18 and 22 for assets given as security for borrowings.

S.No.	Particulars	As at 31.03.2024	As at 31.03.2023
10	**FINANCIAL ASSETS**		
	CURRENT INVESTMENTS		
	(See accounting policy in note 3(H))		
	Investments in mutual funds (quoted)		
	Investments measured at fair value through profit and loss		
	Investment in Mutual Fund (also refer note 45)	3,204	12,716
	Aggregate amount of quoted investments and market value thereof	**3,204**	**12,716**
	Aggregate amount of unquoted investments	-	-
	Aggregate amount of impairment in value of investments	-	-

The Company's exposure to credit risk and market risk related to investments has been disclosed in note 39.

NOTES

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2024	As at 31.03.2023
11	**TRADE RECEIVABLES**		
	(See accounting policy in note 3(H))		
	Trade receivables considered good - secured	-	-
	Trade receivables considered good - unsecured	52,391	49,209
	Trade receivables which have significant increase in credit risk	-	-
	Trade receivables - credit impaired	273	293
	Total Trade receivables	**52,664**	**49,502**
	Less: Loss allowance	(273)	(293)
	Net trade receivables	**52,391**	**49,209**
	Movement of loss allowance in trade receivables		
	Opening balance	293	114
	Allowances made / (reversed) during the year	163	179
	Written off	(183)	-
	Closing balance	**273**	**293**

Trade Receivables ageing schedule:
As at 31.03.2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled dues	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More Than 3 years	
(i) Undisputed Trade receivables - considered good	-	51,770	620	1	-	-	**52,391**
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	160	-	-	113	**273**
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total Trade receivables	**-**	**51,770**	**780**	**1**	-	**113**	**52,664**
Less: Loss allowance	-	-	160	-	-	113	(273)
Net trade receivables	**-**	**51,770**	**620**	**1**	-	**-**	**52,391**

NOTES

As at 31.03.2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled dues	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More Than 3 years	
(i) Undisputed Trade receivables – considered good	-	45,668	3,531	10	-	-	**49,209**
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	293	**293**
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total Trade receivables	**-**	**45,668**	**3,531**	**10**	-	**293**	**49,502**
Less: Loss allowance	-	-	-	-	-	-	**(293)**
Net trade receivables	**-**	**45,668**	**3,531**	**10**	-	**293**	**49,209**

(i) For receivables secured against borrowings, refer note 18 and 22.

(ii) The Company's exposure to credit and currency risks and loss allowances related to trade receivables are disclosed in note 39.

(iii) For terms and conditions relating to related party receivables, refer note 40

(iv) Also refer note 33 and 48.

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2024	As at 31.03.2023
12	**CASH AND CASH EQUIVALENTS**		
	(See accounting policy in note 3(B))		
	Balance with banks		
	i) In current accounts	5,397	2,305
	ii) In EEFC accounts	621	1,682
	Cash on hand	39	63
		6,057	**4,050**
13	**BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**		
	(See accounting policy in note 3(B))		
	Balance with banks held as margin money deposit	47	225
	Deposits with Bank	10,167	-
	Unclaimed dividend accounts	1	1
		10,215	**226**
14	**OTHER FINANCIAL ASSETS**		
	(See accounting policy in note 3(H))		
	Interest accrued on bank deposits and other deposits	248	120
	Technology upgradation fund subsidy receivable	97	97
	Interest subvention on Packing Credit Loans receivables	36	35
		381	**252**
	Information about the Company's exposure to credit risk and market risk are disclosed in note 39.		
15	**OTHER CURRENT ASSETS**		
	Advances other than capital advances:		
	Advance to suppliers	2,569	7,229
	Balances with government authorities	8,398	5,704
	Service tax refund receivable	286	-
	Export incentive receivable	2,628	1,028
	Others (CSR pre - spent)*	1,647	1,546
	Others (primarily prepaid expenses)	601	501
		16,129	**16,008**
	*Refer note 8 and 38.		

NOTES

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2024	As at 31.03.2023
16	**SHARE CAPITAL**		
	a) Authorised		
	45,00,00,000 (Pr.Yr. 45,00,00,000) equity shares of ₹ 1 (₹ 1) each with voting rights.	4,500	4,500
	10,00,000 (Pr.Yr.10,00,000) 7% Redeemable Cumulative Non-Convertible Preference shares of ₹ 100 each.	1,000	1,000
		5,500	**5,500**
	b) Issued, subscribed and fully paid up		
	34,18,14,000 (Pr.Yr. 34,18,14,000) equity shares of ₹1 (₹1) each fully paid-up with voting rights	3,418	3,418
		3,418	**3,418**

16.1 **Term / rights to shares**

Equity shares

45,00,00,000 (Pr.Yr. 45,00,00,000) equity shares of ₹ 1 (₹ 1) each with voting rights. The holder of each equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

The Board declared and paid an interim dividend of ₹ 2.50 (face value of ₹ 1/- each) for the year 2023-24 (Pr.Yr. ₹ 2) (face value of ₹1/- each).

The Board has recommended a final dividend of 250% (₹ 2.50/- per share of the face value of ₹ 1/- each) for the year 2023-24 (Pr.Yr. ₹ 2/- per share) subject to the approval of the shareholders in Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive residual assets of the Company, after settling the dues of preferential shareholders and other creditors as per priority. The distribution will be in proportion to the number of equity shares held by the shareholders.

16.2 **Reconciliation of the shares outstanding at the beginning and at the end of the year**

Equity Shares with voting rights	As at 31.03.2024		As at 31.03.2023	
Particulars	Number of Shares	(₹ in Lakhs)	Number of Shares	(₹ in Lakhs)
At the beginning of the year	34,18,14,000	3,418	34,40,50,000	3,441
Less: Buy-back of equity shares (refer note 41)	-	-	22,36,000	23
Changes during the year	-	-	-	-
At the end of the year	**34,18,14,000**	**3,418**	**34,18,14,000**	**3,418**

16.3 **Details of Shareholders holding more than 5% of Shares in the Company**

Equity Shares

Particulars	As at 31.03.2024		As at 31.03.2023	
	Number of shares	% of total shares	Number of shares	% of total shares
Sri K.P.Ramasamy	7,30,30,816	21.37	7,30,30,816	21.37
Sri KPD Sigamani	7,30,31,217	21.37	7,30,31,217	21.37
Sri P.Nataraj	7,30,31,217	21.37	7,30,31,217	21.37

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares as at the balance sheet date.

16.4 **For the period of five years immediately preceding the date at which the Balance Sheet is prepared:**

(i) The Company has not issued any shares without payment being received in cash.

(ii) The Company has not issued any bonus shares.

(iii) The aggregate number of equity shares bought back by the Company is Nil (Pr.Yr. 3,50,14,920 shares of ₹1/- each, fully paid up).

NOTES

16.5 Shareholding of promoters

Promoter Name	As at 31.03.2024			As at 31.03.2023		
	Number of Shares	% of total shares	% change during the year	Number of Shares*	% of total shares	% change during the year
Equity shares:						
Sri K.P.Ramasamy	7,30,30,816	21.37	-	7,30,30,816	21.37	0.55
Sri KPD Sigamani *	7,30,31,217	21.37	-	7,30,31,217	21.37	(0.24)
Sri P.Nataraj *	7,30,31,217	21.37	-	7,30,31,217	21.37	(0.24)

* During the previous year, Sri KPD Sigamani and Sri P.Nataraj gifted 9,06,437 shares each to Sri K.P.Ramasamy. The total promoter and promoter group holding remains unchanged.

(₹ in Lakhs)

17 OTHER EQUITY

	As at 31.03.2024	As at 31.03.2023
Securities premium		
Opening balance	-	15,233
Changes during the year	-	(15,233)
Closing balance (A)	-	-

Balance in securities premium represents amount received on issue of shares in excess of par value.The same may be utilised in accordance with the provisions of the Companies Act, 2013.

	As at 31.03.2024	As at 31.03.2023
Capital redemption reserve		
Opening balance	1,850	1,827
Add: Capital redemption on buy-back	-	23
Closing balance (B)	**1,850**	**1,850**

Balance in capital redemption reserve represents an amount equal to the nominal value of share bought back. The same may be utilised in accordance with the provisions of the Companies Act, 2013.

	As at 31.03.2024	As at 31.03.2023
General reserve		
Opening Balance	24,716	24,716
Closing balance (C)	**24,716**	**24,716**

The General reserve represents an amount transferred from retained earnings from time to time for appropriation purpose which can be utilised for meeting future obligations. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit and loss.

	As at 31.03.2024	As at 31.03.2023
Retained earnings		
Opening balance	2,67,312	2,18,001
Add: Profit for the year	55,492	63,504
Less:		
Interim dividend ₹2.50 per share (Pr.Yr. ₹2.00 per share)	8,545	6,836
Final dividend for the FY 2022-23 paid ₹2.00 per share (Pr.Yr ₹0.15 per share)	6,836	513
Premium on buy-back of equity shares	-	2,745
Tax on buy-back of equity shares	-	4,076
Transfer to Capital redemption reserve	-	23
Closing balance (D)	**3,07,423**	**2,67,312**

Retained earnings represents profits generated and retained by the Company post distribution of dividends to the equity shareholders in the respective years. This reserve can be utilized for distribution of dividend by the Company considering the requirements of the Companies Act, 2013.

	As at 31.03.2024	As at 31.03.2023
Total (A+B+C+D)	**3,33,989**	**2,93,878**

NOTES

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2024	As at 31.03.2023
18	**NON - CURRENT LIABILITIES**		
	FINANCIAL LIABILITIES		
	BORROWINGS		
	(See accounting policy in note 3(H))		
	Term loan - measured at amortised cost		
	From others (secured)	-	34
	Less: amount included under current borrowings (refer note 22)	-	(5)
		-	**29**
	Information about the company's exposure to interest rate and liquidity risks is included in note 39.		
18.1	The Company has availed a term loan from Daimler Financial Services India Pvt Ltd in respect of which balance as at 31.03.2024 was Nil (Pr.Yr. ₹34 lakhs). The loan is repayable in 36 monthly instalments commencing from December 2021. This term loan is secured by Vehicle purchased out of the loan.		
18.2	Interest rate relating to term loans from banks/others is Nil% per annum (Pr.Yr. 8.75%).		
18.3	The Company has not defaulted in the repayment of principal and interest during the year.		
19	**OTHER FINANCIAL LIABILITIES**		
	Premium on financial guarantee	288	311
		288	**311**
	Information about the Company's exposure to liquidity risks is included in note 39.		
	For terms and conditions relating to related party balances, refer note 40.		
	Also refer note 24.		
20	**DEFERRED TAX LIABILITIES (net)**		
	(See accounting policy in note 3(P))		
	Deferred tax liabilities	6,314	5,817
	Net deferred tax liabilities	**6,314**	**5,817**
	For movement in deferred tax liabilities, refer note 35.		
21	**OTHER NON - CURRENT LIABILITIES**		
	Security deposit from dealers - FASO	35	1
	Payables on purchase of property, plant and equipment	188	-
		223	**1**
	CURRENT LIABILITIES		
	FINANCIAL LIABILITIES		
22	**BORROWINGS**		
	(See accounting policy in note 3(H))		
	Loans repayable on demand from banks - secured		
	Working capital loans	2	575
	Packing credit loans	28,649	49,190
	Current maturities of non-current borrowings (refer note 18)	-	5
		28,651	**49,770**
	Information about the company's exposure to currency, interest rate and liquidity risks is included in note 39.		
22.1	i) Loans for working capital and packing credit are secured by pari-passu first charge on the current assets of the Company and pari-passu second charge on entire block of assets of the Company.		
	ii) The Company has not defaulted in its repayments of the loans and interest during the year.		
	iii) Interest rate relating to working capital loans are in the range of 7.85% to 8.90% per annum (Pr.Yr. 7.30% to 7.85%). Interest rates relating to INR packing credit loans are in the range of 6.80% to 7.30% per annum (Pr.Yr. 4.40% to 7.43%).		
22.2	**Reconciliation of cashflows from financing activities**		
	Cash and cash equivalents	6,057	4,050
	Non-current borrowings	-	(29)
	Current borrowings	(28,651)	(49,770)
	Net debt*	**(22,594)**	**(45,749)**

NOTES

(₹ in Lakhs)

Particulars	Other assets	Liabilities from financing activities		Total
	Cash and cash equivalents	Non-current borrowings	Current borrowings	
Net debt as at 01.04.2023	**4,050**	**(29)**	**(49,770)**	**(45,749)**
Net cash flows	2,007	29	21,119	23,155
Net debt as at 31.03.2024	**6,057**	**-**	**(28,651)**	**(22,594)**
Net debt as at 01.04.2022	**9,561**	**(31)**	**(41,754)**	**(32,224)**
Net cash flows	(5,511)	2	(8,016)	(13,525)
Net debt as at 31.03.2023	**4,050**	**(29)**	**(49,770)**	**(45,749)**

* Net debt is calculated as sum of non-current borrowings and current borrowings less cash and cash equivalents.

22.3 Term loans were applied for the purpose they were obtained. Further, short-term loans availed have not been utilised for long-term purposes by Company.

22.4 Quarterly returns or statements of current assets filed by the Company for the sanctioned borrowings with banks or financial institutions are in agreement with the books of accounts.

(₹ in Lakhs)

23		**31.03.2024**	**31.03.2023**
	TRADE PAYABLES		
	(See accounting policy in note 3(H))		
	(A) Total outstanding dues of micro enterprises and small enterprises ('MSME'); and	704	645
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	7,117	19,285
		7,821	**19,930**

Trade payables ageing schedule:

As at 31.03.2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from the due date of payment					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More Than 3 years	
Undisputed dues						
MSME	-	704	-	-	-	**704**
Others	1,077	6,010	30	-	-	**7,117**
Disputed dues						
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
	1,077	**6,714**	**30**	-	-	**7,821**

As at 31.03.2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from the due date of payment					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More Than 3 years	
Undisputed dues						
MSME	-	645	-	-	-	**645**
Others	2,378	16,907	-	-	-	**19,285**
Disputed dues						
MSME	-	-	-	-	-	**-**
Others	-	-	-	-	-	**-**
	2,378	**17,552**	-	-	-	**19,930**

NOTES

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2024	As at 31.03.2023
	(i) All the trade payables are current and non-interest bearing.		
	(ii) Refer note 37 for details of dues to micro enterprises and small enterprises.		
	(iii) The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 39.		
	(iv) For terms and conditions relating to related party payables, refer note 40.		
24	**OTHER FINANCIAL LIABILITIES**		
	(See accounting policy in note 3(H))		
	Premium on financial guarantee	69	177
	Unclaimed dividend	1	1
	Others	13	31
		83	**209**
	The Company's exposure to currency and liquidity risks related to other financial liabilities is disclosed in note 39.		
	For terms and conditions relating to related party balances, refer note 40.		
25	**OTHER CURRENT LIABILITIES**		
	Advance payment from customers	3,602	7,070
	Statutory dues payable	1,350	1,430
	Employee benefits payable	5,571	5,512
		10,523	**14,012**
	Notes :		
	(i) Revenue recognised during the year that was included in the contract liability balance at the beginning of the year amounts to ₹ 7,070 lakhs (Pr.Yr ₹ 5,185 lakhs).		
	(ii) For terms and conditions relating to related party, refer note 40.		
26	**CURRENT TAX LIABILITIES (net)**		
	(See accounting policy in note 3(P))		
	Provision for tax (net of advance tax)	543	54
		543	**54**
27	**REVENUE FROM OPERATIONS**	**Year ended 31.03.2024**	**Year ended 31.03.2023**
	(See accounting policy in note 3(E))		
	Sale of products	3,82,840	4,49,409
	Sale of services	7,601	7,672
	Other operating revenues	14,926	16,874
	Revenue from operations	**4,05,367**	**4,73,955**
	Disaggregation of revenue from contracts with customers		
	In the following disclosure, revenue from contract with customers has been disaggregated based on the nature and type of goods sold.		
27.1	**Sale of products**		
	Garment	1,60,346	2,00,312
	Yarn	1,65,619	1,94,744
	Fabric	38,718	38,327
	Cotton waste	18,869	17,679
	Accessories and others	372	1,131
		3,83,924	**4,52,193**
	Less: Discount allowed	1,084	2,784
		3,82,840	**4,49,409**

(₹ in Lakhs)

S.No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
27.2	**Sale of services**		
	Processing and fabrication income	7,601	7,672
		7,601	**7,672**
27.3	**Other operating revenues**		
	Export incentives	10,581	13,144
	Others (primarily scrap sales)	4,345	3,730
		14,926	**16,874**
	Refer note 40 for sales made to related parties.		
28	**OTHER INCOME**		
	(See accounting policy in note 3(F))		
	Interest income on financial assets measured at amortised cost:		
	- Balance with banks held as margin money deposit	189	88
	- Others	329	124
	Dividend income from non-current investments in subsidiaries	14,141	4,684
	Gain on sale of investments (net)	3,957	3,627
	Investment promotion subsidy	-	1,101
	Net gain on sale of property, plant and equipment	591	2,074
	Net gain on account of foreign exchange fluctuations	3	19
	Rental income (refer note 43)	235	459
	Miscellaneous income	766	836
	Recovery of bad debts	184	-
		20,395	**13,012**
	Refer note 40 for transactions with related parties.		
29	**COST OF MATERIALS CONSUMED**		
	a) Inventory of materials at the beginning of the period		
	Cotton	60,988	44,591
	Dyes and chemicals	509	557
	Yarn, fabric, polyester and Viscose	11,821	9,664
		73,318	**54,812**
	b) Add: Purchases		
	Cotton	1,88,324	2,31,458
	Dyes and chemicals	10,365	10,346
	Yarn, fabric, polyester, Viscose and garments	26,622	60,212
	Trims, packing and others	19,372	20,463
		2,44,683	**3,22,479**
	c) Less : Inventory of materials at the end of the period		
	Cotton	63,044	60,988
	Dyes and chemicals	739	509
	Yarn, fabric, polyester and Viscose	14,279	11,821
		78,062	**73,318**
	Cost of materials consumed (a + b - c)	**2,39,939**	**3,03,973**
	Refer note 40 for transactions with related parties.		

NOTES

(₹ in Lakhs)

S.No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
30	**CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK- IN- TRADE AND WORK-IN-PROGRESS**		
	a) Inventories at the beginning of the year		
	Finished goods	39,749	20,776
	Work-in-progress	5,196	4,698
		44,945	**25,474**
	b) Inventories at the end of the year		
	Finished goods	29,568	39,749
	Work-in-progress	4,477	5,196
		34,045	**44,945**
	Net decrease / (increase)	**10,900**	**(19,471)**
31	**EMPLOYEE BENEFITS EXPENSE**		
	(See accounting policy in note 3(K))		
	Salaries, wages and bonus	39,210	36,675
	Contribution to provident and other funds	3,632	3,373
	Staff welfare expenses	5,947	6,152
		48,789	**46,200**
	Refer note 40 for transactions with related parties.		
32	**FINANCE COSTS**		
	(See accounting policy in note 3(M))		
	Interest expense on financial liabilities measured at amortised cost:		
	Borrowings from banks/others:		
	- Term loans	3	3
	- Working capital loans and packing credit loans	1,450	1,665
	Interest on shortfall in payment of income tax	35	377
	Other borrowing costs	796	625
		2,284	**2,670**
33	**OTHER EXPENSES**		
	Manufacturing expenses		
	Power and fuel	22,292	21,287
	Consumption of stores, spares and packing materials	3,089	4,685
	Repairs and maintenance		
	Building	1,673	1,843
	Machinery	8,129	8,771
	Others	916	847
	Insurance	500	604
	Administration Expenses		
	Legal and professional charges	284	251
	Rent (refer note 40 and 43)	1,331	3,114
	Rates and taxes	174	219
	Payment to auditors (refer note 34)	20	20
	Travelling and conveyance	877	1,069
	Expenditure on Corporate Social Responsibility (CSR)	1,590	1,308

NOTES

(₹ in Lakhs)

S.No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
	Donations	47	28
	Impairment loss on financial assets (refer note 11, 39, 48)	172	182
	Impairment loss on non-current investment (net)	186	-
	Miscelleneous expenses	909	787
	Selling Expenses		
	Freight and forwarding	1,997	2,431
	Sales commission	1,730	1,434
	Other selling expenses	300	726
		46,216	**49,606**
	Refer note 40 for transactions with related parties.		

(₹ in Lakhs)

S.No.	Particulars	2023-24	2022-23
34	**Payment to auditors**		
	Statutory audit fees	19	19
	Reimbursement of expenses	1	1
	Total	**20**	**20**
35	**Income Tax**		
35.1	**Income tax recognised in the statement of profit and loss**		
	Current tax		
	Current income tax charge	13,227	18,324
	Tax expense relating to prior years	254	(802)
	Total (A)	**13,481**	**17,522**
	Deferred tax		
	(Benefits) / charge attributable to origination and reversal of temporary differences	498	1,449
	Total (B)	**498**	**1,449**
	Total (A + B)	**13,979**	**18,971**
	There are no items of income tax recognised in other comprehensive income.		

35.2 Reconciliation of effective tax rate

(₹ in Lakhs)

Particulars	Effective tax rate		Amount	
	2023-24	2022-23	2023-24	2022-23
Profit before tax			69,471	82,475
Tax using the Company's domestic tax rate	25.17%	25.17%	17,484	20,757
Effect of deductions under Chapter VI-A of the Income-tax Act, 1961	(5.87%)	(1.89%)	(4,080)	(1,556)
Effect of non-deductible expenses and others	0.46%	0.69%	321	572
	19.76%	23.97%	13,725	19,773
Effect of tax expense relating to earlier years	0.37%	(0.97%)	254	(802)
Income tax recognised in the statement of profit and loss	**20.12%**	**23.00%**	**13,979**	**18,971**

NOTES

35.3 Movement in deferred tax liabilities :

(₹ in Lakhs)

Particulars	Balance as at 01.04.2022	Recognised in P&L during 2022-23	Recognised in OCI during 2022-23	Balance as at 31.03.2023	Recognised in P&L during 2023-24	Recognised in OCI during 2023-24	Balance as at 31.03.2024
Property, plant and equipment	4,368	1,449	-	5,817	498	-	6,314
Total	**4,368**	**1,449**	**-**	**5,817**	**498**	**-**	**6,314**

36. Contingent Liabilities and Commitments (to the extent not provided for)

I. Contingent Liabilities

(₹ in Lakhs)

Particulars	31.03.2024	31.03.2023
(a) Claims against the Company not acknowledged as debts		
(i) Income tax matters	10	10
(ii) Goods and service tax matters	498	460
(b) Bank guarantees in favour of parties outstanding		
(i) Tamil Nadu Generation and Distribution Corporation [TANGEDCO]	164	164
(ii) Tamil Nadu Pollution Control Board	5	5
(iii) Tata Power Trading Company Limited	-	100
(iv) New Tirupur Area Water Development Corporation Limited	77	58
(v) Central Government Samarath Scheme	2	2
(c) Letter of Credit Facility in favour of Suppliers		
(i) Foreign letter of credit	2,639	2,205
(ii) Inland Letter of Credit	118	967
(d) Discounted sales invoices	**5,448**	**4,182**

(e) Provident Fund:

Pursuant to the Supreme Court judgement dated February 28, 2019 on the inclusion of special allowances for contribution to provident fund, the Company has been legally advised that there are interpretative challenges on the application of the judgement retrospectively. Based on the legal advice and in the absence of the reliable measurement of the provision for earlier periods, the Company has not recorded a provision for the prior years.

Notes:

(i) Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.

(ii) The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in these standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

II. Commitments

(₹ in Lakhs)

Particulars	31.03.2024	31.03.2023
(a) Capital Commitments		
(I) Estimated amount of contracts remaining to be executed on capital account and not provided for (Property, plant and equipment: ₹ 5,318 Lakhs (Pr.Yr. ₹ 3,127 Lakhs)) and (Intangible assets: Nil (Pr.Yr. ₹ Nil))	5,318	3,127
(b) Other Commitments		
(i) The Company has given corporate guarantees to banks/ financial institutions / others on behalf of M/s Jahnvi Motor Private Limited, M/s K.P.R.Sugar Mill Limited and M/s KPR Sugar and Apparels Limited	1,31,700	1,77,045
(ii) Export obligations against the import licenses taken for import of capital goods under the Export Promotion on Capital Goods Scheme and Advance Authorisation scheme for import of raw materials. The duty implication involved is ₹ 1,522 Lakhs (Pr.Yr. ₹ 3,769 Lakhs)	9,131	22,613

NOTES

Note: Disclosure under Section 186 (4) of the Companies Act, 2013:

(₹ in Lakhs)

Name of the Party	31.03.2024	31.03.2023
M/s K.P.R. Sugar Mill Limited	8,000	51,845
M/s Jahnvi Motor Private Limited	2,700	2,700
M/s KPR Sugar and Apparels Limited	1,21,000	1,22,500
Total	**1,31,700**	**1,77,045**

The recipients utilise the guarantee for availing term loans and working capital facilities from banks/ financial institutions/ others.
Also refer note 5 and 40.

37 Disclosure with respect to Micro, Small and Medium Enterprises Development Act, 2006

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" ("MSMED Act, 2006") is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on request made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

(₹ in Lakhs)

Particulars	31.03.2024	31.03.2023
1. The principal amount remaining unpaid to any supplier at the end of each accounting year	704	645
2. Interest due remaining unpaid to any supplier at the end of each accounting year	-	-
3. The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
4. The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
5.The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
6.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 enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

38 Corporate Social Responsibility Expenditure

The gross amount required to be spent by the Company during the year towards Corporate Social Responsibility (CSR) as per the provisions of section 135 of the Companies Act, 2013 amounts to ₹ 1,577 Lakhs (Pr.Yr. ₹ 1,291 Lakhs). Amount spent during the year on CSR activities (included in note 33 of the statement of profit and loss) as under:
The amount approved by the Board to be spent during the year towards Corporate Social Responsibility (CSR) as per the provisions of section 135 of the Companies Act, 2013 amounts to ₹ 1,590 Lakhs (Pr.Yr. ₹ 6,308 Lakhs).

(₹ in Lakhs)

Particulars	For the year Ended	
	31.03.2024	31.03.2023
Promotion of education	1,580	1,297
Chess Olympiad sponsorship	5	5
Rural development	5	6
Total	**1,590**	**1,308**

NOTES

Details of corporate social responsibility expenditure:

(₹ in Lakhs)

Particulars	For the year Ended	
	31.03.2024	31.03.2023
(i) Shortfall at the end of the year	-	-
(ii) Total of previous years shortfall	-	-
(iii) Reason for shortfall	NA	NA
(iv) Details of related party transactions	NA	NA
(v) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NA	NA

Disclosure under section 135(5) of the Companies Act, 2013

(₹ in Lakhs)

Particulars	For the year Ended	
	31.03.2024	31.03.2023
(i) Opening balance (excess) / shortfall	(5,000)	-
(ii) Amount required to be spent during the year	1,577	1,291
(iii) Amount spent during the year (also refer note 8, 15 and 33)	-	(6,308)
(iv) Amount recorded as CSR expenditure during the year (also refer note 8, 15 and 33)	1,590	1,308
(v) Closing balance (excess)* / shortfall	**(3,423)**	**(5,000)**

* Out of the excess closing balance in the table above, balance of ₹ 3,423 lakhs (Pr Yr ₹ 5,000 lakhs) represents CSR pre-spent during the financial year 2022-23 to be adjusted against the Company's future CSR obligation in accordance with the provisions of Companies Act, 2013.

The Company has spent an amount of ₹ 13 Lakhs (Pr.Yr. ₹ 17 Lakhs) which was not carried forward as CSR pre-Spent for adjustment towards future CSR obligation stated above.

39 Financial Instruments

Accounting Classification and Fair Values:

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy

31.03.2024

(₹ in Lakhs)

Particulars	Carrying amount			Total carrying amount	Fair value hierarchy
	Mandatorily at FVTPL - Others	Other financial assets - amortised cost	Other financial liabilities		
Financial assets measured at fair value					
Non-current Investments (excluding investments in subsidiaries)	150	-	-	150	Level 2
Current Investments	3,204	-	-	3,204	Level 1
Financial assets not measured at fair value					
Loans #	-	188	-	188	-
Trade receivables #	-	52,391	-	52,391	-
Cash and cash equivalents #	-	6,057	-	6,057	-
Bank balances other than Cash and cash equivalents #	-	10,215	-	10,215	-
Other financial assets # (excluding investments in subsidiaries)	-	4,552	-	4,552	-
Financial liabilities not measured at fair value					
Borrowings #	-	-	28,651	28,651	-
Trade payables #	-	-	7,821	7,821	-
Other financial liabilities #	-	-	371	371	-

NOTES

31.03.2023

(₹ in Lakhs)

Particulars	Carrying amount			Total carrying amount	Fair value hierarchy
	Mandatorily at FVTPL - Others	Other financial assets - amortised cost	Other financial liabilities		
Financial assets measured at fair value					
Non-current Investments (excluding investments in subsidiaries)	150	-	-	150	Level 2
Current Investments	12,716	-	-	12,716	Level 1
Financial assets not measured at fair value					
Loans #	-	223	-	223	-
Trade receivables #	-	49,209	-	49,209	-
Cash and cash equivalents #	-	4,050	-	4,050	-
Bank balances other than Cash and cash equivalents #	-	226	-	226	-
Other financial assets # (excluding investments in subsidiaries)	-	3,658	-	3,658	-
Financial liabilities not measured at fair value					
Borrowings #	-	-	49,799	49,799	-
Trade payables #	-	-	19,930	19,930	-
Other financial liabilities #	-	-	520	520	-

For financial assets and liabilities not measured at fair value, the Company has not disclosed the fair values of financial instruments, since their carrying amounts are reasonable approximations of their fair values.

Note: There have been no transfers between Level 1, Level 2 and Level 3 during the current and previous year.

Refer note 2E to the standalone financial statements.

Capital Management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through optimisation of borrowings and equity.

The capital structure of the Company consists of net debt (borrowings as detailed in note 18 and note 22 which is off set by cash and bank balances as defined below) and Total Equity of the Company.

The Company is not subject to any externally imposed capital requirements.

The Company's Net Debt to Total Equity ratio as at 31.03.2024 was as follows:

(₹ in Lakhs)

Particulars	31.03.2024	31.03.2023
(i) Debt *	28,651	49,799
(ii) Less: Cash and Bank Balances *	16,272	4,276
(iii) Net Debt (i - ii)	**12,379**	**45,523**
(iv) Total Equity	3,37,407	2,97,296
(v) Net Debt to Equity Ratio (iii / iv)	**3.67%**	**15.31%**

* Debt is defined as non-current borrowings, current borrowings and current maturities of non-current borrowings as described in note 18 and note 22. Cash and Bank balances include cash and cash equivalents and Bank balances other than Cash and cash equivalents as described in note 12 and note 13.

NOTES

Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

- Market risk (see A below)
- Credit risk (see B below)
- Liquidity risk (see C below)

Risk Management Framework

The Company's corporate treasury function provides services to the business, co-ordinates access to domestic and International financial markets, monitors and manages the financial risk relating to the operation of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk), credit risk and liquidity risk.

The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivatives financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Company's Board of Directors oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Company's Board of Directors are assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

A. Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of holding of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Foreign currency risk

The Company's sales and purchases activities expose it primarily to the financial risk of changes in foreign currency exchange rates. The Company enters into plain vanilla forward contracts to manage its exposure to foreign currency risk.

Details of hedged and unhedged foreign currency exposures

(a) Outstanding forward exchange contracts for hedging purposes as on 31.03.2024

Currency	Cross Currency	Amount (₹ in Lakhs)	Buy / Sell
USD	INR	24,732 (9,153)	Sell Sell
EURO	INR	- (5,502)	Sell Sell
GBP	INR	- (6,229)	Sell Sell

Note: Figures in brackets relates to the previous year.

(b) The year-end unhedged foreign currency exposures are given below

Foreign currency denominated financial assets and liabilities (including firm commitments, if any) which exposes the Company to currency risk are disclosed below. The amounts shown are those reported translated at the closing rate. Unhedged foreign currency risk exposure at the end of the reporting period has been expressed in Indian Rupees.

NOTES

(₹ in Lakhs)

Particulars	USD	EURO	GBP	JPY	CHF	Total
As at 31.03.2024						
Loans	188	-	-	-	-	188
Trade receivables	32,441	-	-	-	-	32,441
Cash and cash equivalents	-	-	-	-	-	-
Trade payables	(2,410)	-	-	-	-	(2,410)
	30,219	-	-	-	-	**30,219**

(₹ in Lakhs)

Particulars	USD	EURO	GBP	JPY	CHF	Total
As at 31.03.2023						
Loans	223	-	-	-	-	223
Trade receivables	54,645	-	608	-	-	55,253
Cash and cash equivalents	1,404	129	148	-	-	1,681
Trade payables	(2,168)	-	-	-	-	(2,168)
	54,104	**129**	**756**	-	-	**54,989**

Note:

Trade receivables and Trade payables includes firm commitments.

Sensitivity analysis:

Sensitivity analysis is carried out for un-hedged foreign exchange risk as at 31.03.2024. For every 1% strengthening / weakening of Indian Rupees against all relevant uncovered foreign currency transactions, profit before tax and equity would be impacted as follows:

(₹ in Lakhs)

Increase/ (decrease) in profit and equity	Strengthening		Weakening	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
USD	(308)	(541)	308	541
Euro	-	(1)	-	1
GBP	-	(8)	-	8
Total	**(308)**	**(550)**	**308**	**550**

(ii) Interest rate risk

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

Interest rate exposure

(₹ in Lakhs)

Particulars	31.03.2024	31.03.2023
Non-current borrowings	-	29
Current borrowings	28,651	49,770
Total	**28,651**	**49,799**

NOTES

Sensitivity analysis:

Sensitivity analysis is carried out for floating rate borrowings as at March 31, 2024. For every 1% increase in average interest rates, profit before tax would be impacted by loss of approximately ₹ 287 lakhs (Pr.Yr: ₹498 Lakhs). Similarly, for every 1% decrease in average interest rates there would be an equal and opposite impact on the profit before tax. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

The Company does not expect any change in interest rates on fixed rate borrowings and accordingly have not presented any sensitivities on such borrowings.

(iii) Price risk

The Company is mainly exposed to the price risk due to its investment in mutual funds. The price risk arises due to uncertainties about the future market values of these investments. As at 31.03.2024, the investments in mutual funds amounts to ₹3,204 lakhs (Pr.Yr: ₹12,716 Lakhs).

As regards Company's investments in unquoted equity instruments, the management contends that such investments do not expose the Company to price risks. In general, these securities are not held for trading purposes.

Sensitivity analysis:

For every 1% increase in price, profit before tax would be impacted by gain of approximately ₹32 lakhs (Pr.Yr: ₹127 Lakhs). Similarly, for every 1% decrease in price there would be an equal and opposite impact on the profit before tax.

B. Credit risk management

Credit risk is the risk that the counterparty to a financial instrument will not meet its contractual obligations, leading to a financial loss. Credit risk primarily arises from the Company's trade receivables, loans, investments, cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Trade receivables:

(₹ in Lakhs)

Particulars	31.03.2024	31.03.2023
Trade receivables	52,391	49,209

The Company mitigates credit risk by strict receivable management procedures and policies. The Company has a dedicated independent team to review credit and monitor collection of receivables. In addition, the Company mitigates credit risk substantially through availment of credit insurance for both domestic and export buyers.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, the management believes that unimpaired amounts that are past due by more than 90 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. The impairment loss at the reporting dates related to customers that have defaulted on their payments to the Company are not expected to be able to pay their outstanding dues, mainly due to economic circumstances.

The concentration of credit risk is limited due to the customer base being large and unrelated. Further, the Company constantly evaluates the quality of trade receivables and provides impairment loss on financial assets (trade receivables) based on expected credit loss model.

For movement of loss allowance in trade receivables, refer note 11.

Loans

(₹ in Lakhs)

Particulars	31.03.2024	31.03.2023
Loans to related parties	188	223

The Company extended loans to its wholly-owned subsidiaries which are engaged in potential ventures. Also refer note 6, 33 and 48.

NOTES

Investments:

Investments of surplus funds are made only with approval of Board of Directors. This primarily include investments in equity instruments of an unlisted entity and mutual funds. The Company does not expect significant credit risks arising from these investments.

Cash and cash equivalents and Bank balances other than Cash and cash equivalents:

The Company held cash and cash equivalents and margin money deposits with credit worthy banks and financial institutions as at the reporting dates which has been measured on the 12-month expected loss basis. The credit worthiness of the banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good with low credit risk.

Other financial assets:

Other financial assets primarily consists of Investment in wholly-owned subsidiary pending allotment, Interest accrued on bank deposits and other deposits, security deposits and term deposit with Non-Banking Financial Companies. The Company does not expect any loss from non-performance by these counter-parties.

C. Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

All current financial liabilities are repayable within one year. The contractual maturities of non-current financial liabilities are disclosed in note 18 and note 19.

40 Related Party Disclosures

Disclosures under "Ind AS" 24 – Related Party Disclosure, as identified and disclosed by the Management and relied upon by the Auditors

40.1 Name of related parties and nature of relationships

Key Management Personnel	Sri K.P.Ramasamy Sri KPD Sigamani Sri P.Nataraj Sri C.R.Anandakrishnan Sri E.K.Sakthivel
Relatives of Key Management Personnel	Smt D.Geetha (Daughter of Sri.KPD Sigamani) Sri T.N.Arun (Son of Sri P.Nataraj)
Enterprises owned by Key Management Personnel/Directors or their relatives	M/s K.P.R. Developers Limited M/s K P R Cements Private Limited M/s K P R Holdings Private Limited M/s K P R Agro Farms Private Limited M/s KPR Info Solution Private Limited
Subsidiary Companies	M/s Quantum Knits Private Limited M/s K.P.R.Sugar Mill Limited M/s Jahnvi Motor Private Limited M/s Galaxy Knits Limited M/s KPR Exports PLC, Ethiopia M/s KPR Mill Pte. Ltd, Singapore M/s KPR Sugar and Apparels Limited

NOTES

40.2 Transactions during the year and the balance outstanding at the balance sheet date (₹ in Lakhs)

Nature of Transaction	Enterprises owned by key management personnel / Directors or their relatives	Key Management Personnel	Relatives to Key Management Personnel	Subsidiaries	Total as on 31.03.2024
Transactions during the year					
Purchase of goods	- -	- -	- -	4,202 (14,244)	4,202 (14,244)
Purchase of property, plant and equipment	- -	- -	- -	286 -	286 -
Sale of products	- -	- -	- -	33,885 (50,396)	33,885 (50,396)
Sale of property, plant and equipment	- -	- -	- -	10 (67)	10 (67)
Repairs and maintenance	- -	- -	- -	46 (32)	46 (32)
Processing and fabrication Income	- -	- -	- -	4,658 (4,355)	4,658 (4,355)
Miscellaneous income	- -	- -	- -	132 (169)	132 (169)
Processing and fabrication Expenses	- -	- -	- -	- (847)	- (847)
Lease rentals paid	- -	- (4)	- -	1,202 (3,000)	1,202 (3,004)
Lease rentals received	- -	- -	- -	26 (24)	26 (24)
Dividend income	- -	- -	- -	14,141 (4,684)	14,141 (4,684)
Remuneration / salary	- -	1,758 (1,758)	16 (13)	- -	1,774 (1,771)
Proceeds from redemption of preference shares	- -	- -	- -	5,580 (5,202)	5,580 (5,202)
Non-current investments	- -	- -	- -	- (20,000)	- (20,000)

Balances outstanding as at the balance sheet date

Nature of Transaction	Enterprises owned by key management personnel / Directors or their relatives	Key Management Personnel	Relatives to Key Management Personnel	Subsidiaries	Total as on 31.03.2024
Non-current investments	- -	- -	- -	72,723 (75,581)	72,723 (75,581)
Investment in wholly-owned subsidiaries pending allotment	- -	- -	- -	- (7)	- (7)
Loans	- -	- -	- -	188 (223)	188 (223)
Advance to suppliers	- -	- -	- -	- (1)	- (1)
Trade receivables	- -	- -	- -	7,480 (7,561)	7,480 (7,561)
Trade payables	- -	- -	- -	109 -	109 -
Interest accrued	- -	- -	- -	- (24)	- (24)
Employee benefits payable	- -	1,061 (955)	- -	- -	1,061 (955)
Advance from customers	- -	- -	- -	3,014 (6,837)	3,014 (6,837)

(Previous year figures are shown in brackets)

NOTES

40.3 Details of transactions with related parties

a. Purchase of Goods (₹ in Lakhs)

Name	2023-24	2022-23
M/s K.P.R. Sugar Mill Limited	-	86
M/s KPR Sugar and Apparels Limited	1,581	14,158
M/s Quantum Knits Pvt Limited	2,621	-
Total	**4,202**	**14,244**

b. Purchase of property, plant and equipment (₹ in Lakhs)

Name	2023-24	2022-23
M/s Jahnvi Motor Private Limited	163	-
M/s K.P.R. Sugar Mill Limited	74	-
M/s KPR Sugar and Apparels Limited	9	-
M/s Quantum Knits Pvt Limited	40	-
Total	**286**	**-**

c. Sale of products (₹ in Lakhs)

Name	2023-24	2022-23
M/s K.P.R. Sugar Mill Limited	15,796	26,816
M/s Quantum Knits Pvt Limited	921	5,634
M/s KPR Sugar and Apparels Limited	17,168	17,946
Total	**33,885**	**50,396**

d. Sale of property, plant and equipment (₹ in Lakhs)

Name	2023 - 24	2022-23
M/s KPR Sugar and Apparels Limited	8	64
M/s Jahnvi Motor Private Limited	2	3
Total	**10**	**67**

e. Repairs and maintenance (₹ in Lakhs)

Name	2023 - 24	2022-23
M/s Jahnvi Motor Private Limited	46	32
Total	**46**	**32**

f. Processing and fabrication income (₹ in Lakhs)

Name	2023 - 24	2022-23
M/s KPR Sugar and Apparels Limited	4,658	4,355
Total	**4,658**	**4,355**

NOTES

g. Miscellaneous income (₹ in Lakhs)

Name	2023 - 24	2022-23
M/s K.P.R. Sugar Mill Limited	8	53
M/s KPR Sugar and Apparels Limited	121	113
M/s Jahnvi Motor Private Limited	3	3
Total	**132**	**169**

h. Processing and fabrication expenses (₹ in Lakhs)

Name	2023 - 24	2022-23
M/s KPR Sugar and Apparels Limited	-	847
Total	-	**847**

i. Lease rentals paid (₹ in Lakhs)

Name	2023 - 24	2022-23
Sri K.P.Ramasamy	-	1.20
Sri KPD Sigamani	-	1.20
Sri P.Nataraj	-	1.20
M/s K.P.R. Sugar Mill Limited	1,200	3,000
M/s KPR Sugar and Appaerls Limited	2	-
Total	**1,202**	**3,003.60**

j. Lease rentals received (₹ in Lakhs)

Name	2023 - 24	2022-23
M/s K.P.R.Sugar Mill Limited	1	1
M/s Quantum Knits Pvt Limited	1	1
M/s KPR Sugar and Apparels Limited	24	22
Total	**26**	**24**

k. Dividend income (₹ in Lakhs)

Name	2023 - 24	2022-23
M/s K.P.R. Sugar Mill Limited	9,034	2,691
M/s KPR Sugar and Apparels Limited	4,914	-
M/s Quantum Knits Pvt Limited	-	1,800
M/s Jahnvi Motor Private Limited	193	193
Total	**14,141**	**4,684**

NOTES

l. Remuneration / Salary (Short-term employee benefits) **(₹ in Lakhs)**

Name	2023 - 24	2022-23
Sri K.P.Ramasamy	572	572
Sri KPD Sigamani	572	572
Sri P.Nataraj	572	572
Sri C.R.Anandakrishnan	24	24
Sri E.K.Sakthivel	18	18
Smt D.Geetha	6	6
Sri T.N.Arun	10	7
Total	**1,774**	**1,771**

Note: Amount attributable to post employment benefits have not been disclosed as the same cannot be identified distinctly in the actuarial valuation.

m. Proceeds from redemption of preference shares **(₹ in Lakhs)**

Name	2023 - 24	2022-23
M/s.K.P.R.Sugar Mill Limited	5,580	5,202
Total	**5,580**	**5,202**

n. Non-current investments **(₹ in Lakhs)**

Name	2023 - 24	2022-23
M/s KPR Sugar and Apparels Limited	-	20,000
Total	-	**20,000**

40.4 Balances outstanding as at the balance sheet date:

a. Non-current investments **(₹ in Lakhs)**

Name	31.03.2024	31.03.2023
Equity Shares		
M/s K.P.R. Sugar Mill Limited	1,675	1,675
M/s Jahnvi Motor Private Limited	276	276
M/s Quantum Knits Private Limited	10	10
M/s Galaxy Knits Limited	5	5
M/s KPR Exports PLC, Ethiopia (also refer note 48)	-	-
M/s KPR Mill Pte. Ltd, Singapore (also refer note 48)	-	21
M/s KPR Sugar and Apparels Limited	100	100
Deemed equity in Jahnvi Motor Private Limited, K.P.R. Sugar Mill Limited and KPR Sugar and Apparels Limited	657	657
Preference shares		
M/s K.P.R. Sugar Mill Limited	-	2,837
M/s KPR Sugar and Apparels Limited	70,000	70,000
Total	**72,723**	**75,581**

NOTES

b. Investment in wholly owned subsidiary pending allotment

(₹ in Lakhs)

Name	31.03.2024	31.03.2023
M/s KPR Mill Pte. Ltd, Singapore	-	7
Total	-	**7**

Also refer note 48.

c. Loans

(₹ in Lakhs)

Name	31.03.2024	31.03.2023
M/s KPR Exports PLC, Ethiopia	188	-
M/s KPR Mill Pte. Ltd, Singapore	-	223
Total	**188**	**223**

Refer note 36 for disclosure under Section 186 (4) of the Companies Act, 2013.

The recipients utilise the loan for principal business activities.

Also refer note 48.

d. Advance to suppliers

(₹ in Lakhs)

Name	31.03.2024	31.03.2023
M/s Jahnvi Motor Private limited	-	1
Total	**-**	**1**

e. Trade receivables

(₹ in Lakhs)

Name	31.03.2024	31.03.2023
M/s KPR Sugar and Apparels Limited	7,480	4,147
M/s Quantum Knits Private limited	-	3,414
Total	**7,480**	**7,561**

f. Trade payable

(₹ in Lakhs)

Name	31.03.2024	31.03.2023
M/s Jahnvi Motor Private Limited	5	-
M/s Quantum Knits Private limited	104	-
Total	**109**	**-**

g. Interest accrued

(₹ in Lakhs)

Name	31.03.2024	31.03.2023
M/s KPR Mill Pte Limited, Singapore	-	24
Total	-	**24**

h. Advance from customers

(₹ in Lakhs)

Name	31.03.2024	31.03.2023
M/s K.P.R. Sugar Mill Limited	3,014	6,837
Total	**3,014**	**6,837**

NOTES

i. Employee benefits payable (₹ in Lakhs)

Name	31.03.2024	31.03.2023
Sri K.P.Ramasamy	365	330
Sri KPD Sigamani	342	307
Sri P.Nataraj	351	315
Sri C.R.Anandakrishnan	2	2
Sri E.K.Sakthivel	1	1
Smt D.Geetha	0.40	0.40
Total	**1,061.40**	**955.40**

40.5 Terms and conditions of transactions with related parties

The sales to and purchases from related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period ended are unsecured and interest free and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

40.6 Transfer pricing

The Company has transactions with related parties. For the financial year ended 31.03.2023, the Company has obtained the Accountant's report from a Chartered Accountant as required by the relevant provisions of the Income-tax Act,1961 and has filed the same with the tax authorities. For the year ended 31.03.2024, the Company maintains documents as prescribed by the Income-tax Act, 1961 to prove that these transactions are at arm's length and believes that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

41 Earnings per share (EPS)

Particulars	31.03.2024	31.03.2023
Profit for the year attributable to equity shareholders (₹ in Lakhs)	55,492	63,504
Weighted average number of equity shares (refer note (a))	34,18,14,000	34,19,73,277
Face value per share (₹)	1.00	1.00
Earnings per share (₹) - Basic and Diluted	16.23	18.57

Notes:

a. The calculation of weighted average number of equity shares for the purpose of basic and diluted earnings per share is as follows:

Particulars	31.03.2024	31.03.2023
Opening balance	34,18,14,000	34,40,50,000
Effect of shares bought back during the year	-	(20,76,723)
Weighted average number of equity shares	**34,18,14,000**	**34,19,73,277**

After obtaining the approval from the Board of Directors on February 07, 2022, the buy-back of 22,36,000 equity Shares of ₹ 1/- each (representing 0.65% of the total number of paid up equity shares of the Company) from the shareholders of the Company on proportionate basis by way of tender offer route at a price of ₹ 805/- per share for an aggregate amount of ₹ 17,999.80 lakhs (9.53% of the paid up capital and free reserves) was initiated in accordance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 ('SEBI Buy-back Regulations'). The extinguishment of equity shares was completed on April 26, 2022.

b. The Company does not have any potential equity shares. Accordingly basic and diluted earnings per share would remain the same.

NOTES

42 Operating segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Managing Director (MD) to make decisions about resources to be allocated to the segments and assess their performance.

The Company is engaged in only one business i.e. manufacturing and sale of textiles. The entity's chief operating decision maker considers the Company as a whole to make decisions about resources to be allocated to the segment and assess its performance. Accordingly, the Company does not have multiple segments and these standalone financial statements are reflective of the information required by the Ind AS 108 for textiles.

42.1 Revenue from sale of products and services by geographic location of customers:

The geographic information analyses the Company's revenue by the Company's country of domicile and other countries. In presenting the geographical information, segment revenue has been determined based on the geographic location of the customers.

(₹ in Lakhs)

Particulars	31.03.2024	31.03.2023
India	2,48,802	2,85,579
Overseas	1,41,639	1,71,502
Total	**3,90,441**	**4,57,081**
Regionwise Export		
Europe	65,963	85,727
USA	30,098	42,867
Australia	35,896	31,232
Others	9,682	11,676
Total	**1,41,639**	**1,71,502**

The Company's operations are entirely carried out in India and as such all its property, plant and equipment are located in India.

No single customer contributed 10% or more to the Company's revenue for both the financial years 2023-24 and 2022-23.

43 Operating Lease Disclosure

43.1 As Lessee:

The Company has taken factory premises, office spaces, plant and equipment and vehicles on cancellable operating leases. The leases are for varied periods which are classified as short-term leases under Ind AS 116. The Company has incurred ₹ 1,331 lakhs (Pr.Yr: ₹ 3,114 Lakhs) for the year ended 31.03.2024 towards expenses relating to short-term leases. The total cash outflow for leases is ₹ 1,331 lakhs (Pr.Yr: ₹ 3,114 Lakhs) for the year ended 31.03.2024, including cash outflow of short-term leases. Also refer note 33.

(₹ in Lakhs)

Particulars	31.03.2024	31.03.2023
Minimum lease payments not later than one year	1,003	1,589
Later than one year but not later than five years	-	25
More than five years	-	-

43.2 As lessor:

The Company has given certain non-factory building on cancellable operating leases and has earned rental income of ₹ 235 lakhs (Pr.Yr: ₹459 Lakhs) for the year ended 31.03.2024. Since the aforesaid leases are short-term in nature, there are no lease payments receivable after one year as at 31.03.2024. The expected amount of minimum lease payments to be received within one year is ₹ 235 lakhs (Pr.Yr: ₹ 459 Lakhs). Also refer note 28.

NOTES

44 Disclosure of employee benefits

44.1 Defined contribution plans

(₹ in Lakhs)

Particulars	31.03.2024	31.03.2023
Provident fund	3,301	3,184
Employee state insurance	813	813

44.2 Defined benefit plan - gratuity

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The Company's obligation towards Gratuity is a defined benefit plan and the details of actuarial valuation as at the year-end are given below:

Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined (asset) / liability and its components.

A	**Reconciliation of present value of defined benefit obligation**		
	Present value of obligation as at the beginning of the year	1115	925
	Current service cost	179	113
	Interest cost	12	77
	Benefits paid	-	-
	Actuarial (gains) / losses on obligations		
	- changes in financial assumptions	-	-
	Balance at the end of the year	**1,306**	**1,115**
B	**Reconciliation of fair value of plan assets:**		
	Balance at the beginning of the year	1113	925
	Interest income	79	161
	Actuarial gains / (losses) on plan assets	-	-
	Benefits paid	-	-
	Contributions paid into the plan	114	27
	Fair value of plan asset as at the end of the year	**1,306**	**1113**
	Plan assets comprises of :		
	Investment with insurer	1,306	1,113
C	**Net Asset/(Liability) recognized in the Balance Sheet**		
	Present value of obligation as at end of the year	1,306	1,115
	Fair value of Plan Asset as at end of the year	1,306	1,113
	Funded status [surplus/(deficit)]	**-**	**(2)**
D	**Expenses recognized in the statement of profit and loss**		
	Current service cost	179	113
	Interest cost	12	77
	Expected return on plan assets	(79)	(161)
	Actuarial (gains) / losses on obligations and plan assets	-	-
		112	**29**
E	**Remeasurement recognised in other comprehensive income**		
	Actuarial / (gains) losses on defined benefit obligation	-	-
	Actuarial / (gains) losses on plan assets	-	-

NOTES

F	**Actuarial Assumptions**		
	Discount rate (per annum)	7.25%	7.52%
	Rate of increase in compensation levels (per annum)	6.50%	7.50%
	Rate of return on plan assets (per annum)	7.52%	7.52%
	Attrition rate (per annum)	4.00%	4.00%
	Expected average remaining working lives of employees (years)	26.66	26.66
	Demographic assumptions - based on Indian Assured Lives Mortality (2012-14)		

The estimate of rate of escalation in salary considered in actuarial valuation, taking into account inflation, seniority, promotions and other relevant factors including supply and demand in the employment market.

44.3 Disclosure of Employee Benefits (Continued)

Asset-liability matching strategies

The Company has funded the liability with the insurance company. The entire investible assets are managed by the fund managers of the insurance company and the asset values as informed by the insurance company has been taken for valuation purpose. The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rates (in particular, the significant fall in interest rates, which should result in a increase in liability without a corresponding increase in the asset).

Expected contributions to the plan for the next annual reporting period

The expected benefits are based on the same assumptions as are used to measure Company's defined benefit plan obligations as at 31.03.2024. The Company is expected to contribute ₹249 lakhs (Pr.Yr: ₹232 Lakhs) to defined benefit plan obligations funds for the year ending 31.03.2025.

Weighted average duration of the defined benefit obligation	16.61 years	16.61 years
Disclosure related to indication of effect of the defined benefit plan on the entity's undiscounted future cash flows Payout in the next		
1 year	46	43
1-2 years	50	47
2-3 years	53	49
3-4 years	54	50
4-5 years	61	57
5 years and beyond	3,800	3,543

Sensitivity analysis

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

(₹ in Lakhs)

Particulars	31.03.2024		31.03.2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(142)	171	(132)	159
Salary growth (1% movement)	165	(138)	154	(129)
Attrition rate (1% movement)	(12)	13	(11)	12

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

NOTES

45 Details of current investments in mutual funds (quoted)

(₹ in Lakhs)

Particulars	2023-24		2022-23	
	Units	Amount	Units	Amount
Nippon India Mutual Fund	-	-	1,09,223	6,015
LIC Mutual Fund	2,59,723	3,204	1,65,910	6,701
	2,59,723	**3,204**	**2,75,133**	**12,716**

Also refer note 10.

46 Disclosure as per Schedule V of Regulation 34 of the listing regulations - Investments

(₹ in Lakhs)

Name of the Company	31.03.2024	31.03.2023
M/s Quantum Knits Private Limited	10	10
M/s K.P.R. Sugar Mill Limited	1,675	4,513
M/s Jahnvi Motor Private Limited	276	276
M/s Galaxy Knits Limited	5	5
M/s KPR Exports PLC, Ethiopia (Refer note 48)	-	-
M/s KPR Mill Pte Limited, Singapore (Refer note 48)	-	28
M/s KPR Sugar and Apparels Limited	70,100	70,100
	72,066	**74,932**

Also refer note 5.

47 Disclosure as per Schedule V of Regulation 34 of the listing regulations - Loans

(₹ in Lakhs)

Name of the Company	As at 31.03.2024	Maximum outstanding during the year 2023-24	As at 31.03.2023	Maximum outstanding during the year 2022-23
M/s KPR Exports PLC, Ethiopia (also refer note 48)	188	188	-	-
M/s KPR Mill Pte Limited, Singapore	-	223	223	223
	188	**411**	**223**	**223**

Also refer note 6.

48 Impairment assessment of KPR Exports PLC, Ethiopia and KPR Mill Pte. Ltd, Singapore

During the year ended 31.03.2022, the Company had performed an impairment assessment of investments made (including investments pending allotment), loans given, and trade receivables due from M/s KPR Exports PLC, Ethiopia, triggered due to changes in business environment as a result of ongoing civil unrest in Ethiopia and had recognized a provision for impairment towards carrying value of investments (including investments pending allotment), loans and trade receivables of ₹ 1,798 lakhs as at 31.03.2022. Such provision had been presented as part of 'Other expenses' in the statement of profit and loss for the year ended 31.03.2022. Also refer note 5,6 and 7 to the standalone financial statements.

Further, during the current year, the Company had performed an impairment assessment of investments made (including investments pending allotment) and loans given due from M/s KPR Mill Pte. Ltd Singapore and had recognized a provision for impairment towards carrying value of investments (including investments pending allotment) and loans of ₹ 275 lakhs as at 31.03.2024. The provision had been presented as part of 'Other expenses' in the statement of profit and loss for the year ended 31.03.2024. Also refer note 5,6,7 and 33 to the standalone financial statements.

NOTES

49 Events after reporting period

The Board of Directors have recommended a final dividend of ₹ 8,545 lakhs (₹ 2.50 per share of the face value of ₹ 1/- each (250%)) for the year 2023-24 subject to the approval of the shareholders in Annual General Meeting.

50 Other statutory information

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

b) The Company does not have any transactions with companies struck off.

c) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

d) The Company has not traded or invested in Crypto currency or virtual currency during the financial year.

e) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

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

f) No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall

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

g) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961).

h) The Company has not been declared as wilful defaulters by any bank or financial institution or government or any government authority.

i) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

j) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

k) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

51 Ratios as per the Schedule III requirements

a) Current ratio = Total current assets divided by Total current liabilities

Particulars	31.03.2024	31.03.2023
Total current assets - ₹ in Lakhs	2,05,091	2,05,708
Total current liabilities - ₹ in Lakhs	47,621	83,975
Ratio	**4.31**	**2.45**
% Change from previous year	**75.81%**	

Reason for change more than 25%: Total Current Liabilities decreased as at the year end.

b) Debt Equity Ratio = Total debt divided by Total equity wherein Total Debt refers to sum of current and non-current borrowings

Particulars	31.03.2024	31.03.2023
Total debt - ₹ in Lakhs	28,651	49,799
Total equity - ₹ in Lakhs	3,37,407	2,97,296
Ratio	**0.08**	**0.17**
% Change from previous year	**-49.31%**	

Reason for change more than 25%: Total debt decreased as at the year end.

NOTES

c) Debt Service Coverage Ratio = Earnings available for debt service divided by the Total interest and principal repayments

Particulars	31.03.2024	31.03.2023
Profit after tax - ₹ in Lakhs	55,492	63,504
Add: Non - cash operating expenses and finance cost		
- Depreciation and amortisation expenses - ₹ in Lakhs	8,163	7,764
- Finance costs - ₹ in Lakhs	2,284	2,670
Earnings available for debt service - ₹ in Lakhs	**65,939**	**73,938**
- Finance costs relating to term loans - ₹ in Lakhs	3	3
- Principal repayments relating to term loans - ₹ in Lakhs	34	2
Total interest and principal repayments relating to term loans - ₹ in Lakhs	**37**	**5**
Ratio	**1,782.14**	**14,787.60**
% Change from previous year	**-87.95%**	

Reason for change more than 25%: The ratio has decreased from 14,787.60 for the year ended 31.03.2023 to 1,782.14 for the year ended 31.03.2024 on account of repayment of term loans.

d) Return on Equity Ratio = Profit after tax divided by Average total equity

Particulars	31.03.2024	31.03.2023
Profit after tax - ₹ in Lakhs	55,492	63,504
Average total equity (Refer note below) - ₹ in Lakhs	3,17,352	2,80,257
Ratio	**17.49%**	**22.66%**
% Change from previous year	**-22.83%**	

Note: Average total equity = (Total equity as at the beginning of respective year + Total equity as at the end of respective year) divided by 2

e) Inventory turnover ratio = Sales divided by Average inventory

Particulars	31.03.2024	31.03.2023
Sales (refer note 1 below) - ₹ in Lakhs	4,05,367	4,73,955
Average inventory (refer note 2 below) - ₹ in Lakhs	1,19,981	1,04,219
Ratio	**3.38**	**4.55**
% Change from previous year	**-25.71%**	

Note 1: Sales represents revenue from operations.

Note 2: Average inventory = (Total inventories as at the beginning of respective year + Total inventories as at the end of respective year) divided by 2.

Reason for change more than 25%: The ratio has decreased from 4.55 for the year ended 31.03.2023 to 3.38 for the year ended 31.03.2024 on account of increase in average inventory.

f) Trade receivables turnover ratio = Sales divided by Average trade receivables

Particulars	31.03.2024	31.03.2023
Sales - ₹ in Lakhs (Refer note 1 below)	3,94,786	4,60,811
Average trade receivables - ₹ in Lakhs (Refer note 2 below)	50,800	44,236
Ratio	**7.77**	**10.42**
% Change from previous year	**-25.40%**	

NOTES

Note 1: Sales for the purpose of the table above represents revenue from operations excluding export incentives.

Note 2: Average trade receivables = (Total trade receivables as at the beginning of respective year + Total trade receivables as at the end of respective year) divided by 2.

Reason for change more than 25%: The ratio has decreased from 10.42 for the year ended 31.03.2023 to 7.77 for the year ended 31.03.2024 on account of increase in trade receivables from customers.

g) Trade payables turnover ratio = Purchases divided by Average trade payables

Particulars	31.03.2024	31.03.2023
Purchases (refer note 1 below) - ₹ in Lakhs	2,44,683	3,36,229
Average trade payables (refer note 2 below)- ₹ in Lakhs	13,876	15,711
Ratio	**17.63**	**21.40**
% Change from previous year	**-17.60%**	

Note 1: Purchases represents purchases forming part of cost of materials consumed.

Note 2: Average trade payables = (Total trade payables as at the beginning of respective year + Total trade payables as at the end of respective year) divided by 2.

h) Net capital turnover ratio = Revenue from operations divided by Working capital wherein Working capital = Total current assets less Total current liabilities

Particulars	31.03.2024	31.03.2023
Revenue from operations - ₹ in Lakhs	4,05,367	4,73,955
Working capital - ₹ in Lakhs	1,57,470	1,21,733
Ratio	**2.57**	**3.89**
% Change from previous year	**-33.88%**	

Reason for change more than 25%: The ratio has decreased from 3.89 for the year ended 31.03.2023 to 2.57 for the year ended 31.03.2024 on account of increase in working capital.

i) Net profit ratio = Net profit after tax divided by Revenue from operations

Particulars	31.03.2024	31.03.2023
Net profit after tax - ₹ in Lakhs	55,492	63,504
Revenue from operations - ₹ in Lakhs	4,05,367	4,73,955
Ratio	**13.69%**	**13.40%**
% Change from previous year	**2.17%**	

j) Return on capital employed= Earnings before interest and taxes (EBIT) divided by Capital employed

Particulars	31.03.2024	31.03.2023
Earnings before interest and taxes (refer note 1 below) - ₹ in Lakhs	71,755	85,145
Capital employed (refer note 2 below) - ₹ in Lakhs	3,72,372	3,52,912
Ratio	**19.27%**	**24.13%**
% Change from previous year	**-20.13%**	

Note 1: EBIT= Profit before taxes + Finance costs

Note 2: Capital employed = Total equity + Total debt (current borrowings and non-current borrowings) + Deferred tax liabilities

NOTES

k) Return on investment ('ROI')

i) ROI on mutual fund = Income generated from invested funds divided by average invested funds in mutual funds

Particulars	31.03.2024	31.03.2023
Income generated from invested funds - ₹in Lakhs	1,214	1,263
Invested funds in mutual funds (refer note below) - ₹in Lakhs	7,960	20,060
Ratio	**15.25%**	**6.30%**
% Change from previous year	**142.23%**	

Note: Invested funds in mutual funds = (Investment in mutual fund as at the beginning of respective year + Investment in mutual fund as at the end of respective year) divided by 2.

Reason for change more than 25%: The Company invests temporary funds in mutual funds. During the year, the overall increase in income from such invested funds is on account of increase in investments and resultant gain on such investments.

ii) ROI on treasury funds = Income generated from invested funds divided by average invested funds in treasury funds

Particulars	31.03.2024	31.03.2023
Income generated from treasury funds - ₹ in Lakhs	189	88
Invested funds in treasury funds (refer note below) - ₹ in Lakhs	5,221	2,113
Ratio	**3.62%**	**4.16%**
% Change from previous year	**-13.07%**	

Note: Invested funds in treasury funds = (Investment in margin money deposit, term deposit with Non-Banking Financial Companies and in deposits with original maturity of less than three months as at the beginning of respective year + Investment in margin money deposit, term deposit with Non-Banking Financial Companies and in deposits with original maturity of less than three months as at the end of respective year) divided by 2.

The notes from 1 to 51 are an integral part of these standalone financial statements.

For and on behalf of the Board of Directors of
K.P.R. Mill Limited
CIN : L17111TZ2003PLC010518

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm's Registration Number : 101248W/W-100022

K.P.Ramasamy
Chairman
DIN : 00003736

K Sudhakar
Partner
Membership No. : 214150

KPD Sigamani
Managing Director
DIN : 00003744

P.Nataraj
Chief Executive Officer and Managing Director
DIN : 00229137

PL Murugappan
Chief Financial Officer

P.Kandaswamy
Company Secretary

Coimbatore
02.05.2024

Coimbatore
02.05.2024

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditor's Report

To the Members of K.P.R. Mill Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of K.P.R. Mill Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2024, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material 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, and based on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2024, of its consolidated profit and other comprehensive income, consolidated changes in equity and 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 SAs 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 the Institute of Chartered Accountants of India 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 obtained by us along with the consideration of reports of the other auditors referred to in the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

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

<table>
<tr><td colspan="2">Revenue recognition</td></tr>
<tr><td colspan="2">See note 3 and note 27 to the consolidated financial statements.</td></tr>
<tr><th>The key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td>The Group's revenue is derived primarily from sale of goods. Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer and there are no longer any unfulfilled performance obligations. The performance obligations in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Inappropriate assessment could lead to risk of revenue being recognized before transfer of control.

In view of the above and since revenue is a key performance indicator of the Group, we have identified timing of revenue recognition from sale of goods as a key audit matter.</td><td>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence.
• Assessing the appropriateness of the accounting policy for revenue recognition with relevant accounting standards;
• Evaluating the design and implementation of key internal financial controls in relation to timing of revenue recognition and tested the operating effectiveness of such controls for selected samples;
• Performing detailed testing by selecting samples of revenue transactions recorded during the year and around the year end date using statistical sampling. We assessed fulfilment of performance obligations during the year by verifying the underlying documents. These documents included contract specifying terms of sale, invoices, goods dispatch notes, customer acceptances, as applicable, and shipping documents;
• Testing, on a sample basis using specified risk based criteria, journal entries affecting revenue recognised during the year to identify unusual items.</td></tr>
</table>

Valuation of Inventories	
See note 3 and note 10 to the consolidated financial statements.	
The key audit matter	**How the matter was addressed in our audit**
The Group's inventory primarily comprises of yarn, fabric, garments and sugar. Inventories are valued at lower of cost and net realisable value. The Group maintains its inventory levels based on forecast demand and expected future selling prices. There is a risk of inventories being measured at values which are not representative of the lower of costs and net realisable value ('NRV'). The Group exercises high degree of judgment in assessing the NRV of the inventories on account of estimation of future market and economic conditions. The carrying value of inventories is material in the context of total assets of the Group. We identified the valuation of inventories as a key audit matter.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: • Assessing the appropriateness of the accounting policy for inventories with relevant accounting standards; • Evaluating the design and implementation of key internal financial controls over valuation of inventories and testing the operating effectiveness of such controls for selected samples; • Observing the physical verification of inventory on a sample basis. In this regard, we have considered the physical condition of inventory by way of obsolescence or wear and tear or efflux of time, wherever relevant and applicable, in determining the valuation of such inventory; • For NRV testing, selecting inventory items, on a sample basis at reporting date and compared their carrying value to their subsequent selling prices as indicated in sales invoices subsequent to the reporting date.

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

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's directors' report, but does not include the financial statements and auditor's reports 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.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and 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 each company and 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 the 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 Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company 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 Company 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 each company.

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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 statements/financial information of such 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/financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding 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.

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

Other Matters

We did not audit the financial statements/financial information of seven subsidiaries, whose financial statements/financial information reflect total assets (before consolidation adjustments) of Rs. 2,95,667 lakhs as at 31 March 2024, total revenues (before consolidation adjustments) of Rs. 2,55,579 lakhs and net cash flows (before consolidation adjustments) amounting to Rs. 5,352 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of 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 is based solely on the reports of the other auditors.

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

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 Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

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 flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors of the Holding Company as on various dates taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f. The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. 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 and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the "Other Matters" paragraph:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group. Refer note 36 to the consolidated financial statements.

b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2024.

c. There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and there are no amounts which are required to be transferred to the Investor Education and Protection Fund by its subsidiary companies incorporated in India during the year ended 31 March 2024.

d (i) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act has represented to us and the other auditors of such subsidiary companies that, to the best of their knowledge and belief, as disclosed in the note 50 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies 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 Holding Company or any of such subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act has represented to us and the other auditors of such subsidiary companies that, to the best of their knowledge and belief, as disclosed in the note 50 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary companies incorporated in India whose financial statements/financial information have been audited under the Act, nothing has come to our or the other auditors notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The interim dividend declared and paid by the Holding Company during the year and until the date of this audit report is in compliance accordance with Section 123 of the Act.

The final dividend paid by the Holding Company during the year, which was declared in the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 50 to the consolidated financial statements, the Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. Based on our examination which included test checks and that performed by the respective auditors of the subsidiary companies incorporated in India whose financial statements have been audited under the Act, the Holding Company and such subsidiaries incorporated in India have used an accounting software for maintaining its books of account, however, the feature of recording audit trail (edit log) facility has not been enabled. Consequently, we and respective auditors of such subsidiary companies are unable to comment on audit trail feature of the said software.

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

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

K Sudhakar
Partner
Membership No. 214150
ICAI UDIN: 24214150BKETAO7186

Place: Coimbatore
Date: 02 May 2024

ANNEXURE TO THE AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of K.P.R. Mill Limited for the year ended 31 March 2024

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

(xxi) In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

K Sudhakar
Partner
Membership No. 214150
ICAI UDIN: 24214150BKETAO7186

Place: Coimbatore
Date: 02 May 2024

Annexure B to the Independent Auditor's Report on the consolidated financial statements of K.P.R. Mill Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

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

Opinion

In conjunction with our audit of the consolidated financial statements of K.P.R. Mill Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion and based on the consideration of reports of the other auditors on internal financial controls with reference to financial statements of subsidiary companies, as were audited by the other auditors, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

ANNEXURE TO THE AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 financial statements were 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 and the audit evidence obtained by the other auditors of the relevant subsidiary companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

Our aforesaid report under Section 143(3)(I) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to five subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

K Sudhakar
Partner
Membership No. 214150
ICAI UDIN:24214150BKETAO7186

Place : Coimbatore
Date : 02 May 2024

CONSOLIDATED BALANCE SHEET

(₹ in Lakhs)

Particulars	Note	As at 31.03.2024	As at 31.03.2023
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4	2,42,796	2,30,475
(b) Capital work-in-progress	4	11,751	8,665
(c) Goodwill	41	70	70
(d) Intangible assets	4	65	96
(e) Financial assets			
(i) Investments	5	150	150
(ii) Other financial assets	6	4,388	3,560
(f) Other tax assets (net)	7	123	584
(g) Other non - current assets	8	13,064	18,349
Total non - current assets		**2,72,407**	**2,61,949**
(2) Current assets			
(a) Inventories	9	1,90,525	1,89,846
(b) Financial assets			
(i) Investments	10	3,204	12,716
(ii) Trade receivables	11	66,928	62,544
(iii) Cash and cash equivalents	12	7,513	10,858
(iv) Bank balances other than Cash and cash equivalents	13	10,387	408
(v) Other financial assets	14	932	547
(c) Other current assets	15	34,503	20,895
Total current assets		**3,13,992**	**2,97,814**
Total assets		**5,86,399**	**5,59,763**
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	16	3,418	3,418
(b) Other equity	17	4,32,405	3,67,251
Total Equity		**4,35,823**	**3,70,669**
Liabilities			
(2) Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	29,522	44,845
(b) Deferred tax liabilities (net)	19	11,813	9,696
(c) Other non-current liabilities	20	664	2,037
Total non-current liabilities		**41,999**	**56,578**
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	86,320	89,964
(ii) Trade payables			
(A) Total outstanding dues of micro enterprises and small enterprises; and	22 (A)	970	853
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	22 (B)	10,528	32,752
(iii) Other financial liabilities	23	14	37
(b) Other current liabilities	24	9,514	8,833
(c) Current tax liabilities (net)	25	1,231	77
Total Current Liabilities		**1,08,577**	**1,32,516**
Total Liabilities		**1,50,576**	**1,89,094**
Total Equity and Liabilities		**5,86,399**	**5,59,763**

Material accounting policies 3

The notes from 1 to 50 are an integral part of these Consolidated financial statements

For and on behalf of the Board of Directors of
K.P.R. Mill Limited
CIN : L17111TZ2003PLC010518

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number : 101248W/W-100022

K.P.Ramasamy
Chairman
DIN: 00003736

KPD Sigamani
Managing Director
DIN: 00003744

P.Nataraj
Chief Executive Officer and Managing Director
DIN : 00229137

K Sudhakar
Partner
Membership No. : 214150

PL Murugappan
Chief Financial Officer

P.Kandaswamy
Company Secretary

Coimbatore
02.05.2024

Coimbatore
02.05.2024

CONSOLIDATED STATEMENT OF PROFIT & LOSS

(₹ in Lakhs)

Particulars	Note	Year Ended	
		31.03.2024	31.03.2023
I. Revenue from operations	26	**6,05,968**	**6,18,588**
II. Other income	27	6,726	6,232
III. Total Income (I+II)		**6,12,694**	**6,24,820**
IV. Expenses			
Cost of materials consumed	28	3,47,815	3,89,656
Purchase of stock-in-trade		7,889	22,060
Changes in inventories of finished goods, stock -in- trade and work- in-progress	29	5,017	(36,428)
Employee benefits expense	30	60,058	54,864
Finance costs	31	7,437	7,886
Depreciation and amortisation expenses	4	18,919	17,369
Other expenses	32	61,520	60,997
V. Total expenses		**5,08,655**	**5,16,404**
VI. Profit before tax (III-V)		**1,04,039**	**1,08,416**
VII.Tax expense			
Current tax			
- Pertaining to current period		21,430	25,273
- Pertaining to prior year		(44)	(982)
Deferred tax		2,118	2,715
Total tax expense		**23,504**	**27,006**
VIII. Profit for the period (VI-VII)		**80,535**	**81,410**
Other comprehensive income			
Items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss		-	-
IX. Other comprehensive income for the period, net of tax		-	-
X.Total comprehensive income for the period (VIII+IX)		**80,535**	**81,410**
Earnings per equity share (EPS)			
Basic and Diluted EPS (in ₹) of face value ₹ 1/- each	40	**23.56**	**23.81**

Material accounting policies 3

The notes from 1 to 50 are an integral part of these consolidated financial statements

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number : 101248W/W-100022

For and on behalf of the Board of Directors of
K.P.R. Mill Limited
CIN : L17111TZ2003PLC010518

K.P.Ramasamy
Chairman
DIN: 00003736

KPD Sigamani
Managing Director
DIN: 00003744

P.Nataraj
Chief Executive Officer and Managing Director
DIN : 00229137

K Sudhakar
Partner
Membership No. : 214150

PL Murugappan
Chief Financial Officer

P.Kandaswamy
Company Secretary

Coimbatore
02.05.2024

Coimbatore
02.05.2024

CONSOLIDATED CASH FLOW STATEMENT

(₹ in Lakhs)

Particulars	Note	Year Ended	
		31.03.2024	31.03.2023
CASH FLOW FROM OPERATING ACTIVITIES			
Profit for the year		**80,535**	**81,410**
Adjustments for:			
Income tax expenses recognised in the statement of profit and loss		23,504	27,006
Depreciation and amortisation expenses		18,919	17,369
Net loss / (gain) on sale of property, plant and equipment		(586)	(2,077)
Finance costs		7,437	7,886
Interest income		(567)	(216)
Net (gain)/ loss on sale of current investments		(1,905)	(1,399)
Rental income from operating leases		(208)	(236)
Recovery of bad debts		(184)	-
Impairment loss on financial assets		203	182
Operating profit before working capital changes		**1,27,148**	**1,29,925**
Changes in working capital:			
Adjustments for (increase) / decrease in operating assets:			
Inventories		(679)	(60,966)
Trade receivables		(4,403)	(14,702)
Other current assets		(13,604)	1,349
Other non-current financial assets		(828)	(1,090)
Other non-current assets		1,675	(3,377)
Other financial assets		(227)	(263)
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		(22,107)	6,313
Other current liabilities		681	(1,710)
Other financial liabilities		(23)	(10)
Other non-current liabilities		34	(2)
Cash generated from operations		87,667	55,467
Income taxes paid		(19,873)	(25,599)
Net cash generated from operating activities	**(A)**	**67,794**	**29,868**
CASH FLOW FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipments, including capital advances		(32,347)	(37,902)
Proceeds from / (purchase of) current investments (net)		11,417	19,604
(Increase) /decrease in margin deposit accounts		188	250
Proceeds from sale of property, plant and equipment		881	2,840
(Investment in)/ proceeds from maturity of term deposits (having original maturity of more than 3 months)		(10,167)	4,000
Interest received		409	464
Rental income received from operating leases		208	236
Net cash flow from / (used in) investing activities	**(B)**	**(29,411)**	**(10,508)**

CONSOLIDATED CASH FLOW STATEMENT

(₹ in Lakhs)

Particulars	Note	Year Ended	
		31.03.2024	31.03.2023
CASH FLOW FROM FINANCING ACTIVITIES			
Payment towards buy-back of shares		-	(18,001)
Income tax on buy-back of shares		-	(4,076)
Proceeds from / (Repayment of) non-current borrowings (net)		(15,368)	(17,808)
Proceeds from / (repayment of) current borrowings (net)		(3,640)	34,027
Finance costs paid		(7,339)	(7,426)
Dividends paid		(15,381)	(7,349)
Net cash flow from / (used in) financing activities	**(C)**	**(41,728)**	**(20,633)**
Net (decrease) / increase in cash and cash equivalents	**(A+B+C)**	(3,345)	(1,273)
Add: Opening cash and cash equivalents		10,858	12,131
Closing cash and cash equivalents (Refer note 13)		**7,513**	**10,858**
Closing cash and cash equivalents comprises			
(a) Cash on hand		81	151
(b) Balance with Banks:			
i) In Current accounts		5,953	3,120
ii) In EEFC accounts		1,479	7,587
		7,513	**10,858**

Material accounting policies 3

The notes from 1 to 50 are an integral part of these consolidated financial statements

For and on behalf of the Board of Directors of
K.P.R. Mill Limited
CIN : L17111TZ2003PLC010518

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number : 101248W/W-100022

K Sudhakar
Partner
Membership No. : 214150

K.P.Ramasamy
Chairman
DIN : 00003736

KPD Sigamani
Managing Director
DIN : 00003744

P.Nataraj
Chief Executive Officer and Managing Director
DIN : 00229137

PL Murugappan
Chief Financial Officer

P.Kandaswamy
Company Secretary

Coimbatore
02.05.2024

Coimbatore
02.05.2024

CHANGES IN EQUITY

a. Equity share capital **Notes** **(₹ in Lakhs)**

Balance as at 01.04.2022 Less : Buy-back of equity shares	40	3,441 23
Balance as at 31.03.2023		3,418
Changes in Equity share capital during 2023-24		-
Balance as at 31.03.2024		**3,418**

b. Other Equity **(₹ in Lakhs)**

Particulars	Reserves and Surplus					Other compreh-ensive income	Total Other Equity
	Securities Premium	Capital Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings		
Balance as at 01.04.2022	**19,096**	**293**	**1,827**	**24,845**	**2,69,183**		**3,15,244**
Profit for the year	-	-	-	-	81,410	-	81,410
Premium on Buyback of Equity Shares	(15,233)	-		-	(2,745)	-	(17,978)
Income tax on buy-back of equity shares	-	-	-	-	(4,076)	-	(4,076)
Transfer to Capital Redemption Reserve	-	-	212	-	(212)	-	-
Final dividend relating to 2021-22 paid (₹ 0.15 per share on face value of ₹ 1/-)	-	-	-	-	(513)	-	(513)
Interim dividend relating to 2022-23 paid (₹ 2 per share on face value of ₹ 1/-)	-	-	-	-	(6,836)	-	(6,836)
Balance as at 31.03.2023	**3,863**	**293**	**2,039**	**24,845**	**3,36,211**	**-**	**3,67,251**
Profit for the year	-	-	-	-	80,535	-	80,535
Transfer to Capital redemption reserve	-	-	189	-	(189)	-	-
Final dividend relating to 2022-23 paid (₹ 2.00 per share on face value of ₹1/-)	-	-	-	-	(6,836)	-	(6,836)
Interim dividend relating to 2023-24 paid (₹ 2.50 per share on face value of ₹ 1/-)	-	-	-	-	(8,545)	-	(8,545)
Balance as at 31.03.2024	**3,863**	**293**	**2,228**	**24,845**	**4,01,176**	**-**	**4,32,405**

Material accounting policies 3
The notes from 1 to 50 are an integral part of these consolidated financial statements

For and on behalf of the Board of Directors of
K.P.R. Mill Limited
CIN : L17111TZ2003PLC010518

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number : 101248W/W-100022

K.P.Ramasamy
Chairman
DIN : 00003736

P.Nataraj
Chief Executive Officer and Managing Director
DIN : 00229137

K Sudhakar
Partner
Membership No. : 214150

KPD Sigamani
Managing Director
DIN : 00003744

P.Kandaswamy
Company Secretary

PL Murugappan
Chief Financial Officer

Coimbatore
02.05.2024

Coimbatore
02.05.2024

ACCOUNTING POLICIES

1 CORPORATE INFORMATION

K.P.R. Mill Limited is one of the largest vertically integrated apparel manufacturing companies in India with its registered office situated at Coimbatore. The Company produces Yarn, Knitted Fabric, Readymade Garments and Wind power. It has state-of-the-art production facilities in the State of Tamil Nadu, India. The Company's registered office is at No. 9, Gokul Buildings, A.K.S Nagar, Thadagam Road, Coimbatore - 641001, Tamil Nadu, India. It has seven wholly owned subsidiary companies as follows:

a) Quantum Knits Private Limited deals in Readymade Garments.

b) K.P.R. Sugar Mill Limited produces sugar along with Green energy viz ., Co-Gen Power. Its plant is Located at Vijayapur District, Karnataka State. The Company also has Garment manufacturing facility at Arasur, Coimbatore and commenced its operations from November 2013.

c) Jahnvi Motor Private Limited is the authorised dealers of AUDI cars in Coimbatore and Madurai Region.

d) Galaxy Knits Limited has not commenced any major business activity.

e) KPR Exports PLC has Garment manufacturing facility at Ethiopia, and commenced its operation from January 2019.

f) KPR Mill Pte. Limited, is engaged in the business of trading operations of garments from Singapore, and commenced its operation from January 2020.

g) KPR Sugar and Apparels Limited, was incorporated on October 1, 2020 to produce Sugar and manufacture Garments.

The Consolidated Financial Statements relate to K.P.R. Mill Limited ('the Company') and its wholly owned subsidiary companies Quantum Knits Private Limited, K.P.R.Sugar Mill Limited, Galaxy Knits Limited, Jahnvi Motor Private Limited, KPR Exports PLC, Ethiopia, KPR Mill Pte. Limited, Singapore and KPR Sugar and Apparels Limited. The Company and its subsidiaries are hereinafter collectively referred to as "the Group".

The Company's shares are listed in BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

2 BASIS OF PREPARATION

A STATEMENT OF COMPLIANCE

These consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act, as amended from time to time.

These consolidated financial statements for the year ended 31.03.2024 are approved for issue by the Company's Board of directors on 02.05.2024.

Details of the Group's accounting policies, including changes thereto, are included in note 3. The Group has consistently applied the accounting policies to all the periods present in these consolidated financial statements.

B BASIS OF CONSOLIDATION

(i) Subsidiaries

Subsidiaries are entity controlled by the group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Consolidation procedure followed is as under:

Items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries are combined on a like-to-like basis. For this purpose, income and expenses of the subsidiaries are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.

(ii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related Non-controlling interests ('NCI') and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in consolidated statement of profit and loss.

(iii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(iv) Goodwill on consolidation

The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiaries, is recognised as "Goodwill on Consolidation" in the consolidated financial statements. The said goodwill is not amortized, however it is tested for impairment at each balance sheet date, and impairment loss if any, is provided for.

ACCOUNTING POLICIES

C FUNCTIONAL AND PRESENTATION CURRENCY

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All financial information has been rounded-off to the nearest lakhs, unless otherwise indicated.

D BASIS OF MEASUREMENT

These consolidated financial statements have been prepared under the historical cost basis and on an accrual basis, except for the following items which are measured on an alternative basis on each reporting date:

i. Derivative financial instruments measured at fair value through profit or loss;

ii. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments) and

iii. Net defined (asset) / liability measured at fair value of plan assets less present value of obligations as explained in note 3 (J).

E USE OF JUDGEMENTS AND ESTIMATES

In preparing these consolidated financial statements, management has made judgments and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note 16 - classification, measurement and recognition of Government grants

Note 18 - recognition and measurement of deferred tax liabilities

Note 3(M) and 44 - Leases - whether the arrangement contains a lease; and lease classification

Note 3(H) and 38: Financial instruments: Classification and measurement

Assumptions and estimation uncertainties:

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

(i) Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilized. In addition, careful judgment is exercised in assessing the impact of any legal or economic limits or uncertainties in various tax issues (also refer note 7).

(ii) Impairment of non-financial assets

In assessing impairment, management has estimated economic use of assets, the recoverable amount of each asset or cash-generating units based on expected future cash flows and use an interest rate to discount them. Estimation of uncertainty relates to assumptions about future operating cash flows and determination of a suitable discount rate (also refer note 3).

(iii) Useful lives of depreciable assets

Management reviews its estimate of useful lives of depreciable assets at each reporting date, based on expected utility of assets. Uncertainties in these estimates relate to technological obsolescence that may change utility of assets (also refer note 3).

(iv) Inventories

Management has carefully estimated the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by market-driven changes (also refer note 3).

(v) Defined benefit obligation (DBO)

The actuarial valuation of the DBO is based on a number of critical underlying management's assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses (also refer note 46).

(vi) Recognition and measurement of provisions and contingencies

Key assumptions about the likelihood and magnitude of an outflow of resources (also refer note 35).

(vii) Impairment of financial assets - Refer note 3

F MEASUREMENT OF FAIR VALUES

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

ACCOUNTING POLICIES

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. The inputs used to measure the fair value of assets or a liability fall into different levels of the fair value hierarchy. Accordingly, the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the low level input that is significant to the entire measurement.

Management uses various valuation techniques to determine fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management based on its assumptions on observable data as far as possible but where it is not available, the management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date (also refer Note 39). The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

G CURRENT AND NON-CURRENT CLASSIFICATION

The Group classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- it expects to settle the liability in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group's normal operating cycle is twelve months.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES

A) INVENTORIES

Inventories are valued at lower of cost and net realizable value. The cost of raw materials, components, stock-in-trade, consumable stores and spare parts are determined using first-in first-out / specific identification method and includes freight, taxes and duties, net of duty credits wherever applicable, and any other expenditure incurred in bringing them to their present location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of manufacturing overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials, stores and spares, packing and others held for use in the production of finished goods are not written down below except in cases where material prices have declined and it is estimated that the cost of the finished goods will exceed their net realizable value.

The comparison of cost and net realisable value is made on an item by item basis.

B) CASH AND CASH EQUIVALENTS (FOR PURPOSES OF CASH FLOW STATEMENT)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

C) CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit / (loss) 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. In cash flow statement, cash and cash equivalents include cash in hand, balances with banks in current accounts and other short-term highly liquid investments with original maturities of three months or less.

ACCOUNTING POLICIES

D) PROPERTY, PLANT AND EQUIPMENT

Recognition and measurement:

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Freehold land is stated at historical cost less any accumulated impairment losses. Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises:

a. purchase price, including import duties and non-refundable taxes on purchase (goods and services tax), after deducting trade discounts and rebates.

b. any directly attributable cost of bringing the item to its working condition for its intended use, estimated costs of dismantling and removing the item and restoring the site on which it is located.

c. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Any gain/loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Component accounting

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation

Depreciation is calculated on the cost of items of property, plant and equipment less their estimated residual values over the estimated useful lives using the straight-line method over the estimated useful lives and is generally recognised in Statement of profit and loss. Freehold land is not depreciated.

Depreciation on property, plant and equipment is charged over the estimated useful life of the asset or part of the asset (after considering double/triple shifts) as evaluated on technical assessment on straight-line method, in accordance with Part A of Schedule II to the Companies Act, 2013.

The estimated useful life of the property, plant and equipment followed by the Group for the current and the comparative period are as follows :

Asset	Management's estimated useful life	Useful life as per Schedule II
Factory Building	~ 30 Years	~ 30 Years
Non Factory Building	~ 60 Years	~ 60 Years
Plant and equipments	~ 10-20 Years	~ 8-20 Years
Windmill	~ 12 Years	~ 22 Years
Electricals	~ 14 Years	~ 10 Years
Furnitures and fixtures	~ 10 Years	~ 10 Years
Computers and accessories	~ 3 Years	~ 3-6 Years
Vehicles	~ 8-10 Years	~ 8-10 Years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if necessary, for each reporting period. Based on technical evaluation and consequent advice, the management believes that its estimate of useful life as given above best represent the period over which management expects to use the asset.

On property, plant and equipment added/ disposed off during the year, depreciation is charged on pro-rata basis for the period from/upto which the asset is ready for use/disposed off.

Capital work-in-progress

Property, plant and equipment in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. They are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

INTANGIBLE ASSETS

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated on a straight-line basis over their estimated useful lives and it is included in the statement of profit and loss. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

ACCOUNTING POLICIES

The estimated useful life of intangible assets consisting computer software is 3 years.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is derecognised.

E) REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group generates revenue primarily from sale of Yarn, Knitted Fabric, Readymade Garments, Sugar, Ethanol and Power. The Group also earns revenue from rendering of services.

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a goods or service to a customer.

1.1 Sale of products:

Revenue is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control over a promised goods refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the individual delivery and acceptance terms agreed with the customers. Invoices are usually payable within 180 days depending upon the individual contract with the customers.

The amount of revenue to be recognized (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as GST or other taxes directly linked to sales. If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative stand-alone selling prices. Revenue from product sales are recorded net of allowances for estimated rebates, cash discounts and estimates of product returns, all of which are established at the time of sale.

1.2 Revenue from services:

Revenue from sale of services is recognised when related services are rendered as per the terms agreed with customers.

1.3 Export incentives

Export incentives are accounted in the year of exports based on eligibility and expected amount on realisation.

1.4 Sales returns

Our customers have the contractual right to return goods only when authorised by the Group.

F) OTHER INCOME

Dividend income from investments is recognized when the right to receive the payment is established and when no significant uncertainty as to measurability or collectability exists.

Rental income under operating leases is recognized in the statement of profit and loss on a straight-line basis over the term of the lease except where another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

Interest income is recognised using effective interest rate method. Interest income on overdue receivables is recognized only when there is a certainty of receipt.The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of financial instrument to the gross carrying amount of the financial asset; or the amortised cost of the financial liability.

Export incentives are accounted in the year of exports based on eligibility and expected amount on realisation.

G) FOREIGN CURRENCY

i) Foreign Currency Transactions And Translations

Transactions in foreign currencies are translated into the functional currency at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions are recognised in the statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured at historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences arising on translation are recognised in the statement of profit and loss.

ii) Foreign operation

The assets and liabilities of foreign operations (subsidiaries) and fair value adjustments arising on acquisition, are translated into INR, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Foreign currency differences are recognised in OCI and accumulated in the equity (as exchange differences on translating the financial statements of a foreign operation), except to the extent that the exchange differences are allocated to NCI.

ACCOUNTING POLICIES

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in translation reserve related to that foreign operation reclassifed to statement of profit and loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI. When the Group disposes of only a part of its interest in an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to statement of profit and loss.

H) FINANCIAL INSTRUMENTS

(i) Recognition and initial measurement

Trade receivables and debt securities are initially recognised when they are originated.

All other financial assets and financial liabilities are intially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

The 'trade payable' is in respect of the amount due on account of goods purchased in the normal course of business. They are recognised at their transaction and services availed value if the transaction do not contain significant financing component.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- Amortised cost;
- Fair value through other comprehensive income (FVTOCI) - debt investment;
- Fair value through other comprehensive income (FVTOCI) - equity investment; or
- Fair value through profit and loss (FVTPL)

For the purpose of subsequent measurement, financial instruments of the Group are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI or fair value through profit and loss (FVTPL), non derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

a) Non-derivative financial assets

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL :

(a) it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

(b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments at FVTOCI

A debt investment will be measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

(a) it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

(b) its contractual terms of the give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Equity instruments at FVTOCI

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in Other comprehensive income ('OCI'). This election is made on an investment-by-investment basis.

If the Group decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently recycled to statement of profit and loss.

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL.

On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

ACCOUNTING POLICIES

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non- recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets – Subsequent measurement and gains and losses

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at FVTPL:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in consolidated statement of profit and loss.

Financial assets at amortised cost:

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in cosolidated statement of profit and loss. Any gain or loss on derecognition is recognised in consolidated statement of profit and loss.

Debt investments at FVOCI:

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to consolidated statement of profit and loss.

Equity investments at FVOCI:

These assets are subsequently measured at fair value. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to consolidated statement of profit and loss.

ACCOUNTING POLICIES

Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in consolidated statement of profit and loss.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which either substantially all of the risks and rewards of ownership of the financial asset are transferred or the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value.

On a derecognition of a financial liability, the difference between the extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) and the new financial liability with modified terms is recognised in statement of profit and loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Derivative financial instruments

The Group holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in foreign exchange rates on foreign currency assets or liabilities and forecasted cash flows denominated in foreign currencies. The counterparty for these contracts is generally a bank.

Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in statement of profit and loss. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit and loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

I) GOVERNMENT GRANTS, SUBSIDIES AND EXPORT INCENTIVES

Government grants and subsidies related to assets, including non-monetary grants, are initially recognised as deferred income at fair value if there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant they are then recognised in statement of profit and loss as other operating revenue / other income on a systematic basis.

Government grants received in relation to assets are presented as a reduction to the carrying amount of the related asset and the same is recognised in statement of profit and loss over the life of a depreciable asset as a reduced depreciation expense. Repayment of a grant related to an asset is recognised by increasing the carrying amount of the asset and the cumulative additional depreciation that would have been recognised in the statement of profit and loss in the absence of the grant is recognised immediately in the statement of profit and loss.

Government grants relating to income are deferred and recognised in the statement of profit and loss over the period necessary to match them with the costs that they intended to compensate and presented in other operating revenue.

Grants that compensate the Group for expenses incurred are recognised in profit or loss as other income on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

J) EMPLOYEE BENEFITS

(a) Short term employee benefits

Short-term employee benefits are measured on an undiscounted basis and expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ACCOUNTING POLICIES

(b) Defined contribution plan

Provident Fund & Employee State Insurance

A defined contribution plan is a post-employment benefit plan where the Group's legal or constructive obligation is limited to the amount that it contributes to a separate legal entity. The Group makes specified contributions towards Government administered provident fund and employee state insurance schemes. Obligations for contributions to defined contribution plan are expensed as an employee benefits expense in the statement of profit and loss in period in which the related service is provided by the employee. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(c) Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Post employment benefit comprise of Gratuity which are accounted for as follows:

Gratuity Fund

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate determined by reference to market yields at the end of the reporting period on government bonds. This rate is applied on the net defined benefit liability (asset), both as determined at the start of the annual reporting period, taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in consolidated statement of profit and loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

K) BORROWING COSTS

Borrowing cost are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are considered as adjustment to interest costs) incurred in connection with the borrowings of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in statement of profit and loss in the year in which they are incurred.

L) SEGMENT REPORTING

The Group has classified its operations primarily into three reportable segments viz., Textile, Sugar and Others based on 'Management Approach' as defined in Ind-AS 108. These segments offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the reportable segments, the respective Company's Board of Directors reviews internal management reports on atleast a quarterly basis.The reported operating segments:

a. engage in business activities from which the Group earns revenues and incur expenses,

b. have their operating results regularly reviewed by the entity's chief operating decision makers to make decisions about resources to be allocated to the segment and assess its performance, and

c. have discrete financial information available.

M) LEASE

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in Ind AS 116.

i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative

ACCOUNTING POLICIES

stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;

-variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date;

- amounts expected to be payable under a residual value guarantee; and

-the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group presents right-of-use assets that do not meet the definition of investment property in "property, plant and equipment" and lease liabilities separately in balance sheet within "Financial liabilities".

Short term leases and low value assets:

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises lease payments associated with these leases are recognized as an expense in consolidated statement of profit and loss on a straight-line basis over the lease term.

ii) As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As a part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of other income. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

If an arrangement contains lease and non-lease components, then the Group applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

N) EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the

ACCOUNTING POLICIES

year. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). Diluted earnings per share is computed by dividing the profit (considered in determination of basic earnings per share) after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share adjusted for the weighted average number of equity shares that would have been issued upon conversion of all dilutive potential equity shares.

O) INCOME TAXES

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects the uncertainty, related to income taxes, if any. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax liabilities and current tax assets are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interest are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Such reductions are reversed when the probability of future taxable profits improves.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by same tax authority on same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or its tax assets and liabilities will be realised simultaneously.

iii) Recognition

Current and deferred tax are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

P) IMPAIRMENT

Impairment of Financial Instruments

The Group recognises loss allowance for expected credit loss on financial assets measured at amortised cost.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the

ACCOUNTING POLICIES

financial asset have occurred.

Evidence that a financial asset is credit - impaired includes the following observable data:

- significant financial difficulty;

- a breach of contract such as a default or being past due;

- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;

- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or

- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for trade receivables are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are credit losses that result from all possible default events over expected life of financial instrument. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information. The Group assumes that credit risk on a financial asset has increased significantly if it is past due.

The Group considers a financial asset to be in default when:

- the recipient is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or

- the financial asset is past due.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write- off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Impairment of Non-Financial Assets

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in estimates used to determine recoverable amount. Such a reversal is made only to an extent that asset's carrying amount does not exceed carrying amount that would have been determined, net of depreciation/ amortisation, if no impairment loss was recognised.

Q) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions:

Provision is recognised, when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be

ACCOUNTING POLICIES

required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Where the Group expects some or all of the expenditure required to settle a provision will be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset.

Contingent liabilities:

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. The Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

Contingent assets:

Contingent asset is not recognised in consolidated financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

R) ONEROUS CONTRACTS

A contract is said to be onerous when the expected economic benefits to be derived by the group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before such a provision is made, the Group recognises any impairment loss on the assets associated with the contract.

3A Recent pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

NOTES

4. Property, Plant and equipment, Intangible assets and Capital Work-in-Progress

(₹ in Lakhs)

Particulars	Property, plant and equipment											Capital work-in progress	Intangible assets (Computer software)
	Leased Asset - Land	Freehold Land	Factory Building	Non-factory Building	Plant and Equipment	Windmill	Electricals	Furniture and Fixture	Computers and accessories	Vehicles	Total		
Gross carrying amount													
As at 31.03.2022	**550**	**15,367**	**54,547**	**20,361**	**1,69,705**	**12,845**	**10,611**	**4,219**	**1,079**	**1,994**	**2,91,278**	**21,699**	**270**
Additions	-	374	11,682	13,765	24,580	-	1,777	1,698	323	496	54,695	8,665	41
Disposals / adjustments	-	(23)	-	-	(1,473)	-	(28)	(85)	(13)	(223)	(1,845)	(21,699)	-
As at 31.03.2023	**550**	**15,718**	**66,229**	**34,126**	**1,92,812**	**12,845**	**12,360**	**5,832**	**1,389**	**2,267**	**3,44,128**	**8,665**	**311**
Additions	-	252	3,837	829	25,191	-	350	616	244	370	31,689	11,751	-
Disposals / adjustments	-	-	-	-	(991)	-	(155)	(82)	(5)	(102)	(1,335)	(8,665)	-
As at 31.03.2024	**550**	**15,970**	**70,066**	**34,955**	**2,17,012**	**12,845**	**12,555**	**6,366**	**1,628**	**2,535**	**3,74,482**	**11,751**	**311**
Accumulated Depreciation and amortisation													
As at 31.03.2022	**16**	-	**8,156**	**2,023**	**68,168**	**10,660**	**4,369**	**2,315**	**754**	**933**	**97,394**	-	**190**
Depreciation and amortisation expenses	6	-	2,163	605	12,596	400	742	395	193	244	17,344	-	25
Disposals / adjustments	-	-	-	-	(960)	-	(16)	(24)	(11)	(74)	(1,085)	-	-
As at 31.03.2023	**22**	-	**10,319**	**2,628**	**79,804**	**11,060**	**5,095**	**2,686**	**936**	**1,103**	**1,13,653**	-	**215**
Depreciation and amortisation expenses	6	-	2,315	624	14,191	2	867	452	207	224	18,888	-	31
Disposals / adjustments	-	-	-	-	(633)	-	(110)	(58)	(4)	(50)	(855)	-	-
As at 31.03.2024	**28**	-	**12,634**	**3,252**	**93,362**	**11,062**	**5,852**	**3,080**	**1,139**	**1,277**	**1,31,686**	-	**246**
Net carrying amount													
As at 31.03.2023	**528**	**15,718**	**55,910**	**31,498**	**1,13,008**	**1,785**	**7,265**	**3,146**	**453**	**1,164**	**2,30,475**	**8,665**	**96**
As at 31.03.2024	**522**	**15,970**	**57,432**	**31,703**	**1,23,650**	**1,783**	**6,703**	**3,286**	**489**	**1,258**	**2,42,796**	**11,751**	**65**

Notes:

1. Property, plant and equipment include non-factory building given on lease with a gross carrying amount of ₹ 16,527 Lakhs as at 31.03.2024 (Pr.Yr. ₹ 16,527 Lakhs) and a net carrying amount of ₹ 12,196 Lakhs as at 31.03.2024 (Pr.Yr.₹ 12,760 lakhs).

2. Refer note 18 and 21 for assets given as securities for borrowings.

3. Property, plant and equipment includes right-of-use assets of ₹ 522 lakhs as at 31.03.2024 (Pr.Yr. ₹ 528 lakhs) related to leased properties that do not meet the definition of investment property.

NOTES

4.1 Title deeds of Immovable Properties not held in name of the Parent Company:

(a)

Particulars	As at 31.03.2024	As at 31.03.2023
(i) Relevant line item in the balance sheet	Property, plant and equipment	Property, plant and equipment
(ii) Description of item of property	Freehold Land	Freehold Land
(iii) Gross carrying value (₹ in lakhs)	67	67
(iv) Title deeds held in the name of	K.P.R. Spinning Mill Private Limited	K.P.R. Spinning Mill Private Limited
(v) Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter /director	No	No
(vi) Property held since which date	01.04.2005	01.04.2005
(vii) Reason for not being held in the name of the Company	The title deeds are in the name of K.P.R. Spinning Mill Private Limited, erstwhile Company that was merged with the Company under section 391 to 394 of the Companies Act, 1956 in terms of the approval of Honourable High Court(s) of judicature.	The title deeds are in the name of K.P.R. Spinning Mill Private Limited, erstwhile Company that was merged with the Company under section 391 to 394 of the Companies Act, 1956 in terms of the approval of Honourable High Court(s) of judicature.
(viii) Whether disputed	No	No

(b)

Particulars	As at 31.03.2024	As at 31.03.2023
(i) Relevant line item in the balance sheet	Property, plant and equipment	Property, plant and equipment
(ii) Description of item of property	Freehold Land	Freehold Land
(iii) Gross carrying value (₹ in lakhs)	64	64
(iv) Title deeds held in the name of	K.P.R. Mill Private Limited	K.P.R. Mill Private Limited
(v) Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter /director	No	No
(vi) Property held since which date	01.04.2005	01.04.2005
(vii) Reason for not being held in the name of the Company	The title deeds are in the name of K.P.R. Mill Private Limited, erstwhile Company that was merged with the Company under section 391 to 394 of the Companies Act, 1956 in terms of the approval of Honourable High Court(s) of judicature.	The title deeds are in the name of K.P.R. Mill Private Limited, erstwhile Company that was merged with the Company under section 391 to 394 of the Companies Act, 1956 in terms of the approval of Honourable High Court(s) of judicature.
(viii) Whether disputed	No	No

NOTES

(c)

Particulars	As at 31.03.2024	As at 31.03.2023
(i) Relevant line item in the balance sheet	Property, plant and equipment	Property, plant and equipment
(ii) Description of item of property	Freehold Land	Freehold Land
(iii) Gross carrying value (₹ in lakhs)	10	10
(iv) Title deeds held in the name of	K.P.R. Knits	K.P.R. Knits
(v) Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter /director	No	No
(vi) Property held since which date	01.04.2005	01.04.2005
(vii) Reason for not being held in the name of the Company	The title deeds are in the name of K.P.R. Knits, erstwhile Company that was acquired through out-right purchase.	The title deeds are in the name of K.P.R. Knits, erstwhile Company that was acquired through out-right purchase.
(viii) Whether disputed	No	No

4.2 Capital work-in-progress (CWIP) ageing schedule:

As at 31.03.2024

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More Than 3 years	Total
Projects in progress	11,726	25	-	-	**11,751**
Projects temporarily suspended	-	-	-	-	-

Note: The Company does not have any CWIP which is overdue or has exceeded its cost compared to its original plan and hence CWIP completion schedule is not applicable.

As at 31.03.2023

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More Than 3 years	Total
Projects in progress	8,665	-	-	-	**8,665**
Projects temporarily suspended	-	-	-	-	**-**

Note: The Company does not have any CWIP which is overdue or has exceeded its cost compared to its original plan and hence CWIP completion schedule is not applicable.

NOTES

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2024	As at 31.03.2023
5	**FINANCIAL ASSETS**		
	INVESTMENTS		
	(See accounting policy in note 3(H))		
	Investment measured at fair value through profit and loss		
	Unquoted (all fully paid-up)		
	Investment in equity shares of other entity		
	1,50,000 (Pr.Yr. 1,50,000) equity shares of ₹ 100 each of Somanur Water Scheme Pvt Ltd.	150	150
	Aggregate amount of unquoted investments	**150**	**150**
	Aggregate amount of impairment in value of investments	-	-
	Aggregate amount of quoted investments in market value thereof	-	-
	Information about the Group's fair value measurement is included in note 38.		
6	**OTHER FINANCIAL ASSETS**		
	(See accounting policy in note 3(H))		
	Security deposits	4,388	3,560
		4,388	**3,560**
7	**OTHER TAX ASSETS (NET)**		
	Advance tax (net of provision for tax)	123	584
		123	**584**
8	**OTHER NON - CURRENT ASSETS**		
	Capital advances	1,195	4,805
	Others (Corporate social responsibility (CSR) pre-spent)*	1,980	3,551
	Balances with government authorities	9,889	9,993
		13,064	**18,349**
	* Refer note 15 and 32.		
9	**INVENTORIES**		
	(See accounting policy in note 3(A))		
	Raw materials	83,457	78,069
	Work-in-progress *	5,509	5,685
	Finished goods	91,838	96,333
	Stock-in-trade	1,603	1,949
	Stores, spares, packing and others	8,118	7,810
		1,90,525	**1,89,846**
	* Includes Cotton and viscose ₹ 3,539 Lakhs (Pr. Yr. ₹ 3,863 Lakhs), Fabric ₹ 34 Lakhs (Pr. Yr. ₹ 34 Lakhs) and Garments ₹ 1,936 Lakhs (Pr. Yr. ₹ 1,788 Lakhs).		
	The mode of valuation of inventories has been stated in note 3(A). Refer note 18 and 21 for assets given as security for borrowings.		
10	**FINANCIAL ASSETS**		
	CURRENT INVESTMENTS		
	(See accounting policy in note 3(H))		
	Investments in mutual funds (quoted)		
	Investments measured at fair value through profit and loss		
	Investments in mutual funds (also refer note 46)	3,204	12,716
	Aggregate amount of quoted investments and market value thereof	**3,204**	**12,716**
	Aggregate amount of unquoted investments	-	-
	Aggregate amount of impairment in value of investments	-	-
	The Group's exposure to credit risk and price risk related to investments has been disclosed in note 38.		

NOTES

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2024	As at 31.03.2023
11	**TRADE RECEIVABLES**		
	(See accounting policy in note 3(H))		
	Trade receivables considered good - secured	-	-
	Trade Receivables considered good - unsecured	66,928	62,544
	Trade receivables which have significant increase in credit risk	-	-
	Trade receivables - credit impaired	182	202
	Total Trade receivables	**67,110**	**62,746**
	Less: Loss allowance	(182)	(202)
	Net trade receivables	**66,928**	**62,544**
	Movement of loss allowance in trade receivables		
	Opening balance	202	23
	Allowances made / (reversed) during the year	163	179
	Written off	(183)	-
	Closing balance	**182**	**202**

Trade receivables ageing schedule:
As at 31.03.2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled dues	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More Than 3 years	
(i) Undisputed Trade receivables - considered good	-	66,267	634	18	-	9	**66,928**
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	160	-	-	22	182
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total Trade receivables	-	**66,267**	**794**	**18**	**-**	**31**	**67,110**
Less: Loss allowance	-	-	(160)	-	-	(22)	**(182)**
Net trade receivables	-	**66,267**	**634**	**18**	**-**	**9**	**66,928**

NOTES

As at 31.03.2023 (₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled dues	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More Than 3 years	
(i) Undisputed Trade receivables - considered good	-	62,256	138	11	108	31	**62,544**
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	23	**23**
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	179	**179**
Total Trade receivables	-	**62,256**	**138**	**11**	**108**	**233**	**62,746**
Less: Loss allowance	-	-	-	-	-	-	**(202)**
Net trade receivables	-	**62,256**	**138**	**11**	**108**	**233**	**62,544**

(I) For receivables secured against borrowings, refer note 18 and note 21.

(ii) The Group's exposure to credit risks, currency risks and loss allowances related to trade receivables are disclosed in note 38.

(iii) For terms and conditions relating to related party receivables, refer note 39.

(iv) Also refer note 32.

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2024	As at 31.03.2023
12	**CASH AND CASH EQUIVALENTS**		
	(See accounting policy in note 3(B))		
	Balance with banks		
	i) In current accounts	5,953	3,120
	ii) In EEFC accounts	1,479	7,587
	Cash on hand	81	151
		7,513	**10,858**
13	**BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**		
	(See accounting policy in note 3(B))		
	Balance with banks held as margin money deposits	219	407
	Deposits with Bank	10,167	-
	Unclaimed dividend accounts	1	1
		10,387	**408**
14	**OTHER FINANCIAL ASSETS**		
	(See accounting policy in note 3(H))		
	Interest accrued on bank deposits and other deposits	256	98
	Technology upgradation fund subsidy receivable	97	97
	Interest subvention receivable	488	261
	Others	91	91
		932	**547**
	Information about the Group's exposure to credit risk and market risk are disclosed in note 38.		

NOTES

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2024	As at 31.03.2023
15	**OTHER CURRENT ASSETS**		
	Advances other than capital advances:		
	Advance to suppliers	6,450	9,920
	Balances with government authorities	8,514	6,240
	Service tax refund receivable	286	-
	Export incentive receivable	4,799	2,159
	Investment Subsidy Receivable	1,204	-
	Other Receivables	10,306	-
	Others (CSR pre-spent)*	2,038	1,874
	Others (primarily prepaid expenses)	906	702
		34,503	**20,895**
	* Refer note 8 and 37.		
16	**EQUITY SHARE CAPITAL**		
	a) Authorised		
	45,00,00,000 (Pr.Yr. 45,00,00,000) equity shares of ₹ 1 (₹ 1) each with voting rights.	4,500	4,500
	10,00,000 (Pr.Yr.10,00,000) 7% Redeemable Cumulative Non-Convertible Preference shares of ₹ 100 each.	1,000	1,000
		5,500	**5,500**
	b) Issued, subscribed and fully paid up		
	34,18,14,000 (Pr.Yr. 34,18,14,000) equity shares of ₹ 1 (₹ 1) each fully paid-up with voting rights.	3,418	3,418
		3,418	**3,418**

16.1 Term / rights to shares

Equity shares

The Company has issued only one class of equity shares having a face value of ₹ 1 per share. The holder of each equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

The Board declared and paid an interim dividend of ₹ 2.50 (face value of ₹ 1/- each) for the year 2023-24 (Pr.Yr. ₹ 2) (face value of ₹1/-each).

The Board has recommended a final dividend of 250% (₹ 2.50/- per share of the face value of ₹ 1/- each) for the year 2023-24 (Pr.Yr. ₹ 2/- per share) subject to the approval of the shareholders in Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive residual assets of the Company, after settling the dues of preferential and other creditors as priority. The distribution will be in proportion to the number of equity shares held by the shareholders.

16.2 Reconciliation of the Shares outstanding at the beginning and at the end of the year

Equity Shares with voting rights	As at 31.03.2024		As at 31.03.2023	
Particulars	**Number of Shares**	**(₹ in Lakhs)**	**Number of Shares**	**(₹ in Lakhs)**
At the beginning of the year	34,18,14,000	3,418	34,40,50,000	3,441
Issued during the year	-	-	-	-
Less: Buy-back of equity shares (refer note 40)	-	-	22,36,000	23
At the end of the year	**34,18,14,000**	**3,418**	**34,18,14,000**	**3,418**

NOTES

16.3 Details of shareholders holding more than 5% of shares

Equity Shares

Particulars	As at 31.03.2024		As at 31.03.2023	
	Number of Shares	% of Total Shares	Number of Shares	% of Total Shares
Sri K.P.Ramasamy	7,30,30,816	21.37	7,30,30,816	21.37
Sri KPD Sigamani	7,30,31,217	21.37	7,30,31,217	21.37
Sri P.Nataraj	7,30,31,217	21.37	7,30,31,217	21.37

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares as at the balance sheet date.

16.4 For the period of five years immediately preceding the date at which the Balance Sheet is prepared:

(i) The Company has not issued any shares without payment being received in cash.

(ii) The Company has not issued any bonus shares.

(iii) The aggregate number of equity shares bought back by the Company is Nil of ₹ 1/- each, fully paid up (Pr.Yr. 3,50,14,920 of ₹ 1/- each, fully paid up).

16.5 Shareholding of Promoters

Promoter Name	As at 31.03.2024			As at 31.03.2023		
	Number of Shares	% of Total Shares	% change during the year	Number of Shares*	% of Total Shares	% change during the year
Equity shares:						
Sri K.P.Ramasamy	7,30,30,816	21.37	-	7,30,30,816	21.37	0.55
Sri KPD Sigamani*	7,30,31,217	21.37	-	7,30,31,217	21.37	(0.24)
Sri P.Nataraj*	7,30,31,217	21.37	-	7,30,31,217	21.37	(0.24)

* During the previous year, Sri KPD Sigamani and Sri P.Nataraj gifted 9,06,437 shares each to Sri K.P.Ramasamy. The total promoter and promoter group holding remains unchanged.

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2024	As at 31.03.2023
17	**OTHER EQUITY**		
	Capital reserve		
	Opening balance	293	293
	Closing balance (A)	**293**	**293**
	Securities premium		
	Opening balance	3,863	19,096
	Changes during the year	-	(15,233)
	Closing balance (B)	**3,863**	**3,863**
	Balance in securities premium represents amount received on issue of shares in excess of par value. The same may be utilised in accordance with the provisions of the Companies Act, 2013.		
	Capital redemption reserve		
	Opening balance	2,039	1,827
	Add: Addition during the year (refer note below)	189	189
	Capital redemption on buy-back	-	23
	Closing balance (C)	**2,228**	**2,039**
	Balance in capital redemption reserve represents an amount equal to the nominal value of share bought back and redemption of preference share capital. The same may be utilised by the Company for issuing fully paid bonus shares.		
	During the year, K.P.R. Sugar Mill Limited has redeemed 18,91,500 7% Optionally Convertible Non - Cumulative Redeemable Preference Shares (issued at ₹ 150 with a face value of ₹ 10 per share) at a redemption price of ₹ 295 per share.		

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2024	As at 31.03.2023
	General reserve		
	Opening balance	24,845	24,845
	Closing balance (D)	**24,845**	**24,845**
	The General reserve represents an amount transferred from retained earnings from time to time for appropriation purpose which can be utilised for meeting future obligations. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit and loss.		
	Retained earnings	**As at 31.03.2024**	**As at 31.03.2023**
	Opening balance	**3,36,211**	**2,69,183**
	Add: Profit for the year	80,535	81,410
	Less:		
	Final dividend for F.Y. 2022-23 paid ₹ 2/- per share (Pr.Yr. ₹ 0.15/- per share)	6,836	513
	Interim dividend paid ₹ 2.50 per share (Pr.Yr. ₹ 2 per share)	8,545	6,836
	Premium on buy-back of equity shares	-	2,745
	Tax on buy-back of equity shares	-	4,076
	Transfer to Capital redemption reserve	189	212
	Closing balance (E)	**4,01,176**	**3,36,211**
	Retained earnings represents profits generated and retained by the Company post distribution of dividends to the equity shareholders in the respective years. This reserve can be utilized for distribution of dividend by the Company considering the requirements of the Companies Act, 2013.		
	Total (A+B+C+D+E)	**4,32,405**	**3,67,251**
18	**NON - CURRENT LIABILITIES**		
	FINANCIAL LIABILITIES		
	BORROWINGS		
	(See accounting policy in note 3(H))		
	Term loans - measured at amortised cost		
	Secured		
	From banks	37,066	59,113
	From others	-	34
	Less: amount included under current borrowings	(7,928)	(15,070)
		29,138	44,077
	From others (unsecured) - Interest free sales tax loan - NPV	384	768
		29,522	**44,845**
	Information about the Group's exposure to interest rate and liquidity risks is included in note 38.		
18.1	Term loans from banks are secured by pari-passu first charge on fixed assets and second charge on current assets of the Group.		
18.2	i) The Holding Company has availed a term loan from Daimler Financial Services India Pvt Ltd in respect of which balance as at 31.03.2024 was ₹ Nil (Pr.Yr. ₹ 34 Lakhs). The loan is repayable in 36 monthly instalments commencing from December 2021. This term loan is secured by Vehicle purchased out of the loan.		
	ii) K.P.R. Sugar Mill Limited has availed a term loan from Bank of Baroda Limited in respect of which balance as at 31.03.2024 was ₹ Nil (Pr.Yr. ₹ 4,054 Lakhs). The loan is repayable in 24 quarterly installments commencing from March 2020. This term loan is secured by second charge on fixed asset.		
	iii) K.P.R Sugar Mill Limited has availed a term loan from HDFC Bank Limited in respect of which balance as at 31.03.2024 was ₹ 8,774 Lakhs (Pr.Yr. ₹ 4,699 Lakhs). The loan is repayable in 16 quarterly instalments commencing from April 2024. This term loan is secured by first charge on the fixed assets created out of the loan.		

S.No.	Particulars		
	iv) KPR Sugar and Apparels Limited has availed a term loan from ICICI Bank Limited in respect of which balance as at 31.03.2024 was ₹ 8,750 Lakhs (Pr.Yr. ₹ 13,125 Lakhs). The loan is repayable in 16 quarterly installments commencing from April 2022. This term loan is secured by first charge of hypothecation of all moveable assets of Ethanol Division. First pari-passu charge by equitable mortgage and hypothecation of immovable fixed assets of Ethanol Division.		
	v) KPR Sugar and Apparels Limited has availed a term loan from ICICI Bank Limited in respect of which balance as at 31.03.2024 was ₹ 1,213 Lakhs (Pr.Yr. ₹ 4,844 Lakhs). The loan is repayable in 20 quarterly installments commencing from June 2023. This term loan is secured by first charge of hypothecation of all moveable assets of Garment Division. First pari-passu charge by equitable mortgage and hypothecation of immovable fixed assets of Garment Division.		
	vi) KPR Sugar and Apparels Limited has availed a term loan from Bank of Baroda Limited in respect of which balance as at 31.03.2024 was ₹ 18,329 Lakhs (Pr.Yr. ₹ 32,391 Lakhs). The loan is repayable in 24 quarterly installments commencing from May 2023. This term loan is secured by first charge of hypothecation of all moveable assets of Sugar Division. First pari-passu charge by equitable mortgage and hypothecation of immovable fixed assets of Sugar Division.		
18.3	Interest rate relating to term loans from banks is in the range of 7.65% to 8.85% (Pr.Yr. 6.23% to 8.50%).		
18.4	The Group has not defaulted in the repayment of principal and interest during the year.		**(₹ in Lakhs)**
		As at 31.03.2024	**As at 31.03.2023**
19	**DEFERRED TAX LIABILITIES (net)**		
	(See accounting policy in note 3(O))		
	Deferred tax liabilities	11,813	9,696
	Net deferred tax liabilities	**11,813**	**9,696**
	For movement in deferred tax liabilities, refer note 34.		
20	**OTHER NON - CURRENT LIABILITIES**		
	Payables on purchase of Property, plant and equipment	570	1,932
	Deferred revenue arising from government grants	59	104
	Security deposit from dealers - FASO	35	1
		664	**2,037**
21	**CURRENT LIABILITIES**		
	FINANCIAL LIABILITIES		
	BORROWINGS		
	(See accounting policy in note 3(H))		
	Loans repayable on demand from banks - secured		
	Working capital loans	35,670	12,825
	Packing credit loans	41,413	60,647
	From others		
	Unsecured:		
	Loans repayable on demand from others - secured	1,309	1,422
	Current maturities of non-current borrowings	7,928	15,070
		86,320	**89,964**
	Information about the group's exposure to currency, interest rate and liquidity risks is included in note 38.		
21.1	i) Loans for working capital and packing credit are secured by pari-passu first charge on the current assets of the Group and pari-passu second charge on entire block of assets of the Group. ii) The Group has not defaulted in its repayments of the loans and interest during the year. iii) Interest rate relating to working capital loans are in the range of 7.65% to 9.80% per annum (Pr.Yr. 5.65% to 11.35%). Interest rates relating to INR packing credit are in the range of 6.80% to 8.55% per annum (Pr.Yr. 4.40% to 7.43%). Interest rates relating to short term loans are in the range of 7.30% to 9.33% per annum (Pr.Yr. 6.85% to 8.85%)		

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2024	As at 31.03.2023
21.2	**Reconciliation of cash flows from financing activities**		
	Cash and cash equivalents	7,513	10,858
	Non-current borrowings	(29,522)	(44,845)
	Current borrowings	(86,320)	(89,964)
	Net debt*	**(1,08,329)**	**(1,23,951)**

Particulars	Other assets	Liabilities from financing activities		Total
	Cash and cash equivalents	Non-current borrowings	Current borrowings	
Net debt as at 01.04.2023	10,858	(44,845)	(89,964)	(1,23,951)
Net cash flows	(3,345)	15,323	3,644	15,622
Net debt as at 31.03.2024	**7,513**	**(29,522)**	**(86,320)**	**(1,08,329)**
Net debt as at 01.04.2022	12,131	(62,607)	(55,923)	(1,06,399)
Net cash flows	(1,273)	17,762	(34,041)	(17,552)
Net debt as at 31.03.2023	**10,858**	**(44,845)**	**(89,964)**	**(1,23,951)**

* Net debt is calculated as sum of non-current borrowings and current borrowings less cash and cash equivalents.

21.3 Term loans were applied for the purpose they were obtained. Further, short-term loans availed have not been utilised for long-term purposes by the Group.

21.4 Quarterly returns or statements of current assets filed by the Group for the sanctioned borrowings with banks or financial institutions are in agreement with the books of accounts.

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2024	As at 31.03.2023
22	**TRADE PAYABLES**		
	(See accounting policy in note 3(H))		
	(A) Total outstanding dues of micro enterprises and small enterprises ('MSME'); and	970	853
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	10,528	32,752
		11,498	**33,605**

Trade payables ageing schedule:
As at 31.03.2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from the due date of payment					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More Than 3 years	
Undisputed dues						
MSME	-	970	-	-	-	**970**
Others	1,077	9,411	40	-	-	**10,528**
Disputed dues						
MSME	-	-	-	-	-	**-**
Others	-	-	-	-	-	**-**
	1,077	**10,381**	**40**	-	-	**11,498**

As at 31.03.2023 (₹ in Lakhs)

Particulars	Outstanding for following periods from the due date of payment					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More Than 3 years	
Undisputed dues						
MSME	-	853	-	-	-	**853**
Others	2,378	30,374	-	-	-	**32,752**
Disputed dues						
MSME	-	-	-	-	-	**-**
Others	-	-	-	-	-	**-**
	2,378	**31,227**	-	-	-	**33,605**

(i) All the trade payables are current and non-interest bearing.
(ii) Refer note 36 for details of dues to Micro and small enterprises.
(iii) The Group's exposure to currency and liquidity risks related to trade payables is disclosed in note 38.
(iv) For terms and conditions relating to related party payables, refer note 39

S.No.	Particulars	As at 31.03.2024	As at 31.03.2023
23	**OTHER FINANCIAL LIABILITIES**		
	(See accounting policy in note 3(H))		
	Unclaimed dividend	1	1
	Others	13	36
		14	**37**
	Information about the Group's exposure to currency, interest rate and liquidity risks is included in note 38		
24	**OTHER CURRENT LIABILITIES**		
	Advance payment from customers	1,094	781
	Statutory dues payables	1,789	1,739
	Employee Benefits payable	6,631	6,313
		9,514	**8,833**
	Note:		
	(I) Revenue recognised during the year that was included in the contract liability balance at the beginning of the year amounts to ₹ 781 lakhs. (Pr.Yr ₹ 1,666 lakhs)		
	(ii) For terms and conditions relating to related party, refer note 39.		
25	**CURRENT TAX LIABILITIES (net)**		
	(See accounting policy in note 3(O))		
	Provision for tax (net of advance tax)	1,231	77
		1,231	**77**

S.No.	Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
26	**REVENUE FROM OPERATIONS**		
	(See accounting policy in note 3(E))		
	Sale of products	5,78,599	5,91,731
	Sale of services	3,789	4,287
	Other operating revenues	23,580	22,570
	Revenue from operations	**6,05,968**	**6,18,588**
	Disaggregation of revenue from contracts with customers		
	In the following disclosure, Revenue from contract with customers have been disaggregated based on the nature and type of goods sold.		
26.1	**SALE OF PRODUCTS**		
	Garment	2,33,138	2,30,855
	Yarn	1,68,177	1,87,436
	Fabric	25,849	28,176
	Sugar	47,256	66,628
	Molasses	-	2,077

NOTES

(₹ in Lakhs)

S.No.	Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
	Co-Gen power	10,446	9,465
	Ethanol	64,303	39,419
	Automobile	10,809	10,158
	Cotton waste	18,892	17,679
	Accessories and others	1,892	2,056
		5,80,762	**5,93,949**
	Less: Discount Allowed	2,163	2,218
		5,78,599	**5,91,731**
26.2	**Sale of Services**		
	Processing and fabrication income	3,137	3,428
	Automobile service income	652	859
		3,789	**4,287**
26.3	**Other Operating Revenues**		
	Export incentives	16,651	17,128
	Others (Primarily scrap sales)	6,929	5,442
		23,580	**22,570**
	Refer note 39 for sales made to related parties.		
27	**OTHER INCOME**		
	(See accounting policy in note 3(F))		
	Interest income on financial assets measured at amortised cost;		
	- Balance with banks held as margin money deposit	202	92
	- Others	365	125
	Gain on sale of current investments (net)	1,905	1,399
	Investment promotion subsidy	-	1,101
	Net gain on sale of property, plant and equipment	586	2,077
	Recovery of bad debts	184	-
	Sugar Subsidy	2,454	-
	Net gain on account of foreign exchange fluctuations	3	37
	Rental income (refer note 44)	208	495
	Miscellaneous income	819	906
		6,726	**6,232**
	Refer note 39 for transactions with related parties.		
28	**COST OF MATERIALS CONSUMED**		
	a) Inventory of materials at the beginning of the period		
	Cotton	60,988	44,591
	Dyes and chemicals	509	557
	Yarn, fabric, polyester and Viscose	16,572	9,664
		78,069	**54,812**
	b) Add: Purchases		
	Cotton	1,88,324	2,31,458
	Dyes and chemicals	10,365	10,346
	Yarn, fabric, polyester,Viscose and garments	46,270	53,695
	Trims, packing and others	27,487	24,012
	Sugar cane and coal	80,757	93,402
		3,53,203	**4,12,913**
	c) Less : Inventory of materials at the end of the period		
	Cotton	63,044	60,988
	Dyes and chemicals	739	509
	Yarn, fabric, polyester and Viscose	19,674	16,572
		83,457	**78,069**
	Cost of materials consumed (a + b - c)	**3,47,815**	**3,89,656**

NOTES

(₹ in Lakhs)

S.No.	Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
29	**CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK- IN- TRADE AND WORK-IN-PROGRESS**		
	a) Inventories at the beginning of the period		
	Finished goods	96,333	61,306
	Work-in-progress	5,685	4,931
	Stock-in-trade	1,949	1,302
		1,03,967	**67,539**
	b) Inventories at the end of the period		
	Finished goods	91,838	96,333
	Work-in-progress	5,509	5,685
	Stock-in-trade	1,603	1,949
		98,950	1,03,967
	Net decrease / (increase)	**5,017**	**(36,428)**
30	**EMPLOYEE BENEFITS EXPENSE**		
	(See accounting policy in note 3(J))		
	Salaries, wages and bonus	48,067	43,257
	Contribution to provident and other funds	4,475	4,012
	Staff welfare expenses	7,516	7,595
		60,058	**54,864**
	Refer note 39 for transactions with related parties.		
31	**FINANCE COSTS**		
	(See accounting policy in note 3(K))		
	Interest expense on financial liabilities measured at amortised cost		
	Borrowings from banks/others:		
	Term loans	3,434	4,136
	Working capital loans and packing credit loans	2,909	2,435
	Interest on shortfall in payment of income tax	102	446
	Interest on interest free sales tax loan	45	45
	Other borrowing costs	947	824
		7,437	**7,886**
32	**OTHER EXPENSES**		
	Manufacturing Expenses		
	Power and fuel	24,361	22,398
	Consumption of stores and packing materials	7,496	8,771
	Repairs and Maintenance		
	Building	2,223	2,187
	Machinery	11,036	10,635
	Others	1,200	1,149
	Insurance	797	862
	Administration Expenses		
	Legal and professional charges	908	870
	Rent (refer note 44)	270	256
	Rates and taxes	461	530
	Payment to auditor (refer note 33)	30	32
	Travelling and conveyance	1,287	1,413
	Expenditure on Corporate Social Responsibility (CSR) (refer note 37)	2,020	1,582
	Donations	58	1,535
	Impairment loss on financial assets (refer note 11 and 38)	203	182
	Miscelleneous expenses	1,434	1,503
	Selling Expenses		
	Freight and forwarding	5,311	4,664
	Sales commission	1,904	1,567
	Other selling expenses	521	861
		61,520	**60,997**
	Refer note 39 for transactions with related parties.		

NOTES

(₹ in Lakhs)

S.No.	Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
33	**Payment to auditors (including payment to subsidiaries' auditors)**		
	Statutory audit fees	29	31
	Reimbursement of expenses	1	1
	Total	**30**	**32**
34	**Income tax**		
34.1	**Income tax recognised in the statement of profit and loss**		
	Current Tax		
	Current income tax charge	21,430	25,273
	Tax expense relating to prior years	(44)	(982)
	Total (A)	**21,386**	**24,291**
	Deferred Tax		
	(Benefits) / charge attributable to origination and reversal of temporary differences	2,118	2,715
	MAT credit entitlement	-	-
	Total (B)	**2,118**	**2,715**
	Total (A + B)	**23,504**	**27,006**

There are no items of income tax recognised in other comprehensive income.

34.2 Reconciliation with effective tax rate

(₹ in Lakhs)

Particulars	Effective tax rate 2023-24	Effective tax rate 2022-23	Amount 2023-24	Amount 2022-23
Profit Before Tax			1,04,039	1,08,416
Tax using the Group's domestic tax rate	26.85%	26.57%	27,934	28,801
Effect of deductions under Chapter VI-A of the Income-tax Act, 1961	-6.09%	-2.89%	(6,336)	(3,135)
Effect of non-deductible expenses and others	1.87%	2.14%	1,950	2,322
	22.63%	25.82%	23,548	27,988
Effect of tax expense relating to earlier years	-0.04%	-0.91%	(44)	(982)
MAT Credit Entitlement	0.00%	0.00%	-	-
Income tax recognised in the statement of profit and loss	**22.59%**	**24.91%**	**23,504**	**27,006**

Note:

The Group recognizes MAT credit availed in earlier years as an asset only to the extent that it is probable that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The Group reviews the MAT credit entitlement asset at each reporting date and writes down the asset to the extent it is no longer probable that it will pay normal tax during the specified period.

Pursuant to the amendment in Income-tax Act, 1961 effective 20.09.2019, which provides for an option to domestic companies to pay income tax at reduced rates, the Company exercised the option permitted under section 115BAA of the Income Tax Act,1961.

34.3 Movement in deferred tax Liabilities :

(₹ in Lakhs)

Particulars	Balance as at 01.04.2022	Recognised in P&L during 2022-23	Utilisation of MAT credit entitlement	Balance as at 31.03.2023	Recognised in P&L during 2023-24	Utilisation of MAT credit entitlement	Balance as at 31.03.2024
Property, plant and equipment	4,377	2,715	2,604	9,696	2,118	-	11,813
Total	**4,377**	**2,715**	**2,604**	**9,696**	**2,118**	**-**	**11,813**

34.4 Movement in deferred tax Assets :

Particulars	Balance as at 01.04.2022	Recognised in P&L during 2022-23	Utilisation of MAT credit entitlement	Balance as at 31.03.2023	Recognised in P&L during 2023-24	Utilisation of MAT credit entitlement	Balance as at 31.03.2024
Property, plant and equipment	2,605	(2,605)	-	-	-	-	-
MAT credit entitlement	(3,612)	-	3,612	-	-	-	-
Total	**(1,007)**	**(2,605)**	3,612	-	-	-	-

NOTES

35 Contingent Liabilities and Commitments (to the extent not provided for)

I. Contingent Liabilities

(₹ in Lakhs)

Particulars	31.03.2024	31.03.2023
(a) Claims against the Group not acknowledged as debts		
(i) Income tax matters	1,151	1,150
(ii) Goods and services tax matters	503	460
(b) Bank guarantees in favour of parties outstanding		
(i) Tamil Nadu Generation and Distribution Corporation [TANGEDCO]	164	164
(ii) Tamil Nadu Pollution Control Board	5	5
(iii) Tata Power Trading Company Limited	-	100
(iv) New Tirupur Area Water Development Corporation Limited	77	58
(v) Indian Oil Corporation Limited	1,145	617
(vi) Bharat Petroleum Corporation Limited	487	528
(vii) Hindustan Petroleum Corporation Limited	883	474
(viii) Central Government Samarth Scheme	2	2
(c) Letter of credit facility in favour of suppliers		
(i) Foreign letter of credit	2,639	5,432
(ii) Inland letter of credit	118	967
(d) Discounted sales invoices	8,453	7,948
(e) Provident fund:		
Pursuant to the Supreme Court judgement dated February 28, 2019 on the inclusion of special allowances for contribution to provident fund, the Group has been legally advised that there are interpretative challenges on the application of the judgement retrospectively. Based on the legal advice and in the absence of the reliable measurement of the provision for earlier periods, the Group has not recorded a provision for the prior years.		

Notes:

(i) Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.

(ii) The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in these consolidated financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

II. Commitments

(₹ in Lakhs)

Particulars	31.03.2024	31.03.2023
(a) Capital Commitments (i) Estimated amount of contracts remaining to be executed on capital account and not provided for (Property, plant and equipment: ₹ 5,663 Lakhs (Pr.Yr. ₹ 13,235 Lakhs)) and (Intangible assets: Nil (Pr.Yr. Nil))	5,663	13,235
(b) Other Commitments (i) Export obligations against the import licenses taken for import of capital goods under the Export Promotion on Capital Goods Scheme and Advance Authorisation scheme for import of raw material. The duty implication involved is ₹ 2,598 Lakhs (Pr.Yr. ₹ 5,184 Lakhs)	15,587	31,104

36 Disclosure with respect to Micro, Small and Medium Enterprises Development Act, 2006

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" ("MSMED Act, 2006") is based on the information available with the Group regarding the status of registration of such vendors under the said Act, as per the intimation received from them on request made by the Group. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

NOTES

(₹ in Lakhs)

S.No.	Particulars	31.03.2024	31.03.2023
1	The Principal amount remaining unpaid to any supplier at the end of each accounting year	970	853
2	Interest due remaining unpaid to any supplier at the end of each accounting year	-	-
3	The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
4	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
5	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
6	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 enterprises, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-

37 Corporate Social Responsibility Expenditure

The gross amount required to be spent by the Group during the year towards Corporate Social Responsibility (CSR) as per the provisions of Section 135 of the Companies Act, 2013 amounts to ₹ 2,000 Lakhs (Pr.Yr. ₹ 1,532 Lakhs). Amount spent during the year on CSR activities (included in note 32 of the Statement of Profit and Loss) as under:

The amount approved by the Board to be spent during the year towards Corporate Social Responsibility (CSR) as per the provisions of Section 135 of the Companies Act, 2013 amounts to ₹ 2,020 Lakhs (Pr.Yr. ₹ 7,007 Lakhs).

(₹ in Lakhs)

Particulars	For the year Ended	
	31.03.2024	31.03.2023
Promotion of education	2,003	1,558
Chess Olympiad sponsorship	5	5
Sanitation and health care	-	8
Rural development	12	11
Total	**2,020**	**1,582**

Details of corporate social responsibility expenditure:

(₹ in Lakhs)

Particulars	For the year Ended	
	31.03.2024	31.03.2023
(i) Shortfall at the end of the year	-	-
(ii) Total of previous years shortfall	-	-
(iii) Reason for shortfall	NA	NA
(iv) Details of related party transactions	NA	NA
(v) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NA	NA

NOTES

Disclosure under section 135(5) of the Companies Act, 2013

(₹ in Lakhs)

Particulars	For the year Ended 31.03.2024	For the year Ended 31.03.2023
(i) Opening balance (excess) / shortfall	(5,425)	-
(ii) Amount required to be spent during the year	2,000	1,532
(iii) Amount spent during the year (also refer note 8, 15 and 32)	-	(7,007)
(iv) Amount recorded as CSR expenditure during the year (also refer note 8,15 and 32)	2,020	1,582
(v) Closing balance (excess)* / shortfall	**(4,018)**	**(5,425)**

* Out of the excess closing balance in the table above, balance of ₹ 4,018 lakhs (Pr.Yr. ₹ 5,425 lakhs) represents CSR pre-spent during the financial year 2022-23 to be adjusted against the Company's future CSR obligation in accordance with the provisions of Companies Act, 2013.

The Group had spent an amount of ₹ 20 Lakhs (Pr.Yr. ₹ 50 Lakhs) which was not carried forward as CSR pre-spent for adjustment towards future CSR Obligation stated above.

38 Financial Instruments

Accounting Classification and Fair Values:

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

31.03.2024 **(₹ in Lakhs)**

Particulars	Carrying amount: Mandatorily at FVTPL - Others	Carrying amount: Other financial assets - amortised cost	Carrying amount: Other financial liabilities	Total carrying amount	Fair value hierarchy
Financial assets measured at fair value					
Non-current investments	150	-	-	150	Level 2
Current investments	3,204	-	-	3,204	Level 1
Financial assets not measured at fair value					
Trade receivables #	-	66,928	-	66,928	-
Cash and cash equivalents #	-	7,513	-	7,513	-
Bank balances other than Cash and cash equivalents #	-	10,387	-	10,387	-
Other financial assets #	-	5,320	-	5,320	-
Financial liabilities not measured at fair value					
Borrowings #	-	-	1,15,842	1,15,842	-
Trade payables #	-	-	11,497	11,497	-
Other financial liabilities #	-	-	14	14	-

31.03.2023 **(₹ in Lakhs)**

Particulars	Carrying amount: Mandatorily at FVTPL - Others	Carrying amount: Other financial assets - amortised cost	Carrying amount: Other financial liabilities	Total carrying amount	Fair value hierarchy
Financial assets measured at fair value					
Non-current investments	150	-	-	150	Level 2
Current investments	12,716	-	-	12,716	Level 1
Financial assets not measured at fair value					
Trade receivables #	-	62,544	-	62,544	-
Cash and cash equivalents #	-	10,858	-	10,858	-
Bank balances other than Cash and cash equivalents #	-	408	-	408	-
Other financial assets #	-	4,107	-	4,107	-
Financial liabilities not measured at fair value					
Borrowings #	-	-	1,34,809	1,34,809	-
Trade payables #	-	-	33,605	33,605	-
Other financial liabilities #	-	-	37	37	-

NOTES

For financial assets and liabilities not measured at fair value, the Group has not disclosed the fair values of financial instruments, since their carrying amounts are reasonable approximations of their fair values.

Note: There have been no transfers between Level 1, Level 2 and Level 3 during the current and previous year.

Refer note 2E to the consolidated financial statements.

Capital management

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to stakeholders through optimisation of borrowings and equity.

The capital structure of the Group consists of net debt (borrowings as detailed in note 18 and note 21 which is off set by cash and bank balances as defined below) and Total Equity of the Group.

The Group is not subject to any externally imposed capital requirements.

The Group's net debt to equity ratio as at 31.03. 2024 was as follows:

(₹ in Lakhs)

Particulars	31.03.2024	31.03.2023
(i) Debt *	1,15,842	1,34,809
(ii) Less : Cash and Bank Balances *	17,900	11,266
(iii) Net Debt (i - ii)	**97,942**	**1,23,543**
(iv) Total Equity	4,35,823	3,70,669
(v) Net Debt to Equity Ratio (iii / iv)	**22.47%**	**33.33%**

* Debt is defined as non-current borrowings, current borrowings and current maturities of non-current borrowings as described in note 18 and note 21. Cash and Bank balances include cash and cash equivalents and bank balances other than cash and cash equivalents as described in note 12 and note 13.

Financial Risk Management

The Group has exposure to the following risks arising from financial instruments:

- Market risk (see A below)
- Credit risk (see B below)
- Liquidity risk (see C below)

Risk Management Framework

The Group’s corporate treasury function provides services to the business, co-ordinates access to domestic and International financial markets, monitors and manages the financial risk relating to the operation of the Group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk), credit risk and liquidity risk.

The use of financial derivatives is governed by the Group’s policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivatives financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Group does not enter into or trade financial instrument, including derivative financial instruments, for speculative purposes.

The respective Company's Board of Directors oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The respective Company's Board of Directors are assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

A. Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of holding of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Foreign currency risk

The Group's sales and purchases activities expose it primarily to the financial risk of changes in foreign currency exchange rates. The Group enters into plain vanilla forward contracts to manage its exposure to foreign currency risk.

Details of hedged and unhedged foreign currency exposures

(a) Outstanding forward exchange contracts for hedging purposes as on 31.03.2024

Currency	Cross Currency	Amount (₹ in Lakhs)	Buy / Sell
USD	INR	34,813 (13,620)	Sell Sell
EURO	INR	11,427 (8,210)	Sell Sell
GBP	INR	8,981 (9,334)	Sell Sell

Note: Figures in brackets relates to the previous year

(b) The year-end unhedged foreign currency exposures are given below

Foreign currency denominated financial assets and liabilities (including firm commitments, if any) which expose the Group to currency risk are disclosed below. The amounts shown are those reported translated at the closing rate. Unhedged foreign currency risk exposure at the end of the reporting period has been expressed in Indian Rupees.

(₹ in Lakhs)

Particulars	USD	EURO	GBP	JPY	CHF	Total
As at 31.03.2024						
Trade receivables	46,906	5,854	4,398	-	-	57,158
Trade payables	(2,410)	-				(2,410)
	44,496	**5,854**	**4,398**	-	-	**54,748**

(₹ in Lakhs)

Particulars	USD	EURO	GBP	JPY	CHF	Total
As at 31.03.2023						
Trade receivables	58,446	3,801	3,121	-	-	65,368
Cash and cash equivalents	1,573	2,261	3,477	-	-	7,311
Trade payables	(5,416)	-	-	-	-	(5,416)
	54,603	**6,063**	**6,597**	-	-	**67,263**

Note: Trade receivables and Trade payables includes firm commitments.

NOTES

Sensitivity Analysis :

Sensitivity analysis is carried out for un-hedged foreign exchange risk as at 31.03.2024. For every 1% strengthening / weakening of Indian Rupees against all relevant uncovered foreign currency transactions, profit before tax and equity would be impacted as follows:

(₹ in Lakhs)

Increase/(decrease) in profit and equity	Strengthening		Weakening	
	Year ended 31.03.2024	Year ended 31.03.2023	Year ended 31.03.2024	Year ended 31.03.2023
USD	(460)	(546)	460	546
EURO	(59)	(61)	59	61
GBP	(44)	(66)	44	66
	(563)	**(673)**	**563**	**673**

(ii) Interest rate risk

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

Interest rate exposure

(₹ in Lakhs)

Particulars	31.03.2024	31.03.2023
Non-current borrowings	29,522	44,845
Current borrowings	86,320	89,964
Total	**1,15,842**	**1,34,809**

Sensitivity analysis:

Sensitivity analysis is carried out for floating rate borrowings as at March 31, 2024. For every 1% increase in average interest rates, profit before tax would be impacted by loss of approximately ₹ 1,158 lakhs (Pr.Yr: ₹ 1,348 Lakhs). Similarly, for every 1% decrease in average interest rates, there would be an equal and opposite impact on the profit before tax. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

(iii) Price risk

The Group is mainly exposed to the price risk due to its investment in mutual funds. The price risk arises due to uncertainties about the future market values of these investments. As at March 31, 2024, the investments in mutual funds amounts to ₹ 3,204 lakhs (Pr.Yr. ₹ 12,716 lakhs).

As regards Group's investments in unquoted equity investments, the management contends that such investments do not expose the Group to price risks. In general, these securities are not held for trading purposes.

Sensitivity analysis:

For every 1% increase in price, profit before tax would be impacted by gain of approximately ₹ 32 lakhs (Pr.Yr. ₹ 127 lakhs). Similarly, for every 1% decrease in price there would be an equal and opposite impact on the profit before tax.

B Credit risk management

Credit risk is the risk that the counterparty to a financial instrument will not meet its contractual obligations, leading to a financial loss. Credit risk primarily arises from the Group's trade receivables, investments, cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Trade receivables:

(₹ in Lakhs)

Particulars	**31.03.2024**	**31.03.2023**
Trade receivables	66,928	62,544

NOTES

The Group mitigates credit risk by strict receivable management procedures and policies. The Group has a dedicated independent team to review credit and monitor collection of receivables. In addition, the Group mitigates credit risk substantially through availment of credit insurance for both domestic and export buyers.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Group have not undergone any substantial change, the Group expects the historical trend of minimal credit losses to continue. Further, the management believes that unimpaired amounts that are past due by more than 90 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. The impairment loss at the reporting dates related to customers that have defaulted on their payments to the Group are not expected to be able to pay their outstanding dues, mainly due to economic circumstances.

The concentration of credit risk is limited due to the customer base being large and unrelated. Further, the Group constantly evaluates the quality of trade receivable and provides impairment loss on financial assets (trade receivables) based on expected credit loss model.

For movement of loss allowance in trade receivables, refer note 11.

Investments :

Investments of surplus funds are made only with approval of Board of Directors. This primarily include investments in equity instruments of an unlisted entity and mutual funds. The Group does not expect significant credit risks arising from these investments.

Cash and cash equivalents and Bank balances other than Cash and cash equivalents:

The Group held cash and cash equivalents and margin money deposits with credit worthy banks and financial institutions as at the reporting dates which has been measured on the 12-month expected loss basis. The credit worthiness of the banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good with low credit risk.

Other financial assets :

Other financial assets primarily consists of Interest accrued on bank deposits and other deposits, security deposits and term deposit with Non-Banking Financial Companies. The Group does not expect any loss from non-performance by these counter-parties.

C Liquidity risk management

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group’s approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group’s reputation.

All current financial liabilities are repayable within one year. The contractual maturities of non current financial liabilities are disclosed in note 18.

39 Related Party Disclosures

Disclosures under "Ind AS" 24-Related Party Disclosure, as identified and disclosed by the Management and relied upon by the Auditors:

NOTES

39.1 Name of related parties and nature of relationships

Key Management Personnel	Sri K.P.Ramasamy Sri KPD Sigamani Sri P.Nataraj Sri C.R.Anandakrishnan Sri E.K.Sakthivel
Relatives of Key Management Personnel	Smt D.Geetha (Daughter of Sri.KPD Sigamani) Sri T.N.Arun (Son of Sri P.Nataraj)
Enterprises owned by Key Management Personnel/Directors or their relatives	M/s K.P.R.Developers Limited M/s K P R Cements Private Limited M/s K P R Holdings Private Limited M/s K P R Agro Farms Private Limited M/s KPR Info Solution Private Limited

39.2 Transactions during the year and the balance outstanding at the balance sheet date

(₹ in Lakhs)

Nature of Transaction	Enterprises owned by Key Managerial Personnel / Directors or their relatives	Key Managerial Personnel	Relatives to Key Managerial Personnel	Total as on 31.03.2024
Transactions during the year				
Lease Rentals Paid	- -	2 (4)	- -	2 (4)
Remuneration / Salary	- -	1,758 (1,758)	16 (13)	1,774 (1,771)
Balance outstanding as at the balance sheet date				
Employee benefits payable	- -	1,061 (955)	- -	1,061 (955)

(Previous year figures are shown in brackets)

39.3 Details of transactions with related parties

a. Lease Rent Paid

(₹ in Lakhs)

Name	2023-24	2022-23
Sri K.P.Ramasamy	0.6	1.2
Sri KPD Sigamani	0.6	1.2
Sri P.Nataraj	0.6	1.2
Total	**1.8**	**3.6**

NOTES

b. Remuneration / Salary (Short term employee benefits) **(₹ in Lakhs)**

Name	2023-24	2022-23
Sri K.P.Ramasamy	572	572
Sri KPD Sigamani	572	572
Sri P.Nataraj	572	572
Sri C.R.Anandakrishnan	24	24
Sri E.K.Sakthivel	18	18
Smt D.Geetha	6	6
Sri T.N.Arun	10	7
Total	**1,774**	**1,771**

Note: Amount attributable to post employment benefits have not been disclosed as the same cannot be identified distinctly in the actuarial valuation.

Balances outstanding as at the balance sheet date:

c. Employee benefits payable **(₹ in Lakhs)**

Name	31.03.2024	31.03.2023
Sri K.P.Ramasamy	365	330
Sri KPD Sigamani	342	307
Sri P.Nataraj	351	315
Sri C.R.Anandakrishnan	2	2
Sri E.K.Sakthivel	1	1
Smt. D.Geetha	0.40	0.40
Total	**1,061.40**	**955.40**

39.4 Transactions eliminated in consolidation procedures (intra-group transactions) and consequently not forming part of consolidated financial statements

(I) Transactions between the Parent Company and other Group entities:

a. Purchase of Goods **(₹ in Lakhs)**

Name	2023-24	2022-23
M/s K.P.R. Sugar Mill Limited	-	86
M/s KPR Sugar and apparels Limited	1,581	14,158
M/s Quantum Knits Private Limited	2,621	-
Total	**4,202**	**14,244**

b. Sale of Products **(₹ in Lakhs)**

Name	2023-24	2022-23
M/s K.P.R. Sugar Mill Limited	15,796	26,816
M/s Quantum Knits Private Limited	921	5,634
M/s KPR Sugar and Apparels Limited	17,168	17,946
Total	**33,885**	**50,396**

NOTES

c. Sale of property, plant and equipment

(₹ in Lakhs)

Name	2023-24	2022-23
M/s Jahnvi Motor Private Limited	2	3
M/s KPR Sugar and Apparels Limited	8	64
Total	**10**	**67**

d. Repairs and maintenance

(₹ in Lakhs)

Name	2023-24	2022-23
M/s Jahnvi Motor Private Limited	46	32
Total	**46**	**32**

e. Processing and fabrication income

(₹ in Lakhs)

Name	2023-24	2022-23
M/s KPR Sugar and Apparels Limited	4,658	4,355
Total	**4,658**	**4,355**

f. Miscellaneous income

(₹ in Lakhs)

Name	2023-24	2022-23
M/s K.P.R. Sugar Mill Limited	8	53
M/s KPR Sugar and Apparels Limited	121	113
M/s Jahnvi Motor Private Limited	3	3
Total	**132**	**169**

g. Processing and fabrication expenses

(₹ in Lakhs)

Name	2023-24	2022-23
M/s KPR Sugar and Apparels Limited	-	847
Total	-	**847**

h. Lease rentals paid

(₹ in Lakhs)

Name	2023-24	2022-23
M/s K.P.R. Sugar Mill Limited	1,200	3,000
M/s KPR Sugar and Apparels Limited	2	-
Total	**1,202**	**3,000**

NOTES

i. Lease rentals received

(₹ in Lakhs)

Name	2023-24	2022-23
M/s K.P.R. Sugar Mill Limited	1	1
M/s Quantum Knits Private Limited	1	1
M/s KPR Sugar and Apparels Limited	24	22
Total	**26**	**24**

j. Dividend income

(₹ in Lakhs)

Name	2023-24	2022-23
M/s K.P.R. Sugar Mill Limited	9,034	2,691
M/s Jahnvi Motor Private Limited	193	193
M/s KPR Sugar and Apparels Limited	4,914	-
M/s Quantum Knits Private Limited	-	1,800
Total	**14,141**	**4,684**

k. Proceeds from redemption of preference shares

(₹ in Lakhs)

Name	2023-24	2022-23
M/s K.P.R. Sugar Mill Limited	5,580	5,202
Total	**5,580**	**5,202**

l. Non-current investments

(₹ in Lakhs)

Name	2023-24	2022-23
M/s KPR Sugar and Apparels Limited	-	20,000
Total	**-**	**20,000**

m. Other Financials liabilities

(₹ in Lakhs)

Name	2023-24	2022-23
M/s K.P.R. Sugar Mill Limited	61	69
M/s KPR Sugar and Apparels Limited	295	416
M/s Jahnvi Motor Private Limited	-	2
Total	**356**	**487**

(II) Transactions between the other Group entities:

In the books of M/s.K.P.R.Sugar Mill Limited

a. Revenue from operations

(₹ in Lakhs)

Name	2023-24	2022-23
M/s KPR Sugar and Apparels Limited	7,466	659
Total	**7,466**	**659**

b. Purchase of goods

(₹ in Lakhs)

Name	2023-24	2022-23
M/s KPR Sugar and Apparels Limited	4,720	30
Total	**4,720**	**30**

NOTES

c. Interest income on financial assets measured at amortised cost (₹ in Lakhs)

Name	2023-24	2022-23
M/s KPR Sugar and Apparels Limited	186	294
Total	**186**	**294**

d. Sale of property, plant and equipment (₹ in Lakhs)

Name	2023-24	2022-23
M/s KPR Sugar and Apparels Limited	31	23
Total	**31**	**23**

e. Other expenses (₹ in Lakhs)

Name	2023-24	2022-23
M/s K.P.R. Mill Limited	8	53
Total	**8**	**53**

f. Redemption of preference shares (including premium) (₹ in Lakhs)

Name	2023-24	2022-23
M/s K.P.R. Mill Limited	5,580	5,202
Total	**5,580**	**5,202**

In the books of M/s KPR Sugar and Apparels Limited

g. Revenue from operations (₹ in Lakhs)

Name	2023-24	2022-23
M/s K.P.R. Sugar Mill Limited	4,720	30
Total	**4,720**	**30**

h. Purchase of goods (₹ in Lakhs)

Name	2023-24	2022-23
M/s K.P.R. Sugar Mill Limited	7,466	659
Total	**7,466**	**659**

i. Interest paid (₹ in Lakhs)

Name	2023-24	2022-23
M/s K.P.R. Sugar Mill Limited	186	294
Total	**186**	**294**

j. Purchase of property, plant and equipment (₹ in Lakhs)

Name	2023-24	2022-23
M/s K.P.R. Sugar Mill Limited	31	23
Total	**31**	**23**

NOTES

k. Other expenses (₹ in Lakhs)

Name	2023-24	2022-23
M/s K.P.R. Mill Limited	121	113
Total	**121**	**113**

In the books of M/s Jahnvi Motor Private Limited

l. Other expenses (₹ in Lakhs)

Name	2023-24	2022-23
M/s K.P.R. Mill Limited	3	3
Total	**3**	**3**

(III) Balances outstanding as at the balance sheet date:

In the books of the Holding company

a. Non-current investments (₹ in Lakhs)

Name	31.03.2024	31.03.2023
Equity shares		
M/s K.P.R. Sugar Mill Limited	1,675	1,675
M/s Jahnvi Motor Private Limited	276	276
M/s Quantum Knits Private Limited	10	10
M/s Galaxy Knits Limited	5	5
M/s KPR Exports PLC, Ethiopia	-	-
M/s KPR Mill Pte. Ltd, Singapore	-	21
M/s KPR Sugar and Apparels Limited	100	100
Deemed equity in Jahnvi Motor Private Limited, K.P.R.Sugar Mill Limited and KPR Sugar and Apparels Limited	657	657
Preference shares		
M/s K.P.R.Sugar Mill Limited	-	2,837
M/s KPR Sugar and Apparels Limited	70,000	70,000
Total	**72,723**	**75,581**

b. Investment in wholly-owned subsidiary pending allotment (₹ in Lakhs)

Name	31.03.2024	31.03.2023
M/s KPR Mill Pte. Ltd, Singapore	-	7
Total	**-**	**7**

Also refer note below :

c. Loans (₹ in Lakhs)

Name	31.03.2024	31.03.2023
M/s KPR Exports PLC, Ethiopia	188	-
M/s KPR Mill Pte. Ltd, Singapore	-	223
Total	**188**	**223**

Note: Disclosure under Section 186 (4) of the Companies Act, 2013:
The recipients utilise the loan for principal business activities.
Also refer note below.

NOTES

d. Advance to suppliers (₹ in Lakhs)

Name	31.03.2024	31.03.2023
M/s Jahnvi Motor Private Limited	-	1
Total	**-**	**1**

e. Trade receivables (₹ in Lakhs)

Name	31.03.2024	31.03.2023
M/s KPR Sugar and Apparels Limited	7,480	4,147
M/s Quantum Knits Private limited	-	3,414
Total	**7,480**	**7,561**

f. Trade payables (₹ in Lakhs)

Name	31.03.2024	31.03.2023
M/s Jahnvi Motor Private Limited	5	-
M/s Quantum Knits Private limited	104	-
Total	**109**	-

g. Interest accrued (₹ in Lakhs)

Name	31.03.2024	31.03.2023
M/s KPR Mill Pte Limited	-	24
Total	-	**24**

h. Advance from customers (₹ in Lakhs)

Name	31.03.2024	31.03.2023
M/s K.P.R.Sugar Mill Limited	3,014	6,837
Total	**3,014**	**6,837**

In the books of M/s K.P.R.Sugar Mill Limited

i. Loan receivable (₹ in Lakhs)

Name	31.03.2024	31.03.2023
M/s KPR Sugar and Apparels Limited	10,000	11,516
Total	**10,000**	**11,516**

j. Other assets (in Lakhs)

Name	31.03.2024	31.03.2023
M/s K.P.R. Mill Limited	-	69
Total	-	**69**

k. Other Liabilities (₹ in Lakhs)

Name	31.03.2024	31.03.2023
M/s K.P.R. Mill Limited	-	122
Total	-	**122**

NOTES

(₹ in Lakhs)

l. Advance from customers

Name	31.03.2024	31.03.2023
M/s KPR Sugar and Apparels Limited	7,321	-
Total	**7,321**	-

In the books of M/s KPR Sugar and Apparels Limited

m. Advance to Suppliers

(₹ in Lakhs)

Name	31.03.2024	31.03.2023
M/s K.P.R.Sugar Mill Limited	7,321	-
Total	**7,321**	-

n. Other liabilities

(₹ in Lakhs)

Name	31.03.2024	31.03.2023
M/s K.P.R. Mill Limited	-	529
Total	-	**529**

o. Loan payable

(₹ in Lakhs)

Name	31.03.2024	31.03.2023
M/s K.P.R.Sugar Mill Limited	10,000	11,516
Total	**10,000**	**11,516**

p. Other assets

(₹ in Lakhs)

Name	31.03.2024	31.03.2023
M/s K.P.R. Mill Limited	-	416
Total	-	**416**

In the books of M/s Jahnvi Motors Private Limited

q. Other assets

(₹ in Lakhs)

Name	31.03.2024	31.03.2023
M/s K.P.R. Mill Limited	-	2
Total	-	**2**

r. Other Liabilities

(₹ in Lakhs)

Name	31.03.2024	31.03.2023
M/s K.P.R. Mill Limited	-	5
Total	-	**5**

NOTES

Note: During the year ended 31.03.2024, the Holding company had performed an impairment assessment of investments made (including investments pending allotment), loans given, and interest receivables due from KPR Mill Pte Ltd, Singapore, based on the business plans of the Group and has recognized a provision for impairment towards carrying value of investments (including investments pending allotment), loans and interest receivables of ₹ 275 lakhs as at 31.03.2024. For the purpose of these consolidated financial statements, the aforesaid intra group balances have been eliminated and consequently do not form part of these consolidated financial statements.

39.5 Terms and conditions of transactions with related parties

The sales to and purchases from related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period ended are unsecured and interest free and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

39.6 Transfer pricing

The Group has transactions with related parties. For the financial year ended 31.03.2023, the Holding company and its subsidiaries have obtained the Accountant's report from a Chartered Accountant, where relevant and applicable as required by the relevant provisions of the Income-tax Act, 1961 and has filed the same with the tax authorities. For the year ended 31.03.2024, the Group maintains documents as prescribed by the Income-tax Act to prove that these transactions are at arm's length and believes that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

40 Earnings Per Share (EPS)

Particulars	31.03.2024	31.03.2023
Profit for the year attributable to the equity shareholders (₹ in Lakhs)	80,535	81,410
Weighted average number of equity shares (Refer Note a)	34,18,14,000	34,19,73,277
Face Value Per Share (₹)	1	1
Earnings Per Share - Basic and Diluted (₹)	**23.56**	**23.81**

Notes:

a. The calculation of weighted average number of equity shares for the purpose of basic and diluted earnings per share is as follows:

Particulars	31.03.2024	31.03.2023
Opening balance	34,18,14,000	34,40,50,000
Effect of Shares bought back during the year	-	(20,76,723)
Weighted average number of equity shares	**34,18,14,000**	**34,19,73,277**

After obtaining the approval from the Board of Directors on February 07, 2022, the buy-back of 22,36,000 equity shares of ₹ 1/- each (representing 0.65% of the total number of paid up equity shares of the Company) from the shareholders of the Company on proportionate basis by way of tender offer route at a price of ₹ 805/- per share for an aggregate amount of ₹ 17,999.80 lakhs (9.53% of the paid up capital and free reserves) was initiated in accordance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 ('SEBI Buy-back Regulations'). The extinguishment of equity shares was completed on April 26, 2022.

b. The Company does not have any potential equity shares. Accordingly basic and diluted earnings per share would remain the same.

41 Goodwill on Consolidation

(₹ in Lakhs)

Particulars	2023-24	2022-23
Opening Balance	70	70
Add: On acquisition of subsidiaries during the year	-	-
Total	**70**	**70**
Less: On disposal of subsidiaries during the year	-	-
Less: Impairment	-	-
Closing Balance	**70**	**70**

NOTES

42 Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the respective Company's Board of Directors to make decisions about resources to be allocated to the segments and assess their performance. The Board of Directors is considered to be the Chief Operating Decision Maker ('CODM') within the purview of Ind AS 108 - Operating Segments.

The Group has classified its operations primarily into three reportable segments viz., Textile, Sugar and Others based on 'Management Approach' as defined in Ind-AS 108. These segments offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the reportable segments, the respective Company's Board of Directors reviews internal management reports on atleast a quarterly basis.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the respective Company's Board of Directors. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

42.1 **(₹ in Lakhs)**

Particulars	For the year ended 31.03.2024			
	Textile	Sugar	Others	Total
External revenue	4,71,379	1,22,621	12,014	6,06,014
	(4,89,319)	(1,17,950)	(11,351)	(6,18,620)
Inter-segment revenue	-	-	-	46
	-	-	-	(32)
Total	4,71,379	1,22,621	12,014	6,05,968
	(4,89,319)	(1,17,950)	(11,351)	(6,18,588)
Segment results before other income, finance costs and tax	75,283	29,083	384	1,04,750
	(90,204)	(19,353)	(513)	(1,10,070)
Unallocable expenses (net)				-
				-
Operating income				1,04,750
				(1,10,070)
Less: Finance costs				7,437
				(7,886)
Add: Other income (net)				6,726
				(6,232)
Profit before tax				1,04,039
				(1,08,416)
Less: Tax expense				23,504
				(27,006)
Profit for the year				80,535
				(81,410)

Note: Figures in bracket relates to previous year

NOTES

42.2 (₹ in Lakhs)

Particulars	For the year ended 31.03.2024			
	Textile	Sugar	Others	Total
Segment Assets	3,71,111 (3,73,362)	2,10,510 (1,81,982)	3,549 (3,810)	5,85,170 (5,59,154)
Unallocable Assets				1,229 (609)
Total Assets				5,86,399 (5,59,763)
Segment Liabilities	56,482 (97,248)	91,606 (89,801)	1,800 (2,045)	1,49,888 (1,89,094)
Unallocable Liabilities				688 -
Total Liabilities				1,50,576 (1,89,094)
Capital Employed (Segment asset - Segment Liabilities)				4,35,823 (3,70,669)
Other information Capital expenditure	20,695 (46,431)	10,822 (8,278)	172 (27)	31,689 (54,736)
Depreciation and amortisation	10,409 (9,397)	8,429 (7,890)	81 (82)	18,919 (17,369)

Note: Figures in bracket relate to the previous year

43 Geographical information:

The geographical information analyses the Group's revenues and non-current assets by the Company's country of domicile and overseas. In presenting the geographical information, segment revenue has been determined based on the geographical location of the customers and non - current assets has been determined based on the geographical location of the assets.

Revenue from sale of products and services by geographical location of customers (₹ in Lakhs)

Particulars	2023-24	2022-23
India	3,57,243	3,69,601
Overseas	2,25,145	2,26,417
Total	**5,82,388**	**5,96,018**
Regionwise Export		
Europe	1,33,997	1,37,609
USA	42,327	44,195
Australia	36,038	31,358
Others	12,783	13,255
Total	**2,25,145**	**2,26,417**

NOTES

Non-current assets* by geographic location of assets **(₹ in Lakhs)**

Particulars	31.03.2024	31.03.2023
India	2,72,257	2,61,799
Overseas	-	-
Total	**2,72,257**	**2,61,799**

*Non-current assets exclude financial instruments and deferred tax assets.

No single customer contributed 10% or more to the Group's revenue for both the financial years 2023-24 and 2022-23.

44 Operating Lease Disclosure

44.1 As Lessee:

The Group has taken factory premises, office spaces, plant and equipment and vehicles on cancellable operating leases. The leases are for varied periods which are classified as short-term leases under Ind AS 116. The Group has incurred ₹ 270 lakhs (Pr.Yr ₹ 256 lakhs) for the year ended 31.03.2024 towards expenses relating to short-term leases. The total cash outflow for leases is ₹ 270 lakhs (Pr.Yr ₹ 256 lakhs) for the year ended 31.03.2024, including cash outflow of short-term leases. Also refer note 32.

(₹ in Lakhs)

Particulars	31.03.2024	31.03.2023
Minimum lease payments not later than one year	80	169
Later than one year but not later than five years	-	25
More than five years	-	-

44.2 As Lessor:

The Group has given certain non-factory building on cancellable operating leases and has earned rental income of ₹ 208 lakhs (Pr.Yr:₹ 495 lakhs) for the year ended 31.03.2024. Since the aforesaid leases are short-term in nature, there are no lease payments receivable after one year as at 31.03.2024. The expected amount of minimum lease payments to be received within one year is ₹ 208 lakhs (Pr.Yr: ₹ 495 lakhs). Also refer note 27.

45 Disclosure of Employee Benefits

45.1 Defined Contribution Plans **(₹ in Lakhs)**

Particulars	31.03.2024	31.03.2023
Provident Fund	4,137	3,792
Employee State Insurance	1,000	945

45.2 Defined Benefit Plan - Gratuity

The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Group. The Group's obligation towards Gratuity is a defined benefit plan and the details of actuarial valuation as at the year-end are given below:

Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined (asset) / liability and its components.

(₹ in Lakhs)

	Particulars	31.03.2024	31.03.2023
A	**Changes in present value of defined benefit obligation**		
	PV of obligation as at the beginning of the year	1,212	1,114
	Current service cost	179	213
	Interest cost	12	77
	Benefits paid	-	(192)
	Balance at the end of the year	**1,403**	**1,212**

NOTES

(₹ in Lakhs)

	Particulars	31.03.2024	31.03.2023
B	**Reconciliation of fair value of plan assets:**		
	Balance at the beginning of the year	1,209	1,114
	Interest income	79	68
	Actuarial (gains) / losses on plan assets	-	-
	Benefits paid	114	-
	Contributions paid into the plan		27
	Fair value of plan asset as at end of the year	**1,402**	**1,209**
	Plan assets comprises of :		
	Investment with insurer	1,402	1,209
C	**Net Asset/(Liability) recognized in the balance sheet**		
	Present value of obligation as at end of the year	1,403	1,114
	Fair value of plan asset as at end of the year	1,402	1,114
	Funded status [surplus/(deficit)]	(1)	-
D	**Expense recognized in the consolidated statement of profit and loss**		
	Current service cost	179	213
	Interest cost	12	77
	Expected return on plan assets	(79)	(68)
	Actuarial (gains) / losses on obligations and plan assets	-	-
		112	**222**
E	**Remeasurement recognised in other comprehensive income**		
	Actuarial (gains) / losses on defined benefit obligation	-	-
	Actuarial (gains) / losses on plan assets	-	-
F	**Actuarial assumptions**		
	Discount rate (per annum)	7.25%	7.52%
	Rate of increase in compensation levels (per annum)	6.50%	7.50%
	Rate of return on plan assets (per annum)	7.52%	7.52%
	Attrition rate (per annum)	4.00%	4.00%
	Expected average remaining working lives of employees (years)	26.66	26.66
	Demographic assumptions - based on Indian Assured Lives Mortality (2012-14)		

The estimate of rate of escalation in salary considered in actuarial valuation, taking into account inflation, seniority, promotions and other relevant factors including supply and demand in the employment market.

45.3 Disclosure of Employee Benefits (Continued)

Asset-liability matching strategies

The Group has funded the liability with the insurance company. The entire investible assets are managed by the fund managers of the insurance company and the asset values as informed by the insurance company has been taken for valuation purpose. The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Group is exposed to movement in interest rates (in particular, the significant fall in interest rates, which should result in a increase in liability without a corresponding increase in the asset).

NOTES

Expected contributions to the plan for the next annual reporting period

The expected benefits are based on the same assumptions as are used to measure Company's defined benefit plan obligations as at 31.03.2024. The Company is expected to contribute ₹ 249 lakhs (Pr.Yr: ₹ 232 Lakhs) to defined benefit plan obligations funds for the year ending 31.03.2025.

(₹ in Lakhs)

Particulars	31.03.2024	31.03.2023
Weighted average duration of the defined benefit obligation	16.61 years	16.61 years
Disclosure related to indication of effect of the defined benefit plan on the entity's undiscounted future cash flows		
Payout in the next		
1 year	46	43
1-2 years	50	47
2-3 years	53	49
3-4 years	54	50
4-5 years	61	57
5 years and beyond	3,800	3,543

Sensitivity analysis

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

	31.03.2024		31.03.2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(142)	171	(132)	159
Salary growth (1% movement)	165	(138)	154	(129)
Attrition rate (1% movement)	(12)	13	(11)	12

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

46 Details of current investments in mutual funds (quoted)

(₹ in Lakhs)

Particulars	31.03.2024		31.03.2023	
	Units	Amount	Units	Amount
Nippon India Mutual Fund	-	-	1,09,223	6,015
LIC Mutual Fund	2,59,723	3,204	1,65,910	6,701
Total	**2,59,723**	**3,204**	**2,75,133**	**12,716**

Also refer note 10.

NOTES

47 Statement pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act 2013, containing salient features of financial statements of subsidiary companies

2023-24

(INR in Lakhs)

Particulars	Quantum Knits Private Limited	K.P.R.Sugar Mill Limited	Galaxy Knits Limited	Jahnvi Motor Private Limited	KPR Sugar and Apparels Limited	KPR Exports PLC	KPR Mill Pte. Ltd
Country of incorporation	India	India	India	India	India	Ethiopia	Singapore
Reporting currency	INR	INR	INR	INR	INR	BIRR	SGD
Exchange rate	1	1	1	1	1	1.48	61.77
Share capital	10	205	5	193	7,100	424	21
Other equity	162	68,799	(1)	1,551	92,306	(275)	23
Total assets	172	1,00,697	4	3,551	1,91,050	149	44
Total liabilities	-	31,693	-	1,807	91,644	-	-
Revenue from operations	3614	90,513	-	12,014	1,49,438	-	-
Profit / (Loss) before tax	389	19,924	-	232	30,732	-	261
Tax expense / (credit)	(9)	4,817	-	55	4,662	-	-
Profit / (loss) after tax	398	15,107	-	177	26,070	-	261
Dividend - Interim ₹ in Lakhs	-	9,020	-	193	4,500	-	-
- Proposed ₹ in Lakhs	-	-	-	-	-	-	-
% of Shareholding	100	100	100	100	100	100	100

2022-23

(INR in Lakhs)

Particulars	Quantum Knits Private Limited	K.P.R.Sugar Mill Limited	Galaxy Knits Limited	Jahnvi Motor Private Limited	KPR Sugar and Apparels Limited	KPR Exports PLC	KPR Mill Pte. Ltd
Country of incorporation	India	India	India	India	India	Ethiopia	Singapore
Reporting currency	INR	INR	INR	INR	INR	BIRR	SGD
Exchange rate	1	1	1	1	1	1.48	61.83
Share capital	10	394	5	193	7,100	424	21
Other equity	(236)	68,117	(2)	1,567	71,150	(275)	(231)
Total assets	3,194	1,00,501	4	3,810	1,66,787	149	59
Total liabilities	3,420	31,990	1	2,050	88,537	-	269
Revenue from operations	2,920	95,110		11,351	1,05,791	-	-
Profit / (Loss) before tax	(454)	22,697		443	10,328	-	(42)
Tax expense / (credit)	-	6,531		120	1,384	-	-
Profit / (loss) after tax	(454)	16,166		323	8,944	-	(42)
Dividend - Interim	1,500	2,665	-	-	-	-	-
- Proposed	-	-	-	-	-	-	-
% of Shareholding	100	100	100	100	100	100	100

NOTES

48 Additional information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiaries

2023-24

(₹ in Lakhs)

Particulars	Net Assets, i.e., Total Assets minus Total Liabilities		Share of Profit or Loss		Share in other comprehensive income		Share in total other comprehensive income	
		Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated total OCI	Amount
Parent								
M/s K.P.R. Mill Limited	66.43%	3,37,407	56.91%	55,492	-	-	56.91%	55,492
Subsidiaries - Indian								
1. M/s Quantum Knits Private Limited	0.03%	172	0.41%	398	-	-	0.41%	398
2. M/s K.P.R. Sugar Mill Limited	13.59%	69,004	15.49%	15,107	-	-	15.49%	15,107
3. M/s Jahnvi Motor Private Limited	0.34%	1,744	0.18%	177	-	-	0.18%	177
4. M/s Galaxy Knits Limited	0.00%	4	0.00%	-	-	-	0.00%	-
5. M/s KPR Sugar and Apparels Limited	19.57%	99,406	26.74%	26,070	-	-	26.74%	26,070
Subsidiaries - Foreign								
M/s KPR Exports Plc, Ethiopia	0.03%	149	0.00%	-	-	-	0.00%	-
M/s KPR Mill Pte Limited, Singapore	0.01%	44	0.27%	261	-	-	0.27%	261
Less : Eliminations	-	(72,107)	-	(16,970)	-	-	-	(16,970)
	100%	**4,35,823**	**100%**	**80,535**	-	-	**100%**	**80,535**

2022-23

(₹ in Lakhs)

Particulars	Net Assets, i.e., Total Assets minus Total Liabilities		Share of Profit or Loss		Share in other comprehensive income		Share in total other comprehensive income	
	As % of consolidated Net Assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated total OCI	Amount
Parent								
M/s K.P.R. Mill Limited	66.73%	2,97,296	71.80%	63,504	-	-	71.80%	63,504
Subsidiaries - Indian								
1. M/s Quantum Knits Private Limited	(0.05%)	(226)	(0.51%)	(454)	-	-	(0.51%)	(454)
2. M/s K.P.R. Sugar Mill Limited	15.38%	68,511	18.28%	16,166	-	-	18.28%	16,166
3. M/s Jahnvi Motor Private Limited	0.40%	1,760	0.37%	323	-	-	0.37%	323
4. M/s Galaxy Knits Limited	0.00%	4	0.00%	-	-	-	0.00%	-
5. M/s KPR Sugar and Apparels Limited	17.56%	78,250	10.11%	8,944	-	-	10.11%	8,944
Subsidiaries - Foreign								
M/s KPR Exports Plc, Ethiopia	0.03%	149	0.00%	-	-	-	0.00%	-
M/s KPR Mill Pte Limited, Singapore	(0.05%)	(210)	(0.05%)	(42)	-	-	(0.05%)	(42)
Less : Eliminations	-	(74,865)	-	(7,031)	-	-	-	(7,031)
	100%	**3,70,669**	**100%**	**81,410**	-	-	**100%**	**81,410**

49 Events after reporting period :

The Board of Directors have recommended a final dividend of ₹ 8,545 Lakhs (₹ 2.50 per share of the face value of ₹ 1/- each (250%)) for the year 2023-24 subject to the approval of the shareholders in Annual General Meeting.

NOTES

50 Other statutory information

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

b) The Group did not have transactions with outstanding balances with companies struck off.

c) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

d) The Group has not traded or invested in Crypto currency or virtual currency during the financial year.

e) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

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

f) No funds have been received by the Group from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall

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

g) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961).

h) The Group has not been declared as wilful defaulters by any bank or financial institution or government or any government authority.

i) The Group has complied with the number of layers prescribed under the Companies Act, 2013.

j) The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

k) The Group does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

The notes from 1 to 50 are an integral part of these consolidated financial statements.

For and on behalf of the Board of Directors of
K.P.R. Mill Limited
CIN : L17111TZ2003PLC010518

As per our report of even date attached
For **B S R & CO. LLP**
Chartered Accountants
Firm's Registration Number : 101248W/W-100022

K.P.Ramasamy
Chairman
DIN : 00003736

K Sudhakar
Partner
Membership No. : 214150

KPD Sigamani
Managing Director
DIN : 00003744

P.Nataraj
Chief Executive Officer and Managing Director
DIN : 00229137

PL Murugappan
Chief Financial Officer

P.Kandaswamy
Company Secretary

Coimbatore
02.05.2024

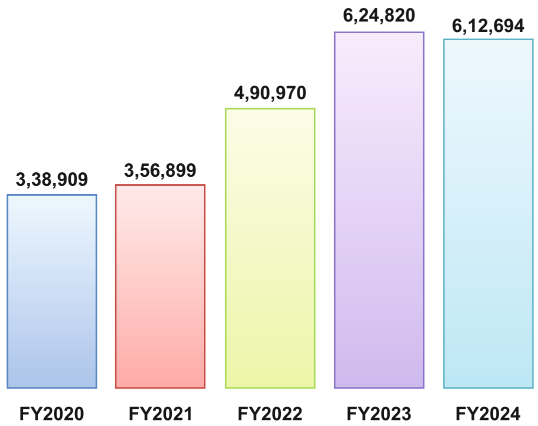
Coimbatore
02.05.2024

The Final Touch: Ironing and Packing

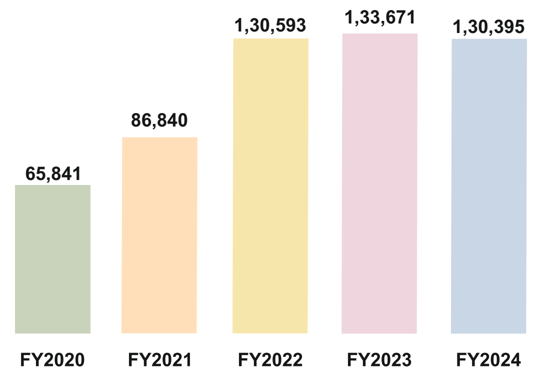
GARMENTING DIVISION


FASO®
MEN & WOMEN
Elevate Your Eco Style
Athleisure Wear for the Modern Minimalist
/ FASOCLOTHINGS
Manufactured & Marketed by KPR MILL LIMITED. | Also Available at Online Portals | WWW.FASO.IN | For Trade Enquiries Contact - 97877 02222

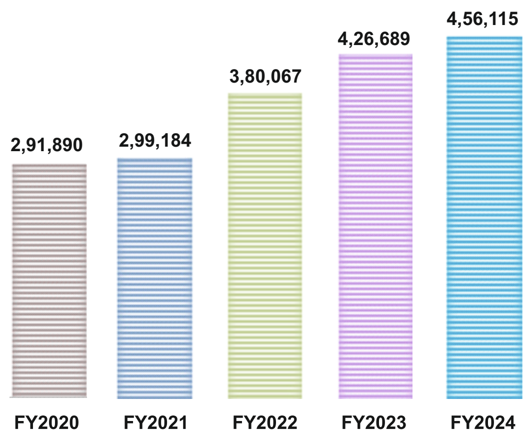
Turnover (₹ in Lakhs)



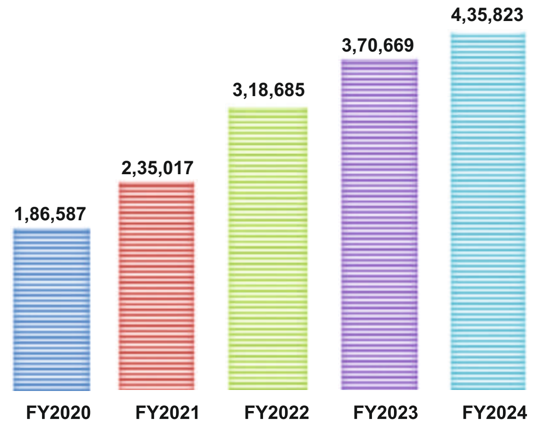
EBITDA (₹ in Lakhs)



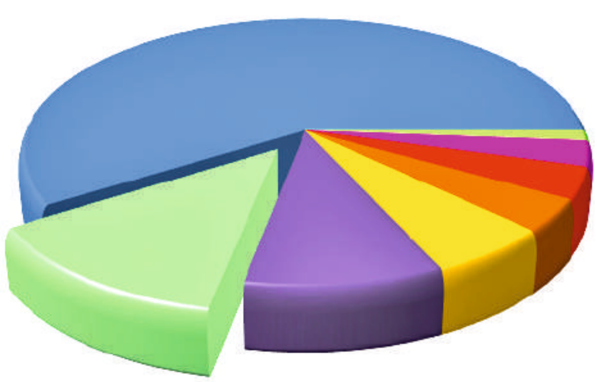
Investment in Fixed Assets (₹ in Lakhs)



Net Worth (₹ in Lakhs)



DISTRIBUTION OF EARNINGS



Raw Material	58.88%
Finance Charges	1.21%
Depreciation	3.09%
Tax	3.84%
Power	3.98%
Other Exp	6.06%
Employee Cost	9.80%
PAT	13.14%

Corporate Office:
K.P.R. MILL LIMITED
1st Floor, Srivari Shrimat, 1045, Avinashi Road,
Coimbatore - 641 018
Phone: +91 422 220 7777 | Fax : +91 422 220 7778
CIN : L17111TZ2003PLC010518
Email : corporate@kprmill.com

sri saraswathy printers - 89406 12346