



# MARIS SPINNERS LIMITED

Since 1979

42nd Annual Report  
2020-2021

# MARIS SPINNERS LIMITED

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## MANAGING DIRECTOR

Sri. Anandkumar Rengaswamy

## DIRECTORS

Sri. T. Jayaraman  
Sri. T. Raghuraman  
Smt. Ananthakumar Dhamayanthi  
Sri. A. Harigovind  
Sri. Parag H Udani  
Sri. S. Kalyanaraman  
Sri. S. Swaminathan  
Sri. Adithya Raghuraman

## REGISTERED & ADMINISTRATIVE OFFICE

11, Cathedral Road  
Chennai - 600 086  
Phone : + 91 44 28115910 / 12 / 18  
Mail : investor@maris.co.in  
Web : www.maris.co.in  
CIN : L93090TN1979PLC032618

## MILLS

**UNIT I** : Kattemalalavadi Village  
Hunsur Taluk  
Mysore District – 571 134  
Karnataka.

**UNIT II** : Sevalur Village  
Kulithalai Road, Manapparai Taluk  
Trichy District – 621 306  
Tamilnadu.

## SHARE TRANSFER AGENTS:

M/s. Cameo Corporate Services Limited  
Subramanian Building  
No.1, Club House Road  
Chennai – 600 002.

## STATUTORY

**AUDITOR** : Mr. Vijayakumar Janadri  
Chartered Accountant  
Dollar Heights Apartment,  
No. 45/8, G-8, 12th Main Road,  
Muthyalanagar,  
Bangalore – 560 054

## INTERNAL

**AUDITORS** : M/s. S.N.S. Associates  
Chartered Accountants  
25, 11th Cross Street,  
Indira Nagar, Adyar,  
Chennai – 600 020.

**BANKERS** : Indian Overseas Bank  
Cathedral Branch  
Anna Salai  
Chennai – 600 002.

The Karur Vysya Bank Ltd.  
Whites Road Branch  
Royapettah, Chennai – 600 014.

The Karur Vysya Bank Ltd.  
Cantonment Branch  
Trichy – 620 001.

## COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. N SRIDHARAN

## SHARES LISTED AT :

The Bombay Stock Exchange Ltd.,  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai – 400 001.



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## NOTICE TO THE SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT THE 42<sup>nd</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF MARIS SPINNERS LIMITED WILL BE HELD ON FRIDAY, 17<sup>TH</sup> SEPTEMBER 2021 AT 10.15 A.M. THROUGH VIDEO AND OTHER AUDIO VISUAL MEANS TO TRANSACT THE FOLLOWING BUSINESS:

### ORDINARY BUSINESS:

1. To consider and if thought fit, to pass with or without modifications, the following resolutions as an Ordinary Resolution;

"**RESOLVED** that the Audited Financial Statements of the Company for the financial year ended March 31, 2021 together with the Reports of the Board of Directors and the Auditors thereon as circulated to the Members, be and are hereby approved and adopted".

2. To recommend dividend of 10% for the financial year 2020-21.
3. To consider and if thought fit, to pass with or without modifications, the following resolutions as an Ordinary Resolution;

"**RESOLVED** that Mr. Hari Govind (DIN 06428975), the retiring Director, be and is hereby re-elected as Director of the Company, liable for retirement by rotation.

### SPECIAL BUSINESS:

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

"**RESOLVED THAT**, pursuant to Section 148(3) of the Companies Act, 2013 and rule 6(2) of the Companies (Cost records and Audit Rules) 2014, M/s A.Gopala Iyengar, Cost Accountants (Registration No. 4915) be and are hereby appointed as the Cost Auditors of the Company to conduct audit of cost records made and maintained by the Company pertaining to manufacture of (product/services) for financial year commencing on 1st April 2021 and ending on 31st March 2022 to hold office from conclusion of this meeting until conclusion of next Annual General Meeting.

**FURTHER RESOLVED THAT** the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary, desirable or expedient to give effect to this resolution."

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

**RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, (the "ACT") or any other statutory modifications or re-enactment thereof and subject to the approval of the members of the Company the consent of the Board is hereby given for the reappointment of Mr. Anandkumar Rengaswamy as Managing Director of the Company for a period of three years with effect from 1st July 2021 to 30th June 2024 on the following terms and conditions.



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Salary in the scale of Rs. 325000 - Rs. 375,000 - Rs. 475000 per month which includes the Perquisites and benefits viz. Provident Fund & Superannuation Fund, Leave Encashment as per the Rules of the Company, Gratuity as per the Gratuity Trust of the Company, use of Car and Telephone

RESOLVED FURTHER that in the absence of inadequacy of profits in any financial year during his tenure as Managing Director, Mr. Anandkumar Rengaswamy is paid the aforesaid remuneration as minimum remuneration for that year.

RESOLVED FURTHER that the Board of Directors (hereinafter referred to as "Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, (including powers conferred by this resolution) are hereby authorized to alter and vary the terms and conditions of appointment and/or remuneration subject to the same shall not exceed the limit in accordance with the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable.

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

RESOLVED THAT Mr. Adithya Raghuraman (DIN: 08172745) who was appointed as an additional director of the Company by the Board of Directors in their meeting held on 9-6-2021 under Section 161 of the Companies Act 2013 (including any statutory modifications thereof) and applicable provisions of the Articles of Association of the Company who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of the Director, be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of SEBI (Listing obligations and Disclosure Requirements) Regulations 2015 and Sections 196, 197 and 203 read with Schedule V and Articles of Association of the Company amended from time to time and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) thereof for the time being in force) the approval of the Company be and are hereby accorded to approve terms of appointment of Mr. Adithya Raghuraman (DIN : 08172745) as a wholetime director of the Company for a period of three years with effect from 30-8-2021 to 29-8-2024 as recommended / approved by the Nomination and Remuneration Committee and Board of Directors in its meeting held on 30-6-2021 on the terms and conditions including remuneration as set out to this notice convening this meeting with liberty to the Board of directors to vary the terms and conditions of the said re-appointment and /or remuneration as it may deem fit and as may be accepted to Shri Adithya Raghuraman subject to the same not exceeding the limit specified under Schedule V to the Companies Act 2013 or any other statutory modifications or re-enactment thereof.

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



7. To consider and if thought fit, to pass with or without modification(s) the following as Special Resolution Resolved that pursuant to the provisions of SEBI (Listing obligations and Disclosure Requirements) Regulations 2015 and Sections 196, 197 and 203 read with Schedule V and Articles of Association of the Company amended from time to time and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) thereof for the time being in force) the approval of the Company be and are hereby accorded to approve terms of the Re-appointment of Mr. T Raghuraman (DIN No 1722570) as Wholetime Director of the Company for a period of three years from 30-8-2021, on the remuneration of Rs. 1,00,000/- per month and perquisites and benefits as Companies Rules which are within the limits prescribed by Schedule V of the Companies Act 2013 and as recommended by the Nomination and Remuneration Committee be and is hereby approved.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year the Company shall pay to Mr. T Raghuraman, in respect of such financial year, remuneration by way of salary, allowances, perquisites and other benefits as the Board of Directors may deem fit, subject to the limits prescribed herein and Schedule V of the Companies Act, 2013.

Place: Chennai  
Date : 30.06.2021

By Order of the Board

**N SRIDHARAN**  
Company Secretary and  
Compliance Officer  
FCS : 1646

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## NOTES :

1. The relative explanatory statement, pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business is annexed hereto.
2. In view of the continuing lockdown restrictions on the movement of people at several places in the country due to outbreak of COVID-19 pandemic, the Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated 5th May, 2020 read with General Circular No. 14/2020 dated 8th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020 and other applicable circulars issued by the Securities and Exchange Board of India (SEBI), has allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) during the calendar year 2021.
3. As the AGM shall be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
4. Corporate members intending to send their authorized representatives to attend the AGM pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy (in PDF/JPG Format) of the relevant Board Resolution / Authority letter etc., authorizing their representatives to attend the AGM, by e mail to [companysecretary@maris.co.in](mailto:companysecretary@maris.co.in).
5. The Register of Members and share transfer books of the Company shall remain closed from 11-9-2021 to 17-9-2021 both the days inclusive for the purpose of Annual General Meeting.
6. The members are requested to communicate the change of address if any to the Registered Office of the Company or to the Share Transfer Agents M/s. Cameo Corporate Services Limited at Subramanian Building, No. 1, Club House Road, Chennai - 600 002.
7. As part of green initiative, members are requested to update their e-mail address at "[investor@maris.co.in](mailto:investor@maris.co.in)" in order to send information and Annual Report to the registered e-mail ID's.
8. The Company has declared Dividend for the financial years as below;

S.No.	Financial Year	Dividend Amount in Rs.	Unclaimed Amount in Rs.	Date of payment of Dividend	Due date for transferring into IEPF
1	2013-14	80,17,060.00	2,69,583.00	01.10.2014	30.09.2021
2	2014-15	80,29,860.00	2,57,593.00	05.10.2015	04.10.2022
3	2015-16	80,34,860.00	2,71,671.00	07.10.2016	06.10.2023
4	2016-17	80,40,410.00	3,14,795.00	11.10.2017	10.10.2024
5	2017-18	80,40,410.00	2,48,412.00	20.09.2018	20.09.2025
6	2018-19	80,40,410.00	1,41,916.00	14.10.2019	14.10.2026

The Shareholders are requested to claim the unclaimed amounts. The un-claimed amounts for the year 2012 has been transferred to Investor Education and Protection Fund under Section 124 of the Companies Act 2013, since seven years have been completed.



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## **e-Voting System – For Remote e-voting and e-voting during AGM**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at [www.maris.co.in](http://www.maris.co.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

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7. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation of this Ministry's **General Circular No. 20/2020**, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January 13, 2021.

## **THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

- (i) The voting period begins on 14TH September 2021 at 9.00 AM and ends on 16th September 2021 at 5.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 10th September 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:





Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

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

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>● Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>● If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>



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- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xi) **Additional Facility for Non - Individual Shareholders and Custodians -For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [companysecretary@maris.co.in](mailto:companysecretary@maris.co.in) (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

## **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.



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## **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

- i. Mr. V K Shankaramann, Practicing Company Secretary(membership No. PCS 5255) has been appointed as the Scrutinizer to Scrutinize the e-voting process in a fair and transparent manner

The Scrutinizer shall immediately after the conclusion of the voting at the general meeting will first count the votes cast at the meeting and thereafter unlock the vote cast in the remote e voting in the presence of atleast 2 witnesses not in the employment of the Company and shall make, not later than 3 days after the conclusion of the AGM, a consolidated Scrutinizer report of the votes cast in favour or against, if any, to the Chairman or a Person authorized by him in writing who shall counter sign the same and declare the result of the voting forthwith.

- ii. The result declared along with the scrutinizer report shall be placed on the Company's web site [www.maris.co.in](http://www.maris.co.in) and the web site of CDSL and also forward the same to BSE where the shares are listed.
- iii. Statement pursuant to section 102 (1) of the Companies Act , 2013 relating to special business to be transacted at the meeting is annexed hereto.
9. Brief resume of Directors proposed to be appointed, re-appointed, nature of their expertise etc, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges provided as per the Corporate Governance forming part of Annual Report.

## **10. PARTLY PAID SHARE HOLDERS WILL NOT HAVE VOTING RIGHTS.**

### **ANNEXURE TO ITEMS 3,5,6 AND 7 OF THE NOTICE DT. 30TH JUNE 2021**

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General meeting [Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 and Secretarial Standard 2 on General Meetings]



# MARIS SPINNERS LIMITED

Name of the Director	Mr. Hari Govind	Mr. Anandkumar Rengaswamy	Mr. Adithya Raghuraman	Mr. T Raghuraman
Date of Birth	21-8-1983	01-05-1957	04-12-1987	16-07-1958
Nationality	Indian	Indian	Indian	Indian
Date of appointment of the Board as Director	01/11/2016	15-06-1995	09-06-2021	27-07-2007
Qualification	Chartered Accountant	Post Graduate	MBA	Graduate
Expertise in specific function areas	Chartered Accountant and experience in textile industry	Rich experience in textile industry	Business	Experience in textile industry
Number of shares held in the Company	None	26,41,580	None	11,45,140
List of Directorships held in public Companies	Nil	Nil	Nil	Nil
DIN	06428975	00075375	08172745	01722570
Chairman/Member of the Committees of other Companies on which he is a Director	Member in Shareholders Relationship Committee	None	None	None
Relationship with other Directors	Son of MD and Mrs. Ananthakumar Dhamayanthi, Woman Director	Father of Mr. A. Harigovind and Spouse of Mrs Ananthakumar Dhamayanthi	Son of Mr. T. Raghuraman, Director	Brother of Mr. T. Jayaraman, Director
Manager and other key managerial personnel of the Company	Nil	Nil	Nil	Nil
Number of meetings of the Board attended	5	5	Nil	5

## Item No.4

In pursuance of Sec 148 of the Companies Act 2013 and the Companies (Audit and auditors) Rules, 2014, the Board shall appoint a cost auditor on the recommendation of the Audit Committee. Remuneration recommended by the Audit Committee shall be considered and approved by the Board of Directors and ratified by the shareholders. On recommendation of the audit committee at its meeting held on 30-6-2021 the Board of Directors has considered and approved appointment of M/s A. Gopala Iyengar, Cost Accountant, for the conduct and approved appointment of M/s A.Gopala Iyengar, Cost Accountants, for the conduct of the Cost Audit of the Company's various manufacturing units for the year 2021-22 at a remuneration as fixed. The resolution at item No. 4 of the notice is set out as a special resolution for approval and ratification by the members in terms of Section 148 of the Companies Act, 2013.

None of the directors, Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise in the said resolution.



### Item No. 5

The members of the Company had re-appointed Mr. Anandkumar Rengaswamy as the Managing Director of the Company for a period of three years with effect from 1st July 2021 to 30th June 2024 and the Board of Directors has, based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the members, approved the reappointment of Mr. Anandkumar Rengaswamy as the Managing Director of the Company for further period of three years with effect from 1st July 2021.

Mr. Anandkumar Rengaswamy as the Managing Director is not disqualified from being reappointed as Director in terms of Section 164 of the Companies Act, 2013 (the Act) and has given his consent to act as Managing Director of the Company. Anandkumar Rengaswamy satisfies all the conditions as set out in the Section 196 (3) of the Act and Part-1 of Schedule V to the Act, for being eligible for his appointment.

The broad terms and conditions of the reappointment and remuneration to Mr. Anandkumar Rengaswamy is mentioned below.

Salary in the scale of Rs. 325000 - Rs. 375,000 - Rs. 475000 per month which includes the Perquisites and benefits, Provident Fund & Superannuation Fund, Leave Encashment as per the Rules of the Company, Gratuity as per the Gratuity Trust of the Company, Use of Car and Telephone

In the absence of inadequacy of profits in any financial year during his tenure as Managing Director, Mr. Anandkumar Rengaswamy is paid the aforesaid remuneration as minimum remuneration for that year.

The brief profile, nature of his experience and expertise, is given in Annexure I to this Notice as per Secretarial Standard on General Meeting (SS-2) and SEBI LODR Regulations 2015 are forming part of Explanatory Statement.

<b>I. GENERAL INFORMATION</b>				
1.	Nature of industry	Textiles - 100% Cotton Yarn Manufacturing Industry		
2.	Date of expected date of commencement of commercial Production	Industry is working since 1981		
3.	In case of new companies, expected date of commencement of new activities as per project approved by the financial institutions appearing in the prospectus	Not applicable		
4.	Financial performance based on given indicators	FY	Revenue (Rs. in Crores)	PAT (Rs. in Crores)
		2020-21	108.65	6.57
5.	Foreign Investment or collaboration, if any	Not Applicable		
<b>II. INFORMATION ABOUT THE APPOINTEE</b>				
1.	Background Details	Mr. Anandkumar Rengaswamy holds a Masters Degree in Mechanical Engineering from Anna University, Chennai. Mr. Anandkumar Rengaswamy joined Maris Spinners Limited during the year 1981 and started his career as Chief Executive. He has detailed knowledge of textile industry and its process flow along with supply chain management.		
2.	Past Remuneration	Rs. 3,00,000/- to Rs. 4,00,000/- PM		

# MARIS SPINNERS LIMITED

3.	Recognition or awards	Not applicable
4.	Job profile and his suitability	As per point no.1
5.	Remuneration proposed	Rs. 3,25,000/- to Rs. 4,75,000/- PM.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person(in case of expatriates the relevant details would be with respect to the country if his origin.	Not applicable
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Not Applicable
<b>III. OTHER INFORMATION</b>		
1.	Reasons of loss or inadequate profits	Not applicable
2.	Steps taken or proposed to be taken for improvement	Not applicable
3.	Expected increase in productivity and profits in measurable terms	Not applicable

In accordance with the provisions of Section 196, 197 and other applicable provisions of the Act, read with Schedule V of the said Act, the re-appointment and the terms of remuneration to Mr. Anandkumar Rengaswamy requires approval by the members.

None of the Directors, Key Managerial Personnel of the Company and/or any relatives of such director, Key Managerial Personnel except Mr. Hari Govind, Smt. Ananthakumar Dhamayanthi are in any way concerned or interested in the resolution set out as item no of the Notice.

The Board recommends the Special Resolution set out at item no 5 of the Notice for approval by members.

## **Item No. 6**

Mr. Adithya Raghuraman (DIN: 08172745) who was appointed as an additional director of the Company by the Board of Directors in their meeting held on 9-6-2021 under Section 161 of the Companies Act 2013 (including any statutory modifications thereof) and applicable provisions of the Articles of Association of the Company who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director.

Mr. Adithya Raghuraman was appointed as Wholetime Director by the Board at its meeting held on 30-06-2021 for a period of three years with effect from 30-6-2021 at a remuneration of Rs. 75000 per month and other perquisites as per the Rules of the Company with such increment as may be decided by the Board from time to time.

In the absence of inadequacy of profits in any financial year during his tenure as wholetime Director, Mr. Adithya Raghuraman is paid the aforesaid remuneration as minimum remuneration for that year.

The brief profile, nature of his experience and expertise, is given in Annexure I to this Notice as per Secretarial Standard on General Meeting (SS-2) and SEBI LODR Regulations 2015 are forming part of Explanatory Statement.



<b>I. GENERAL INFORMATION</b>				
1.	Nature of industry	Textiles - 100% Cotton Yarn Manufacturing Industry		
2.	Date of expected date of commencement of commercial Production	Industry is working since 1981		
3.	In case of new companies, expected date of commencement of new activities as per project approved by the financial institutions appearing in the prospectus	Not applicable		
4.	Financial performance based on given indicators	FY	Revenue (Rs. in Crores)	PAT (Rs. in Crores)
		2020-21	108.65	6.57
5.	Foreign Investment or collaboration, if any	Not Applicable		
<b>II. INFORMATION ABOUT THE APPOINTEE</b>				
1.	Background Details	Mr. Adithya Raghuraman holds a MBA Degree. Mr. Adithya Raghuraman joined Maris Spinners Limited during the year 2017 and started his career as Administrative Officer. He has detailed knowledge of textile industry and its process flow.		
2.	Past Remuneration	Rs. 75,000/- PM		
3.	Recognition or awards	Not applicable		
4.	Job profile and his suitability	As per point no.1		
5.	Remuneration proposed	Rs. 75,000/- PM		
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country if his origin.	Not applicable		
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Not Applicable		
<b>III. OTHER INFORMATION</b>				
1.	Reasons of loss or inadequate profits	Not applicable		
2.	Steps taken or proposed to be taken for improvement	Not applicable		
3.	Expected increase in productivity and profits in measurable terms	Not applicable		

# MARIS SPINNERS LIMITED

In accordance with the provisions of Section 196, 197 and other applicable provisions of the Act, read with Schedule V of the said Act, the appointment and the terms of remuneration to Mr. Adithya Raghuraman requires approval by the members.

None of the Directors, Key Managerial Personnel of the Company and/or any relatives of such director, Key Managerial Personnel except Mr. T Raghuraman are in any way concerned or interested in the resolution set out as item no of the Notice.

The Board recommends the Special Resolution set out at item no 6 of the Notice for approval by members.

## Item No: 7

The members of the Company had re-appointed Mr. T Raghuraman (DIN No 1722570) as the wholetime Director of the Company for a period of three years with effect from 30-08-2021 and the Board of Directors has, based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the members, approved the reappointment of Mr. T Raghuraman as the wholetime Director of the Company for further period of three years with effect from 30-08-2021 for a period of three years form 30-8-2021, on the remuneration of Rs. 1,00,000 per month and other perquisites as per the Rules of the Company with such increment as may be decided by the Board from time to time which are within the limits prescribed by Schedule V of the Companies Act 2013 and as recommended by the Nomination and Remuneration Committee be and is hereby approved.

In the absence of inadequacy of profits in any financial year during his tenure as Wholetime Director, Mr. T Raghuraman shall be paid the aforesaid remuneration as minimum remuneration for that year in accordance with Schedule V of the Companies Act 2013.

The brief profile, nature of his experience and expertise, is given in Annexure I to this Notice as per Secretarial Standard on General Meeting (SS-2) and SEBI LODR Regulations 2015 are forming part of Explanatory Statement.

I.	GENERAL INFORMATION			
1.	Nature of industry	Textiles - 100% Cotton Yarn Manufacturing Industry		
2.	Date of expected date of commencement of commercial Production	Industry is working since 1981		
3.	In case of new companies, expected date of commencement of new activities as per project approved by the financial institutions appearing in the prospectus	Not applicable		
4.	Financial performance based on given indicators	FY	Revenue (Rs. in Crores)	PAT (Rs. in Crores)
		2020-21	108.65	6.57
5.	Foreign Investment or collaboration, if any	Not Applicable		
II.	INFORMATION ABOUT THE APPOINTEE			
1.	Background Details	Mr. T Raghuraman holds a Commerce Degree. Mr. T Raghuraman joined Maris Spinners Limited during the year 2003 and started his career as Executive Officer. He has detailed knowledge of textile industry.		





2.	Past Remuneration	Rs. 1,00,000/- PM
3.	Recognition or awards	Not applicable
4.	Job profile and his suitability	As per point no.1
5.	Remuneration proposed	Rs. 1,00,000/- PM
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person(in case of expatriates the relevant details would be with respect to the country if his origin.	Not applicable
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Not Applicable
<b>III. OTHER INFORMATION</b>		
1.	Reasons of loss or inadequate profits	Not applicable
2.	Steps taken or proposed to be taken for improvement	Not applicable
3.	Expected increase in productivity and profits in measurable terms	Not applicable

In accordance with the provisions of Section 196, 197 and other applicable provisions of the Act, read with Schedule V of the said Act, the appointment and the terms of remuneration to Mr. T Raghuraman requires approval by the members.

None of the Directors, Key Managerial Personnel of the Company and/or any relatives of such director, Key Managerial Personnel except Mr. Adithya Raghuraman and T Jayaraman are in any way concerned or interested in the resolution set out as item no of the Notice.

The Board recommends the Special Resolution set out at item no 7 of the Notice for approval by members.

Place: Chennai  
Date : 30.06.2021

By Order of the Board  
**N SRIDHARAN**  
Company Secretary and  
Compliance Officer  
FCS : 1646

# MARIS SPINNERS LIMITED

## DIRECTOR'S REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

Dear Members,

Your Directors are pleased to present the Forty Second Annual Report together with the Audited Financial Statements for the year ended March 31, 2021. The Management Discussion and Analysis is also included in this Report.

### 1. COMPANY PERFORMANCE

Maris Spinners Limited (Your Company) is a leading spinning mill manufacturing high quality yarn for the domestic market with interests in Wind Energy Generation for captive use. The company has its headquarters at Chennai. The Gross Revenue from operations stood at Rs. 10864.78 lakh compared with 12507.49 lakh during the Previous Year. The Operating Profit/(loss) before tax stood at 922.63 lakh as against Rs. (317.47) lakh during the Previous Year. The Net Profit/(Loss) for the year stood at Rs. 656.94 lakh against Rs. (206.76) lakh reported during the Previous Year.

Due to COVID 19 pandemic, there was slump in sales from the beginning of March 2020, which was further compounded due to country wide lockdown implemented from the second fortnight of March 2020 and till second quarter of 2020. This impacted the business operations of the Company significantly.

The Company resumed operations at its manufacturing plants in a phased manner as per the directives of Central Government and respective State Governments by strictly adhering to the standard operating procedures.

The Company is navigating through these unprecedented times by building stronger and deeper relationships with consumers and its partners. The Company is supporting various Government Initiatives and helping communities around to fight the pandemic.

### 2. FINANCIAL HIGHLIGHTS

Rs. in lakh

S.NO.	PARTICULARS	2020-21	2019-20
i	Revenue from operations	10864.78	12507.49
ii	Profit before exceptional items/extraordinary items and tax	922.63	-317.47
iii	Exceptional and extraordinary items	-	-
iv	Profit/Loss before tax	922.63	-317.47
v	Tax adjustments		
	For Current year	158.35	-
	Relating to previous year	-	-
	Deferred Tax	95.74	-102.38
	MAT credit entitlement	-7.69	-
vi	Other comprehensive income	-19.28	8.32
	Profit (Loss) after tax	656.95	-206.76
vii	Earnings per share	8.04	-2.53



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### 3. DIVIDEND

Your Directors are recommending a dividend of Rs. 1/- per share, subject to approval of the members at the ensuing Annual General Meeting.

### 4. INDIAN ACCOUNTING STANDARD (IND AS) IFRS CONVERGED STANDARDS

Pursuant to the notification of the Companies (Indian Accounting Standard) Rules, 2015 by the Ministry of Corporate Affairs (MCA) on 16 February 2015, the company has adopted IND AS (Indian Accounting standards) from the financial year 2017-18.

### 5. ANALYSIS AND REVIEW

#### **Industry conditions and Review of operations**

The Indian textile industry witnessed sluggish growth during the course of the year. During the year under review your company was able to maintain its performance due to stable cotton prices, yarn price through dedicated efforts aimed at improving operational efficiency, focus on optimal product mix and effective cost saving practices.

#### **Company Outlook**

The Company expects the cotton price to remain volatile, as this is evident from the trend during the last quarter of the financial year 2020-21.

The overall global economic outlook is not encouraging due to the prevailing COVID 19 pandemic. The Company is making all efforts to reduce costs and rationalize operations to have a positive effect.

#### **Opportunities and Risks**

The Indian textile and apparel industry has been adversely impacted in short to medium -term due to lockdown and lower consumer spends. The sector is reeling under liquidity crisis and cost pressure, due to un-precedented damage caused by COVID-19.

The cotton price is subject to climatic conditions and market volatility. The probable impact of climatic conditions in current year is expected to have a bearing on the cotton prices.

Exports may partly get affected due to global sentiments and COVID-19. Power shortage and Labour shortage (migrantion of labour force due to COVID 19) are major concerns, which could have impact on operations of the Industry. Higher inflation, cost of Raw Material viz. cotton and price of finished product viz. yarn would have adverse impact on profit margin of the company.

### 6. FINANCE AND ACCOUNTS

The financial statements have been prepared in accordance with 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.

There is no auditor's qualification in the financial statements for the year under review.

### 7. LISTING

The Equity Shares of your Company are listed at BSE Limited, Mumbai (BSE). The listing fees to the Stock Exchange and custodian fees to depositories viz. NDSL and CDSL have been paid within time by the Company.

# MARIS SPINNERS LIMITED

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## 8. CORPORATE GOVERNANCE

As per Regulation 17 of the Listing Regulation with the Stock Exchanges, a separate section on Corporate Governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

## 9. EXTRACT OF ANNUAL RETURN

The Extract of Annual return in Respect of LAST YEAR is placed in the website of the Company the web link is [www.maris.co.in](http://www.maris.co.in). Annual Return for the current year 2021 will be placed in the website after the general meeting is over and MGT 7 is filed with MCA.

## 10. SHARE CAPITAL

The company's paid up capital as on 31-3-2021 was 8172360 Equity Shares of Rs. 10 each. The Board of Directors at their Meeting held on 9-6-2021 forfeited 247600 partly paid equity shares pertaining to 130 shareholders for non-payment of allotment money after the issue of Final Notice to the defaulting shareholders for payment of allotment money (Rs. 5 towards allotment money and Rs. 5 towards premium payable on the shares). The allotment money was due since 1996 and the Company has sent many reminders for payment of allotment money. The company's paid up capital consequent to forfeiture of shares has is Rs. 7,92,47,600/-

## 11. DIRECTORS

During the year Mr. A Harigovind [DIN 06428975] retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

Mr. Adithya Raghuraman [DIN 08172745] was appointed as additional director at the Board meeting held on 9.06.2021, whose appointment will be regularized at the ensuing Annual General Meeting. Mr. Mr. Adithya Raghuraman, is appointed as Whole Time Director at its meeting held on 30.06.2021 for a period of 3 years from that date and his re-appointment is included in the Notice of the ensuing Annual General Meeting.

Mr. T Raghuraman [DIN 01722570] wholetime director re-appointment has been approved by the Board at its meeting held on 30.06.2021 for a period of 3 years from that date and his re-appointment is included in the Notice of the ensuing Annual General Meeting.

## 12. BOARD EVALUATION

During the year, a formal process for annual evaluation of performance of Board, its committees and directors was carried out as per the criteria laid down by the Nomination and Remuneration Committee, pursuant to the provisions of the Companies Act, 2013 (C A 2013) and Clause 49 of the Listing Agreement as applicable at that time.

The criteria of evaluation of Board and its Committees were founded on the structure, composition, Board Management relationship, effectiveness in terms of roles and responsibilities and processes encompassing the information flow and functioning. The guiding standards for the assessment of performance of Directors (including the independent Directors) their attendance and participation at Board Meetings, sharing of their relevant domain expertise and networkings in other forums, the strategic inputs and demonstration towards governance compliances .

For evaluation of performance of the Chairman additional aspects like Institutional image buildings, proving guidance on strategy and performance, maintaining an effective and healthy relationship between the Board and the Management were taken into consideration . The evaluation was carried out through



a structured methodology approved by the Nomination and Remuneration Committee after ensuring that the aspects under each of the laid down criteria are comprehensive and commensurate with the size of the Board and the Committee.

### 13. KEY MANAGERIAL PERSONNEL

The following are the key managerial personnel of the Company:

Sr No.	Name of the person	Designation
1	Mr. Anandkumar Rengaswamy	Managing Director
2	Mr. A.Harigovind	Wholetime Director and Chief Financial Officer
3	Mr. N Sridharan	Company Secretary and Compliance Officer

### 14. NUMBER OF MEETINGS OF THE BOARD

During the year five meetings of the Board of Directors were held on 29th May 2020, 30th June 2020, 10th August 2020, 11th November 2020 and 12th February 2021.

### 15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Financial Statements.

### 16. WHISTLE BLOWER POLICY

The Company has a whistle blower policy to report genuine concerns or grievances.

### 17. RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus disclosure in form AOC - 2 is not required. Further, there are no material related party transactions during the year under review with the promoters, Directors or Key Managerial Personnel.

The Company has developed a Related Party Transactions framework through Standard Operating Procedures for the purpose of identification and monitoring of such transactions.

All Related Party Transactions are placed before the Audit Committee as also to the Board for approval. Omnibus approval was obtained on a quarterly basis for transactions which are of repetitive nature. Transactions entered into pursuant to Omnibus approval are audited by the Risk Assurance Department and a statement giving details of all Related Party Transactions are placed before the Audit Committee and Board for review and approval on a quarterly basis.

### 18. DIRECTOR'S RESPONSIBILITY STATEMENT

To the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134 (3) (c) of the Companies Act, 2013.

- (i) that in the preparation of the Annual Accounts for the year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit of the Company for the year ended on that date.



# MARIS SPINNERS LIMITED

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- (ii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iii) the annual accounts have been prepared on a going concern basis;
- (iv) that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (v) that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 19. REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Company's policy on appointment and remuneration including criteria for determining qualifications, positive attributes and independence are provided in the Corporate Governance Report forming part of this Report. The policy is given as Annexure D.

## 20. AUDITORS'

### a. STATUTORY AUDITORS

Mr. Vijayakumar Janadri Chartered Accountant, Bangalore, (Membership No. 222127), has been appointed as Statutory Auditors of the Company at the AGM held on 22.09.2017 to hold office until the conclusion of Annual General Meeting for the year 2022, is eligible to be appointed as statutory auditor of the Company for a period of 5 years and he has completed four years at the ensuing AGM. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has obtained written confirmation that the appointment, if made, would be in conformity with the limits specified in the said Section.

### b. COST AUDITOR

As per the requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company has been carrying out audit of cost records relating to textile mill every year.

The Board of Directors, on the recommendation of Audit Committee, has appointed M/s A. Gopala Iyengar, Cost Accountants as Cost Auditor to audit the cost accounts of the Company for the financial year 2021-22. As required under the Companies Act, 2013, a resolution seeking member's approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting.

### c. SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, the Company has appointed Mr. V.K. Shankaramann, Company Secretary in Practice (PCS .No. 5255) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is included as Annexure - B and forms an integral part of this Report.

There is no secretarial audit qualification for the year under review.



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## 21. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The internal and operational audit is entrusted to M/s S.N.S. Associates, Chennai a reputed firm of Chartered Accountants. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board.

## 22. RISK MANAGEMENT

The risk management framework defines the risk management approach of the Company and includes periodic review of such risks and also documentation, mitigating controls and reporting mechanism of such risks.

Some of the risks that the Company is exposed to are:

### **Financial Risks**

Given the interest rate fluctuations, the Company has adopted a prudent and conservative risk mitigation strategy to minimize interest costs.

### **Commodity Price Risks**

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

### **Regulatory Risks**

The Company is exposed to risks attached to various statutes and regulations including the Competition Act. The company is mitigating these risks through regular review of legal compliances.

### **Human Resource Risks**

Retaining the existing talent pool and attracting new talent are major risks.

The Company has initiated various measures including rolling out strategic talent management system, training and integration of learning and development activities.

## 23. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The compliance under CSR is not applicable for the year under review & for the current year 2021-22 the CSR provisions are being applicable.

# MARIS SPINNERS LIMITED

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## 24. ENVIRONMENT AND SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances environmental regulations and preservation of natural resources.

## 25. PUBLIC DEPOSITS

During the year under review the Company has not accepted any deposits, within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

## 26. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company takes pride in the commitment, competence and dedication shown by its employees in all areas of business.

The Company has a structured induction process at all locations and management development programs to upgrade skills of managers. Objective appraisal systems based on Key Result Areas (KRAs) are in place for senior management staff.

The Company is committed to nurturing, enhancing and retaining top talent through Superior Learning & Organizational Development. This is a part of Corporate HR function and is a critical pillar to support the organization's growth and its sustainability in the long run.

## 27. COMPOSITION OF AUDIT COMMITTEE

The details pertaining to the composition of the Audit Committee is as under and is also included in the Corporate Governance Report. The present Director / Member are given below:

### NAME OF DIRECTOR/MEMBER

Sri. S. Swaminathan - Chairman

Sri. S. Kalyanaraman

Sri. Parag H Udani

## 28. COMPOSITION OF NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is re-constituted with effect from 30.06.2021 and the details are as under and also included in the Corporate Governance Report. The present Director / Member are given below:

### NAME OF DIRECTOR/MEMBER

Sri. S. Kalyanaraman - Chairman

Sri. S. Swaminathan

Sri. Parag H Udani

## 29. PREVENTION OF INSIDER TRADING

The Company is having a code for prevention of Insider Trading with a view to regulate the trading in securities by the Directors and designated employees of the Company. The code requires pre-clearance of for dealing in the company's shares and prohibits the purchase or sale company's shares by the Directors and designated employees while in possession of unpublished price sensitive information in relation to the Company.



### 30. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

During the year under review, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and future operations of the Company.

### 31. STATUTORY INFORMATION

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134 (3) (m) of the Companies Act, 2013, read with the Rule 8 (3) of the Companies (Accounts) Rules, 2014 is given as Annexure to this Report.

The information required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Director's Report for the year ended March 31, 2020 is given in a separate Annexure to this Report.

The statement containing information as required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Annual Report. In terms of the first proviso to Section 136 of the Act, the Report and accounts are being sent to the shareholders excluding the aforesaid statement which is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company.

### Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at its work place and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at the work place in line with the Provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and the Rules there under for prevention and redressal of complaints of sexual harassment at workplace. The following is a summary of sexual harassment complaints received and disposed off during the year 2020-21;

- |  |   |     |
|--|---|-----|
| 1. Number of complaints received during the year | – | Nil |
| 2. No of complaints disposed off                 | – | Nil |

### Acknowledgement

Your Directors thank the Banks, Customers, Government Authorities, Suppliers and Shareholders for their support. Your directors also place on record their appreciation for the committed services by the employees of the Company.

By Order of the Board

**ANANDKUMAR RENGASWAMY**  
Managing Director

**T. JAYARAMAN**  
Director

Place : Chennai  
Date : 30.06.2021

**A. HARIGOVIND**  
Chief Financial Officer

**N. SRIDHARAN**  
Company Secretary  
and Compliance Officer

# MARIS SPINNERS LIMITED

## INFORMATION PERTAINING TO SECTION 134 (3) (M) OF THE COMPANIES ACT, 2013 AND FORMING PART OF THE DIRECTORS REPORT FOR THE YEAR ENDED 31.03.2021.

### 1. CONSERVATION OF ENERGY:

In accordance with the provisions of Section 134 (3) (m) of the Companies Act, 2013, read with the Company (Disclosure of particulars in the Report of the Board of Directors) Rules 1988 details regarding conservation of energy is furnished in Form "A" (See Rule 2).

### 2. Disclosures pertaining to remuneration and other details as required under Section 197 (12) of the Companies Act, 2013 read with rules 5 (1) of the Companies (Appointment and Remuneration of managerial Personnel) Rules 2014 are provided in the Annual Report.

S.No.	Name of the Director	Designation	Ratio of median Remuneration	% increase in Remuneration
1.	Mr. Anandkumar Rengaswamy	Managing Director	10.24:1	NIL
	Mr. T Raghuraman	Director	8.19:1	NIL
2.	The percentage increase in the median remuneration of employees in the financial year	7.74%		
3.	The number of permanent employees on the rolls of Company	317		
4.	a. Average percentile increase already made in the salaries of employees other than the managerial personnel in the financial year 2020-21.	NIL		
	b. Average percentile increase in the managerial remuneration in the financial year 2020-21	NIL		
	There are no exceptional circumstances for increase in the managerial remuneration			
5	Affirmation that the remuneration is as per the remuneration policy of the Company	Remuneration paid during the year 2020-21 is as per the Remuneration Policy of the Company.		

### 3. TECHNOLOGY ABSORPTION

There was no technology absorption





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#### 4. FOREIGN EXCHANGE EARNINGS AND OUTGO

Earnings – Nil

Outgo – **333.12 Lakh**

By Order of the Board

**ANANDKUMAR RENGASWAMY**

Managing Director

**A. HARIGOVIND**

Chief Financial Officer

**T. JAYARAMAN**

Director

**N. SRIDHARAN**

Company Secretary  
and Compliance Officer

Place : Chennai  
Date : 30.06.2021

# MARIS SPINNERS LIMITED

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## Annexure C to the Report of the Board of Directors

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2021

#### Form No. MR-3

[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,  
**Maris Spinners Ltd**  
(CIN: L93090TN1979PLC032618)  
New No.11, Old No.9, Cathedral Road,  
Gopalapuram, Chennai - 600086 IN

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MARIS SPINNERS LIMITED** (CIN: L93090TN1979PLC032618) (hereinafter called "the Company") **during the financial year from April 1, 2020 to March 31, 2021** ("the year" / "audit period" / "period under review"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on, 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 **MARIS SPINNERS LIMITED** ("the Company") for the financial year ended on 31st March 2021, according to the provisions of:

- (i) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.
- (ii) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (iii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;



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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable;
- (iii) SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned in 24A SEBI Report.

**1. I hereby report that:**

1. In my opinion, during the audit period covering the financial year ended on March 31, 2021, the Company has complied with the statutory provisions listed hereunder and also has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The members are requested to read this report along with our letter of even date annexed to this report as Annexure - A.

During the period under review, and also considering the compliance related action taken by the Company after March 31, 2021 but before the issue of this report, the Company has, to the best of our knowledge and belief and based on the records, information and explanations furnished to us:

2. Complied with the applicable provisions/clauses of the Acts, Rules, Regulations, and Agreements mentioned under paragraph (i) to (v) above.

SL.NO.	FORM NO.	SRN NO.	DATE OF FILING	Paid with delay with additional fees
1	MGT 14	R 40789877	05/06/2020	NA
2	DIR 12	R 40789844	05/06/2020	NA
3	MGT 14	R 41324252	10/06/2020	NA
4	MGT 14	R 46715504	22/07/2020	NA
5	CRA 2	R 467155504	22/07/2020	NA
6	CRA 4	R 562413165	16/09/2020	NA
7	MGT 15	R 57155418	21/09/2020	NA
8	MGT 14	R 65641441	05/10/2020	NA
9	AOC 4 & XBRL	R 66039009	07/10/2020	NA
10	IEPF 1-FY 13	R 68771054	27/10/2020	NA
11	MGT 7	R 70810379	11/11/2020	NA
12	CHG 1	R 71354286	18/11/2020	NA
13	INC 22	R 71889257	23/11/2020	NA
14	CHG 4	T 10558138	29/03/2021	NA

**I have been informed that, during/in respect of the year:**

The Company was not required to comply with the following laws / guidelines / regulations and consequently was not required to maintain any books, papers, minute books or other records or file any forms / returns under:

- (i) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment;
- (ii) Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

# MARIS SPINNERS LIMITED

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- (iii) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (iv) Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
  - (v) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.
3. The other laws as are applicable specifically to the Company are as under:
- 1 Textile (Development and Regulation) Order 2001 issued under Section no 3 of the Essential commodities Act, 1955.
  - 2 Factories Act, 1960
  - 3 Local Laws as applicable to various plants and office.

**2. I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Board also has a woman director.

Pursuant to Sec 161 of Companies Act 2013, as per SEBI requirements Mrs. Ananthakumar Dhamayanthi (DIN 08461584) be and is hereby appointed as Woman director on the Board with effect from 30.05.2019.

Adequate notice is given to all directors to schedule the Board Meetings. Notice of Board meeting was sent at least seven days in advance. Agenda and detailed notes on agenda were sent at least seven days before the Board meetings with the exception of the following items, which were either circulated separately or at the meetings:

- (i) Supplementary agenda notes and Annexure in respect of unpublished price sensitive information such as audited accounts / results, unaudited financial results and connected papers; and
- (ii) Additional subjects / information and supplementary notes.
- (iii) A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings. Majority decision is carried through. We are informed that there were no dissenting members' views on any of the matters during the year that were required to be captured and recorded as part of the minutes.

**3. I further report that:**

- (i) There are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines; and
- (ii) I further report that during the Audit period:
  - Mr PARAG HARKISHON UDANI (Din No.01491901)
  - Mr. SETHURAMAN KALYANARAMAN (Din No. 02652113)
  - Mr. SWAMINATHAN (Din No. 08474746)

Were designated as Independent Director.

Other than the aforesaid there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards etc referred to above.

**I further report that:**

The Board Met 5 times in the financial year 2020-21 Viz., on

29/05/2020
30/06/2020
10/08/2020
11/11/2020
12/02/2021



Majority decision is carried through the meeting and form part of the minutes.

#### **FRAUD REPORTING**

**I further report** that during the financial year ended 31/03/2021 there is no fraud, pursuant to provisions of Section 143(12) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014.

The company has neither subsidiaries nor Associates; Hence no secretarial audit is required to be complied as per the SEBI

**I further report** that during the audit period the company has 8 directors, 1 Company Secretary and 1 Chief Financial Officer/Key Managerial Personnel:

<b>DIN/PAN</b>	<b>NAME</b>	<b>DESIGNATION</b>	<b>DATE OF APPOINTMENT</b>
00075375	ANANDKUMAR RENGASWAMY	Managing Director	15/06/1995
01402853	THANGAVELU JAYARAMAN	Director	15/06/1995
AOUPS2954K	NATARAJAN SRIDHARAN	Company secretary	01/06/2020
01491901	PARAG HARKISHON UDANI	Director	30/05/2019
01722570	THANGAVELU RAGHURAMAN	Whole-time Director	27/07/2007
02652113	SETHURAMAN KALYANARAMAN	Director	30/05/2019
ADHPH2814F	HARIGOVIND	CFO(KMP)	01/10/2014
06428975	HARIGOVIND	Whole-time Director	01/11/2016
08461584	ANANTHAKUMAR DHAMAYANTHI	Director	30/05/2019
08474746	SWAMINATHAN	Director	21/06/2019

For **VKS & ASSOCIATES**  
Company Secretaries

V K SHANKARARAMANN  
F.C.S No. 5592  
C.P. No. 5255  
UDIN : F005592C000523032

Place : Chennai  
Date : 26.06.2021

# MARIS SPINNERS LIMITED

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## Annexure – A to Secretarial Audit Report of even date

To,  
The Members  
**Maris Spinners Ltd**  
(CIN: L93090TN1979PLC032618)  
New No.11, Old No.9, Cathedral Road,  
Gopalapuram, Chennai - 600086 IN

**My Secretarial Audit Report (Form MR-3) of even date for the financial year ended March 31, 2021 is to be read along with this letter.**

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. My responsibility is to express an opinion on the secretarial records produced for my audit.
2. I have followed such audit practices and processes as I considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. While forming an opinion on compliance and issuing this report, I have also considered compliance related action taken by the Company after March 31, 2021 but before the issue of this report.
4. I have considered compliance related actions taken by the Company based on independent legal / professional opinion obtained as being in compliance with law.
5. I have verified that secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. I also examined the compliance procedures followed by the Company on a test basis. I believe that the processes and practices we followed provide a reasonable basis for my opinion.
6. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
7. I have obtained the Management's representation about compliance of laws, rules and regulations and happening of events, wherever required.
8. My Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy of effectiveness with which the management has conducted the affairs of the Company.

For **VKS & ASSOCIATES**  
Company Secretaries

Place : Chennai  
Date : 26.06.2021

V K SHANKARARAMANN  
F.C.S No. 5592  
C.P. No. 5255  
UDIN : F005592C000523032





## REPORT ON CORPORATE GOVERNANCE IN COMPLIANCE OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Company firmly believes that Corporate Governance is an on-going process and essential component for a successful enterprise. Sound Corporate Governance no doubt, provides value addition and Compliance of standards, improves the organizational skills to achieve better long term results and disclosures to Stakeholders, ensure adequate information to assess the performance of the Company.

Further the board lays emphasis on trusteeship, transparency, empowerment, accountability and integrity in all its operations and dealings with its Stakeholders and outsiders. The Company makes disclosures of its operations and performance to public through the Annual Reports, Quarterly Financial Results, and timely press releases. The Company has complied with the requirements of Corporate Governance as mandated by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Clause 49 of the erstwhile Listing Agreement executed with the Stock Exchange) (Listing Regulations) as detailed below for the year ended 31st March 2021.

The report on Corporate Governance covers the following:

- i. Board of Directors
- ii. Committees of the Board
- iii. General Shareholder information
- iv. Other disclosures.

### i. BOARD OF DIRECTORS

#### a. COMPOSITION OF BOARD AND ATTENDANCE PARTICULARS:

The present strength of the Board of Directors is Eight (8) and its composition is as follows:

Executive Promoter Directors	3
Non-Executive Promoter Directors	2
Non-Executive Independent Directors	3

Non-Executive Independent Directors are comprising of professionals and have vast experience in the industry, finance and general expertise to handle and guide the operation towards betterment.

#### b. BOARD MEETINGS AND RELATED INFORMATION:

During the year five meetings of the Board of Directors were held on 29th May 2020, 30th June 2020, 10th August 2020, 11th November 2020 and 12th February 2021.

The attendance particulars of each Director at the Board Meetings and last Annual General Meeting:

Directors	No. of Board meetings attended during the year	Attendance At last AGM 18.09.2020	No. of other Companies in which they are Directors	No. of other Committees (other than this Company) in which Chairmen / Members
<b>Executive Promoter Directors</b>				
Sri. Anandkumar Rengaswamy	5	Yes		NONE
Sri. T. Jayaraman	5	Yes		NONE
Sri. T. Raghuraman	5	Yes		NONE
Smt. Ananthakumar Dhamayanathi	4	Yes	NONE	NONE
Sri. A. Harigovind	5	Yes		NONE
<b>Non-Executive Independent Directors</b>				
Sri. S Kalyanaraman	5	Yes		NONE
Sri. S Swaminathan	5	Yes	NONE	NONE
Sri. Parag Harkishon Udani	4	No	1	NONE

# MARIS SPINNERS LIMITED

## ii. COMMITTEES OF THE BOARD

### 1. AUDIT COMMITTEE

The role and the authority including the powers of this Committee are in line with the requirements of the Companies Act, 2013 and the Listing Regulations as executed with the Stock Exchanges. The said Committee comprises the following Director's as members:

Sri. S Kalyanaraman  
Sri. S Swaminathan  
Sri. Parag Harkishon Udani

The terms of reference of the Committee broadly comprise:

- (a) Overall review of the Company's periodical Financial Statements; financial reporting process; disclosure policies and ensuring that they are appropriate, accurate and credible and more particularly:
  - i ) to select and establish accounting policies and changes if any in accounting policies and procedures.
  - ii) qualifications if any given in the draft Audit Report.
  - iii) significant adjustments in the Audit Report.
  - iv) on the major entries made in the accounts based on the exercise of judgment made by the management.
  - v) the going concern concept assumption.
  - vi) Compliance with the Accounting Standards as prescribed by ICAI
  - vii) Compliance with requirements of Stock Exchanges and legal requirements concerning the Financial Statements
  - viii) To review Management Discussion and Analysis of financial condition and results of operation.
  - ix) To review statement of significant related party disclosures submitted by the management.
- (b) Recommending the appointments and removal of external auditor, fixation of audit fee and also approval for payment for other services.
- (c) Periodic reviewing of the adequacy of the internal audit, internal controls and discussions with the External Auditors thereon. Depending upon the necessity the senior personnel from the concerned department are called to the meeting.

During the year Five Audit Committee Meeting were held viz., 29th May 2020, 30th June 2020, 10th August 2020, 11th November 2020 and 12th February 2021, and attendance of the member of the Audit Committee at these meetings is as follows:

NAME OF DIRECTOR/MEMBER	NO.OF MEETINGS HELD	NO.OF MEETINGS ATTENDED
Sri. S Kalyanaraman	4	4
Sri. S Swaminathan	4	4
Sri. Parag Harkishon Udani	4	3

### 2. STAKE HOLDERS RELATIONSHIP COMMITTEE

The Board has constituted Share Transfer / Investor Grievance Committee under the Chairmanship of Non-Executive Independent Director to look after various issues of the Shareholders/Investors such as Transfer of Shares, issue of Share Certificate, redressal of Shareholders / investors Complaints. During the financial year four Meetings were held, the attendance of the Members at these meetings is as follows:

NAME OF DIRECTOR/MEMBER	NO.OF MEETINGS HELD	NO.OF MEETINGS ATTENDED
Sri. S Kalyanaraman	4	4
Sri. S Swaminathan	4	4
Sri. Parag Harkishon Udani	4	3



### 3. NOMINATION AND REMUNERATION COMMITTEE

The Board has constituted Remuneration Committee under the Chairmanship of Sri S Swaminathan (Non-Executive Independent Director) to look after revision of remuneration etc., During the financial year four meetings were held, the attendance of the members at these meetings is as follows:

NAME OF DIRECTOR/MEMBER	NO.OF MEETINGS HELD	NO.OF MEETINGS ATTENDED
Sri. S Kalyanaraman	4	4
Sri. S Swaminathan	4	4
Sri. Parag Harkishon Udani	4	3

Mr. N Sridharan, is the Company Secretary and Compliance Officer of the Company.

### iii. GENERAL SHAREHOLDER INFORMATION

#### DETAILS OF GENERAL BODY MEETING

Particulars of the AGM of the Company for the past three years are as follows :

YEAR	DATE	TIME	VENUE
2018	20.08.2018	9.30 AM	HOTEL MARIS 11, CATHEDRAL ROAD CHENNAI - 600 086
2019	20.09.2019	9.00 AM	HOTEL MARIS 11, CATHEDRAL ROAD CHENNAI - 600 086
2020	18.09.2020	9.00 AM	AUDIO / VIDEO MEANS THRU CDSL

No resolution was put through postal ballot during last year.

Special Resolutions with respect to the following were passed during the last three years: Nil

#### a. 42nd Annual General Meeting

Date & Time : Friday 17th September 2021, 10.00 AM

Venue / Mode : E AGM

- b. Financial Year calendar 2021-22 : 1st April to 31st March of every year. Financial results will be announced (Tentative) as per tentative schedule.

1st quarter ending June 30, 2021	Aug 2021
2nd quarter ending September 30, 2021	Nov 2021
3rd quarter ending December 31, 2021	February 2022
4th quarter ending March 31, 2022	May 2022

CIN : L93090TN1979PLC032618

- c. Date of Book Closure : 11.09.2021 to 17.09.2021 (both the days inclusive)

- d. Listing of Stock Exchanges : The Stock Exchange, Mumbai - Code: 531503  
The Annual Listing Fees for the period 1st April 2021 to 31st March 2022 has been paid to Stock Exchanges.

# MARIS SPINNERS LIMITED

e. Market Price Data (IN Rs.)

Month	High	Low	Close	No. of Shares
Apr-20	6.32	6.04	6.04	34
May-20	6.39	5.60	6.39	103
Jun-20	6.70	6.70	6.70	110
Jul-20	7.87	6.73	7.75	7520
Aug-20	14.73	8.13	14.73	6257
Sep-20	20.13	15.02	19.09	6274
Oct-20	34.75	19.45	34.75	2476
Nov-20	38.25	34.50	34.50	2477
Dec-20	33.25	18.90	18.90	3369
Jan-21	19.25	16.65	16.65	2747
Feb-21	31.25	16.95	30.50	6085
Mar-21	37.00	21.50	26.45	9576

- f. Depository cum Share Transfer : M/s.Cameo Corporate Services Ltd.,  
Registrars `Subramanian Building', V Floor, No.1, Club House Road,  
Chennai - 600002. Tel : 2846 03 90 Fax : 2846 01 29.  
E-mail: investor@cameoindia.com
- f. Share Transfer System : Share Transfer in physical form is normally effected within a period of 15 days of receipt of the documents, if found in order. The Share Transfer Committee approves all share transfers. Letters are sent to the shareholders after transfer of shares in their names giving an option for dematerialization of shares of the physical shares. Physical Shares are dematerialized and electronic credit is given to those shareholders, who opt for dematerializations and in respect of other shareholders, who have not opted for dematerialization, share certificates are dispatched by Registered Post.  
All requests for dematerialization of shares are processed and the confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 15 days.
- h. Distribution of Shareholding as on March 31, 2021.

Share or Debenture holding	Share / Debenture holders		Share / Debenture holdings	
	Number	% of total	Shares	% of total
001 -- 100	209	17.879	4797	0.059
101 -- 500	593	50.727	223608	2.736
501 -- 1000	167	14.286	153160	1.874
1001 -- 2000	56	4.790	89699	1.098
2001 -- 3000	48	4.106	123277	1.508
3001 -- 4000	3	0.257	10656	0.130
4001 -- 5000	22	1.882	106527	1.304
5001 -- 10000	40	3.422	362395	4.435
10001 -- And Above	31	2.652	7098241	86.857
<b>Total</b>	<b>1169</b>	<b>100.000</b>	<b>8172360</b>	<b>100.000</b>



i. Category of Shareholding as on March 31, 2021

CATEGORY	NO OF SHAREHOLDERS	NO OF SHARES	% OF SHAREHOLDING
Resident - Ordinary	1125	1543299	18.8845
Resident - HUF	12	4664	0.0570
Corporate Body - Domestic	9	33356	0.4081
NRI-Non-Repatriable	1	634	0.0077
Corporate Body - Group Company	1	325000	3.9768
Mutual Funds	1	100	0.0012
Corporate Body-CM/TM-Client Margin a/c	1	150	0.0018
Bank - Others	1	207500	2.5390
Bank -Scheduled Bank	1	400000	4.8945
IEPF	1	99503	1.2175
Promoters	9	5308160	64.9525
Person Act in concert	1	249600	3.0541
Clearing Member	6	394	0.0048
<b>Total</b>	<b>1169</b>	<b>8172360</b>	<b>100.00</b>

- j. Dematerialization of Shares and liquidity : The Company shares were dematerialized. As on 31st March 2021, **89.99%** of shares constituting the paid up Capital has been dematerialized.
- k. Demat ISIN No : INE866D01010
- l. Plant Locations : **Unit – I** : Kattemalalavadi Village, Hunsur Taluk, Mysore District - 571 134 Karnataka  
**Unit – II** : Kulithalai Road, Manapparai Taluk, Trichy District - 621 306, Tamilnadu
- m. Products : 100% Cotton Yarn
- n. Address for correspondence : Shareholders correspondence should be addressed to our Registrar and Share Transfer Agents at the following address:  
M/s.Cameo Corporate Services Limited  
Subramanian Building, V Floor,  
No.1, Club House Road, Chennai - 600 002.  
Tel : 2846 03 90 Fax : 2846 01 29  
E-mail: investor@cameoindia.com
- For investor complaints** : N SRIDHARAN  
**Contact person** : Company Secretary and Compliance Officer  
E Mail: companysecretary@maris.co.in  
Web: www.maris.co.in

# MARIS SPINNERS LIMITED

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## iv. OTHER DISCLOSURES

- a. The Company has followed the guidelines of the Accounting Standards as laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.
- b. Transactions with the related parties have been included in the Notes to the Accounts of the Company for the year ended 31st March 2021.
- c. The Board is of the bonafide belief that there are no materially significant related party transactions made by the Company with its Promoters, Directors, or Management, their subsidiaries or relatives etc., that may have potential conflict with the interests of the Company at large.
- d. During the last three years, there were no strictures or penalties imposed either by SEBI or the Stock Exchanges or any statutory authority for non-Compliance of any matter related to the Capital Markets.
- e. The Company has not entered into any transactions of material nature with its Promoters, the Directors of Management, their subsidiaries or relatives etc., that may have potential conflict with the interest of the Company. Further, details of general related party transactions are given in the Balance Sheet.
- f. **Whistle Blower Policy**  
The Company has adopted the Whistle Blowers Policy as per the listing regulation pursuant to which, employees of the Company can raise their concerns relating to fraud, mal-practice or any other activities or event detrimental to the interest of the Company.
- g. The Company has generally complied with the mandatory disclosure requirements under Clause 17 of the Listing Regulation executed with the Stock Exchanges.

## Means of communication

- a) The Company has been sending Annual Reports, Notices and other communications to each household of Shareholders. Due to COVID 19 pandemic, Annual Report for the year 2020-21 will be sent to the registered e mail ID's of all the shareholders and no physical copy of the Annual Report will be dispatched.
- b) The Quarterly Reports in the prescribed format were published in the News Papers (Trinity Mirror - English and Makkal Kural - Tamil) as required by the Listing Agreements with The Stock Exchange, Mumbai.
- c) The Company has a dedicated web site and is being updated periodically with latest information.
- d) All disclosures and communications to the BSE Limited (BSE) are filed electronically to the designated portals.
- e) A centralized web based complaints redressal system (SEBI - Scores) which serves as a centralized database of all complaints received, enables uploading of Action Taken Reports (ARTs) by the concerned companies and the investors can view the action taken on the complaint and its current status.
- f) The company has filed all the necessary documents periodically with the MCA & the Company has also filed its Annual Financial Statements on MCA through XBRL.





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## Annexure-D

### NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and in accordance with LODR 2015, as amended from time to time. This policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

#### Definitions:

“**Remuneration**” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income tax Act, 1961;

“**Key Managerial Personnel**” means:

- I. Managing Director, or Chief Executive Officer or Manager and in their absence, a Wholetime Director;
- II. Chief Financial Officer;
- III. Company Secretary; and
- IV. Such other officer as may be prescribed.

“**Senior Managerial Personnel**” mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

#### Objective:

The objective of the policy is to ensure

- that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

#### Constitution of the Committee

The Board has constituted the “Nomination and Remuneration Committee” of the Board

The Board has authority to reconstitute this Committee from time to time.

#### Role of the Committee:

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director’s performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.

# MARIS SPINNERS LIMITED

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- To recommend to the Board policy relating to remuneration for Directors, Key Managerial personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

## **Frequency of Meetings**

The meeting of the Committee shall be held at such regular intervals as may be required.

## **Committee Members' Interests**

A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

## **Secretary**

The Company Secretary of the Company shall act as Secretary of the Committee.

## **APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the position.

## **TERM / TENURE**

### **a) Managing Director/Wholetime**

#### **Director:**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding three years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

### **b) Independent Director:**

An Independent Director may hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.



At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as Whole-time Director of a listed company or such other number as may be prescribed under the Act.

#### **EVALUATION**

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

#### **REMOVAL**

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

#### **RETIREMENT**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

#### **POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL**

- 1) Remuneration to Managing Director / Whole time Directors:
  - a. The Remuneration/ Commission etc. to be paid to Managing Director / Wholetime Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
  - b. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.
- 2) Remuneration to Non-Executive / Independent Directors:
  - a. The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
  - b. All the remuneration of the Non-Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
  - c. An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
  - d. Any remuneration paid to Non-Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
    - i. The Services are rendered by such Director in his capacity as the professional; and
    - ii. In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

# MARIS SPINNERS LIMITED

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- e. The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Directors (other than Independent Directors).
- 3) Remuneration to Key Managerial Personnel and Senior Management:
  - a. The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
  - b. The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.
  - c. The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.
  - d. The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

## IMPLEMENTATION

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may Delegate any of its powers to one or more of its members.

## POLICY REVIEW

This policy shall be reviewed by the Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes or the modifications on the policy as recommended by the Committee would be given for the approval of the Board of Directors.

## CRITERIA FOR EVALUATION

Criteria for Evaluation of the Board and Non-Independent Directors at a separate meeting of the Independent Directors

- a) Composition of the Board and availability of multi-disciplinary skills  
Whether the Board comprises of Directors with sufficient qualifications and experience in diverse fields to make the company a pioneer in its area of operations.
- b) Commitment to good corporate governance practices
  - 1. Whether the company practises high ethical and moral standards
  - 2. Whether the company is fair and transparent in all its dealings with stake holders
- c) Adherence to regulatory compliance  
Whether the company adheres to the various government regulations, local, state and central in time.
- d) Track record of financial performance  
Whether the company has been consistently recording satisfactory and profitable financial performance year on year adding to shareholder value. Whether the company is transparent in all its disclosures on financial data.
- e) Grievance Redressal mechanism  
Whether a proper system is in place to attend to the complaints/grievances from the shareholders, depositors, customers, employees and others quickly and fairly.



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f) Existence of integrated Risk Management system

Whether the company has an integrated risk management system to cover the business risks.

g) Use of modern technology

Whether the company has a system for periodical technology up gradation in respect of IT hardware/software, production processes and engineering, designing capabilities, innovation and increasing its technology deployment to meet the requirements of its customers in various industry segments.

h) Commitment to CSR

Whether the company is committed to social causes and CSR and whether there is a system to identify, finance and monitor such social activities.

Criteria for evaluation of Chairman at separate meeting of Independent Directors

- a) Leadership qualities
- b) Standard of integrity
- c) Understanding of Macro & micro economic and industry trends
- d) Public relations
- e) Future vision and innovation

Criteria for evaluation of Independent Directors by the entire Board

- a) Qualifications & experience
- b) Standards of integrity
- c) Attendance in Board Meetings/AGM
- d) Understanding of Company's business
- e) Value addition in Board Meetings

Criteria for evaluation of the Audit committee by the Board

- a) Qualification Experience of members
- b) Depth of review of financial performance
- c) Overview of Audit & Inspection
- d) Review of regulatory compliance
- e) Fraud monitoring

# MARIS SPINNERS LIMITED

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## INDEPENDENT AUDITORS' REPORT

To the Members of  
*M/s MARIS SPINNERS LIMITED*

### Report on the Audit of the Ind AS Financial Statements

#### Opinion:

I have audited the accompanying Ind AS financial statements of Maris Spinners Limited ("the Company") No 11, Cathedral Road, Chennai - 600 086, which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In my opinion and to the best of my information and according to the explanations given to me, except for the matters described in basis for qualified opinion paragraph, the aforesaid Ind AS financial statements give the information required by the Companies Act 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards prescribed specified under section 133 of the Act of the statement of affairs (financial position) of the Company as at 31st March 2021, and its Profit (financial performance including other comprehensive income), its cash flows and the changes inequity for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters:

Key audit matters are those matters that, in my professional judgment, were of most significance in audit of the Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of my audit of the Ind AS financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and my auditor's report thereon.

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

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained during the course of my audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information; I am required to report that fact. I have nothing to report in this regard.





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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

## **Auditor's Responsibility for the Audit of the Ind AS Financial Statements**

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

As part of an audit in accordance with Standards on Auditing, I have exercised professional judgment and maintained professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

# MARIS SPINNERS LIMITED

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I have communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

## **Report on other Legal and Regulatory Requirements**

As required by Section 197(16) of the Act, I report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

As required by the Companies (Auditor's Report) Order, 2016 ("The Order"), issued by the Central Government of India in terms of sub section (11) of Section 143 of the Companies Act 2013, I give in the "Annexure A" a statement of the matters specified in paragraphs 3 and 4 of The Order, to the extent applicable.

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

- a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit;
- b) In my opinion proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books;
- c) the Balance Sheet, the Statement of Profit and Loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
- d) In my opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder.
- e) There are no financial transactions that have adverse effect on the functioning of the company;
- f) On the basis of written representations received from the directors as on 31 March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2021, from being appointed as a director in terms of Section 164(2) of the Act;
- g) There are no qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith;
- h) With respect to the adequacy of the internal financial controls of the Company and the operating effectiveness of such controls, the same is reported in "Annexure B" to this report; and
- i) With respect to the other matters included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in my opinion and to my best of my information and according to the explanations given to me
  - i. The Company does not have any pending litigations which would impact its financial position except as detailed in Note No.24 (m).
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021.

Place : Bangalore  
Date : 30.06.2021

**VIJAYAKUMAR JANADRI**  
CHARTERED ACCOUNTANT  
(Membership No. 222127)  
UDIN: 21222127AAACG3951



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## Annexure 'A' to the Independent Auditors' Report

The Annexure A referred to in the Independent Auditor's Report to the members of Maris Spinners Limited for the year ended on March 31, 2021.

**I report that:**

- i. In respect of the Company's fixed assets:
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
  - b) According to the information and explanation given to me and in my opinion the management has carried out physical verification of Fixed Assets at reasonable intervals and no material discrepancies have been noticed on such verification;
  - c) On the basis of my verification, all the title deeds of the immovable properties owned by the company are held in the name of the company;
- ii. According to the information and explanation given to me and in my opinion the inventory, has been physically verified at reasonable intervals during the year under review by the management and no material discrepancies have been noticed on such verification.
- iii. a) The Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.  
b) As the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013, reporting under clause (iii) of paragraph 3 of the Order does not arise.
- iv. According to the information and explanation given to me and in my opinion, there are no loans, investments, guarantees and security granted by the company which attracts provisions of section 185 and 186 of the Companies Act, 2013;
- v. The Company has not accepted deposits and hence reporting under clause (v) of paragraph 3 of the order does not arise;
- vi. I have reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government under section 148(1) of the Companies Act, 2013 for the maintenance of cost records and I am of the opinion that, prima facie the prescribed accounts and records have been made and maintained. However, I have not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. a) According to the information and explanations given to me, the company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Goods and Service Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2021 for a period of more than six months from the date on which they became payable.  
b) According to information and explanations given to me and the records of the Company examined:
  - the gross disputed statutory dues of value added tax amounts to Rs.1,68,68,603 in aggregate as on 31st March, 2021, out of which Rs.11,06,000 has been deposited under protest/adjusted by tax authorities and the balance has not been deposited on account of matters pending before appropriate authorities as detailed below:

# MARIS SPINNERS LIMITED

Sl.No.	Name of the Statute	Nature of disputed statutory dues	Period to which amount relates	Forum from where the dispute is pending	Gross Amount Due	Amount Deposited under Protest
1	Tamilnadu VAT	Input Credit	2013-14	Assistant Commissioner, Woraiyur Assessment Circle, Trichy	4,00,032	Nil
2	Tamilnadu VAT	Input Credit	2008-09 to 2012-13	Assistant Commissioner, Woraiyur Assessment Circle, Trichy	21,46,430	9,06,000
3	Tamilnadu VAT	Input Credit	2012-13 to 2014-15	Assistant Commissioner, Woraiyur Assessment Circle, Trichy	63,45,971	
4	Tamilnadu VAT	VAT Claim	2015-16	Assistant Commissioner, Woraiyur Assessment Circle, Trichy	59,85,510	Nil
5	Tamilnadu VAT	VAT Claim	2016-17	Assistant Commissioner, Woraiyur Assessment Circle, Trichy	19,90,660	2,00,000
<b>Total</b>					<b>1,68,68,603</b>	<b>11,06,000</b>

- the company has disputed and filed appeal against the assessment order u/s 143(3) passed by the by the Deputy Commissioner of Income Tax/Income Tax Authority, National e-Assessment Centre, Delhi for making addition of Rs.37,64,463/- as disallowance of common expenditure attributable to Windmill undertaking out of the total expenditure of two manufacturing units for the Assessment Years from 2018-19 and is confident of obtaining complete relief in the matter, hence no provision has been made in the accounts for the said claims.

- viii. According to the information and explanation given to me and on the basis of my examination of the records, the company has not defaulted in the repayment of dues to Banks or financial institutions. As per the information and explanation received, the company has neither availed borrowings from Governments nor issued Debentures and hence, reporting on the repayment of loans to Government or dues to Debenture Holders does not arise;
- ix. The Company did not raise any money by way of initial public offer or further public offer including debt instruments during the year. On the basis of review of utilization of funds pertaining to the term loans on an overall basis and related information made available to me, the term loans taken by the company have been utilised for the purposes for which they were obtained.
- x. According to the information and explanation given to me and in my opinion, no fraud by or on the Company has been noticed or reported during the year under review;
- xi. According to the information and explanation given to me and in my opinion, the Managerial Remuneration paid/ provided is in accordance with the provisions of section 197 read with Schedule V of the Companies Act, 2013;



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- xii. As the Company is not in the nature of Nidhi Company, reporting under sub-clause (xii) of paragraph 3 of the order does not arise;
- xiii. According to the information and explanation given to me and in my opinion, transactions with all the related parties are in compliance with section 177 and 188 of the Companies Act 2013 and where applicable, the company has disclosed the details in the financial statements etc., as required by the applicable accounting standards;
- xiv. According to the information and explanation given to me, the company has not made any preferential or private placement of shares or fully or partly convertible debentures during the year under review, reporting under sub-clause (xiv) of paragraph 3 of the order does not arise;
- xv. In my opinion and according to the information and explanation given to me, the company has not entered into any non-cash transactions with directors or persons connected with them and hence reporting under sub-clause (xv) of paragraph 3 of the order does not arise;
- xvi. The company is not engaged in the business of non-banking financial institution. Hence it is not required by the company to obtain registration under section 45-IA of the Reserve Bank Act, 1934.

Place : Bangalore  
Date : 30.06.2021

**VIJAYAKUMAR JANADRI**  
CHARTERED ACCOUNTANT  
(Membership No. 222127)

# MARIS SPINNERS LIMITED

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## **Annexure 'B' to the Independent Auditors' Report**

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

I have audited the internal financial controls over financial reporting of **M/s Maris Spinners Limited ("the Company") No.9, Cathedral Road, Chennai - 600086**, as of 31st March, 2021 in conjunction with my audit of the financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting:**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



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**Inherent Limitations of Internal Financial Controls over Financial Reporting:**

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

**Opinion**

In my opinion, to the best of my information and according to the explanations given to me, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Bangalore  
Date : 30.06.2021

**VIJAYAKUMAR JANADRI**  
CHARTERED ACCOUNTANT  
(Membership No. 222127)



# MARIS SPINNERS LIMITED

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## CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To

The Members of Maris Spinners Limited

We have examined the compliance of conditions of Corporate Governance by Maris Spinners Limited, Chennai 6000 86 as per the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Listing Regulations). We have obtained all the information and explanations which to the best knowledge and belief were necessary for the purpose of certification.

The Compliance of the conditions of Corporate Governance is the responsibility of management. Our examination was limited to the procedure and implementation thereof. The certificate 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.

On the basis of our examination of the records produced explanations and information furnished, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Listing Obligations & Disclosure Requirements (LODR) 2015.

For V K S & ASSOCIATES

**V K SHANKARARAMANN**

Company Secretary

Place : Chennai

Date : 26.06.2021



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## CEO CERTIFICATION

To the Board of Directors of Maris Spinners Limited

In Compliance with Regulation 17(8) of the Listing Regulation with the Stock Exchanges I hereby certify that;

- a. I have reviewed financial statements and cash flow statements for the year ended 31st March 2021 and that to the best of my knowledge and belief;
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii. These statements together present a true and fair view of the Company's affairs and are in Compliance with existing accounting standards, applicable laws and regulations and
- b. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year 2020-21, which are fraudulent, illegal or violative of the Company's code of conduct.
- c. I accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control system of the Company and I have not observed any deficiencies in the design or operation of the internal controls.
- d. I have indicated to the Auditors and the Audit Committee that there are:
  - i. No significant change in controls during the year
  - ii. No significant changes in the accounting policies during the year
  - iii. No instances of significant fraud where the involvement of the Management or and employee having a significant role in the Company's internal control systems have been observed.

Place : Chennai  
Date : 30.06.2021

**ANANDKUMAR RENGASWAMY**  
Managing Director

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### **DECLARATION BY THE MANAGING DIRECTOR UNDER PARA D OF SCHEDULE V OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING ADHERENCE OF THE CODE OF CONDUCT.**

In accordance with Para D of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with their respective Codes of Conduct, as applicable to them, for the financial year ended March 31, 2021.

for **MARIS SPINNERS LIMITED**

Place : Chennai  
Date : 30.06.2021

**ANANDKUMAR RENGASWAMY**  
Managing Director

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# MARIS SPINNERS LIMITED

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## MANAGEMENT DISCUSSION AND ANALYSIS

### 1. INDUSTRY STRUCTURE, DEVELOPMENT AND PRODUCT WISE PERFORMANCE

The Company is in the business of manufacturing of 100% Cotton Yarns, having its units at Hunsur, Mysore Dt., Karnataka and Manapparai, Trichy District, Tamilnadu. The unit supplies its produce to the domestic markets.

### 2. INDIAN TEXTILE INDUSTRY

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries.

The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital-intensive sophisticated mills sector on the other end. The decentralized power looms/ hosiery and knitting sector forms the largest component in the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country. India's textiles industry has a capacity to produce wide variety of products suitable for different market segments, both within India and across the world.

India's textiles industry contributed 7% to the industry output (by value) in 2018-19. The Indian textiles and apparel industry contributed 2% to the GDP, 12% to export earnings and held 5% of the global trade in textiles and apparel in 2018-19. The share of the India's textiles and apparel exports in mercantile shipments was 11% in 2019-20.

Textiles industry has around 4.5 crore employed workers including 35.22 lakh handloom workers across the country. Cotton production is expected to reach 36.0 million bales and consumption is expected to reach 114 million bales in FY21-13% growth over the previous year. The domestic textiles and apparel market stood at an estimated US\$ 100 billion in FY19.

The production of raw cotton in India is estimated to have reached 35.4 million bales in FY20. During FY19, production of fibre in India stood at 1.44 million tonnes (MT) and reached 1.60 MT in FY20 (till January 2020), while that for yarn, the production stood at 4,762 million kgs during same period.

Exports of textiles (RMG of all textiles, cotton yarn/fabs./made-ups/handloom products, man-made yarn/fabs./made-ups, handicrafts excl. handmade carpets, carpets and jute mfg. including floor coverings) stood at US\$ 29.45 billion, as of March 2021.

#### Investment

The textiles sector has witnessed a spurt in investment during the last five years. The industry (including dyed and printed) attracted Foreign Direct Investment (FDI) worth US\$ 3.68 billion from April 2000 to December 2020.

### 3. OPPORTUNITIES AND THREATS

#### 3.1 Opportunities:

**Rising disposable income:** Rising disposable incomes and evolving lifestyles of India's prospering urban and semi urban consumer, are broadening their clothing needs. Today, Indian consumers are more inclined to buy apparels for a specific purpose, than consumers in other markets.

**Growing exports:** India has overtaken Germany and Italy to emerge as the world's second largest textile exporter but lags behind China, whose exports are nearly seven times higher. This presents a huge opportunity for the industry in the coming years.

**High industrial growth:** Average yearly growth rate for the Indian textile industry ranges around 10%. It is quite likely for the international players to move into India for meeting their demands. This will allow the industry to grow further in the near future.



**Foreign Direct Investment (FDI):** The textiles sector has witnessed a spurt in investment during the last five years.

### **3.2 Threats:**

Firms in textiles sector are facing following problems in adding capacity due to:

- Non-Availability of Adequate raw materials in terms of quantity and quality and at attractive prices.
- Manufacturing Competitiveness across the textile Value Chain.
- Lack of Infrastructure.
- Shortage of skilled manpower and labour related issues and migration of labour force due to current Pandemic.
- Competition from low cost countries like Bangladesh, Vietnam and Pakistan.
- Uncertainty in market conditions.
- Low export demand due to unfavourable trade environment and Covid-19 Pandemic.
- Low domestic demand due to low per capita income resulting in low per capita consumption of textiles
- Competition from imports or at par cost in terms of labour, power.
- High cost of funds and energy to operate.

### **4. RISKS AND CONCERNS:**

- Economic slowdown

Textiles as a product is highly dependent on macro-economic scenario of the countries across the world. Any slowdown in the economy might have a direct impact on the operations of the Company.

- Sharp wage Increase and High energy Cost

The Sharp increase in wages in most of the states by more than 20% and high energy cost, cross subsidies, cess and taxes adding additional 20% to energy cost.

### **5. OUT LOOK:**

The Textile Industry plays a significant role in the Indian economy

- (i) It contributes 14 per cent to industrial production and 5 per cent to GDP.
- (ii) With over 40 million people, the industry is one of the largest source of employment generation in the country.

### **IMPACT OF COVID-19 PANDEMIC ON TEXTILE AND APPAREL INDUSTRY**

The Indian textile and apparel industry has been adversely impacted in the short to medium term due to lockdown and lower consumer spends. The sector is reeling under liquidity and cost pressure as well due to un-precedented damage caused by Covid 19. Considering India's position as preferred destination for sourcing textile and apparel products by leading brands worldwide, Indian textile sector is getting severely impacted with deferment and cancellation of orders.

### **6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has an adequate internal control system commensurate with the size and complexity of the organization. The Company has undertaken a comprehensive review of all internal control systems to take care of the needs of the expanding size of the Company and also upgraded the IT support systems. A system of internal audit to meet the statutory requirement as well as to ensure proper implementation of management and accounting controls is in place. The Audit Committee periodically reviews the adequacy of the internal audit functions.

# MARIS SPINNERS LIMITED

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## **7. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:**

There are no material developments in the Human Resources area. The industrial relations have been generally satisfactory. The Company constantly reviews the man power requirements and has a properly equipped Department to take care of the requirements. The total number of people employed by the Company as on 31.03.2021 was 317.

## **8. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The total Revenue for the year 2020-21 was Rs. 10864.78 lakh with a profit of Rs. 922.63 lakh.

## **9. DISCLOSURE OF ACCOUNTING TREATMENT**

In the preparation of financial statements, no treatment different from that prescribed in Accounting Standard has been followed.

On behalf of the Board of Directors

Place : Chennai  
Date : 30.06.2021

**ANANDKUMAR RENGASWAMY**  
Managing Director

### ***Disclaimer***

*Statement in the Management discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations may be forward looking statements within the meaning of applicable laws and regulations. Actual results may however differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the Company operates. Changes in government regulations, tax laws and other statutes and other incidental factors. The Company assumes not responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments information or events.*


**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021**
**Rs. in Lakh**

Particulars	As at 31.03.2021	As at 31.03.2021	As at 31.03.2020	As at 31.03.2020
<b>Cash flow from Operating Activities</b>				
Profit before income tax from Continued Operations and including Actuarial gain		922.63		(317.47)
<b>Adjustments for:</b>				
<b>Add:</b>				
Depreciation	421.76		471.01	
Loss on sale of Assets	—		—	
Financial Expenses	416.97		446.54	
Actuarial Gain/(Loss)	(19.28)		8.32	
<b>Less</b>				
Interest received	12.42		16.47	
Profit on Sale of Asset	26.91		—	
		780.11		909.41
<b>Operating profit before working capital changes</b>		<b>1,702.74</b>		<b>591.94</b>
<b>Adjustments for changes in working capital</b>				
Decrease/(Increase) in Trade and other receivables	671.03		223.42	
Decrease/(Increase) in Other assets	(970.17)		0.59	
Decrease/(Increase) in Inventories	(1,094.79)		1,284.03	
Decrease/(Increase) in Short Term Loan and Advances	19.73		104.41	
Increase/(Decrease) in Trade and Other Payables	(323.15)		(739.52)	
Increase/(Decrease) in Other Current Liabilities	(81.36)		3.58	
Increase/(Decrease) in Short term Provisions	9.03		(12.23)	
Increase/(Decrease) in Short Term Borrowings	227.39		(280.65)	
Operating activities before tax		(1,542.30)		583.62
Income Tax Paid During the year		100.00		—
<b>Net Cash flow from Operating activities</b>		<b>60.45</b>		<b>1,175.56</b>
<b>Cash Flows from Investing Activities</b>				
Purchase of Fixed Assets	(602.97)		(214.39)	
Sale of Investments	1.05		(0.28)	
Changes in other financial assets	—		(0.05)	
Sale of Fixed Assets	26.92		1.75	
Interest received	12.42		16.47	
Security Deposits	45.43		19.44	
Increase in Capital Work In Progress	(38.15)		(3.83)	
<b>Net Cash flow from Investing activities</b>		<b>(555.31)</b>		<b>(180.90)</b>
<b>Cash Flows from Financing Activities</b>				
Dividend paid (incl DDT)	—		(96.73)	
Borrowings availed and paid (Net)	401.51		(71.51)	
Financial Charges	(416.97)		(446.54)	
Decrease/(Increase) in Loans and advances	—		—	
Calls in arrears received	0.25		0.65	
Share premium Received	0.25		0.65	
<b>Net Cash flow from Financing activities</b>		<b>(14.96)</b>		<b>(613.50)</b>
<b>Net Increase in Cash and Cash Equivalents</b>		<b>(509.82)</b>		<b>381.17</b>
Cash and Cash Equivalents at the beginning of the year		(2,445.19)		(2,826.36)
Cash and Cash Equivalents at the end of the year		(2,955.02)		(2,445.19)

**MARIS SPINNERS LIMITED**
**ANANDKUMAR RENGASWAMY**  
 Managing Director

**T.JAYARAMAN**  
 Director

**A HARIGOVIND**  
 Wholtime Director and  
 Chief Financial Officer

**N SRIDHARAN**  
 Company Secretary  
 and Compliance Officer

Subject to my report of even date

**VIJAYAKUMAR JANADRI**  
 Chartered Accountant  
 (Membership No. 222127)

 Place : Chennai  
 Date : 30.06.2021

# MARIS SPINNERS LIMITED

## FORM A (See Rule 2) FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

S/N	PARTICULARS	UNIT I	UNIT II	CONSOLIDATED	
		31.03.2021	31.03.2021	31.03.2021	31.03.2020
<b>A Power and Fuel Consumption</b>					
1.	Electricity				
a.	Purchased				
	Unit	11322125	8174586	19496711	23395915
	Total Amount – Rs.	80826756	55407967	136234723	154180380
	Rate per Unit	7.14	6.78	6.99	6.59
b.	Own Generation through Diesel Generator				
	Unit	63781	64437	128218	333728
	Unit per litre Diesel	3.054	3.390	3.21	3.24
	Cost/Unit	22.21	23.47	22.84	18.94
2.	Coal	–	–	–	–
3.	Furnace Oil	–	–	–	–
4.	Others / Internal Generation	–	–	–	59,400
<b>B Consumption per Unit of Production</b>					
	(Standard if any - Nil)	–	–	–	–
	Products (with) details unit for Manufacture of cotton yarn.	–	–	–	–
	Electricity	4.78	5.55	5.07	5.06
	Furnace Oil	–	–	–	–
	Coal	–	–	–	–
	Others	–	–	–	–

By Order of the Board

Place : Chennai  
Date : 30.06.2021

**ANANDKUMAR RENGASWAMY**  
Managing Director





## BALANCE SHEET AS AT 31ST MARCH, 2021

Rs. in Lakh

PARTICULARS	NOTE NO.	UNIT I	UNIT II	Consolidated As at 31st March 2021	Consolidated As at 31st March 2020
		As at 31st March 2021	As at 31st March 2021		
<b>ASSETS</b>					
<b>1. Non-current assets</b>					
(a) Property, Plant and Equipment	2	1,644.71	1,055.06	2,699.77	2,518.56
(b) Capital work in progress		53.81	–	53.81	15.66
<b>(c) Financial assets</b>					
(i) Investments	3	6.00	0.26	6.26	7.31
(ii) Other financial assets	4	260.74	41.03	301.77	347.20
(d) Deferred Tax Assets (Net)		–	–	–	–
<b>2. Current assets</b>					
(a) Inventories	5	2,238.69	1,408.48	3,647.17	2,552.39
<b>(b) Financial assets</b>					
(i) Trade Receivables	6	295.71	290.75	586.46	1,257.48
(ii) Cash and Bank Balances	7	54.60	8.44	63.04	77.85
(iii) Short Term Loans and Advances	8	26.48	0.14	26.62	46.35
(c) Other Current Assets	9	900.38	508.06	1,408.44	330.58
<b>Total Assets</b>		<b>5,481.13</b>	<b>3,312.21</b>	<b>8,793.34</b>	<b>7,153.37</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
(a) Equity Share Capital	10	429.52	376.58	806.09	805.84
(b) Other Equity	11	1,306.29	652.50	1,958.79	1,301.59
<b>Liabilities</b>					
<b>(1). Non-Current Liabilities</b>					
<b>(a) Financial liability</b>					
(i) Borrowings	12	251.81	764.17	1,015.98	614.47
(b) Deferred Tax Liability (Net)		22.61	14.54	37.15	-58.59
<b>(2) Current liabilities</b>					
<b>(a) Financial liability</b>					
(i) Trade Payables	13	910.66	89.95	1,000.60	1,323.75
(ii) Borrowings	14	2,266.37	1,121.77	3,388.14	2,665.74
(iii) Other Financial Liabilities	15	127.03	55.38	182.42	263.78
(b) Short Term Provisions	16	166.84	237.31	404.16	236.78
<b>Total</b>		<b>5,481.13</b>	<b>3,312.21</b>	<b>8,793.34</b>	<b>7,153.37</b>

Summary of significant accounting policies and other Notes to accounts

1  
24 Integral part of the financial statements

For MARIS SPINNERS LIMITED

ANANDKUMAR RENGASWAMY  
Managing Director

T.JAYARAMAN  
Director

A HARIGOVIND  
Wholetime Director and  
Chief Financial Officer

N SRIDHARAN  
Company Secretary  
and Compliance Officer

VIJAYAKUMAR JANADRI  
Chartered Accountant  
(Membership No. 222127)

Place : Chennai  
Date : 30.06.2021

# MARIS SPINNERS LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2021

Rs. in Lakh

PARTICULARS	NOTE NO.	UNIT I	UNIT II	Consolidated as at 31st March 2021	Consolidated as at 31st March 2020
		As at 31st Mar' 2021	As at 31st Mar' 2021		
Revenue from Operations	17	5,982.25	4,620.22	10,602.47	12,223.20
Other Income	18	234.80	27.51	262.31	284.28
<b>Total Revenue</b>		<b>6,217.05</b>	<b>4,647.74</b>	<b>10,864.78</b>	<b>12,507.49</b>
<b>Expenses:</b>					
Cost of Materials Consumed	19	3,566.16	2,363.91	5,930.07	8,039.71
Purchases of Stock-in-Trade					
Changes in Inventories of finished goods, work-in-progress and Stock-in-Trade	20	0.93	62.74	63.67	157.88
Employee Benefit Expenses	21	602.28	281.38	883.66	1,039.14
Finance Cost	22	244.36	172.61	416.97	446.54
<b>Other Expenses</b>	23	1,288.04	937.98	2,226.02	2,670.67
Depreciation and Amortisation Expenses	2	247.85	173.91	421.76	471.01
<b>Total Expenses</b>		<b>5,949.62</b>	<b>3,992.53</b>	<b>9,942.15</b>	<b>12,824.95</b>
<b>Profit before Tax</b>		<b>267.43</b>	<b>655.20</b>	<b>922.63</b>	<b>(317.47)</b>
<b>Less: Tax expense</b>					
Current Tax		45.66	112.69	158.35	–
Deferred Tax Expenses/(Savings)		63.17	32.57	95.74	(102.38)
MAT Credit Entitlement		(7.69)	–	(7.69)	–
Other Comprehensive Income					
Items that will not be reclassified to profit and loss in subsequent periods					
Remeasurement of net defined benefit liability/assets					
Total other comprehensive Income for the year		(12.05)	(7.23)	(19.28)	8.32
Total comprehensive Income for the year					
<b>Profit (Loss) for the Period</b>		<b>154.24</b>	<b>502.71</b>	<b>656.95</b>	<b>(206.76)</b>
<b>Weighted Average Number of Shares</b>		4,295,160	3,877,200	8,172,360	8,172,360
<b>Earnings per Equity Share - Basic and Diluted (Rs.)</b>		<b>3.59</b>	<b>12.97</b>	<b>8.04</b>	<b>(2.53)</b>

Summary of significant accounting policies and Other Notes to accounts

1 Integral part of the financial statements  
24

For MARIS SPINNERS LIMITED

ANANDKUMAR RENGASWAMY  
Managing Director

T.JAYARAMAN  
Director

A HARIGOVIND  
Wholetime Director and  
Chief Financial Officer

N SRIDHARAN  
Company Secretary  
and Compliance Officer

VIJAYAKUMAR JANADRI  
Chartered Accountant  
(Membership No. 222127)

Place : Chennai  
Date : 30.06.2021



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## **Note - 1: Significant Accounting Policies**

### **1. Accounting Convention:**

These financial statements have been prepared in accordance with 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.

The financial statements for the year ended 31st March, 2021 were prepared in accordance with the Companies (Accounting Standards) Rules 2015, notified under section 133 of the Act and other provisions of the Act.

### **2. Statement of Compliance**

The Financial Statements comprising Balance Sheet, Statement of changes in Equity, Cash Flow statement, together with notes for the year ended March 31st, 2021 have been prepared in accordance with Ind AS notified.

### **3. Functional and presentation currency:**

These financial statements are presented in Indian Rupees, which is also the Company's functional currency. All the amounts have been rounded- off to the nearest rupees, unless otherwise indicated.

### **4. Basis of measurement**

The financial statements have been prepared on the historical cost basis except for certain financial assets and financial liabilities to the extent applicable are measured at fair values.

### **5. Measurement of Fair Values:**

A number of Company's accounting policies and disclosures require a measurement of their fair value, 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 periodic review of all significant fair value measurement, including level 3 fair values.

The management regularly reviews significant unobservable inputs and valuation adjustments.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the changes has occurred.

### **6. Use of estimates and judgements:**

"In preparing these financial statements, management has made judgments, estimates and assumptions 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 recognized prospectively."

#### **a) Judgements**

Information about judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are disclosed in financial statement wherever necessary:

#### **b) Assumptions and estimations uncertainties**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial year ending 31st March, 2021 are disclosed in financial statement wherever necessary:

## 7. Significant accounting policies:

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

### i. Property Plant & Equipment

#### a. Initial recognition and measurement

An item of property, plant and equipment recognized 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. Items of Property, Plant and Equipment are measured at cost less accumulated depreciation/amortization and accumulated impairment losses.

Cost includes expenditure that is directly attributable to bringing the asset, inclusive of non-refundable taxes & duties, to the location and condition necessary for it to be capable of operating in the manner intended by management. When parts of an item of property, plant and equipment have different useful lives, they are recognized separately. Items of spare parts, stand-by equipment and servicing equipment which meet the definition of Property, Plant and Equipment are capitalized.

#### b. Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably. The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of Property, Plant and Equipment are recognized in Statement of Profit or Loss A/c as incurred.

#### c. De recognition

Property, Plant and Equipment are derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of Property, Plant and Equipment, and are recognized in the statement of profit and loss.

#### d. Depreciation

Assets are depreciated using straight line method over the estimated useful life of the asset as specified in Part "C" of Schedule II of Companies Act, 2013. Assets residual values and useful lives are reviewed at each financial year end considering the physical condition of the assets. Depreciation on additions to/deductions from fixed assets during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed. Where it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably, subsequent expenditure on a PPE along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment. In circumstance, where a property is abandoned, the cumulative capitalized costs relating to the property are written off in the same period.

### ii. Capital work-in-progress

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs. Expenses directly attributable to construction of Property, Plant and Equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.



### iii. Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction, exploration, development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of:

- (a) Interest expense calculated using the effective interest method as described in Ind AS 109 - 'Financial Instruments',
- (b) Finance charges in respect of finance leases recognized in accordance with Ind AS 116 - 'Leases',
- (c) Exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs and,
- (d) Other costs that an entity incurs in connection with the borrowing of funds.

Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are charged to revenue as and when incurred.

### iv. Cash and Cash Equivalent

Cash and cash equivalent in the balance sheet comprises cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of change in value.

### v. Foreign currency transactions and translation

Transactions in foreign currencies are initially recorded at the functional currency rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss A/c in the year in which it arises. Non-monetary items are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

### vi. Impairment of Assets:

#### a. Impairment of financial instruments

"The Company recognizes loss allowances for expected credit losses on:

- financial assets measured at amortized cost;"

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt investments at FVCOI 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 of the borrower or issuer;
- a breach of contract such as a default or being past due for 365 days or more;
- 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 the other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties"

"The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

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- Debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition."

"Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-months expected credit losses are the portion of expected credit loss that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company 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 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 the credit risk on a financial asset has increased significantly if it is more than 180 days past due.

The Company considers a financial asset to be in default when:

- The borrower 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 365 days or 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 the financial assets measured at amortized cost are deducted from the gross carrying amount of 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 the amounts due."

## **b. Impairment of non-financial assets**

The Company's non-financial assets and deferred tax asset, 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.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents smallest group of assets that generates cash inflows that are largely independent of the cash inflows or other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use or 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).

"The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

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 losses 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."

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 the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

#### **vii. Revenue recognition**

"Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, net of taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised."

Recognition of dividend income, interest income or expense

##### **a) Dividend income**

Dividends are recognised in profit or loss on the date on which the Company's right to receive payment is established.

##### **b) Interest income or expense**

"Interest income or expense is recognised using the effective interest rate method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of a financial asset; or
- the amortised cost of financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis."

##### **c) Other Income**

Other income is recognized in the Statement of Profit and Loss when increase in future economic benefits related to an increase in an asset or a decrease of a liability has arisen that can be measured reliably.

#### **viii. Financial Instruments**

##### **I. Recognition and initial measurement**

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.



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A financial assets or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

## 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 (FVOCI) - debt investment;
- Fair value through other comprehensive income (FVOCI) - equity investment; or
- Fair value through profit & loss - (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in investment's fair value in OCI (designated as FVOCI - equity investment). The election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI 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 the 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 asset 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 risk that affects the performance of the business model (and the financial asset 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 the 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 de-recognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest.

For the purpose 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 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 profit margin.

To assess 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 futures;
- Prepayments and extension features; and
- Terms that limits the Company's claim to cash flows from specified assets (e.g. non-recourse feature)

A prepayment feature is consistent with the solely payment 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 at FVTPL:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or 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 profit or loss. Any gain or loss on de-recognition is recognised in profit or 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, or 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 or losses are recognised in profit or loss. Any gain or loss on de-recognition is also recognised in profit and loss.

### III. De-recognition

#### Financial Assets

The Company de-recognises 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 substantially all risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of the 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 the risks and rewards of the transferred assets, the transferred assets are not de-recognised.

#### Financial Liabilities

The Company de-recognises a financial liability when the contractual obligations are discharged or cancelled, or expire.

The Company de-recognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the extinguished liability and the new financial liability with modified terms is recognised in profit and loss.

### IV. Offsetting

Financial assets and 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.

### ix. Employee Benefits

#### a. Short Term Benefit

Short-term employee benefit obligations are measured on an undiscounted basis and are booked as an expense as the related service is provided. A liability is recognized for the amount expected to be paid under performance related pay 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. Post-Employment benefits

Employee benefit that are payable after the completion of employment are Post Employment Benefit (other than termination benefit). These are of two types:

##### 1. Defined contribution plans

Defined contribution plans are those plans in which an entity pays fixed contribution into separate entities and will have no legal or constructive obligation to pay further amounts. Provident Fund and Family Pension Funds are Defined Contribution Plans in which Company pays a fixed contribution and will have no further obligation.

##### 2. Defined benefit plans

A defined benefit plan is a post employment benefit plan other than a defined contribution plan. Company pays Gratuity as per provisions of the Gratuity Act, 1972. 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 return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated



in the same currency in which the benefits are expected to be paid. The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a liability to the Company, the present value of liability is recognized as provision for employee benefit. Any actuarial gains or losses in respect of gratuity are recognized in OCI in the period in which they arise.

**c. Other long-term employee benefits**

Benefits under the Company's leave encashment scheme constitute other long term employee benefits. The Company's net obligation in respect of leave encashment is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations. The calculation is performed using the projected unit credit method. Any actuarial gains or losses are recognized in profit or loss in the period in which they arise.

**x. Taxes**

Income tax 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.

**1. 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 reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantially enacted by the reporting date.

Current tax assets and current tax liabilities 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."

**2. Minimum Alternate Tax (MAT)**

MAT paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as 'MAT Credit Entitlement'. The Company reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

**3. Deferred tax**

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. 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 the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously. Deferred tax is recognized in Statement of Profit and Loss A/c except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Minimum Alternate

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Tax credit is recognized as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

## **xi. Leases:**

### **a. Recognition:**

At inception of an arrangement, the Company determines whether such an arrangement is or contains a lease. A specific asset is subject of a lease if fulfillment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the customer the right to control the use of the underlying asset. Arrangements that do not take the legal form of a lease but convey rights to customers/suppliers to use an asset in return for a payment or a series of payments are identified as either finance leases or operating leases.

### **b. Accounting for Operating Leases**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating lease. Payments made under operating leases are recognized as an expense over the lease term.

## **xii. Provisions**

A provision is recognised if, as a result of past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle 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-fix 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.

## **xiii. Earnings per share**

"The basic loss per share is computed by dividing the net profit/ (loss) attributable to owner's of the Company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings/ (loss) per share comprises the weighted average shares considered for deriving basic earnings/ (loss) per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included."

**NOTE NO. 2  
STATEMENT OF FIXED ASSETS - (UNIT I) FORMING PART OF BALANCE SHEET**

**Rs. In Lakh**

DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK		
	COST AS ON 01.04.2020	ADDITIONS 2020-21	DELETIONS 2020-21	TOTAL COST 31.03.2021	AS ON 01.04.2020	WITHDRAWN 2020-21	FOR THE YEAR	AS AT 31.03.2021	AS AT 31.03.2020
LAND	39.13	-	-	39.13	-	-	-	39.13	39.13
BUILDINGS	1,094.77	3.95	-	1,098.72	369.78	-	37.55	691.39	724.98
BOREWELL	1.77	-	-	1.77	1.56	-	0.03	0.18	0.21
PLANT & MACHINERY	5,070.84	22.74	-	5,093.58	4,743.06	-	118.63	231.88	327.77
TRANSFORMER	88.20	-	-	88.20	63.70	-	8.17	16.33	24.50
ELECTRICAL INSTALLATION	405.72	-	-	405.72	371.35	-	12.94	21.44	34.38
TOOLS & EQUIPMENTS	77.76	2.08	-	79.84	42.94	-	5.07	31.82	34.82
OFFICE EQUIPMENTS	36.06	0.92	-	36.99	29.90	-	2.30	4.78	6.16
VEHICLES	180.45	-	-	180.45	132.31	-	9.53	38.62	48.15
FURNITURES & FIXTURES	37.68	-	-	37.68	28.77	-	1.62	7.29	8.91
COMPUTERS	40.57	0.93	-	41.50	38.46	-	1.10	1.93	2.11
WIND MILL	1,088.88	-	-	1,088.88	478.05	-	50.90	559.93	610.83
<b>TOTAL</b>	<b>8,161.83</b>	<b>30.62</b>	<b>-</b>	<b>8,192.45</b>	<b>6,299.88</b>	<b>-</b>	<b>247.85</b>	<b>1,644.71</b>	<b>1,861.94</b>

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**NOTE NO. 2**  
**STATEMENT OF FIXED ASSETS - (UNIT II) FORMING PART OF BALANCE SHEET** Rs. In Lakh

DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION BLOCK				NET BLOCK	
	COST AS ON 01.04.2020	ADDITIONS 2020-21	DELETIONS 2020-21	TOTAL COST 31.03.2021	AS ON 01.04.2020	WITHDRAWN 2020-21	FOR THE YEAR	AS AT 31.03.2021	AS AT 31.03.2020
LAND	13.24	-	-	13.24	-	-	-	13.24	13.24
BUILDINGS	575.88	-	-	575.88	439.57	-	21.68	114.63	136.30
PLANT & MACHINERY	3,306.81	546.49	234.05	3,619.25	2,891.53	234.05	130.17	831.60	415.27
COMPRESSOR	34.41	7.00	7.74	33.67	34.41	7.74	0.44	6.56	-
ELECTRICAL INSTALLATIONS	289.01	18.85	-	307.86	228.48	-	10.93	68.46	60.53
TOOLS & EQUIPMENTS	11.45	-	-	11.45	10.16	-	0.20	1.09	1.29
FURNITURES & FIXTURES	4.62	-	-	4.62	4.62	-	-	-	-
VEHICLES	91.98	-	23.60	68.38	62.72	23.60	10.29	18.98	29.26
OFFICE EQUIPMENTS	5.98	-	-	5.98	5.68	-	0.04	0.26	0.30
BOREWELL	1.96	-	-	1.96	1.96	-	-	-	-
COMPUTERS	9.47	-	-	9.47	9.06	-	0.17	0.25	0.42
<b>TOTAL</b>	<b>4,344.83</b>	<b>572.34</b>	<b>265.39</b>	<b>4,651.78</b>	<b>3,688.20</b>	<b>265.39</b>	<b>173.91</b>	<b>1,055.06</b>	<b>656.62</b>





Rs. in Lakh

Particulars	Unit I	Unit II	Consolidated	Consolidated
	As at 31st March 2021	As at 31st March 2021	As at 31st March 2021	As at 31st March 2020
<b>Note - 3 - Non Current Investments</b>				
Invested in shares of ARS ENERGY PVT. LTD. (380 Shares at Nominal Value of Rs.10/- each and Premium at Rs 265/-)	–	–	–	1.05
Invested in ARH ENERGY LLP	–	0.26	0.26	0.26
Invested in shares of Green Infra Wind Power Generation Limited (60,000 Shares at Nominal value of Rs.10/- each-)	6.00	–	6.00	6.00
	6.00	0.26	6.26	7.31
<b>Note - 4 - Other Financial Assets</b>				
<b>Deposits</b>				
Deposit - Rent	–	4.70	4.70	4.70
Deposit - Telephone	0.57	0.21	0.78	0.75
Deposit - BESCO	44.53	–	44.53	44.53
Deposit - TNEB	–	24.39	24.39	22.21
Deposit - Sales Tax	0.25	11.06	11.31	11.31
Deposit - Others	4.53	0.67	5.20	44.92
Deposit - Power	0.41	–	0.41	8.33
<b>Other Financial Asset</b>				
Interest Subsidy Receivable TUF Loan	210.44	–	210.44	210.44
<b>Total</b>	<b>260.74</b>	<b>41.03</b>	<b>301.77</b>	<b>347.20</b>
<b>Note - 5 - Inventories</b>				
Finished Goods	113.18	65.47	178.65	237.30
Raw Materials	1,936.88	1,237.03	3,173.91	2,032.13
Stock in Process	88.85	73.64	162.49	159.14
Stores & Spares	98.74	26.75	125.49	105.23
Waste Cotton and yarn	1.04	5.60	6.64	18.58
<b>Total</b>	<b>2,238.69</b>	<b>1,408.48</b>	<b>3,647.17</b>	<b>2,552.39</b>
<b>Note - 6 - Trade Receivables</b>				
A. Secured	–	–	–	–
B. Unsecured, considered good				
(a) Outstanding for a period exceeding six months	12.37	–	12.37	12.49
(b) Others	283.34	290.75	574.09	1,244.99
<b>Total</b>	<b>295.71</b>	<b>290.75</b>	<b>586.46</b>	<b>1,257.48</b>

# MARIS SPINNERS LIMITED

Rs. in Lakh

Particulars	Unit I	Unit II	Consolidated	Consolidated
	As at 31st March 2021	As at 31st March 2021	As at 31st March 2021	As at 31st March 2020
<b>Note - 7 - Cash and Bank Balances</b>				
<b>Cash and cash equivalents</b>				
Indian Overseas Bank - Manapparai	–	0.07	0.07	0.35
Karur Vysya Bank- Chennai	–	0.09	0.09	0.09
Karur Vysya Bank- Manapparai	–	0.16	0.16	49.56
Karur Vysya Bank- Trichy	–	0.10	0.10	0.10
State Bank Of India - Manapparai	–	0.43	0.43	0.45
Indian Bank	–	–	–	0.60
Indian Overseas Bank - Hunsur	3.51	–	3.51	0.18
State Bank Of India - Hunsur	0.42	–	0.42	0.86
State Bank of India- S M E Br Guindy- 36512639176	–	–	–	0.56
The Karur Vysya Bank Limited, Chennai	37.51	–	37.51	6.80
The KVB-CA -1219-115-8212	0.37	–	0.37	1.27
HDFC Bank Ltd- Mylapore [50200020995634]	1.04	–	1.04	0.76
<b>Cash in Hand</b>				
Chennai	3.50	–	3.50	3.93
Hunsur	8.24	–	8.24	2.93
Mills	–	7.57	7.57	9.42
<b>Total</b>	<b>54.60</b>	<b>8.44</b>	<b>63.04</b>	<b>77.85</b>
<b>Note - 8 - Short Term Loans and Advances</b>				
Unsecured - considered good Loans & Advances	26.48	0.14	26.62	46.35
<b>Total</b>	<b>26.48</b>	<b>0.14</b>	<b>26.62</b>	<b>46.35</b>
<b>Note - 9 - Other Current Assets</b>				
Advance Paid - Capital Goods	156.88	–	156.88	5.00
Advance Paid - Stores and Spares	540.00	253.15	793.15	29.78
Duties & Taxes	127.10	259.36	386.46	214.27
Prepaid Expenses	56.25	14.47	70.72	74.18
Margin on Bill- HDFC	0.90	–	0.90	1.55
Others	0.33	–	0.33	5.80
Inter Unit Balance	18.92	(18.92)	–	–
<b>Total</b>	<b>900.38</b>	<b>508.06</b>	<b>1,408.44</b>	<b>330.58</b>

Notes to the financial statement

Note - 10 - Equity Share capital

Rs. in Lakh

Particulars	Unit I		Unit II		Consolidated		Consolidated	
	As at 31st March 2021		As at 31st March 2021		As at 31st March 2021		As at 31st March 2020	
	No. of Shares	Amount (Rs)	No. of Shares	Amount (Rs)	No. of Shares	Amount (Rs)	No. of Shares	Amount (Rs)
<b>Authorised Share Capital</b>								
99,50,000 Equity shares of Rs. 10/- each	9,950,000	995.00	-	-	9,950,000	995.00	9,950,000	995.00
50,000 Preference Shares of Rs.10/- each	50,000	5.00	-	-	50,000	5.00	50,000	5.00
<b>Issued Share Capital</b>								
82,95,160 Equity Shares of Rs.10/- each	8,295,160	829.52	-	-	8,295,160	829.52	8,295,160	829.52
<b>Subscribed Share Capital</b>								
81,72,360 Equity Shares of Rs.10/- each	8,172,360	817.24	-	-	8,172,360	817.24	8,172,360	817.24
<b>Paid up Share Capital</b>								
4,295,160 Equity Shares of Rs. 10/- each	4,295,160	429.52	3,877,200	387.72	8,172,360	817.24	8,172,360	817.24
3,877,200 Equity Shares of Rs. 10/- each	-	-	-	-	-	-	-	-
<b>Less: Calls unpaid</b>								
	-	-	-	11.14	-	11.14	-	11.39
<b>Total</b>	<b>4,295,160</b>	<b>429.52</b>	<b>3,877,200</b>	<b>376.58</b>	<b>8,172,360</b>	<b>806.09</b>	<b>8,172,360</b>	<b>805.84</b>

# MARIS SPINNERS LIMITED

## 10.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

### Equity shares

Rs. in Lakh

Particulars	31st March 2021		31st March 2020	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	8,172,360	806.09	8,172,360	805.84
Shares issued during the year	–	–	–	–
Shares bought back during the year	–	–	–	–
<b>Shares outstanding at the end of the year</b>	<b>8,172,360</b>	<b>806.09</b>	<b>8,172,360</b>	<b>805.84</b>

## 10.2 Details of shareholders' holding equity shares more than 5%

Name of the Shareholder	As at 31st March 2021		As at 31st March 2020	
	No. of Shares held	% of holding	No. of Shares held	% of holding
Anandkumar Rengaswamy	1,641,720	20.09	1,641,720	20.09
Anandkumar Rengaswamy HUF	999,860	12.23	999,860	12.23
T Raghuraman	700,040	8.57	700,040	8.57
T Jayaraman Karthik Narayan	676,615	8.27	676,615	8.27
T Jayaraman	448,525	5.49	448,525	5.49
T Raghuraman HUF	445,100	5.45	445,100	5.45

## 10.3 "The Company has issued only one class of shares referred to as Equity shares having a par value of Rs. 10 each - Holder of Equity is entitled to one vote per share"

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently other than loans from banks and financial institutions. The distribution of assets will be in proportion to the number of equity shares held by the shareholders.



Rs. in Lakh

Particulars	Unit I	Unit II	Consolidated	Consolidated
	As at 31st March 2021	As at 31st March 2021	As at 31st March 2021	As at 31st March 2020
<b>Note - 11 - Other Equity</b>				
<b>Central Subsidy</b>				
Balance at the beginning of the reporting period	15.00	–	15.00	15.00
Add: Current Year Transfer	–	–	–	–
<b>Balance at the closing of the reporting period</b>	<b>15.00</b>	<b>–</b>	<b>15.00</b>	<b>15.00</b>
<b>Generator Subsidy</b>				
Balance at the beginning of the reporting period	8.45	–	8.45	8.45
Add: Current Year Transfer	–	–	–	–
<b>Balance at the closing of the reporting period</b>	<b>8.45</b>	<b>–</b>	<b>8.45</b>	<b>8.45</b>
<b>General Reserve</b>				
Balance at the beginning of the reporting period	21.81	–	21.81	21.81
Add: Transferred from Investment Allowance	–	–	–	–
<b>Balance at the closing of the reporting period</b>	<b>21.81</b>	<b>–</b>	<b>21.81</b>	<b>21.81</b>
<b>Wind Mill Subsidy</b>				
Balance at the beginning of the reporting period	13.50	–	13.50	13.50
Add: Current Year Transfer	–	–	–	–
<b>Balance at the closing of the reporting period</b>	<b>13.50</b>	<b>–</b>	<b>13.50</b>	<b>13.50</b>
<b>Securities Premium Account</b>				
Balance at the beginning of the reporting period	–	387.72	387.72	387.72
Less: Premium due on shares at Rs.5/-	–	11.14	11.14	11.39
Add: Current Year Transfer	–	–	–	–
<b>Balance at the closing of the reporting period</b>	<b>–</b>	<b>398.86</b>	<b>398.86</b>	<b>399.11</b>
<b>Surplus/(Deficit) in the statement of profit and loss</b>				
Balance at the beginning of the reporting period	1,093.30	(226.79)	866.51	1,170.01
Add: Profit/(Loss) for the current year	154.24	502.71	656.95	(206.76)
<b>Less : Appropriations</b>				
Dividend Paid	–	–	–	80.46
Dividend Distribution Tax	–	–	–	16.28
Short Provision of Dividend	–	–	–	–
Net surplus in the statement of profit and loss	1,247.54	275.92	1,523.46	866.51
<b>Total</b>	<b>1,306.29</b>	<b>652.50</b>	<b>1,958.79</b>	<b>1,301.59</b>

# MARIS SPINNERS LIMITED

## Note - 12 - Long Term Borrowings

Rs. in Lakh

Particulars	Unit I	Unit II	Consolidated	Consolidated
	As at 31st March 2021	As at 31st March 2021	As at 31st March 2021	As at 31st March 2020
<b>(a) Term Loans</b>				
<b>Secured Loans</b>				
<b>From Banks</b>				
<b>Indian Overseas Bank Term Loan - Staff Qtrs</b> (Secured By Exclusive First charge on land and building proposed to be constructed out of the proposed term loan) Terms of Repayment - 84 Monthly Installments of Rs. 1.46 Lakhs	38.58	–	38.58	58.32
<b>Common Collateral Security for working capital limits and terms loans availed from Indian Overseas Bank</b> Secured by land admeasuring 21.51 acres located at TS. Nos. 861/pt, 870, 728, 726 part and 725 part of Ootacamund Village and building constructed thereon with a plinth area of 4800 Sq ft owned by Mrs.T Kamala W/o Mr.Thangavelu, Havukal Estate, Kotagiri, Nilgris. Secured by land admeasuring 21.08 acres located at TS. Nos. 861/pt, 726 part and 723 part of Ootacamund Village and building constructed thereon with a plinth area of 4800 Sq ft owned by Anand Kumar Rengaswamy (legal heirs of Mrs.R Meenakshi W/o Mr.M Rengaswamy)				
<b>Personal Guarantee of Directors and Others</b> The above Long Term Borrowings are also guaranteed by Personal Guarantee of Sri Mr.T.Jayaraman (Director) - Individual & HUF, Mr.Anand Rangawamy (Director), Mr.T.Raghuraman (Director) and T.Kamala.				
<b>Karur Vysya Bank - Term Loan IV</b> (37 Monthly Installments after a Holiday period of 6 months. Monthly interest to be serviced as and when debited) (First Charge on the Land and building and other Fixed assets of the company at Unit II at Mannapparai and Second charge on the Land and building and other fixed assets of the Unit I of the company situated at Mysore along with Indian Overseas Bank)	–	27.43	27.43	115.39



**Note - 12 - Long Term Borrowings (Contd.)**

**Rs. in Lakh**

Particulars	Unit I	Unit II	Consolidated	Consolidated
	As at 31st March 2021	As at 31st March 2021	As at 31st March 2021	As at 31st March 2020
<b>Karur Vysya Bank - Term Loan V</b> Terms of Repayment - 43 monthly installments of Rs.10,48,432/-	-	178.23	178.23	44.53
<b>Karur Vysya Bank - Term Loan VI</b> Terms of Repayment - 48 monthly installments of Rs.3,87,500/-	-	153.31	153.31	-
<b>Karur Vysya Bank - Term Loan VII</b> Terms of Repayment - 43 monthly installments of Rs.2,18,538/-	-	15.44	15.44	-
<b>Common Collateral Security for working capital limits and terms loans availed from Indian Overseas Bank</b> Pari Passu Second Charge on the Land and Buildings and other Fixed Assets of Unit 1 of the Company situated in the Factory at Hunsur, Mysore District, along with Indian Overseas Bank  Additional Equitable Mortgage on the Land and Building of Unit II of the Company situated at Manaparai, Tamilnadu under Pari Passu basis along with Indian Overseas Bank  Secured by land admeasuring 21.51 acres located at TS. Nos. 861/pt, 870, 728, 726 part and 725 part of Ootacamund Village owned by Mrs.T Kamala W/o Mr.Thangavelu  Secured by land admeasuring 21.08 acres located at TS. Nos. 861/pt, 726 part and 723 part of Ootacamund Village owned by Anand Kumar Rengaswamy (legal heirs of Mrs.R Meenakshi W/o Mr.M Rengaswamy)				
<b>Personal Guarantee of Directors and Others</b> Personal Guarantee of the promoter Director (Shri.T.Raghuraman) and the two title holders (Smt.T.Kamala W/o M.Thangavelu and Legal heirs of Smt.R.Meenakshi W/o Shri.M Rengaswamy)				

# MARIS SPINNERS LIMITED

## Note - 12 - Long Term Borrowings (Contd.)

Rs. in Lakh

Particulars	Unit I	Unit II	Consolidated	Consolidated
	As at 31st March 2021	As at 31st March 2021	As at 31st March 2021	As at 31st March 2020
<b>HDFC Car Loan - Range Rover</b> (Secured By Hypothecation of Range Rover Car Terms of Repayment -60 Monthly Installments of Rs.41,817/- each including interest)	2.03	–	2.03	6.48
<b>WCTL-ECGL-010903510000010</b> Terms of Repayment -36 Monthly Installments of Rs.8,88,888.89/- each)	211.20	–	211.20	–
<b>Unsecured Loans</b>				
<b>(a) From Related Parties</b>				
Sri.Raghuraman - Director	–	50.00	50.00	50.00
<b>(b) From Inter Corporate Deposits</b>				
Eternal Enterprises Private Limited	–	158.75	158.75	158.75
Southern India Depository Services P Ltd.,	–	145.00	145.00	145.00
A.A. Foods Private Limited.	–	36.00	36.00	36.00
<b>Total</b>	<b>251.81</b>	<b>764.17</b>	<b>1,015.98</b>	<b>614.47</b>

## Note - 13 - Trade Payables

Rs. in Lakh

Particulars	Unit I	Unit II	Consolidated	Consolidated
	As at 31st March 2021	As at 31st March 2021	As at 31st March 2021	As at 31st March 2020
<b>Trade payables for</b>				
Capital Goods	1.98	–	1.98	0.42
Raw Material	710.66	–	710.66	1,107.21
Stores & Spares	21.62	30.27	51.89	51.18
Expenses	133.25	50.30	183.54	105.30
Yarn Sales Commission	43.16	9.37	52.53	59.64
<b>Total</b>	<b>910.66</b>	<b>89.95</b>	<b>1,000.60</b>	<b>1,323.75</b>





**Note - 14 - Short Term Borrowings**

**Rs. in Lakh**

Particulars	Unit I	Unit II	Consolidated	Consolidated
	As at 31st March 2021	As at 31st March 2021	As at 31st March 2021	As at 31st March 2020
<b>(a) Loan Repayable on Demand:</b>				
<b>(i) From Banks</b>				
<b>Secured:</b>				
<b><u>Open Cash Credit</u></b>				
Karur Vysya Bank (Terms of Repayment - Repayment on Demand)	–	449.99	449.99	491.93
<b><u>Working Capital Term Loan</u></b>				
Karur Vysya Bank Terms of Repayment - Repayment on Demand	–	430.39	430.39	350.00
<b>Above Loans are Secured By-</b>				
First Charge on the entire Current Assets of the company on pari passu basis with Indian Overseas Bank				
Pari Passu Second Charge on the land and buildings and other Fixed Assets of Unit 1 of the Company situated in the Factory at Hunsur, Mysore District				
Additional Equitable Mortgage on the Land and Building of Unit II of the Company situated at Manapparai, Tamilnadu under Pari Passu basis along with Indian Overseas Bank				
Personal Guarantee of the two promoter Directors (Shri.T.Raghuraman and Shri Anand Kumar Rengaswamy) and the two title holders (Smt.T.Kamala W/o M.Thangavelu and Legal heirs of Smt.R.Meenakshi W/o Shri.M Rengaswamy)				
The company has not defaulted in repayment of Principal and Interest on above said loans				
<b>Karur Vysya Bank - Term Loan III</b>	–	–	–	65.79
(48 Monthly Installments after a Holiday period of 6 months. Monthly interest to be serviced as and when debited) (First Charge on the Fixed assets of the company at Unit II at Mannapparai and Second charge on the Land and building and other fixed assets of the Unit I of the company situated at Mysore along with Indian Overseas Bank)				

# MARIS SPINNERS LIMITED

## Note - 14 - Short Term Borrowings (Contd.)

Rs. in Lakh

Particulars	Unit I	Unit II	Consolidated	Consolidated
	As at 31st March 2021	As at 31st March 2021	As at 31st March 2021	As at 31st March 2020
<b>Karur Vysya Bank - Term Loan IV</b> (37 Monthly Installments after a Holiday period of 6 months. Monthly interest to be serviced as and when debited) (First Charge on the Land and building and other Fixed assets of the company at Unit II at Mannapparai and Second charge on the Land and building and other fixed assets of the Unit I of the company situated at Mysore along with Indian Overseas Bank)	-	65.41	65.41	42.29
<b>Karur Vysya Bank - Term Loan V</b> Terms of Repayment - 43 monthly installments of Rs.10,48,432/-	-	125.81	125.81	10.39
<b>Karur Vysya Bank - Term Loan VI</b> Terms of Repayment - 48 monthly installments of Rs.3,87,500/-	-	32.69	32.69	-
<b>Karur Vysya Bank - Term Loan VII</b> Terms of Repayment - 43 monthly installments of Rs.2,18,538/-	-	17.48	17.48	-
<b>Common Collateral Security for working capital limits and terms loans availed from Indian Overseas Bank</b> Pari Passu Second Charge on the Land and Buildings and other Fixed Assets of Unit 1 of the Company situated in the Factory at Hunsur, Mysore District, along with Indian Overseas Bank  Additional Equitable Mortgage on the Land and Building of Unit II of the Company situated at Manaparai, Tamilnadu under Pari Passu basis along with Indian Overseas Bank  Secured by land admeasuring 21.51 acres located at TS. Nos. 861/pt, 870, 728, 726 part and 725 part of Ootacamund Village owned by Mrs.T Kamala W/o Mr.Thangavelu  Secured by land admeasuring 21.07 acres located at TS. Nos. 861/pt, 726 part and 723 part of Ootacamund Village owned by Anand Kumar Rengaswamy (legal heirs of Mrs.R Meenakshi W/o Mr.M Rengaswamy)				



**Note - 14 - Short Term Borrowings (Contd.)**

**Rs. in Lakh**

Particulars	Unit I	Unit II	Consolidated	Consolidated
	As at 31st March 2021	As at 31st March 2021	As at 31st March 2021	As at 31st March 2020
<p><b>Personal Guarantee of Directors and Others</b> Personal Guarantee of the promoter Director (Shri.T.Raghuraman) and the two title holders (Smt.T.Kamala W/o M.Thangavelu and Legal heirs of Smt.R.Meenakshi W/o Shri.M Rengaswamy)</p> <p><b>Personal Guarantee of Directors and Others</b> Personal Guarantee of the promoter Directors (Shri.T.Raghuraman, Shri Anand Rengaswamy, Shri Jayaraman, and Smt. Kamala)</p> <p><b>Indian Overseas Bank (Staff quarters)</b> (Secured By Exclusive First Charge on land and building proposed to be constructed out of the proposed term loan) Terms of Repayment - 84 Monthly Installments of Rs. 1.46 Lakhs</p> <p><b>Common Collateral Security for working capital limits and terms loans availed from Indian Overseas Bank</b> Secured by land admeasuring 21.51 acres located at TS. Nos. 861/pt, 870, 728, 726 part and 725 part of Ootacamund Village and building constructed thereon with a plinth area of 4800 Sq ft owned by Mrs.T Kamala W/o Mr.Thangavelu, Havukal Estate, Kotagiri, Nilgris.</p> <p>Secured by land admeasuring 21.08 acres located at TS. Nos. 861/pt, 726 part and 723 part of Ootacamund Village and building constructed thereon with a plinth area of 4800 Sq ft owned by Anand Kumar Rengaswamy (legal heirs of Mrs.R Meenakshi W/o Mr.M Rengaswamy)</p> <p><b>Personal Guarantee of Directors and Others</b> The above Long Term Borrowings are also guaranteed by Personal Guarantee of Sri Mr.T.Jayaraman (Director) - Individual &amp; HUF, Mr.Anand Rengaswamy (Director), Mr.T.Raghuraman (Director) and T.Kamala.</p>	17.57	–	17.57	17.57

# MARIS SPINNERS LIMITED

## Note - 14 - Short Term Borrowings (Contd.)

Rs. in Lakh

Particulars	Unit I	Unit II	Consolidated	Consolidated
	As at 31st March 2021	As at 31st March 2021	As at 31st March 2021	As at 31st March 2020
<b>HDFC - Range Rover</b> (Secured By Hypothecation of Range Rover Car) Terms of Repayment -60 Monthly Installments of Rs.41,817/- each)	4.46	–	4.46	3.94
<b>HDFC - Innova</b> (Secured By Hypothecation of Innova) Terms of Repayment - 36 Monthly Installments of Rs.69,409/- each)	–	–	–	2.73
<b>WCTL-ECGL-010903510000010</b> Terms of Repayment -36 Monthly Installments of Rs.8,88,888.89/- each)	106.67	–	106.67	–
<b>(b) Other Loan and Advances</b>				
<b>Unsecured:</b>				
<b>Secured:</b>				
<b>Cash Credit</b>				
Indian Overseas Bank, Chennai	1,993.23	–	1,993.23	1,532.47
<b>Bank OD</b>				
Indian Overseas Bank-OD 010933000000022	125.60	–	125.60	140.42
Indian Overseas Bank, KM Vadi	18.84	–	18.84	8.21
<b>All the above loans are secured by:</b> (Stocks of cotton, WIP, Finished goods of yarn / Book Debts by way of first charge on pari passu basis with KVB Second Charge on fixed assets of Unit II on pari passu basis with other working capital lenders viz. KVB excluding the assets financed by KVB and charged exclusively to them  Additional Equitable Mortgage on the Land and Building of Unit II of the Company situated at Manaparai, Tamilnadu under Pari Passu basis along with Indian Overseas Bank  Personal Guarantee of Sri. Mr.T.Jayaraman (Director) - Individual & HUF, Mr.Anand Rengaswamy (Director), Mr.T.Raghuraman (Director) and T.Kamala (Director).				
<b>Total</b>	<b>2,266.37</b>	<b>1,121.77</b>	<b>3,388.14</b>	<b>2,665.74</b>



Rs. in Lakh

Particulars	Unit I	Unit II	Consolidated	Consolidated
	As at 31st March 2021	As at 31st March 2021	As at 31st March 2021	As at 31st March 2020
<b>Note - 15 - Other Current Liabilities</b>				
<b>Other Payables</b>				
Advance Received from Customers	114.70	1.49	116.19	203.46
Duties and Taxes	11.32	39.94	51.25	26.73
Other Liabilities	1.02	13.96	14.98	33.59
<b>Total</b>	<b>127.03</b>	<b>55.38</b>	<b>182.42</b>	<b>263.78</b>
<b>Note - 16 - Short Term Provisions</b>				
<b>(a) Provision For Employee Benefits</b>	63.60	55.21	118.81	109.57
<b>(b) Others</b>				
Provision for Income Tax 14-15	44.52	–	44.52	44.52
Provision for Income Tax FY 15-16	0.47	–	0.47	0.47
Provision for Income Tax FY 16-17	0.61	9.85	10.45	10.45
Provision for Income Tax- FY 2017-18	–	15.95	15.95	15.95
Provision for Income Tax- FY 2018-19	11.56	29.69	41.25	41.25
Provision for Income Tax- FY 2020-21	45.66	112.69	158.35	–
Provision for Scheme Batch Lumpsum Payable	–	13.93	13.93	14.15
Provision for Wealth Tax 12-13	0.42	–	0.42	0.42
<b>Total</b>	<b>166.84</b>	<b>237.31</b>	<b>404.16</b>	<b>236.78</b>
<b>Note - 17 - Revenue From Operations</b>				
<b>a) Sale of Products</b>				
Yarn Sales - Domestic	5,880.70	4,359.96	10,240.65	11,724.25
<b>b) Other Operating Revenues</b>				
Packing Income	–	4.98	4.98	5.88
Waste Cotton Sales	98.97	249.61	348.59	480.93
Waste Yarn Sales	–	5.04	5.04	–
Waste Oil Sales	0.09	–	0.09	9.16
Scrap Sales	2.49	0.63	3.12	2.98
<b>Total</b>	<b>5,982.25</b>	<b>4,620.22</b>	<b>10,602.47</b>	<b>12,223.20</b>

# MARIS SPINNERS LIMITED

Rs. in Lakh

Particulars	Unit I	Unit II	Consolidated	Consolidated
	As at 31st March 2021	As at 31st March 2021	As at 31st March 2021	As at 31st March 2020
<b>Note - 18 - Other Income</b>				
<b>Other Incomes</b>				
Wind Generation	216.97	–	216.97	246.29
Interest - Others	4.39	0.56	4.95	16.30
Interest Subsidy- TUF Loan	–	–	–	0.05
Interest on FD-Banks	7.47	–	7.47	0.12
Sales - Employee Token Sales	2.20	–	2.20	3.60
Solar Power	3.76	–	3.76	4.26
Foreign Exchange Gains	–	–	–	0.30
Profit on Sale of Assets	–	26.91	26.91	12.83
Share of profit from LLP	–	0.00	0.00	0.00
Insurance claim	–	–	–	0.36
Sundry Creditors Written Back	–	0.04	0.04	0.17
<b>Total</b>	<b>234.80</b>	<b>27.51</b>	<b>262.31</b>	<b>284.28</b>
<b>Note - 19 - Cost of Material Consumed</b>				
<b>Materials Consumed</b>				
Opening Stock of Raw Material	1,304.16	727.97	2,032.13	3,153.81
Add: Purchase Cost of Raw Material	4,198.89	2,872.96	7,071.85	6,918.03
Less: Closing Stock of Raw Material	1,936.88	1,237.03	3,173.91	2,032.13
<b>Total</b>	<b>3,566.16</b>	<b>2,363.91</b>	<b>5,930.07</b>	<b>8,039.71</b>
<b>Note - 20 - Changes in inventories of finished goods, work-in-progress and Stock-in-Trade</b>				
<b>Increase/(Decrease) in Inventories</b>				
<b>CLOSING STOCK</b>				
Finished Goods	113.18	65.47	178.65	237.30
Work in Process	1.04	73.64	74.68	159.14
Waste Cotton and Yarn	88.85	5.60	94.44	18.58
Stores & spares	–	26.75	26.75	23.17
	<b>203.07</b>	<b>171.45</b>	<b>374.52</b>	<b>438.20</b>
<b>OPENING STOCK</b>				
Finished Goods	122.93	114.38	237.30	403.38
Work in Process	77.48	81.66	159.14	165.86
Waste Cotton and Yarn	3.59	15.00	18.58	7.39
Stores & spares	–	23.17	23.17	19.45
	<b>204.00</b>	<b>234.20</b>	<b>438.20</b>	<b>596.08</b>
<b>Increase/(Decrease) in Inventories</b>	<b>(0.93)</b>	<b>(62.74)</b>	<b>(63.67)</b>	<b>(157.88)</b>



Rs. in Lakh

Particulars	Unit I	Unit II	Consolidated	Consolidated
	As at 31st March 2021	As at 31st March 2021	As at 31st March 2021	As at 31st March 2020
<b>Note - 21 - Employee Benefit expenses</b>				
Salaries, Wages and Bonus	440.87	260.97	701.85	831.52
Staff Welfare Expenses	150.14	8.88	159.02	191.15
Other Expenses	11.26	11.53	22.80	16.47
<b>Total</b>	<b>602.28</b>	<b>281.38</b>	<b>883.66</b>	<b>1,039.14</b>
<b>Note - 22 - Finance Costs</b>				
<b>Interest Expenses</b>				
Interest on Working Capital	128.46	62.16	190.63	259.66
Interest on Others	12.00	–	12.00	12.17
Interest on Term Loan	–	61.71	61.71	37.50
Interest - ECLGS Loan	10.38	–	10.38	–
Interest on OD Loan- IOB	11.53	–	11.53	11.53
Interest on TUF Loan	–	–	–	2.80
Interest - IOB TL 3	7.15	–	7.15	9.03
Interest on Funded Loan- CC	1.25	–	1.25	–
Interest on Bills Discounted	72.45	–	72.45	67.20
Interest on Service Tax	–	–	–	0.69
Interest on Unsecured loan	–	48.74	48.74	44.50
Interest on Car loan	1.13	–	1.13	1.47
<b>Total</b>	<b>244.36</b>	<b>172.61</b>	<b>416.97</b>	<b>446.54</b>
<b>Note - 23 - Other Expenses</b>				
Testing & Inspection	0.09	0.33	0.42	2.63
Cotton Handling Expenses	–	5.62	5.62	10.30
Annual Maintenance charges	2.03	–	2.03	3.31
Electrical Maintenance	8.53	6.16	14.69	15.81
Factory Maintenance	13.05	6.12	19.17	20.44
Machinery Maintenance	27.17	22.55	49.72	62.07
Freight	2.33	1.48	3.81	5.26
Stores Consumption	94.33	178.03	272.35	360.40
Own Generated Electricity Tax	–	–	–	–
Power & Fuel Charges	825.32	554.08	1,379.40	1,643.83
Packing Charges	–	–	–	0.44
Hank Yarn Obligation Charges	0.62	0.55	1.18	2.91
Payment to the Auditor as -	–	–	–	–

# MARIS SPINNERS LIMITED

Rs. in Lakh

Particulars	Unit I	Unit II	Consolidated	Consolidated
	As at 31st March 2021	As at 31st March 2021	As at 31st March 2021	As at 31st March 2020
Audit Fees	1.10	1.10	2.20	1.60
Audit Expenses	0.51	0.16	0.67	2.42
Internal Audit Fee and Expenses	2.50	–	2.50	1.50
Bank and Credit Card charges	19.52	6.93	26.45	32.00
Communication and Internet Expenses	1.89	1.25	3.14	4.40
Insurance	17.29	9.00	26.29	25.92
Printing and stationery	2.33	0.41	2.74	4.00
Professional Charges	12.53	6.17	18.71	18.51
Rent	–	7.38	7.38	7.71
Rates and Taxes	1.47	2.52	3.99	6.32
Staff Quarters Maintenance	0.59	–	0.59	0.73
Travelling Expenses	20.98	1.06	22.03	29.66
Vehicle Maintenance	8.53	36.20	44.72	48.67
Other Admin Expenses	45.93	33.81	79.74	79.42
Wind Mill Maintenance	52.34	–	52.34	52.48
Selling & Distribution Expenses	127.07	57.07	184.14	227.93
<b>Total</b>	<b>1,288.04</b>	<b>937.98</b>	<b>2,226.02</b>	<b>2,670.67</b>





#### Note - 24: Other Notes to Accounts

##### a) Taxes on Income and Deferred Taxes :

The Company has made a provision for Income Tax based on the book profit of the company for the year as per the provisions of Income Tax Act, 1961.

The company has made provision for income tax amounting to Rs.1,58,35,251/- as per the provisions of Section - 115JB of Income Act 1961 and created a MAT credit entitlement of Rs. 7,68,806 /-.

The Deferred Tax Expenses of Rs.95,74,231/- has been debited to the Profit and Loss Account and correspondingly Deferred Tax Liability (Net) amounting to Rs.37,15,051/- has been disclosed in the Balance Sheet as at 31-03-2021. The disclosure of the same is as follows:

Particulars	Amount (in Rs.)
Deferred Tax Asset as on 01/04/2020	58,59,180
Less: Deferred Tax Liability (Net) for the year & Reversal of Deferred Tax Asset	95,74,231
<b>Deferred Tax Liability as on 31/03/2021</b>	<b>37,15,051</b>

##### b) Cash Flow Statement:

The cash flow statement is prepared under "Indirect Method" and the same is annexed.

##### c) Events occurring after the date of Balance Sheet:

During the FY 2020-21, the COVID-19 pandemic developed rapidly into global crisis, forcing the Government of India and the relevant State Governments to enforce lock-down of all economic activities. This kind of events significantly affects the businesses worldwide, and as a result, could affect the operations of our customers & suppliers. The impact of COVID-19 on our business will depend on the future developments that cannot be reliably predicted, including actions to contain or treat the disease and mitigate its impact on the economies of the affected countries, amongst others.

The impact of COVID-19 pandemic might be different from the estimated as at the date of approval of these financial statements and the Company will closely monitor any material changes to future economic conditions.

There are no other events occurring after the date of the Balance Sheet, which has a material effect on the accounts.

##### d) Dues to Micro, Small and Medium enterprises:

Sl.No.	Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
i.	Principal amount remaining unpaid to any supplier as at the end of the accounting year	NIL	NIL
ii.	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	NIL	NIL
iii.	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	NIL	NIL
iv.	The amount of interest due and payable for the year	NIL	NIL
v.	The amount of interest accrued and remaining unpaid at the end of the accounting year	NIL	NIL
vi.	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	NIL	NIL

# MARIS SPINNERS LIMITED

Note: The information as required to be disclosed under The Micro, Small and Medium Enterprises Development Act, 2006 is determined to the extent such parties have been identified on the basis of the certificates shared by the supplier to the company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

e) **Inventories**

- Cost Comprises expenditure incurred in the normal course of business in bringing such inventories to its location and includes, where applicable, appropriate overheads based on normal level of activity.
- Inventories are stated at cost and as certified by the management and are valued as follows:
  - i. Raw Cotton - At Cost or Market Value whichever is lower
  - ii. Stock in Process - At Cost or Market Value whichever is lower
  - iii. Yarn Stock - At Cost or Market Value whichever is lower
  - iv. Waste Cotton - At Cost or Net Realisable Value whichever is lower

f) **Debtors/Advances and Creditors/Retentions:**

Confirmations of balance of certain Debtors and Creditors as well as advances given to and received from parties have not been received by as on the date of this report and hence the said balances are subject to such confirmations and reconciliations.

g) **Remuneration payable to Statutory Auditors debited to Profit & Loss Account:**

Particulars	2020-21	2019-20
Statutory Audit Fees	Rs. 1,10,000.00	Rs. 80,000.00
Tax Audit Fees	Rs. 1,10,000.00	Rs. 80,000.00
<b>Total</b>	<b>Rs. 2,20,000.00</b>	<b>Rs. 1,60,000.00</b>

Note: The above fee is exclusive of Goods and Service Tax.

h) **Related party disclosure:**

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director whether executive or otherwise. Key management personnel include the board of directors and other senior management executives.

The disclosure required to be made as per Indian Accounting Standard - 24 "Related Party Disclosure" has been furnished separately as an **Annexure-I** to this report.

i) **Earnings Per Share:**

Basic earnings per share have been calculated by dividing profit for the year attributable to equity shareholders, by the weighted average number of equity shares outstanding during the year (81,72,360 Shares). The company has not issued any potential equity shares and accordingly, the basic earnings per share and diluted earnings per share are the same.

Particulars	Current Year (in Rs.)	Previous Year (in Rs.)
Profit/(Loss) after Taxation	6,56,94,679/-	(2,06,76,475/-)
Profit/(Loss) attributable to ordinary shareholders	6,56,94,679/-	(2,06,76,475/-)
Weighted average Number of Equity Shares - Issued & Subscribed	81,72,360	81,72,360
Basic Earnings Per Share (Rs.)	8.04	(2.53)
Diluted Earnings Per share (Rs.)	8.04	(2.53)



**j) Segment Reporting:**

The Company operates two Units at Hunsur, **Karnataka** and Kulithalai Road, Manapparai, Trichy, **Tamil Nadu**. However, as the products manufactured by both the units are same and as the risks and rewards attached to the operations of both the units are not significantly different treating each unit as separate segment for purpose of applicability of Indian Accounting Standard - 108 does not arise.

**k) Dividend:**

The Board of Directors, in its meeting on 30th June, 2021 have proposed a final dividend of Rs.1/- per equity share for the financial year ended 31st March, 2021. The proposal is subject to the approval of shareholders at the Annual General Meeting and if approved would result in a cash outflow of approximately Rs. 81,72,360/-. The Proposed dividend will be recognized in the Financial Statements in the subsequent year that is in the year in which the proposed dividend is approved by the shareholders.

**l) Letter of Credit**

During the year, Maris Spinners Limited Unit I Hunsur has entered into a letter of credit limit with Indian Overseas Bank for Rs.16,00,00,000/- towards purchase of Raw Cotton which is secured by Documents of Title goods/ accepted hundis and charge on current assets.

**m) Contingent Liability:**

- a. An amount of Rs.8,02,455/- has been raised by The Superintending Engineer, Tamil Nadu Electricity Board Trichy (Metro) Circle dated 13.05.2010 towards Excess Demand and Energy charges for exceeding the demand quota and energy quota during the period November & December 2008 to July 2009. The company has remitted the amount demanded as deposit and the matter had been disputed before the Appellate Tribunal for Electricity (APTEL) New Delhi and the same has been decided in our favour and the Electricity Department has gone an appeal to the Supreme Court. The company is confident of obtaining complete relief thereby confident of getting refund of amount deposited under protest and hence no provision has been made in the books of account.
- b. An amount of Rs.42,395/- towards difference in Stamp Duty for 14.78 acres Land purchased at Manapparai during 1995 has been claimed by The Special Deputy Collector (Stamps), which is still in dispute. The Management is confident that the differential stamp Duty is not payable and hence no provision has been made for the same.
- c. The Company has been served with a notice of demand by the Assistant Commissioner, Woraiyur Assessment Circle, Trichy, for a sum of Rs.4,00,032/- under the Tamil Nadu VAT Act, 2006, (for the month of November, 2013 and December, 2013) pursuant to the orders passed in this regard, holding that the Company was not eligible to claim input tax credit in respect of interstate sales to the extent mentioned in the said order. The Company has filed an appeal against the said order and obtained a stay in the Madurai Bench of Madras High Court and the company is confident of obtaining complete relief in the matter and hence, no provision has been made in the books of accounts.
- d. E-Tax on maximum demand charges which was levied in monthly CC Bill by Tamil Nadu Generation and Distribution Corporation (TANGEDCO) was paid by the Company till September' 2012. In view of an interim order passed by the Hon'ble Supreme Court staying the procedure of leaving E-Tax on maximum demand charges on 12/10/2012 responding to the SLP filed by SIMA (SLP (C) NO.31039 of 2012), the company has not been paying E-tax for the maximum demand charges since October'2012.  
The accrued demand towards E-Tax amount till March 2020 was Rs.20,51,615/-. As the case has been pending before the Apex court and SIMA is confident of getting order in favour of its member mills, no provision has been made in the books of accounts towards the same.
- e. TANGEDCO has issued a show cause notice dated 20/04/2017 on the Company, informing its intention to levy Cross Subsidy Surcharge on the Company for an amount of Rs. 5,44,94,998/- in connection with non fulfilling of Captive Generating status for the Financial Year 2014-15, 2015-16 and 2016-17. The

# MARIS SPINNERS LIMITED

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Company has filed its response to the show cause notice on 04.05.2017 where it as contested the claim of TANGEDCO.

As the move initiated by TANGEDCO on all H.T. Consumers as well as the Power Generating and Supplying Plants was not maintainable as per the Central Electricity Rules, 2005, the Hon'ble High Court of Madras has directed TNERC to ascertain the status on the above and also stayed TANGEDCO, taking any action from based on its correspondences issued to the consumers on the above matter. The Company is confident of obtaining complete relief in the matter and hence no provision is required to be made in the books of the Company.

- f. The company has been served with notices of Demand by the Assistant Commissioner, Woraiyur Assessment Circle, Trichy, for a sum of Rs.21,46,430/- under the Tamil Nadu VAT Act, 2006 for reversal of input tax credit in respect of Invisible loss and Waste cotton % (for the Sales Tax Assessment Year 2008-09 to 2012-13) and for a sum of Rs.63,45,971/- (for the Sales Tax Assessment Year 2013-14 & 2014 -15) in respect of reversal of input tax credit for invisible loss, waste cotton % and deposits in to bank account, that did not tally with sales turnover, difference between these amounts, represents that the actual receipts of sale considered had been suppressed. Against the above demand, the company has filed an appeal against the said order and obtained a stay in the Madurai Bench of Madras High court by depositing an amount of Rs.9,06,000/- being 25% of Tax amount of the demand and the company is confident of obtaining complete relief in the matter and hence no provision has been made in the books of accounts.
- g. The company has been served with a notice of Demand by the Assistant Commissioner, Woraiyur Assessment Circle, Trichy, for a sum of Rs.59,85,510/- under the Tamil Nadu VAT Act, 2006, towards deposits in to bank account, that did not tally with sales turnover (for the Sales Tax Assessment year 2015-16), difference between these amounts, represents that the actual receipts of sale considered had been suppressed. Against the above demand, the company has filed an appeal against the said order and obtained a stay in the Madurai Bench of Madras High court and the company is confident of obtaining complete relief in the matter and hence no provision has been made in the books of accounts.
- h. The company has been served with a notice of Demand by the Assistant Commissioner, Woraiyur Assessment Circle, Trichy, for a sum of Rs.19,90,660/- under the Tamil Nadu VAT Act, 2006, towards sales value of stock omission for 53,084.240 Kgs (for the Sales Tax Assessment Year 2016-17). The Inspecting officers had incorrectly arrived the process stock quantity and had failed to consider the stock of unpacked finished goods of 7779.240 kgs.  
The company had disputed the same before the Appellate Deputy Commissioner (CT), Trichy by depositing an amount of Rs.2,00,000/- being 25% of Tax amount of the demand and the company is confident of obtaining complete relief in the matter and hence no provision has been made in the books of accounts.
- i. The company has received an assessment order u/s 143(3) along with notice of demand u/s 156 dated 18/03/2021 showing tax demand of Rs.17,53,890/- for the assessment year 2018-19 after making addition of Rs.37,64,463/- as disallowance of common expenditure attributable to Windmill undertaking out of the total expenditure of two manufacturing units. However, the Company has appealed against the same before the Relevant Authority and disputed these demands and is confident of obtaining complete relief in the matter and no provision has been made in the accounts for the said claims.

**n) Financial instruments - fair value measurement**

**a. Accounting classifications and fair values**

The Company does not have any financial assets or financial liabilities whose fair value is different from its carrying amount.

**o) Financial instruments - risk management**

The Company has exposure to the following risks arising from financial instruments:

- credit risk (refer note (b) below)
- liquidity risk (refer note (c) below)
- market risk (refer note (d) below).



**a. Risk management framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

**b. Credit risk**

"Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans to related parties and cash and cash equivalents.

The carrying amount of financial assets represents the maximum credit exposure."

**(i) Cash and cash equivalents**

The Company holds cash and cash equivalents of INR 63,03,688/- as at 31 March 2021 (31 March 2020: INR 77,84,702/-). The cash and cash equivalents are mainly held with nationalised banks which have a very low risk of default.

**c. Liquidity risk**

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.

**i) Financing arrangement**

The Company had no undrawn borrowing facilities at the end of the reporting period.

**d. Market risk**

"Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return."

**i) Currency risk**

Majority of the transactions entered into the company are denominated in INR. Accordingly, the company does not have any currency risk.

**ii) Interest rate risk**

The Company does not have any borrowings from external banks/agency and hence there are no interest rate risks.

*For and on behalf of the Board*

*"Subject to My report of even date"*

**ANANDKUMAR RENGASWAMY**  
Managing Director

**T.JAYARAMAN**  
Director

**A HARIGOVIND**  
Wholetime Director and  
Chief Financial Officer

**N SRIDHARAN**  
Company Secretary  
and Compliance Officer

**VIJAYAKUMAR JANADRI**  
Chartered Accountant  
(Membership No. 222127)

Place : Chennai  
Date : 30.06.2021

# MARIS SPINNERS LIMITED

## QUANTITATIVE PARTICULARS FOR 2020-2021

### Annexure - I

S.No.	PARTICULARS	UNIT I	UNIT II	CONSOLIDATED	
		31.03.2021	31.03.2021	UNIT I & II 31.03.2021	UNIT I & II 31.03.2020
1	[a] Licensed Capacity - Spindles [Nos.]	28704	25000	53704	53704
	[b] Installed Capacity - Spindles [Nos.]	28704	20832	49536	49536
	[c] Production Cotton Yarn [Kgs.]	2383248.330	1484738.450	3867986.780	4699112.490
2	[a] Sale of Finished Goods [Kgs.]	2396303.705	1507548.870	3903852.575	4755843.085
	[b] Sale of Waste Cotton [Kgs.]	640905.100	602445.000	1243350.100	1388506.900
3	Purchase of Raw materials				
	[a] Cotton [Kgs.]	3482708.000	2330158.000	5812866.000	5555688.000
4	Raw materials Consumed				
	[a] Cotton [Kgs.]	3062348.000	2110865.660	5173213.660	6218677.470
5	Opening Stock				
	[a] Finished Goods - Yarn Mills [Kgs.]	50533.000	49211.980	99744.980	159035.575
	[b] Raw materials - Cotton [Kgs]	1052124.000	727973.850	1780097.850	2439955.400
	[c] Stock In Process [Kgs]	45569.000	43784.580	89353.580	92485.500
	[d] Waste Cotton [Kgs]	11958.120	34854.270	46812.390	15358.630
6	Closing Stock				
	[a] Finished Goods - Yarn at Mills [Kgs.]	38053.625	26401.560	64455.185	99744.980
	[b] Raw materials - Cotton [Kgs]	1467486.000	949096.340	2416582.340	1780097.850
	[c] Stock In Process [Kgs]	50567.000	41954.430	92521.430	89353.580
	[d] Waste Cotton [Kgs]	3475.180	9052.140	12527.320	46812.390
	Consumption of Raw materials				
	[a] Indigenous	100.00%	100.00%	100.00%	100.00%
	[b] Imported	0.00%	0.00%	0.00%	0.00%

**STATEMENT OF RELATED PARTY TRANSACTION FOR THE YEAR ENDED 31ST MARCH 2021**

Name	Nature of Relationship	Nature of Transactions	Balance as on 01.04.2020 Rs.	Payment during the year Rs.	Transaction during the year Rs.	Balance as on 31.03.2021 Rs.
<b>Maris Hotels &amp; Theatres Pvt Ltd</b>	Enterprise in which the Director of the company is also a Board member	Purchase of power, Lodging	758,500	10,030,307	9,991,536	719,729
<b>Maris Textiles LLP</b>	A firm in which Directors are partners	Sale of Goods	71,360	56,115	127,475	-
<b>Maris Agro Products</b>	Enterprise in which the Director of the company is also a Board member	Purchase of Goods	16,000	-	-	16,000
<b>ARH Energy LLP</b>	A firm in which Directors are partners	Purchase of power	1,401,743	10,336,443	11,526,846	211,340
<b>Sri.Anandkumar Rengaswamy</b>	Managing Director	Remuneration	-	2,033,333	2,033,333	-
<b>Havukal Tea &amp; Produce Co P Ltd</b>	Enterprise in which the Director of the company is also a Board member	Purchase of Goods	-	18,900	18,900	-
<b>T. Raghuraman</b>	Director	Unsecured loan and Interest On Loan and salary	5,000,000	1,356,002	1,356,002	5,000,000



