



**MARIS SPINNERS LIMITED**

**Since 1979**

**43<sup>rd</sup> Annual Report**  
**2021 - 2022**

# 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 43RD ANNUAL GENERAL MEETING OF THE MEMBERS OF MARIS SPINNERS LIMITED WILL BE HELD ON FRIDAY THE 23RD SEPTEMBER 2022 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 31,2022 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 consider and if thought fit, to pass with or without modifications, the following resolutions as an Ordinary Resolution

To recommend dividend of 10% for the financial year 2021-22.

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

"RESOLVED that Mr. T Jayaraman (DIN 01402853), the retiring Director, be and is hereby re-elected as Director of the Company, liable for retirement by rotation.

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

"RESOLVED that Mrs. Dhamayanthi Ananthakumar (DIN 08461584 ), the retiring Director, be and is hereby re-elected as Director of the Company, liable for retirement by rotation

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

RESOLVED THAT pursuant to Sections 139, 142 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, of the said Act and Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the said Act (including any statutory modification(s) or re-enactment thereof for the time being in force M/s. N. C.S. Raghavan & Co Chartered Accountants, Bangalore be and are hereby appointed as Statutory Auditors of the Company to hold office for a period of 5 (Five) consecutive financial years, from the conclusion of the 43rd Annual General Meeting of the Company until the conclusion of the 48th Annual General Meeting of the Company and to authorise the Board of Directors of the Company to fix their remuneration.

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## SPECIAL BUSINESS:

6. To consider and if thought fit, to pass with or without modification(s) the following as an Ordinary 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 2022 and ending on 31st March 2023 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."

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

RESOLVED THAT in accordance with the provisions of Sections 196, 197, 203 of the Companies Act 2013 ("Act") read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial personnel) Rules 2014 or any other statutory modifications or re-enactment thereof, the consent of the members be and is hereby given for the reappointment of Mr. A Hari Govind (DIN: 06428975) as Wholtime Director and CFO of the Company for a period of five years with effect from 23rd September 2022 to 22nd September 2027 with the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting and as recommended by Nomination and Remuneration Committee (Committee) and approved by the Board with liberty to the Board of Directors (including Committee) to alter and vary the terms and conditions of the said re-appointment /remuneration in such manner as deemed fit necessary.

RESOLVED FURTHER THAT where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, the remuneration payable to Mr. Harigovind Wholtime Director and CFO, by way of salary, perquisites and allowances shall be the minimum remuneration payable in accordance with Section II of Part II of Schedule V of the Companies Act, 2013 with liberty to the Board / Committee to decide the breakup of the remuneration from time to time in consultation with the Whole Time Director.

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.

By Order of the Board

**N SRIDHARAN (FCS 1646)**

Company Secretary and  
Compliance Officer

Place: Chennai

Date : 12.08.2022



## 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 2022.
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 its 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 14.09.2022 to 23-09-2022 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	2014-15	80,29,860.00	2,55,043.00	05.10.2015	04.10.2022
2	2015-16	80,34,860.00	2,70,271.00	07.10.2016	06.10.2023
3	2016-17	80,40,410.00	3,11,895.00	11.10.2017	10.10.2024
4	2017-18	80,40,410.00	2,47,012.00	20.09.2018	20.09.2025
5	2018-19	80,40,410.00	1,35,216.00	14.10.2019	14.10.2026
6	2020-21	79,24,760.00	1,37,162.00	06.10.2021	06.10.2028

The Shareholders are requested to claim the unclaimed amounts. The un-claimed amounts for the year 2014 have 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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## **CDSL e-Voting System – For e-voting and Joining Virtual meetings**

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 and circular No. 2/2022 d, 05.05.2022 and 05.05.2022 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 at least 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). 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).
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:**

- Step 1 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.
- (i) The voting period begins on 20th September 2022 at 9.00 am and ends on 22nd September 2022 at 5 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 16th September 2022 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.

- Step 1 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- (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:

# MARIS SPINNERS LIMITED

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 Depository</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 (DP)</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>





**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 toll free no. 1800 22 55 33
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

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(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.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **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 will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, 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.



- Alternatively Non Individual shareholders are required mandatory 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 at least 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 may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

# MARIS SPINNERS LIMITED

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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 toll free no. 1800 22 55 33.

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 toll free no. 1800 22 55 33.

- 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 at least 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 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.

## Explanatory statement under Section 102(1) of the Companies Act 2013

### PARTICULARS OF DIRECTORS RETIRING BY ROTATION/RE-APPOINTMENT

As required by Regulation 36(3) of the Listing Regulations and the Secretarial Standards on General Meetings (SS-2) as laid down by the Institute of Company Secretaries of India, additional information relating to the particulars of Directors who are proposed to be appointed / re-appointed are given below:



S.NO	PARTICULARS	DIRECTOR	DIRECTOR	DIRECTOR
	Agenda Item No.	3	4	7
a	Name of the Director DIN	Mr. T. Jayaraman 01402853	Mrs. Ananthakumar Dhamayanthi 08461584	Mr. A Harigovind 06428975
b	Age in years	65	60	39
c	Date of appointment on the Board	15-06-1995	30-05-2019	23-09-2017
d	Expertise in specific function areas	Business	Business	Business
e	Qualification	Graduate	Graduate	Chartered Accountant
f	Number of equity shares held in the Company by the Director or other persons on a beneficial basis	None	None	None
g	Remuneration last drawn for the financial year 2022	None	None	None
h	Remuneration sought to be paid	None	None	To be approved by the member at the Annual general meeting to be held on 23.09.2022
i	Terms and conditions of appointment	No change has been proposed terms and conditions.	No change has been proposed terms and conditions	As mentioned in the notice of AGM
j	List of outside Directorships held in other Companies a. Listed	Parry Agro Industries Ltd	None	None
	b. Others	Havukal Tea and Produce Co Pvt. Ltd. Maris Agro Products Pvt Ltd Century Flour Mills Pvt. Ltd., Century Biscuits Pvt. Ltd.,	None	Maris Hotels & Theatres Pvt. Ltd., Maris Power Supply Co Pvt. Ltd., Raana Biofuels Pvt. Ltd.,
k	Chairman/Member of the Committees of other Companies on which he is a Director	None	None	None
l	Inter-se relationship with other Directors/Key Managerial Personnel	Related to Mr. T Raghuraman, Director	Related to Mr. Anandkumar Rengaswamy, Managing Director and Mr. A Harigovind Director.	Related to Mr. Anandkumar Rengaswamy, Managing Director and Mrs. Ananthakumar Dhamayanthi, Director.
m	Manager and other key managerial personnel of the Company	None	None	KMP
n	Number of meetings of the Board attended during the year	5	6	7



# MARIS SPINNERS LIMITED

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## **Item No.5**

The Existing Statutory Auditor Mr. Vijayakumar Janadri tenure of appointment expires at the ensuing Annual General Meeting. Hence it is proposed to appoint M/s N C S Raghavan & Co Chartered Accountants, Bangalore in his place as Statutory Auditors of the Company to hold office for a period of 5 (Five) consecutive financial years, from the conclusion of the 43rd Annual General Meeting of the Company until the conclusion of the 48th Annual General Meeting of the Company. 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.

None of the Directors is interested in or concerned with the resolution.

The Board recommends the Resolution as an ordinary resolution for the approval of the members.

## **Item No. 6**

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 the recommendation of the audit committee at its meeting held on 14.05.2022, the Board of Directors has considered and approved the appointment of M/s A Gopala Iyengar, Cost Accountant, for the conduct of cost audit of the Company's various manufacturing units for the year 2022-23 at a remuneration as fixed. The resolution at item no. 6, of the notice is set out as a ordinary 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. 7**

The members of the Company had appointed Mr. A Harigovind as Wholetime time Director and CFO with effect from 23-09-2017 and the tenure of appointment would expire on 22-09-2022. The Board of Directors in its meeting held on 12-08-2022, based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the members to be obtained in the general meeting, approved the reappointment of Mr. A Harigovind (DIN; 06428975) as Wholetime time Director and CFO of the Company for a further period of five years with effect from 23-09-2022 to 22-09-2027.

The following terms and conditions of his re-appointment.

Salary of Rs. 4,00,000/- per month which includes rent and Perquisites and other benefits viz. use of Car and Telephone, Provident Fund & Superannuation Fund, Leave Encashment as per the Rules of the Company shall be paid with effect from 1-10-2022 and he is entitled for Gratuity as per the Gratuity Trust of the Company.

Mr. A Harigovind is a Chartered Accountant and looking after finance, sales and administration of the Company. He is not disqualified from being reappointed as wholetime Director and CFO.

In terms of Section 164 of the Companies Act, 2013 (the Act) he has given his consent to act as Wholetime time Director and CFO of the Company. Mr. A Hari Govind satisfies all the conditions as set out in the Section 196(3) of the Act and Part-I of Schedule V to the Act, for being eligible for his appointment.



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In the absence of inadequacy of profits in any financial year during his tenure as Wholetime Director and CFO Mr. A Harigovind shall be paid the said remuneration as minimum remuneration for that year subject to the condition that the salary, perquisites and allowances shall not exceed limit prescribed by Schedule V.

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. Harigovind requires approval by the members.

The Board recommends the Ordinary Resolution as set out in item no 7 of the Notice for approval by members.

None of the Directors, Key Managerial Personnel of the Company and/or any relatives of such Director, Key Managerial Personnel except Mr. Anandkumar Rengaswamy, Mrs. Ananthakumar Dhamayanthi are in any way concerned or interested in the resolution set out as item no 7 of the Notice.

Place: Chennai  
Date : 12.08.2022

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

# MARIS SPINNERS LIMITED

## DIRECTOR'S REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

Dear Members,

Your Directors are pleased to present the Forty Third Annual Report together with the Audited Financial Statements for the year ended March 31, 2022. 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. 17197.18 lakh compared with Rs. 10864.78 lakh during the Previous Year. The Operating Profit/(loss) before tax stood at 2332.96 lakh as against Rs. 922.63 lakh during the Previous Year. The Net Profit/(Loss) for the year stood at Rs. 1546.25 lakh against Rs. 656.94 lakh reported during the Previous Year.

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	2021-22	2020-21
i	Revenue from operations	17197.18	10864.78
ii	Profit before exceptional items/extraordinary items and tax	2332.96	922.63
iii	Exceptional and extraordinary items	-	-
iv	Profit/Loss before tax	2332.96	922.63
v	Tax adjustments		
	For Current year	656.44	158.35
	Relating to previous year	-	-
	Deferred Tax	87.28	95.74
	MAT credit entitlement	46.35	-7.69
vi	Other comprehensive income	3.36	-19.28
	Profit (Loss) after tax	1546.25	656.94
vii	Earnings per share	19.51	8.04

### 3. DIVIDEND AND RESERVES

Your Directors are recommending a dividend of Rs. 1/- per share (10%) on 7924760 Equity Shares of Rs. 10/- each, subject to approval of the members at the ensuing Annual General Meeting. The Directors do not recommend any transfer to General Reserves.



### **3. 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.

### **4. ANALYSIS AND REVIEW**

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

The Indian textile industry witnessed challenging times during the year 2020 and 2021 due to the pandemic and global economic factors. The overall textile industry was in recovery mode during the current financial year mainly because of stable cotton prices upto Q2 of the year and reasonable domestic and global demand. There is huge pressure on the availability of good quality cotton as is evident in Q3 of the current fiscal wherein the cotton prices which were ruling at around Rs. 65000/- per candy till the start of the new cotton season has seen an un-precedented spurt in rates to about Rs.105000/- per candy, an increase of almost 60%. The prices of cotton are still increasing as evident in Q1 of the financial year 2022-23.

Your Company was able to achieve good results in spite of a prolonged COVID 19 induced lock down in April/May 21 at one of their manufacturing facilities viz., Unit I at Hunsur, Mysore Dt., despite unstable cotton and yarn prices, through dedicated efforts aimed at improving operational efficiency, focus on optimal product mix and effective cost saving practices, your company was able to perform better compared to the earlier years.

#### **Company Outlook**

The Company expects the cotton prices to remain volatile as is evident from the trend during the last quarter of the financial year 2021-22.

The overall global economic outlook is not encouraging due to numerous factors viz., the ongoing Ukraine - Russia war, overall increase in commodity prices (cotton being no exception) and an un-precedented double digit inflation as being experienced in western countries for the very first time in decades, The domestic demand for cotton products including apparels will take a huge hit due to high inflationary trend as currently being experienced in India.

The Company is making all efforts to reduce costs and rationalize operations to have a positive effect and give better operational results.

#### **Opportunities and Risks**

The Indian textile and apparel industry has been adversely impacted in the short to medium -term due the ongoing Ukraine-Russia war, overall increase in commodity prices and un-precedented double digit inflation as being experienced in western countries, resulting in lower consumer spends on apparels and made ups. The sector is reeling under liquidity crisis due to cost pressure and related factors.

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 and yarn rates too.

Exports may get affected due to global sentiments, inflationary pressure and continued threat of COVID. Power shortage and Labour shortage (migration of labour force due to un-remitting threat of COVID) are major concerns, which could have major impact on operations of the industry.

# MARIS SPINNERS LIMITED

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Higher inflation, increase in borrowing cost, cost of Raw Material viz. cotton and price of finished product viz. yarn would have adverse impact on profit margin of the company.

## 5. 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.

## 6. EXPANSION OF PLANT CAPACITY

Your Company is in the process of adding production capacity to Unit I at Hunsur, Mysore District, Karnataka. Existing capacity of 28704 spindles is being increased to 36192 spindles (increase of 7488 spindles - about 26.08%) at the cost of Rs. 31.70 crores. New machineries are being installed and expected to commence trial production during July 2022.

## 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.

## 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. (Annexure I)

## 9. EXTRACT OF ANNUAL RETURN

The copy of MGT 7- Annual Return as required under Section 92 of the Companies Act, 2013, is placed in the web site of the Company (relating to financial year 2021), the web link is [www.maris.co.in](http://www.maris.co.in). The current year MGT 7 will be displayed in the web site after the form has been filed with MCA.

## 10. SHARE CAPITAL

The company's paid-up capital as on 31.3.2022 was 7924760 Equity Shares of Rs. 10 each amounting to Rs. 7,92,47,600/- after taking into account forfeiture of 247600 Equity Shares of Rs. 10 each.

## 11. DIRECTORS

During the year Mr. T Jayaraman [DIN: 01402853] and Mrs. Ananthakumar Dhamayanthi (DIN 08461584) retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

Re-appointment of Mr. A Harigovind [DIN: 06428975] wholetime Director and CFO, for a period of 5 years from 23-09-2022 to 22-9-2027, has been approved 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	Remuneration paid during the FY 2021-22 (Rs. In lakh)
1.	Mr. Anandkumar Rengaswamy	Managing Director	39.00
2.	Mr. T Raghuraman	Wholetime Director	17.06
3.	Mr. A.Harigovind	Wholetime Director and Chief Financial Officer	NIL
4.	Mr. Adithya Raghuraman	Wholetime Director	8.62
5.	Mr. N Sridharan	Company Secretary and Compliance Officer	2.40

### 14. NUMBER OF MEETINGS OF THE BOARD

During the year seven meetings of the Board of Directors were held on 9th June 2021, 30th June 2021, 13th August 2021, 13th September 2021, 10th November 2021, 11th February 2022 and 31st March 2022.

### 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.

# MARIS SPINNERS LIMITED

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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, 2022, 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, 2022 and of the profit of the Company for the year ended on that date.
- (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 II.

## **20. AUDITORS**

### **a. STATUTORY AUDITORS**

The existing auditor Mr. Vijayakumar Janadri Chartered Accountant, Bangalore, (Membership No. 222127), is retiring at the ensuing annual general meeting after completion of 5 years. It is proposed to appoint in his place M/s NCS Raghavan & Co Chartered Accountants, Bangalore for a period of 5 years from the conclusion of 43rd Annual General Meeting till the conclusion of 48th Annual General Meeting, at a remuneration to be fixed by the Board of Directors. 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 2022-23. 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 III and forms an integral part of this Report.

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

## **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 applicable for the year under review. Your Company has to spend Rs.5,24,477/- towards CSR during the year. Your Company has spent Rs. Rs.5,93,396/- Since the amount spent / to be spent is less than Rs. 50 lakhs, the Company is not required to constitute CSR Committee and Board is monitoring the CSR Expenditure. The relevant information required to be given under Section 135 of the Companies Act 2013 is attached in the Directors Report. (Annexure IV).

## **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. PROCEEDING UNDER INSOLVENCY AND BANKRUPTCY CODE 2016**

There are no proceedings either filed by the Company or against the Company pending under the Insolvency and Bankruptcy Code 2016 as amended before the National Company Law Tribunal or other Courts as on 31st March 2022.

## **26. PUBLIC DEPOSITS**

During the year under review your company has not accepted any public deposits under Chapter V of the Companies Act, 2013.

## **27. 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.

## **28. 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:

The Audit Committee is re-constituted with effect from 14.05.2022 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. COMPOSITION OF NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee is re-constituted with effect from 14.05.2022 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. Parag H Udani - Chairman

Sri. S. Swaminathan

Sri. S. Kalyanaraman

## **30. 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.

## **31. 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.

## **32. 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 in 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



# MARIS SPINNERS LIMITED

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of the Director's Report for the year ended March 31, 2022 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 2021-22;

- |  |   |     |
|--|---|-----|
| 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 : 14.05.2022

**A. HARIGOVIND**  
Chief Financial Officer

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



**INFORMATION PERTAINING TO SECTION 134 (3) (M) OF THE COMPANIES ACT, 2013 AND FORMING PART OF THE DIRECTORS REPORT FOR THE YEAR ENDED 31.03.2022.**

**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
1.	Mr. Anandkumar Rengaswamy	Managing Director	24.56:1
	Mr. T Raghuraman	Director	7.56:1
	Mr. Adithya Raghuraman	Director	5.67:1
	Mr. N Sridharan	Company Secretary	1.51:1
2.	The percentage increase in the median remuneration of employees in the financial year	8.17%	
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 2021-22.	NIL	
	b. Average percentile increase in the managerial remuneration in the financial year 2021-22	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 2021-22 is as per the Remuneration Policy of the Company.	

# MARIS SPINNERS LIMITED

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### 3. TECHNOLOGY ABSORPTION

There was no technology absorption

### 4. FOREIGN EXCHANGE EARNINGS AND OUTGO

Earnings – Nil

Outgo – **49.24 Lakh**

By Order of the Board

**ANANDKUMAR RENGASWAMY**

Managing Director

**T. JAYARAMAN**

Director

Place : Chennai

Date : 14.05.2022

**A. HARIGOVIND**

Chief Financial Officer

**N. SRIDHARAN**

Company Secretary  
and Compliance Officer



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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, 2022 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, 2022 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 : 14.05.2022

V K SHANKARARAMANN  
F.C.S No. 5592  
C.P. No. 5255  
UDIN : F005592D000283861

# MARIS SPINNERS LIMITED

## 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 2022.

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 Nine (9) and its composition is as follows:

Executive Promoter Directors	3
Non-Executive Promoter Directors	3
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 seven meetings of the Board of Directors were held on 9th June 2021, 30th June 2021, 13th August 2021, 13th September 2021, 10th November 2021, 11th February 2022 and 31st March 2022.

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 17.09.2021	No. of other Companies in which they are Directors	No. of other Committees (other than this Company) in which Chairman / Members
<b>Executive Promoter Directors</b>				
Sri. Anandkumar Rengaswamy	6	Yes	7	NONE
Sri. T. Jayaraman	5	Yes	5	NONE
Sri. T. Raghuraman	2	No	3	NONE
Smt. Ananthakumar Dhamayanthi	6	Yes	NONE	NONE
Sri. A. Harigovind	7	Yes	4	NONE
Sri. Adithya Raghuraman	6	Yes	1	NONE
<b>Non-Executive Independent Directors</b>				
Sri. S Kalyanaraman	7	No	5	NONE
Sri. S Swaminathan	7	Yes	NONE	NONE
Sri. Parag Harkishon Udani	6	Yes	NONE	NONE



## 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 Six Audit Committee Meetings were held viz., 9th June 2021, 30th June 2021, 13th August 2021, 10th November 2021, 11th February 2022, 31st March 2022, and attendance of the members 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	6	6
Sri. S Swaminathan	6	6
Sri. Parag Harkishon Udani	6	5

### 2. STAKE HOLDERS RELATIONSHIP COMMITTEE

The Board has constituted Share Transfer / Investor Grievance Committee under the Chairmanship of Sri S Swaminathan 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 year Three Stake Holders Relationship Meetings were held viz., 9th June 2021, 30th June 2021, 13th August 2021, and attendance of the members of the Stake Holders Relationship Committee at these meetings is as follows:

NAME OF DIRECTOR/MEMBER	NO.OF MEETINGS HELD	NO.OF MEETINGS ATTENDED
Sri. S Kalyanaraman	3	3
Sri. S Swaminathan	3	3
Sri. Parag Harkishon Udani	3	2

# MARIS SPINNERS LIMITED

## 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 year Three Nomination and Remuneration Committee Meetings were held viz., 9th June 2021, 30th June 2021, 13th August 2021, and attendance of the members of the Nomination and Remuneration Committee at these meetings is as follows:

NAME OF DIRECTOR/MEMBER	NO.OF MEETINGS HELD	NO.OF MEETINGS ATTENDED
Sri. S Kalyanaraman	3	3
Sri. S Swaminathan	3	3
Sri. Parag Harkishon Udani	3	2

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
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
2021	17.09.2021	10.15 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. 43rd Annual General Meeting

Date & Time : Friday 23rd September 2022, 10.15 AM

Venue / Mode : E AGM

#### b. Financial Year calendar 2022-23 (Tentative)

: 1st April to 31st March of every year. Financial results will be announced as per tentative schedule.

1st quarter ending June 30, 2022	Aug 2022
2nd quarter ending September 30, 2022	Nov 2022
3rd quarter ending December 31, 2022	February 2023
4th quarter ending March 31, 2023	May 2023

CIN : L93090TN1979PLC032618

#### c. Date of Book Closure

: 17.09.2022 to 23.09.2022 (both the days inclusive)

#### d. Listing of Stock Exchanges

: The Stock Exchange, Mumbai - Code: 531503  
The Annual Listing Fees for the period 1st April 2022 to 31st March 2023 has been paid to Stock Exchanges.





e. Market Price Data (IN Rs.)

Month	Open	High	Low	Close	No. of Shares
Apr-21	27.35	34.30	25.20	27.45	4,304
May-21	28.80	39.00	25.50	39.00	53,719
Jun-21	40.80	51.20	38.15	41.65	51,129
Jul-21	41.65	79.30	40.85	75.60	9,91,417
Aug-21	79.00	85.00	50.45	60.10	3,43,740
Sep-21	62.70	63.75	52.20	60.65	80,418
Oct-21	63.65	71.00	54.00	56.70	1,14,221
Nov-21	57.00	77.50	55.20	71.65	3,83,691
Dec-21	74.85	96.00	67.70	89.45	9,20,581
Jan-22	95.90	102.80	83.00	88.70	4,82,413
Feb-22	91.45	118.90	84.10	90.65	6,24,273
Mar-22	90.00	123.80	87.25	108.70	3,29,745

- 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, 2022.

Share or Debenture holding	Share / Debenture holders		Share / Debenture holdings	
	Number	% of total	Shares	% of total
001 -- 100	1173	44.0977	42381	0.5347
101 -- 500	910	34.2105	294402	3.7149
501 -- 1000	278	10.4511	28058	3.0039
1001 -- 2000	131	4.9248	198045	2.4990
2001 -- 3000	71	2.6691	181360	2.2885
3001 -- 4000	5	0.1879	18368	0.2317
4001 -- 5000	28	1.0526	135408	1.7086
5001 -- 10000	36	1.3533	282177	3.5607
10001 -- And Above	28	1.0526	6534561	82.4575
<b>Total</b>	<b>2660</b>	<b>100.0000</b>	<b>7924760</b>	<b>100.000</b>

# MARIS SPINNERS LIMITED

i. Category of Shareholding as on March 31, 2022

CATEGORY	NO OF SHAREHOLDERS	NO OF SHARES	% OF SHAREHOLDING
Resident - Ordinary	2547	1801500	22.7325
NRI-Repatriable	8	5651	0.0713
NRI-Non Repatriable	5	10369	0.1308
Corporate Body-Domestic	12	29627	0.3738
Corporate Body-Group Company	1	325000	4.1010
Corporate Body-Limited Liability Partners	2	109	0.0013
Corporate Body-Stock brokers-Proprietor	1	1200	0.0151
Corporate Body-CM/Tm-Client Margin A/c	1	150	0.0018
Clearing member	26	11112	0.1402
Mutual Funds	1	100	0.0012
Bank-Scheduled	1	40927	0.5164
Resident-HUF	44	36252	0.4574
IEPF-IEPF	1	105003	1.3249
Promoters	9	5308186	66.9819
Person Act in Concert	1	249600	3.1496
<b>Total</b>	<b>2660</b>	<b>7924760</b>	<b>100.0000</b>

- j. Dematerialization of Shares and liquidity : The Company shares were dematerialized. As on 31st March 2022, **92.92%** 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



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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 2022.
- 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 2021-22 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.

# MARIS SPINNERS LIMITED

## 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 2022, 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, 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 2022, 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 our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr.No.	Key Audit Matter	Auditor's Response
1	<p>Revenue recognition</p> <p>Revenue from sale of goods is recognized when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control is usually transferred upon shipment, delivery to certain named location, or upon receipt of goods by the customer, in accordance with the delivery and acceptance terms agreed with the customers and other terms generally recognized under internationally accepted commercial arrangements.</p> <p>The amount of revenue to be recognized is based on the consideration expected to be received in exchange for goods, excluding, sales returns and any taxes or duties collected on behalf of the government which are levied on sales such as GST etc., where applicable</p>	<p>Principal Audit Procedures Performed</p> <p>Our audit procedures related to the</p> <p>(1) identification of distinct performance obligations,</p> <p>(2) determination of whether the Company is acting as a principal or agent, among others</p> <p>We tested the effectiveness of controls relating to the</p> <p>(a) identification of distinct performance obligations,</p> <p>(b) determination of whether the Company is acting as a principal or an agent</p> <p>We selected a sample of contracts with customers and performed the applicable audit procedures.</p>



Sr.No.	Key Audit Matter	Auditor's Response
2	<p>The Company has undertaken transactions with its related parties in the ordinary course of business at arm's length. These include transactions in the normal course of business to or from the related parties.</p> <p>I identified the accuracy and completeness of the said related party transactions and its disclosure as set out in respective notes to the financial statements as a key audit matter due to the significance of transactions with related parties during the year ended March 31, 2022.</p>	<p>As part of my audit procedures, my procedures included the following:</p> <ul style="list-style-type: none"> <li>- Obtained and read the Company's policies, processes and procedures in respect of identifying related parties, obtaining approval, recording and disclosure of related party transactions.</li> <li>- Read minutes of shareholder meetings, board meetings and minutes of meetings of those charged with governance in connection with Company's assessment of related party transactions being in the ordinary course of business at arm's length.</li> <li>- Tested, on a sample basis, related party transactions with the underlying contracts and other supporting documents</li> <li>- Verified related party information disclosed in the financial statements with the underlying supporting documents, on a sample basis.</li> </ul>

#### **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.

#### **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

# MARIS SPINNERS LIMITED

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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.

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 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, 2020 ("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, 2022, taken on record by the Board of Directors, none of the Directors is disqualified as on 31 March, 2022, from being appointed as a Director in terms of Section 164(2) of the Act;
- 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 if any, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022.
  - iv.
    - a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries) or provide any guarantee, security or the like of the Ultimate Beneficiaries;
    - b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate beneficiaries;
    - c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above.
  - v. The Company has declared dividend for the year.

Place : Bangalore  
Date : 14.05.2022

**VIJAYAKUMAR JANADRI**  
CHARTERED ACCOUNTANT  
(Membership No. 222127)  
UDIN:2222127AIZRHZ5501



# MARIS SPINNERS LIMITED

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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, 2022.

### 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;
  - d) According to the information and explanations given to me, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year
  - e) According to the information and explanations given to me, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder
- 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, 2022 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 ₹1,68,68,603 in aggregate as on 31st March, 2022, out of which ₹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:

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. a) According to the information and explanations given to me, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender;
- b) According to the information and explanations given to me, the company has not declared as a willful defaulter by any bank or financial institution or other lender;
- c) The Company has availed long term loan during the year under review. Based on my verification, records made available and information and explanation provided to me, the term loan so obtained were prima facie applied for the purposes for which they were obtained.

# MARIS SPINNERS LIMITED

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The Details of Long-Term Loan Outstanding as on 31.3.2022 are as follows:

Bank Name	Amount (Rs. In Lakhs)
IOB	1,683.26
KVB	338.94
<b>Total</b>	<b>2,022.20</b>

- d) According to the information and explanations given to me, the company has not utilized the funds raised on short term basis for long term purposes;
- e) According to the information and explanations given to me, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) According to the information and explanations given to me, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. 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.
- xi. a. 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;
- b. The Company has not received any whistle blower complaints upto the date of this report. Hence, I have not taken into consideration of any whistle blower complaints while determining the nature and extent of our audit procedures.
- xii. According to the information and explanations given to me, 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. a) According to the information and explanations given to me, the company has an internal audit system commensurate with the size and nature of its business;
- b) I have considered the reports of the Internal Auditors for the period during the statutory audit of the company. As per the comments received from the management in response to observations mentioned in the Internal Audit Report, there were no material discrepancies;
- xv. According to the information and explanations given to me, the company has not entered into any non-cash transactions with Directors or persons connected with it.
- xvi. According to the information and explanations given to me, the company is not engaged in the business of non-banking financial institution and Core Investment Company. Hence it is not required by the company to obtain registration under section 45-IA of the Reserve Bank Act, 1934.
- xvii. According to the information and explanations given to me, the company has not incurred cash losses in the financial year and in the immediately preceding financial year;
- xviii. In my opinion, the company has not received any resignation of the statutory auditors during the year. Hence reporting under clause (xviii) of paragraph 3 of the Order does not arise;



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- xix. According to the information and explanation given to me by the Board of Directors and the management, In my opinion, no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements.
- xx. a) As per information and explanation given to me, the company do not have any amount unspent towards the Corporate Social Responsibility, hence reporting under this clause does not arise;
- b) As per information and explanation given to me, the company do not have any amount unspent under sub-section (5) of section 135 of the Companies Act, 2013, hence reporting on compliance with second proviso to sub-section (6) of section 135 of the Companies Act do not arise;
- xxi. According to the information and explanations given to me, the Company do not have any subsidiary or associate company. Hence reporting on whether there have been any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements do not arise;

Place : Bangalore  
Date : 14.05.2022

**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.11, Cathedral Road, Chennai - 600086**, as of 31st March, 2022 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 2022, 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 : 14.05.2022

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

# MARIS SPINNERS LIMITED

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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 2022 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 2021-22, 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 : 14.05.2022

**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, 2022.

for **MARIS SPINNERS LIMITED**

Place : Chennai  
Date : 14.05.2022

**ANANDKUMAR RENGASWAMY**  
Managing Director

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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

The textile industry is one of the oldest business operations in India since the ancient age. Different types of textile fibers are produced in India, among which cotton, jute, silk, and wool are the major ones. Both skilled / unskilled labourers are needed to run this business smoothly. Thus, the textile industry serves as the platform offering a huge number of employment opportunities to eligible people in India. The products of the Indian textile industry with the traditional designs and textures are very popular all over the world. People associated with this industry hope to see a great comeback in 2022, overcoming the setback during the past 2 years due to the pandemic situation.

India is now recognized as the largest producer of cotton and jute garments in the world. There is tough competition from China, Bangladesh, Pakistan, and Vietnam for exporting textile products in the global market. However, the **Indian textile** industry still manages for a comeback even after the decline of the business in 2020 - 21. Since the textile industry not only comprises large textile mills and high-end garment boutiques, self-employed artisans from rural areas are also promoted through government schemes, like MGNREGA. Many rural cooperatives and NGOs are also providing support to people working on a small-scale for the textile industry.

All garment manufacturing units are returning to the normal state though at a slow pace at present. The **Indian textile** industry is aiming to export products worth \$40 to \$100 billion within 2027. These garment units are fast expanding in size and investments, to meet the bulk orders pouring in from various foreign countries in the west. The promotion of this industry through several government schemes has been the greatest in the last three decades. The apparel industry is progressing fast with the manufacturing of more varieties of products. This textile business is also spreading in more countries across the world, leading to more earning of foreign exchange.

The technical matters of the textile industry have improved a lot in recent years. However, the **Indian textile** industry still needs to progress in the research and development of designs. The quality of raw materials also needs to be upgraded for the production of the best quality garments. Now, the textile industry contributes 5% to the GDP from domestic trade and 7% from exports. However, these values are expected to increase this year, making this industry one of the leaders in the Indian economy.

#### 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\$ 3.74 billion during April 2000 to March 2021.

### 3. OPPORTUNITIES AND THREATS

#### 3.1 Opportunities:

**Flexible Labour Market:** This sector in particular needs an abundance of manpower. However, in Asia, the cost of labour is very low. The labour rates in the textile industry show that the average hourly wage rates for Bangladesh, India, Pakistan, and Sri Lanka were respectively 0.23, 0.56, 0.49, and 0.39 USD.

**Worldwide Demand:** Clothing is one of the basic human needs. Everyone wants to have a good quality product for a cheaper price. That's where the textile industries come in. They offer decent clothes for a reasonable price. This is the main reason, they get many buyers.

# MARIS SPINNERS LIMITED

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**Involved Industries Increasing:** In modern society, many support industries are growing. These industries form a relationship of mutualism with the textile industry. Both parties are dependent on each other. These industries are bleaching, dyeing, finishing, embroidery, printing, etc.

**Strong backward linkage facilities:** This industry possesses strong backward linkage facilities. This has proven to be a great asset on multiple occasions. This causes this sector to improve more in its own way. Also, it provides the industry with some much-needed support.

**Presence of economic zones:** An economic zone is a type of facility that ensures that the buyer gets to buy many products with the least tax possible. This encourages buyers to buy more from this industry. This, as a result, allows the industry to make more sales and earn many profits.

## 3.2 Threats:

The Indian textile and apparel industry has been adversely impacted in the short to medium-term due to the ongoing Ukraine-Russia war, overall increase in commodity prices and un-precedented double digit inflation as being experienced in western countries, resulting in lower consumer spends on apparels and made ups. The sector is reeling under liquidity crisis due to cost pressure and related factors.

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 and yarn rates too.

Exports may get affected due to global sentiments, inflationary pressure and continued threat of COVID. Power shortage and Labour shortage (migration of labour force due to un-remitting threat of COVID) are major concerns, which could have major impact on operations of the industry.

Higher inflation, increase in borrowing cost, cost of Raw Material viz. cotton and price of finished product viz. yarn would have adverse impact on profit margin of the company.

## 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.

- Highly volatile cotton rate and the immediate impact on end products.

## 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 sources 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.

## **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 31.03.2022 was 317.

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

The total Revenue for the year 2021-22 was Rs. 17197.18 lakh with a profit of Rs. 2332.96 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 : 14.05.2022

**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.*

# MARIS SPINNERS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

Rs. in Lakh

Particulars	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2021
<b>Cash flow from Operating Activities</b>				
Profit before income tax from Continued Operations and including Acturial gain		2,332.96		922.63
<b>Adjustments for:</b>				
<b>Add:</b>				
Depreciation	435.18		421.76	
Loss on sale of Assets	4.09		-	
Financial Expenses	340.77		416.97	
Acturial gain	3.36		(19.28)	
<b>Less:</b>				
Interest Subsidy Received	-		-	
Interest received	19.66		12.42	
Profit on Sale of Asset	0.69		26.91	
		<b>763.04</b>		<b>780.11</b>
<b>Operating profit before working capital changes</b>		<b>3,096.00</b>		<b>1,702.74</b>
<b>Adjustments for changes in working capital</b>				
Decrease/(Increase) in Trade and other receivables	(194.77)		671.03	
Decrease/(Increase) in Other assets	178.01		(970.17)	
Decrease/(Increase) in Inventories	(1,079.04)		(1,094.79)	
Decrease/(Increase) in Short Term Loan and Advances	0.45		19.73	
Increase/(Decrease) in Trade and Other Payables	1,435.14		(323.15)	
Increase/(Decrease) in Other Current Liabilities	3,199.23		(81.36)	
Increase/(Decrease) in Short term Provisions	(48.23)		9.03	
Increase/(Decrease) in Short Term Borrowings	(1,741.47)		227.39	
<b>Operating activities before Tax</b>		<b>1,749.30</b>		<b>(1,542.30)</b>
Income Tax Paid During the year		565.00		100.00
<b>Net Cash flow from Operating activities</b>		<b>4,280.30</b>		<b>60.45</b>
<b>Cash Flows from Investing Activities</b>				
Purchase of Fixed Assets	(953.16)		(602.97)	
Sale of Investments	12.35		1.05	
Changes in other financial assets	(205.17)		-	
Sale of Fixed Assets			26.92	
Interest received	19.66		12.42	
Security Deposits received back	(9.69)		45.43	
Increase in Capital Work In Progress	(811.62)		(38.15)	
<b>Net Cash flow from Investing activities</b>		<b>(1,947.63)</b>		<b>(555.31)</b>
<b>Cash Flows from Financing Activities</b>				
Dividend paid (incl DDT)	(79.25)		-	
Borrowings availed and paid (Net)	1,056.22		401.51	
Financial Charges	(340.77)		(416.97)	
Decrease/(Increase) in Loans and advances				
Calls in arrears received /Shares Forfeited			0.25	
Share premium Received/Transfer to forfeiture			0.25	
<b>Net Cash flow from Financing activities</b>		<b>636.20</b>		<b>(14.96)</b>
<b>Net Increase in Cash and Cash Equivalents</b>		<b>2,968.87</b>		<b>(509.82)</b>
Cash and Cash Equivalents at the beginning of the year		(2,939.98)		(2,445.19)
<b>Cash and Cash Equivalents at the end of the year</b>		<b>28.90</b>		<b>(2,955.02)</b>

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 : 14.05.2022



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

S/N	PARTICULARS	UNIT I 31.03.2022	UNIT II 31.03.2022	TOTAL 31.03.2022	TOTAL 31.03.2021
<b>A Power and Fuel Consumption</b>					
1.	Electricity				
a.	Purchased				
	Unit	11931500	10910776	22842276	19496711
	Total Amount – Rs.	87711999	76703255	164415254	136234723
	Rate per Unit	7.35	7.03	7.20	6.99
b.	Own Generation through Diesel Generator				
	Unit	10665	71695	82360	128218
	Unit per litre Diesel	2.518	3.200	3.09	3.21
	Cost/Unit	29.84	29.12	29.21	22.84
2.	Coal	–	–	–	–
3.	Furnace Oil	–	–	–	–
4.	Others / Internal Generation	–	–	–	–
<b>B Consumption per Unit of Production</b>					
	(Standard if any - Nil)	–	–	–	–
	Products (with) details unit for Manufacture of cotton yarn.	–	–	–	–
	Electricity	5.36	4.67	5.01	5.07
	Furnace Oil	–	–	–	–
	Coal	–	–	–	–
	Others	–	–	–	–

By Order of the Board

Place : Chennai  
Date : 14.05.2022

**ANANDKUMAR RENGASWAMY**  
Managing Director

# MARIS SPINNERS LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2022

Rs. in Lakh

PARTICULARS	NOTE NO.	UNIT I	UNIT II	Total As at 31st March 2022	Total As at 31st March 2021
		As at 31st March 2022	As at 31st March 2022		
<b>ASSETS</b>					
<b>1. Non-current assets</b>					
(a) Property, Plant and Equipment	2	2,230.70	971.31	3,202.01	2,699.77
(b) Capital Work in Progress	2A	865.44	–	865.44	53.81
<b>(c) Financial Assets</b>					
(i) Investments	3	6.00	0.26	6.26	6.26
(ii) Other Financial Assets	4	474.99	41.64	516.63	301.77
(d) Deferred Tax Assets (Net)		–	–	–	–
<b>2. Current assets</b>					
(a) Inventories	5	2,801.81	1,924.40	4,726.22	3,647.17
<b>(b) Financial assets</b>					
(i) Trade Receivables	6	165.86	615.37	781.23	586.46
(ii) Cash and Bank Balances	7	23.16	5.74	28.90	63.04
(iii) Short Term Loans and Advances	8	26.11	0.06	26.17	26.62
(c) Other Current Assets	9	1,046.37	702.72	1,749.09	1,408.44
<b>Total Assets</b>		<b>7,640.44</b>	<b>4,261.50</b>	<b>11,901.94</b>	<b>8,793.34</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
(a) Equity Share Capital	10	429.52	362.96	792.48	806.09
(b) Other Equity	11	1,797.33	1,642.08	3,439.41	1,958.79
<b>Liabilities</b>					
<b>(1). Non-Current Liabilities</b>					
<b>(a) Financial liability</b>					
(i) Borrowings	12	1,683.26	388.94	2,072.20	1,015.98
(b) Deferred Tax Liability (Net)		116.35	8.08	124.43	37.15
<b>(2) Current Liabilities</b>					
<b>(a) Financial Liability</b>					
(i) Trade Payables	13	2,301.90	133.84	2,435.74	1,000.60
(ii) Borrowings					
Loans repayable on demand	14	569.59	706.99	1,276.58	3,018.05
(iii) Other Financial Liabilities	15	406.65	342.08	748.74	552.52
(b) Short Term Provisions	16	335.83	676.53	1,012.36	404.16
<b>Total</b>		<b>7,640.44</b>	<b>4,261.50</b>	<b>11,901.94</b>	<b>8,793.34</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 : 14.05.2022



## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2022

Rs. in Lakh

PARTICULARS	NOTE NO.	UNIT I	UNIT II	Total as at 31st March 2022	Total as at 31st March 2021
		As at 31st Mar' 2022	As at 31st Mar' 2022		
<b>Income</b>					
Revenue from Operations	17	7,867.91	9,172.56	17,040.47	10,602.47
Other Income	18	151.15	5.55	156.71	262.31
<b>Total Revenue</b>		<b>8,019.07</b>	<b>9,178.11</b>	<b>17,197.18</b>	<b>10,864.78</b>
<b>Expenses:</b>					
Cost of Materials Consumed	19	4,654.26	5,646.78	10,301.04	5,930.07
Purchases of Stock-in-Trade					
Changes in Inventories of finished goods, work-in-progress and Stock-in-Trade	20	(476.96)	(85.63)	(562.59)	63.67
Employee Benefit Expenses	21	740.99	390.54	1,131.53	883.66
Finance Cost	22	198.21	142.56	340.77	416.97
<b>Other Expenses</b>	23	1,768.73	1,449.56	3,218.29	2,226.02
Depreciation and Amortisation Expenses	2	248.82	186.36	435.18	421.76
<b>Total Expenses</b>		<b>7,134.06</b>	<b>7,730.16</b>	<b>14,864.22</b>	<b>9,942.15</b>
<b>Profit before Tax</b>		<b>885.01</b>	<b>1,447.95</b>	<b>2,332.96</b>	<b>922.63</b>
<b>Less: Tax Expense</b>					
Current Tax		212.37	444.07	656.44	158.35
Deferred Tax Expenses/(Savings)		93.74	(6.46)	87.28	95.74
MAT Credit Entitlement		44.52	1.82	46.35	(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		(0.37)	3.73	3.36	(19.28)
Total comprehensive Income for the year					
<b>Profit (Loss) for the Period</b>		<b>533.99</b>	<b>1,012.25</b>	<b>1,546.25</b>	<b>656.94</b>
<b>Weighted Average Number of Shares</b>		42.95	36.30	79.25	81.72
<b>Earnings per Equity Share - Basic and Diluted (Rs.)</b>		<b>12.43</b>	<b>27.89</b>	<b>19.51</b>	<b>8.04</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  
Wholtime Director and  
Chief Financial Officer

N SRIDHARAN  
Company Secretary  
and Compliance Officer

VIJAYAKUMAR JANADRI  
Chartered Accountant  
(Membership No. 222127)

Place : Chennai  
Date : 14.05.2022



# MARIS SPINNERS LIMITED

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

Rs. In lakh

	As at 31.03.2022	As at 31.03.2021
<b>A. EQUITY SHARE CAPITAL</b>		
Balance at the beginning of the year	806.09	806.09
Changes in Equity Share Capital during the year	-	-
Shares forfeited- 247600 shares at Rs. 10/- each less call money of Rs. 5.50 paid partially	13.62	-
Balance at the end of the year	792.48	806.09

### B. OTHER EQUITY

Particulars	Central Subsidy	Generator Subsidy	General Reserve	Windmill Subsidy	Securities Premium	Retained Earnings	Other Comprehensive Income
Balance as on 1st April 2019	15.00	8.45	21.81	13.50	387.72	1,158.60	11.41
- Premium due on shares	-	-	-	-	-11.39	-	-
Remeasurement of Defined Benefit Plans (net of tax)	-	-	-	-	-	-	-
Profit for the year after tax	-	-	-	-	-	-215.08	8.32
Dividend paid	-	-	-	-	-	-80.46	-
Dividend Distribution tax	-	-	-	-	-	-16.28	-
Balance as at 31st March 2020	15.00	8.45	21.81	13.50	376.33	846.78	19.73
Balance as at 01.04.2020	15.00	8.45	21.81	13.50	387.72	846.78	19.73
- Premium due on shares	-	-	-	-	-11.14	-	-
Remeasurement of Defined Benefit Plans (net of tax)	-	-	-	-	-	-	-
Profit for the year after tax	-	-	-	-	-	676.23	-19.28
Dividend paid	-	-	-	-	-	-	-
Dividend Distribution tax	-	-	-	-	-	-	-
Balance as at 31st March 2021	15.00	8.45	21.81	13.50	376.58	1,523.01	0.45
Balance as at 01.04.2021	15.00	8.45	21.81	13.50	376.58	1,523.01	0.45
Less: Forfeited CRR	-	-	-	-	-13.62	-	-
Remeasurement of Defined Benefit Plans (net of tax)	-	-	-	-	27.24	-	-
Profit for the year after tax	-	-	-	-	-	1,542.89	3.36
Less: Dividend paid	-	-	-	-	-	9.25	-
Dividend Distribution tax	-	-	-	-	-	-	-
Dividend Paid during the year	-	-	-	-	-	-	-
Balance as at 31st March 2022	15.00	8.45	21.81	13.50	390.20	2,986.65	3.81

See accompanying Notes to Financial Statements

Vide our report of even date attached

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 : 14.05.2022



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## Summary of significant account policies and other explanatory information

### Note - 1: Significant Accounting Policies

#### 1. Corporate Information

Maris Spinners Limited is a Company which is registered under the Companies Act, 2013 and is domiciled in India. The Registered Office of the Company is situated at No. 11, Cathedral Road, Chennai - 600086. The Company is engaged in the business of manufacture and sale of 100% Cotton Yarn. The Company's factories are situated at Kattemalalavadi Village, Hunsur Taluk, Mysore Dt, Karnataka and Mannaparai, Trichy District, Tamilnadu.

#### 2. 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, 2022 were prepared in accordance with the Companies (Accounting Standards) Rules 2015, notified under section 133 of the Act and other provisions of the Act.

#### 3. 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, 2022 have been prepared in accordance with Ind AS notified.

#### 4. Functional and presentation currency:

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

#### 5. 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.

#### 6. 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.

#### 7. 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."

# MARIS SPINNERS LIMITED

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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, 2022 are disclosed in financial statement wherever necessary:

**8. 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.



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**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;

# MARIS SPINNERS LIMITED

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- 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:

- 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.

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 irrecoverably 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 effects 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.



# MARIS SPINNERS LIMITED

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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

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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 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 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 owners 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 PROPERTY, PLANT AND EQUIPMENT (UNIT D) FORMING PART OF BALANCE SHEET**      **Rs. In Lakh**

DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK		
	COST AS ON 01.04.2021	ADDITIONS 2021-22	DELETIONS 2021-22	TOTAL COST 31.03.2022	AS ON 01.04.2021	WITHDRAWN 2021-22	FOR THE YEAR	AS AT 31.03.2022	AS AT 31.03.2021
LAND	39.13	-	-	39.13	-	-	-	39.13	39.13
BUILDINGS	1,098.72	5.34	-	1,104.06	407.33	-	39.93	656.79	691.39
BOREWELL	1.77	-	-	1.77	1.59	-	0.03	0.15	0.18
PLANT & MACHINERY	5,093.58	770.24	3.10	5,860.71	4,861.70	-	120.79	876.22	231.88
TRANSFORMER	88.20	-	-	88.20	71.86	-	8.17	8.17	16.33
ELECTRICAL INSTALLATION	405.72	37.37	-	443.10	384.28	-	10.90	47.91	21.44
TOOLS & EQUIPMENTS	79.84	0.43	-	80.27	48.02	-	5.07	27.18	31.82
OFFICE EQUIPMENTS	36.99	0.79	-	37.77	32.20	-	1.69	3.88	4.78
VEHICLES	180.45	21.16	12.59	189.02	141.84	10.94	7.89	50.23	38.62
FURNITURES & FIXTURES	37.68	1.90	-	39.58	30.39	-	1.73	7.46	7.29
COMPUTERS	41.50	2.34	-	43.84	39.57	-	1.71	2.56	1.93
WIND MILL	1,088.88	-	-	1,088.88	528.95	-	50.90	509.02	559.93
<b>TOTAL</b>	<b>8,192.45</b>	<b>839.56</b>	<b>15.69</b>	<b>9,016.32</b>	<b>6,547.74</b>	<b>10.94</b>	<b>248.82</b>	<b>2,230.70</b>	<b>1,644.71</b>

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**NOTE NO. 2**  
**STATEMENT OF PROPERTY, PLANT AND EQUIPMENT (UNIT ID) FORMING PART OF BALANCE SHEET** Rs. In Lakh

DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK		
	COST AS ON 01.04.2021	ADDITIONS 2021+22	DELETIONS 2021+22	TOTAL COST 31.03.2022	AS ON 01.04.2021	WITHDRAWN 2021+22	FOR THE YEAR	AS AT 31.03.2022	AS AT 31.03.2021
LAND	13.24	-	-	13.24	-	-	-	13.24	13.24
BUILDINGS	575.88	-	-	575.88	461.24	-	21.67	482.91	114.63
PLANT & MACHINERY	3,619.25	61.93	14.09	3,667.10	2,787.65	10.00	141.38	2,919.04	831.60
COMPRESSOR	33.67	-	-	33.67	27.11	-	1.09	28.21	6.56
ELECTRICAL INSTALLATIONS	307.86	-	-	307.86	239.41	-	11.81	251.22	68.46
TOOLS & EQUIPMENTS	11.45	-	-	11.45	10.36	-	0.10	10.46	1.09
FURNITURES & FIXTURES	4.62	-	-	4.62	4.62	-	-	4.62	-
VEHICLES	68.38	54.76	7.14	116.01	49.40	7.14	10.23	52.50	18.98
OFFICE EQUIPMENTS	5.98	-	-	5.98	5.72	-	0.04	5.76	0.26
BOREWELL	1.96	-	-	1.96	1.96	-	-	1.96	-
COMPUTERS	9.47	-	-	9.47	9.22	-	0.03	9.25	0.25
<b>TOTAL</b>	<b>4,651.78</b>	<b>116.69</b>	<b>21.22</b>	<b>4,747.25</b>	<b>3,596.72</b>	<b>17.14</b>	<b>186.36</b>	<b>3,765.94</b>	<b>1,055.06</b>



### Capital Work in Progress – 2A

			Rs. In lakh
	Property, Plant and Equipment		Total
As at March 31, 2021	53.81	–	53.81
– Additions (subsequent expenditure)	1,684.91	–	1,684.91
– Capitalised during the year	-873.29	–	-873.29
– Transferred to inventory during the year	–	–	–
As at March 31, 2022	865.44	–	865.44

### CWIP Ageing Schedule

	Rs. In lakh	
Particulars	31.03.2022	31.03.2021
< 1 Years	811.62	53.81
1 – 2 Years	53.81	–
2 – 3 Years	–	–
More than 3 Years	–	–
Total	865.44	53.81

#### Note:

1. The expansion and modernisation project is current under process and expected to get completed by end of Q2 – 2022-23.
2. There are no suspended or abandoned project

# MARIS SPINNERS LIMITED

Rs. in Lakh

Particulars	Unit I	Unit II	Total	Total
	As at 31st March 2022	As at 31st March 2022	As at 31st March 2022	As at 31st March 2021
<b>Note - 3 - Non Current Investments</b>				
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
	<b>6.00</b>	<b>0.26</b>	<b>6.26</b>	<b>6.26</b>
<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	0.78
Deposit - BESCO	44.53	–	44.53	44.53
Deposit - TNEB	–	25.00	25.00	24.39
Deposit - Sales Tax	0.25	11.06	11.31	11.31
Deposit - Others	0.93	0.67	1.60	5.20
Deposit - Power	10.11	–	10.11	0.41
Deposit - Windmill	2.97	–	2.97	–
<b>Other Financial Asset</b>				
Interest Subsidy Receivable TUF Loan	210.44	–	210.44	210.44
Inland L/c Margin	205.17	–	205.17	–
<b>Total</b>	<b>474.99</b>	<b>41.64</b>	<b>516.63</b>	<b>301.77</b>
<b>Note - 5 - Inventories</b>				
Finished Goods	512.27	85.97	598.23	178.65
Raw Materials	2,003.14	1,667.32	3,670.45	3,173.91
Stock in Process	161.07	137.92	298.99	162.49
Stores & Spares	118.65	31.25	149.90	125.49
Waste Cotton and yarn	6.69	1.95	8.64	6.64
<b>Total</b>	<b>2,801.81</b>	<b>1,924.40</b>	<b>4,726.22</b>	<b>3,647.17</b>
<b>Note - 6 - Trade Receivables</b>				
A. Secured	–	–	–	–
B. Unsecured, considered good				
(a) Outstanding for a period exceeding six months	10.00	–	10.00	12.37
(b) Others	155.86	615.37	771.23	574.09
<b>Total</b>	<b>165.86</b>	<b>615.37</b>	<b>781.23</b>	<b>586.46</b>

Particulars	March 31, 2022 Rs.	March 31, 2021 Rs.	March 31, 2020 Rs.
<b>Trade Receivables</b>			
<u>Unsecured, considered good</u>			
Trade Receivables	781.23	586.46	1,257.48
Trade Receivables Related Parties	–	–	–
	<b>781.23</b>	<b>586.46</b>	<b>1,257.48</b>

**Trade Receivable Ageing Schedule:**

Particulars	Outstanding for the following periods from due date of payment					
	<6 months	6 months - 1 year	1-2 years	2-3 years	>3 years	Total
<b>31.03.2022</b>						
1. Undisputed Trade receivable – Considered good	771.23	–	–	–	–	771.23
2. Undisputed Trade receivable – Credit impaired	–	–	–	–	–	–
3. Undisputed Trade receivable – Related Party	–	–	–	–	–	–
4. Disputed Trade receivable – Considered good	–	–	–	–	10.00	10.00
5. Disputed Trade receivable – Credit impaired	–	–	–	–	–	–
<b>Total</b>	<b>771.23</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>10.00</b>	<b>781.23</b>
<b>31.03.2021</b>						
1. Undisputed Trade receivable – Considered good	574.09	–	–	–	–	574.09
2. Undisputed Trade receivable – Credit impaired	–	–	–	–	–	–
3. Undisputed Trade receivable – Related Party	–	–	–	–	–	–
4. Disputed Trade receivable – Considered good	–	–	–	–	12.37	12.37
5. Disputed Trade receivable – Credit impaired	–	–	–	–	–	–
<b>Total</b>	<b>574.09</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>12.37</b>	<b>586.46</b>
<b>31.03.2020</b>						
1. Undisputed Trade receivable – Considered good	1,244.99	–	–	–	–	1,244.99
2. Undisputed Trade receivable – Credit impaired	–	–	–	–	–	–
3. Undisputed Trade receivable – Related Party	–	–	–	–	–	–
4. Disputed Trade receivable – Considered good	–	–	–	–	12.49	12.49
5. Disputed Trade receivable – Credit impaired	–	–	–	–	–	–
<b>Total</b>	<b>1,244.99</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>12.49</b>	<b>1,257.48</b>



# MARIS SPINNERS LIMITED

Rs. in Lakh

Particulars	Unit I	Unit II	Total	Total
	As at 31st March 2022	As at 31st March 2022	As at 31st March 2022	As at 31st March 2021
<b>Note - 7 - Cash and Bank Balances</b>				
<b>Cash and cash equivalents</b>				
Indian Overseas Bank - Manapparai	–	0.05	0.05	0.07
Karur Vysya Bank - Chennai	–	0.09	0.09	0.09
Karur Vysya Bank - Manapparai	–	0.28	0.28	0.16
Karur Vysya Bank - Trichy	–	–	–	0.10
State Bank Of India - Manapparai	–	–	–	0.43
Indian Overseas Bank - Hunsur	0.19	–	0.19	3.51
State Bank Of India - Hunsur	–	–	–	0.42
The Karur Vysya Bank Limited, Chennai	0.55	–	0.55	37.51
The KVB-CA	0.10	–	0.10	0.37
HDFC Bank Ltd - Mylapore	1.32	–	1.32	1.04
Deposit	–	0.05	0.05	–
Balances with banks in unpaid dividend Accounts	13.57	–	13.57	–
<b>Cash in Hand</b>				–
Chennai	4.68	–	4.68	3.50
Kattemalalavadi	2.75	–	2.75	8.24
Manapparai	–	5.28	5.28	7.57
<b>Total</b>	<b>23.16</b>	<b>5.74</b>	<b>28.90</b>	<b>63.04</b>
<b>Note - 8 - Short Term Loans and Advances</b>				
Unsecured - considered good Loans & Advances	26.11	0.06	26.17	26.62
<b>Total</b>	<b>26.11</b>	<b>0.06</b>	<b>26.17</b>	<b>26.62</b>
<b>Note - 9 - Other Current Assets</b>				
Advance Paid - Capital Goods	586.69	–	586.69	156.88
Advance Paid - Stores and Spares	69.03	15.03	84.06	793.15
Duties & Taxes	318.72	688.38	1,007.10	386.46
Prepaid Expenses	45.58	18.02	63.60	70.72
Margin on Bills	1.69	–	1.69	0.90
Others	0.18	5.76	5.95	0.33
Inter Unit Balance	24.47	(24.48)	(0.00)	(0.00)
<b>Total</b>	<b>1,046.37</b>	<b>702.72</b>	<b>1,749.09</b>	<b>1,408.44</b>



## 10. Share Capital

Rs. in Lakh

	March 31, 2022 Rs.	March 31, 2021 Rs.
<b>Authorised Share Capital</b> 99,50,000 Equity Shares of Rs.10/- each 50,000 Preference Shares of Rs. 10/- each	995.00 5.00	995.00 5.00
	1,000.00	1,000.00
<b>Issued share capital</b> 82,95,160 Equity Shares of Rs. 10/- each	829.52	829.52
<b>Total Issued share capital</b>	<b>829.52</b>	<b>829.52</b>
<b>Subscribed Share Capital</b> 81,72,360 Equity Shares of Rs. 10/- each	817.24	817.24
<b>Total Subscribed Share Capital</b>	<b>817.24</b>	<b>817.24</b>

	31.03.2022			31.03.2021		
	Unit I	Unit II	Total	Unit I	Unit II	Total
<b>Paid up Share Capital</b> 42,95,160 Equity Shares of Rs. 10/- each 38,77,200 Equity Shares of Rs. 10/- each Less : Calls in arrears/Forfeited	–	–	–	429.52	–	429.52
	–	–	–	–	387.72	–
	–	–	–	–	-11.14	376.58
<b>Total</b>	–	–	–	<b>429.52</b>	<b>376.58</b>	<b>806.09</b>
42,95,160 Equity Shares of Rs. 10/- each 38,77,200 Equity Shares of Rs. 10/- each Less : Shares Forfeited - 247600 Equity Shares	429.52	387.72	429.52	–	–	–
		-24.76	362.96			
<b>Total paid up Share Capital</b>	<b>429.52</b>	<b>362.96</b>	<b>792.48</b>	–	–	–
<b>Shares Forfeited during the year</b> 247600 equity shares at Rs. 10/- forfeited at the Board of Directors meeting held on 9th June 2021	–	24.76	24.76			
<b>Total Forfeited Shares</b>		<b>24.76</b>	<b>24.76</b>			

### (a) Reconciliation of the Shares Outstanding at the Beginning and at the End of the Reporting Period

	March 31, 2022		March 31, 2021	
	No. of shares	Rs.	No. of shares	Rs.
<b>Equity Shares</b> At the beginning of the year	81,72,360	806.09	81,72,360	806.09
Less: Shares Forfeited net of call money received Transferred	2,47,600	13.62	–	–
<b>Balance at the end of the year</b>	<b>79,24,760</b>	<b>792.48</b>	<b>81,72,360</b>	<b>806.09</b>

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## (b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity is entitled to one vote per share. During the period ended March 31, 2022, the amount of per share dividend recognized as distributions to equity shareholders was Rs. 1/- (March 31, 2021: Rs. 1/-).

In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## (c) Details of shareholders holding more than 5% shares in the company:

	March 31, 2022		March 31, 2021	
	No of shares	% holding	No of shares	% holding
<b>Equity shares of Rs.10 each fully paid</b>				
Anand Kumar Rengaswamy	1641720	20.72%	1641720	20.09%
Anand Kumar Rengaswamy - HUF	999860	12.62%	999860	12.23%
T Raghuraman	700040	8.83%	700040	8.57%
Jayaram Karthik Narayan	676615	8.54%	676615	8.28%
T Jayaraman	448525	5.66%	448525	5.49%
T Raghuraman - HUF	445100	5.62%	445100	5.45%

## (d) Details of Promoters share holding in the Company:

	April 01, 2021		Changes during the year		March 31, 2022	
	No of shares	% holding	No of shares	% holding	No of shares	% holding
<b>Equity shares of Rs.10 each fully paid</b>						
<b>Promoters</b>						
Mr. Anandkumar Rengaswamy	1641720	20.09%	–	–	1641720	20.72%
Mr. Anandkumar Rengaswamy – HUF	999860	12.23%	–	–	999860	12.62%
Mr. T Jayaraman	448525	5.49%	–	–	448525	5.66%
Mr. T Jayaraman– HUF	0	0.00%	–	–	0	0.00%
Mr. T Raghuraman	700040	8.57%	–	–	700040	8.83%
Mr. T Raghuraman– HUF	445100	5.45%	–	–	445100	5.62%
Mr. Jayaraman Karthik Narayan	676615	8.28%	–	–	676615	8.54%
Mr. G Ravindran – HUF	249600	3.05%	–	–	249600	3.15%
Mrs. Geethanjali S	224050	2.74%	–	–	224050	2.83%
Mrs. Kamala T	152250	1.86%	–	–	152250	1.92%
Mrs. Krithya Jayaraman	20000	0.24%	–	–	20000	0.25%
<b>Promoter Group</b>						
Maris Hotels & Theatres Private Limited	325000	3.98%	–	–	325000	4.10%
	<b>58,82,760</b>	<b>71.98%</b>	–	–	<b>58,82,760</b>	<b>74.24%</b>



	April 01, 2020		Changes during the year		March 31, 2021	
	No of shares	% holding	No of shares	% holding	No of shares	% holding
<b>Equity shares of Rs.10 each fully paid</b>						
Mr. Anandkumar Rengaswamy	1641720	20.09%	–	–	1641720	20.09%
Mr. Anandkumar Rengaswamy – HUF	999860	12.23%	–	–	999860	12.23%
Mr. T Jayaraman	448525	5.49%	–	–	448525	5.49%
Mr. T Jayaraman– HUF	0	0.00%	–	–	0	0.00%
Mr. T Raghuraman	700040	8.57%	–	–	700040	8.57%
Mr. T Raghuraman– HUF	445100	5.45%	–	–	445100	5.45%
Mr. Jayaraman Karthik Narayan	676615	8.28%	–	–	676615	8.28%
Mr. G Ravindran – HUF	249600	3.05%	–	–	249600	3.05%
Mrs. Geethanjali S	224050	2.74%	–	–	224050	2.74%
Mrs. Kamala T	152250	1.86%	–	–	152250	1.86%
Mrs. Krithya Jayaraman	20000	0.24%	–	–	20000	0.24%
<b>Promoter Group</b>						
Maris Hotels & Theatres Private Limited	325000	3.98%			325000	3.98%
	<b>58,82,760</b>	<b>71.98%</b>	–	–	<b>58,82,760</b>	<b>71.98%</b>

As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

# MARIS SPINNERS LIMITED

Rs. in Lakh

Particulars	March 31, 2022 Rs.	March 31, 2021 Rs.	March 31, 2020 Rs.
<b>Note - 11 - Other Equity</b>			
<b>General Reserve</b>			
Balance at the beginning of the year	21.81	21.81	21.81
Less: Amount transferred to subsidiaries due to Scheme of Arrangement			
Add: Amount transferred from surplus in the statement of profit and loss	-	-	-
<b>Balance at the end of the year</b>	<b>21.81</b>	<b>21.81</b>	<b>21.81</b>
<b>Central and other subsidy</b>			
Balance at the beginning of the year	36.95	36.95	36.95
Less: Amount transferred to subsidiaries due to Scheme of Arrangement			
Add: Amount transferred from surplus in the statement of profit and loss	-	-	-
<b>Balance at the end of the year</b>	<b>36.95</b>	<b>36.95</b>	<b>36.95</b>
<b>Securities Premium Account</b>			
Gross Amount	387.72	387.72	387.72
Less: Premium due on shares at Rs. 5/- per share	11.14	11.14	11.39
Add: Current year transfer	-	-	-
Less: Forfeited	13.62	-	-
CRR	27.24	-	-
<b>Balance at the end of the year</b>	<b>390.20</b>	<b>376.58</b>	<b>376.33</b>
General reserve represents appropriation of profit.			
<b>Retained Earnings</b>			
Balance at the beginning of the year	1,523.46	866.51	1,161.69
Profit/(Loss) for the year (Excluding OCI)	1,542.89	676.24	-206.76
OCI	3.36	-19.29	8.32
Less: Appropriations			
Dividend paid	79.25	-	80.46
Dividend Distribution tax			16.28
Net surplus in the statement of profit and loss account			
Balance at the end of the year	2,990.46	1,523.46	866.51
<b>Total Other Equity</b>	<b>3,439.41</b>	<b>1,958.79</b>	<b>1,301.59</b>



**Note - 12 - Borrowings**

**Rs. in Lakh**

	Effective Interest Rate	Maturity	March 31, 2022 Rs.	March 31, 2021 Rs.	March 31, 2020 Rs.
<b>Non-Current Borrowings</b>					
<b>Term loan from Banks (Secured)</b>					
i. Indian Overseas Bank, Cathedral Branch - Term Loan	7.85-11.50%	2021-22	–	38.58	58.32
ii. Indian Overseas Bank, Cathedral Branch - ECGL 1	7.85-11.50%	2021-25	165.04	211.20	–
iii. Indian Overseas Bank, Cathedral Branch - ECGL 2	7.85-11.50%	2021-27	280.00	–	–
iv. Indian Overseas Bank, Cathedral Branch - Term Loan	7.85-11.50%	2021-28	1,230.75	–	–
v. Indian Overseas Bank, Cathedral Branch - Car Loan	7.85-11.50%	2021-24	7.47	–	–
vi. HDFC Bank Ltd - Car Loan	7.85-11.50%	2022	–	2.03	6.48
vii. Karur Vysya Bank Ltd., Cantonment, Trichy - Term Loan 4	7.85-11.50%	2022-23	–	27.43	115.39
viii. Karur Vysya Bank Ltd., Cantonment, Trichy - Term Loan 5	7.85-11.50%	2023-24	52.41	178.23	44.53
ix. Karur Vysya Bank Ltd., Cantonment, Trichy - GECL 1	7.85-11.50%	2021-25	98.69	153.31	–
x. Karur Vysya Bank Ltd., Cantonment, Trichy - GECL 2	7.85-11.50%	2021-27	148.50	–	–
xi. Karur Vysya Bank Ltd., Cantonment, Trichy - Term Loan 7	7.85-11.50%	2024-25	39.34	15.44	–
<b>Unsecured Loans</b>					
1. Loans from Related Parties Mr. T Raghuraman - Director			50.00	50.00	50.00
ii. From Intercompany Deposits					
i. Eternal Enterprises P Ltd				158.75	158.75
ii. Southern India Depository Services P Ltd				145.00	145.00
iii. A A Foods Pvt Ltd				36.00	36.00
<b>Total Non-Current Borrowings</b>			<b>2,072.20</b>	<b>1,015.98</b>	<b>614.47</b>

**Note 1** - Indian Overseas Bank Ltd., secured by exclusive first charge on land and building constructed out of term loan availed for construction of staff quarters at Hunsur.

Term Loan repayment : 84 monthly instalments of Rs. 1.46 lakh per month

Security: Common collateral security for working capital limits and term loans availed from Indian Overseas Bank

**Personal Guarantee of promoter Directors**

**Note 2** - To meet working capital requirement as guaranteed by the Government of India, due to Covid 19 pandemic availed from Indian Overseas Bank

Terms of Repayment - One year moratorium and 3 year repayment - 36 monthly instalments of Rs. 10,00,551/- per month starting from November 2021.

**Note 3** - To meet working capital requirement as guaranteed by the Government of India, due to Covid 19 pandemic availed under extended scheme for Indian Overseas Bank

Terms of Repayment - Two year moratorium and 3 year repayment - 36 monthly instalments of Rs.7,77,778/- per month starting from December 2024.

# MARIS SPINNERS LIMITED

**Note 4** - Term loan availed for purchase of machinery and construction of factory building for expansion/modernisation at Unit I - Hunsur from Indian Overseas Bank

Terms of Repayment - 84 monthly instalments of Rs.24,40,476/- per month starting from November 2022.

**Note 5** - Term loan availed for purchase of Car from Indian Overseas Bank

Terms of Repayment - 36 monthly instalments of Rs.46694/- per month starting from November 2021.

**Note 6** - Term loan availed for purchase of Car from HDFC Bank Ltd.,

Terms of Repayment - 36 monthly instalments of Rs.41847/- per month starting from Sept 2019

**Note 7** - Term Loan for purchase of machinery at Unit II for Karur Vysya Bank Ltd.,

(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)

**Note 8** - Term Loan for purchase of machinery at Unit II for Karur Vysya Bank Ltd.,

(43 Monthly Installments of Rs. 10,48,432/-)

(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)

**Note 9** - To meet working capital requirement as guaranteed by the Government of India, due to Covid 19 pandemic availed from Karur Vysya Bank Ltd.

Terms of Repayment - One year moratorium and three year repayment - 36 monthly instalments of Rs. 5,84,574/- per month starting from November 2021.

**Note 10** - To meet working capital requirement as guaranteed by the Government of India, due to Covid 19 pandemic availed from Karur Vysya Bank Ltd.

Terms of Repayment - Two year moratorium and three year repayment - 36 monthly instalments of Rs.5,50,000/- per month starting from December 2024.

**Note 11** - Term Loan for purchase of machinery at Unit II for Karur Vysya Bank Ltd.,

Terms of Repayment - 43 monthly installments of Rs.2,18,538/-

## Note - 13 - Trade Payables

Rs. in Lakh

Particulars	Unit I	Unit II	Total	Total
	As at 31st March 2022	As at 31st March 2022	As at 31st March 2022	As at 31st March 2021
<b>Trade payables for</b>				
Capital Goods	12.61	-	12.61	1.98
Raw Material	2,100.69	1.00	2,101.68	710.66
Stores & Spares	30.12	28.10	58.22	51.89
Expenses	127.08	86.49	213.57	183.54
Yarn Sales Commission	31.40	18.26	49.66	52.53
<b>Total</b>	<b>2,301.90</b>	<b>133.84</b>	<b>2,435.74</b>	<b>1,000.60</b>



Particulars	March 31, 2022 Rs.	March 31, 2021 Rs.	March 31, 2020 Rs.
<b>Trade Payable</b>			
- Total outstanding dues of micro and small enterprises	513.75	4.42	0.02
- Total outstanding dues of creditors other than micro and small enterprises	1,910.83	988.98	1,316.14
Payable to related Parties	11.16	7.20	7.59
	<b>2,435.74</b>	<b>1,000.60</b>	<b>1,323.75</b>

**Trade Payable Ageing Schedule:**

Particulars	Outstanding for the following periods from due date of payment					
	<6 months	6 months - 1 year	1-2 years	2-3 years	>3 years	Total
<b>As at 31-03-2022</b>						
1. Undisputed dues - MSME	513.75					513.75
2. Undisputed dues - Others	1,910.83	-	-	-	-	1,910.83
3. Payable to related parties	11.16	-	-	-	-	11.16
4. Disputed dues - MSME						-
5. Disputed dues - Others						-
<b>Total</b>	<b>2,435.74</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,435.74</b>
<b>As at 31-03-2021</b>						
1. Undisputed dues - MSME	4.42	-	-	-	-	4.42
2. Undisputed dues - Others	988.98	-	-	-	-	988.98
3. Payable to related parties	7.20	-	-	-	-	7.20
4. Disputed dues - MSME	-	-	-	-	-	-
5. Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>1,000.60</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,000.60</b>
<b>As at 31-03-2020</b>						
1. Undisputed dues - MSME	0.02	-	-	-	-	0.02
2. Undisputed dues - Others	1,316.14	-	-	-	-	1,316.14
3. Payable to related parties	7.59	-	-	-	-	7.59
4. Disputed dues - MSME	-	-	-	-	-	-
5. Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>1,323.75</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,323.75</b>

**Details of dues to micro and small enterprises as defined under the MSMED Act, 2006**

	March 31, 2022 Rs.	March 31, 2021 Rs.
The principal amount remaining unpaid to any Supplier*	513.75	4.42
The amount of interest due and remaining unpaid to any supplier	-	-
The amount of interest paid by the Company along with the amount of the payments made to the supplier beyond the appointed day.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year).	-	-
The amount of interest accrued and remaining unpaid at the end of the year.	-	-
The amount of further interest remaining due and payable for the earlier years.	-	-
	<b>513.75</b>	<b>4.42</b>

Note: 1) The above information is furnished based on the information available with the Company.

2) The principal amount mentioned above represents dues where 45 days has not expired from date of acceptance as on 31-Mar-22



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## Note - 14 - Short Term Borrowings

Rs. in Lakh

Particulars	Unit I	Unit II	Total	Total
	As at 31st March 2022	As at 31st March 2022	As at 31st March 2022	As at 31st March 2021
<b>(a) Loan Repayable on Demand:</b>				
<b>(i) From Banks</b>				
<b>Secured:</b>				
<b>Open Cash Credit</b>				
Indian Overseas Bank, Chennai	555.34	–	555.34	1,993.23
Indian Overseas Bank, KM Vadi	14.25	–	14.25	18.84
<b>Bank OD</b>				
Indian Overseas Bank-OD	–	–	–	125.60
<b>All the above loans are secured by:</b>				
(Stocks of raw material, 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				
<b>Open Cash Credit</b>				
Karur Vysya Bank	–	–	–	449.99
<b>Working Capital Term Loan</b>				
Karur Vysya Bank	–	706.99	706.99	430.39
Terms of Repayment - Repayment on Demand				–
<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 Manaparai, Tamilnadu under Pari Passu basis along with Indian Overseas Bank				
The company has not defaulted in repayment of Principal and Interest on above said loans				
<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				
<b>Total (a)</b>	<b>569.59</b>	<b>706.99</b>	<b>1,276.58</b>	<b>3,018.05</b>

Rs. in Lakh

Particulars	Unit I	Unit II	Total	Total
	As at 31st March 2022	As at 31st March 2022	As at 31st March 2022	As at 31st March 2021
<b>Note - 15 - Other Financial Liabilities</b>				
Advance Received from Customers	113.57	0.07	113.64	116.19
Duties and Taxes	41.80	66.35	108.15	51.25
Other Liabilities	1.40	14.77	16.17	14.98
Current Maturities of Long term Borrowings	236.32	260.89	497.21	370.10
Unpaid Dividend	13.57	–	13.57	–
<b>Total</b>	<b>406.65</b>	<b>342.08</b>	<b>748.74</b>	<b>552.52</b>
<b>Note - 16 - Short Term Provisions</b>				
<b>(a) Provision For Employee Benefits</b>	20.22	63.81	84.03	118.81
<b>(b) Others</b>				
Provision for taxation	315.61	612.24	927.85	271.41
Provision for Scheme Batch Lumpsum Payable	–	0.48	0.48	13.93
<b>Total</b>	<b>335.83</b>	<b>676.53</b>	<b>1,012.36</b>	<b>404.16</b>
<b>Note - 17 - Revenue From Operations</b>				
<b>a) Sale of Products</b>				
Yarn Sales - Domestic	7,666.15	8,644.28	16,310.44	10,240.65
Cotton Sales - Domestic	82.32	–	82.32	–
<b>b) Other Operating Revenues</b>				
Packing Income	–	7.52	7.52	4.98
Waste Cotton Sales	104.35	508.06	612.41	348.59
Waste Yarn Sales		9.67	9.67	5.04
Waste Oil Sales	0.01	–	0.01	0.09
Scrap Sales	15.08	3.03	18.11	3.12
Sales - Service		–	–	
<b>Total</b>	<b>7,867.91</b>	<b>9,172.56</b>	<b>17,040.47</b>	<b>10,602.47</b>

# MARIS SPINNERS LIMITED

Rs. in Lakh

Particulars	Unit I	Unit II	Total	Total
	As at 31st March 2022	As at 31st March 2022	As at 31st March 2022	As at 31st March 2021
<b>Note - 18 - Other Income</b>				
<b>Other Incomes</b>				
Wind Generation	124.99	–	124.99	216.97
Interest - Others	15.74	0.70	16.44	4.95
Interest on FD-Banks	3.22	–	3.22	7.47
Sales - Employee Token Sales	3.24	–	3.24	2.20
Solar Power	3.51	–	3.51	3.76
Profit on Sale of Assets	0.44	0.25	0.69	26.91
Share of profit from LLP	–	0.02	0.02	0.00
Insurance claim	–	4.59	4.59	–
Sundry Creditors Written Back	–	–	–	0.04
<b>Total</b>	<b>151.15</b>	<b>5.55</b>	<b>156.71</b>	<b>262.31</b>
<b>Note - 19 - Cost of Material Consumed</b>				
<b>Materials Consumed</b>				
Opening Stock of Raw Material	1,936.88	1,237.03	3,173.91	2,032.13
Add: Purchase Cost of Raw Material	4,720.51	6,077.07	10,797.58	7,071.85
Less: Closing Stock of Raw Material	2,003.14	1,667.32	3,670.45	3,173.91
<b>Total</b>	<b>4,654.26</b>	<b>5,646.78</b>	<b>10,301.04</b>	<b>5,930.07</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	512.27	85.97	598.23	178.65
Work in Process	161.07	137.92	298.99	74.68
Waste Cotton and Yarn	6.69	1.95	8.64	94.44
Stores & spares	–	31.25	31.25	26.75
	<b>680.03</b>	<b>257.09</b>	<b>937.12</b>	<b>374.52</b>
<b>OPENING STOCK</b>				
Finished Goods	113.18	65.47	178.65	237.30
Work in Process	88.85	73.64	162.49	159.14
Waste Cotton and Yarn	1.04	5.60	6.64	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>Increase/(Decrease) in Inventories</b>	<b>476.96</b>	<b>85.63</b>	<b>562.59</b>	<b>(63.67)</b>



Rs. in Lakh

Particulars	Unit I	Unit II	Total	Total
	As at 31st March 2022	As at 31st March 2022	As at 31st March 2022	As at 31st March 2021
<b>Note - 21 - Employee Benefit expenses</b>				
Salaries, Wages and Bonus	510.42	366.04	876.46	701.85
Staff Welfare Expenses	219.55	14.46	234.01	159.02
Other Expenses	11.02	10.04	21.06	22.80
<b>Total</b>	<b>740.99</b>	<b>390.54</b>	<b>1,131.53</b>	<b>883.66</b>
<b>Note - 22 - Finance Costs</b>				
<b>Interest Expenses</b>				
Interest on Working Capital	162.49	88.05	250.54	336.60
Interest on Term Loans	35.72	54.51	90.24	80.37
<b>Total</b>	<b>198.21</b>	<b>142.56</b>	<b>340.77</b>	<b>416.97</b>
<b>Note - 23 - Other Expenses</b>				
Testing & Inspection	0.76	1.17	1.93	0.42
Cotton Handling Expenses	-	-	-	5.62
Annual Maintenance charges	2.51	-	2.51	2.03
Electrical Maintenance	15.60	24.12	39.72	14.69
Factory Maintenance	38.90	33.92	72.82	19.17
Machinery Maintenance	102.05	38.80	140.84	49.72
Freight	3.70	2.22	5.92	3.81
Stores Consumption	173.97	296.40	470.37	272.35
Power & Fuel Charges	896.11	767.03	1,663.14	1,379.40
Packing Charges	-	-	-	-
Hank Yarn Obligation Charges	2.17	2.60	4.78	1.18
<b>Payment to the Auditor as -</b>				
Audit Fees	1.10	1.10	2.20	2.20
Audit Expenses	0.85	0.18	1.03	0.67
Internal Audit Fee and Expenses	1.50	-	1.50	2.50
Bank and Credit Card charges	31.95	5.16	37.10	26.45
Communication and Internet Expenses	2.64	1.75	4.40	3.14
Insurance	22.56	9.51	32.07	26.29
Printing and stationery	3.22	0.77	3.99	2.74
Professional Charges	18.37	7.75	26.12	18.71
Rent	1.65	7.51	9.16	7.38
Rates and Taxes	2.92	3.76	6.68	3.99

# MARIS SPINNERS LIMITED

Rs. in Lakh

Particulars	Unit I	Unit II	Total	Total
	As at 31st March 2022	As at 31st March 2022	As at 31st March 2022	As at 31st March 2021
Staff Quarters Maintenance	0.35	–	0.35	0.59
Travelling Expenses	24.88	1.34	26.22	22.03
Vehicle Maintenance	13.55	56.44	69.99	44.72
Other Admin Expenses	77.44	46.03	123.47	79.74
Wind Mill Maintenance	54.72	–	54.72	52.34
Selling & Distribution Expenses	160.87	137.93	298.81	184.14
Loss on Sale of Assets	–	4.09	4.09	–
Sundry Debtor W/o	114.37	–	114.37	–
<b>Total</b>	<b>1,768.73</b>	<b>1,449.56</b>	<b>3,218.29</b>	<b>2,226.02</b>



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

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

The Company has made a provision for Income Tax amounting to Rs. 6,56,44,000/- 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. NIL as per the provisions of Section - 115JB of Income Act 1961 and has utilized MAT credit of Rs. 46,35,000 /-.

The Deferred Tax Expenses of Rs. 87,27,949/- has been debited to the Profit and Loss Account and correspondingly Deferred Tax Liability (Net) amounting to Rs. 1,24,43,000/- has been disclosed in the Balance Sheet as at 31.03.2022. The disclosure of the same is as follows:

Particulars	Amount (in Rs.)
Deferred Tax Liability as on 01/04/2021	37,15,051
Less: Deferred Tax Liability (Net) for the year	87,27,949
<b>Deferred Tax Liability as on 31/03/2022</b>	<b>1,24,43,000</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:**

There are no 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, 2022	Year ended 31st March, 2021
i.	Principal amount remaining unpaid to any supplier as at the end of the accounting year	513.75	4.42
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

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.

# MARIS SPINNERS LIMITED

- 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	2021-22	2020-21
Statutory Audit Fees	Rs. 1,10,000.00	Rs. 1,10,000.00
Tax Audit Fees	Rs. 1,10,000.00	Rs. 1,10,000.00
<b>Total</b>	<b>Rs. 2,20,000.00</b>	<b>Rs. 2,20,000.00</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* 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 equities shares outstanding during the year (79,24,760 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	15,46,24,739	6,56,94,679
Profit/(Loss) attributable to ordinary shareholders	15,46,24,739	6,56,94,679
Weighted average Number of Equity Shares - Issued & Subscribed	79,24,760	81,72,360
Basic Earnings Per Share (Rs.)	19.51	8.04
Diluted Earnings Per share (Rs.)	19.51	8.04

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, at its meeting on 14th May, 2022 have proposed a dividend of Rs.1/- per equity share for the financial year ended 31st March, 2022. 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. 79,25,000/-.

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. 15,86,93,666/- 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 2022 was Rs. 26,45,607/-. 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 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



# MARIS SPINNERS LIMITED

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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 28,89,599/- as at 31 March 2022. 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 : 14.05.2022

## Note 25 - Ratio analysis and its elements

Ratio	Numerator	Denominator	As at 31 March 2022	As at 31 March 2021	% variance	Reasons when difference is more than 25%
Current ratio	Current assets	Current liabilities	1.74	1.90	-8.50%	-
Debt-equity ratio	Total debt	Shareholder's equity	0.91	1.59	-42.95%	Repayment of debt
Debt service coverage ratio	Earnings available for	Debt service	1.38	2.67	-48.17%	Repayment of debt
Return on equity ratio	Net profits after taxes-preference dividend	Average shareholders equity	101.92	23.96	325.38%	Market yield was good
Inventory turnover ratio	Cost of goods sold	Average inventory	25.98	23.70	9.64%	-
Trade receivables turnover ratio	Net credit sales	Average accounts receivable	24.92	14.74	69.09%	Better realization
Trade payables turnover ratio	Net credit purchases	Average trade payables	6.28	12.17	-48.36%	Better credit management
Net capital turnover ratio	Net sales	Working capital	9.27	14.02	-33.86%	Better working capital utilization
Net profit ratio	Net profit	Net sales	9.00	6.00	50.00%	Better market yield
Return on capital employed	Earnings before interest and taxes	Capital employed	371.000	259.000	43.24%	Better market yield
Return on investment	Interest income	Investment	NA	NA	NA	-



## Note 26 - EPS

### Earnings Per Share

Basic earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in the basic EPS computations:

	March 31, 2022 Rs.	March 31, 2021 Rs.
Profit After Tax attributable to Equity Shareholders:	1,546.25	656.95
	1,546.25	656.95
Weighted Average Number of Equity Shares for Basic EPS (No. in lakhs)	79.25	81.72
	79.25	81.72

### Note 27 - Capital Management

The Company's objectives of capital management is to maximize the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt as below.

Equity includes equity share capital and all other equity components attributable to the equity holders

Net debt includes borrowings (non-current and current), trade payables and other financial liabilities, less cash and cash equivalents (including bank balances other than cash and cash equivalents and margin money deposits with banks)

Particulars	March 31, 2022	March 31, 2021
Borrowings (Non-Current and Current, including Current Maturities of Non-Current Borrowings)	4,508	2,017
Trade Payables	2,436	1,001
Other Financial Liabilities (Current and Non-Current excluding Current Maturities of Non-Current Borrowings)	1,774	3,388
Less: Cash and Cash Equivalents (including Balances at Bank other than Cash and Cash Equivalents and Margin Money Deposits with Banks)	561	-36
<b>Net Debt (A)</b>	<b>8,157</b>	<b>6,369</b>
Equity Share Capital	792	806
Other Equity	3,439	1,959
<b>Equity (B)</b>	<b>4,232</b>	<b>2,765</b>
<b>Equity plus net Debt (C = A + B)</b>	<b>12,389</b>	<b>9,134</b>
<b>Gearing Ratio (D = A / C)</b>	<b>66%</b>	<b>70%</b>

In order to achieve the objective of maximize shareholders value, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. Any significant breach in meeting the financial covenants would allow the bank to call borrowings. There have been no breaches in the financial covenants of above-mentioned interest-bearing borrowing.

No changes were made in the objectives, policies or processes for managing capital during the current and previous years.

# MARIS SPINNERS LIMITED

## Note 28 - Defined Benefit Plan - Gratuity

The Company operates defined gratuity plan for its employees. Under the plan, every employee who has completed atleast five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for gratuity.

### Statement of Profit and Loss

	March 31, 2022 Rs. in Lakhs	March 31, 2021 Rs. in Lakhs
<b>Net Employee Expense recognized in the Employee Cost</b>		
Current Service Cost	13.35	12.64
Past Service Cost	-	-
<b>Net Interest Cost / (Income) on Net Defined Benefit Liability /(Asset)</b>	16.62	16.63
<b>Expected Return on Plan Assets</b>	-	-
Net Actuarial (Gain) / Loss recognized in the Year	-	-
Net Benefit Expense	29.97	29.27
<b>Balance Sheet</b>		
Benefit Asset / Liability		
Present Value of Defined Benefit Obligation	255.21	238.54
<b>Fair Value of Plan Assets</b>	309.54	286.93
<b>Plan Liability/ (Asset)</b>	<b>-54.32</b>	<b>-48.39</b>
Opening defined benefit obligation	238.54	249.34
Acquisition adjustment	-	-
Current service cost	13.35	12.64
Past service cost	-	-
Interest cost	16.62	16.63
Benefits paid	-	-
Benefits settled through fund	-	-
Actuarial (gains) / losses	-4.32	-9.85
Closing defined benefit obligation	264.19	268.75
Changes in the fair value of plan assets are as follows:		
Opening fair value of plan assets	286.93	274.14
Adjustment to the Opening Fund Balance	-	-
Investment Income	20.48	18.91
Contributions by employer	12.07	14.67
Benefits settled through fund	-8.97	-30.22
Actuarial gains / (losses)	-0.96	9.43
<b>Closing fair value of plan assets</b>	<b>309.54</b>	<b>286.93</b>
<b>The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:</b>		
<b>Investments with insurer</b>	<b>100%</b>	<b>100%</b>
Principal assumptions used in determining gratuity:		
Discount rate	7.50%	7.10%
Expected rate of return on assets	7.10%	7.10%
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.		



**QUANTITATIVE PARTICULARS FOR 2021-2022**

S.No.	PARTICULARS	UNIT I	UNIT II	TOTAL	TOTAL
		31.03.2022	31.03.2022	UNIT I & II 31.03.2022	UNIT I & II 31.03.2021
1	[a] Licensed Capacity - Spindles [Nos.]	36192	25000	61192	53704
	[b] Installed Capacity - Spindles [Nos.]	28704	20832	49536	49536
	[c] Production Cotton Yarn [Kgs.]	2227776	2349891.510	4577667.835	3867986.780
2	[a] Sale of Finished Goods [Kgs.]	2139199.040	2348433.690	4487632.730	3903852.575
	[b] Sale of Waste Cotton [Kgs.]	634476.400	904019.000	1538495.400	1243350.100
3	Purchase of Raw materials				
	[a] Cotton [Kgs.]	2349832.000	3201316.000	5551148.000	5812866.000
4	Raw materials Consumed				
	[a] Cotton [Kgs.]	2918482.000	3320732.220	6239214.220	5173213.660
5	Opening Stock				
	[a] Finished Goods - Yarn 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]	46824.000	41954.430	88778.430	89353.580
	[d] Waste Cotton [Kgs]	3475.180	9052.140	12527.320	46812.390
6	Closing Stock				
	[a] Finished Goods - Yarn at Mills [Kgs.]	126630.910	27859.380	154490.290	64455.185
	[b] Raw materials - Cotton [Kgs]	888646.000	809410.870	1698056.870	2416582.340
	[c] Stock In Process [Kgs]	57014.000	62223.680	119237.680	92521.430
	[d] Waste Cotton [Kgs]	27163.880	2568.900	29732.780	12527.320
	Consumption of Raw materials				
	[a] Indigenous	100.00%	100.00%	100.00%	100.00%
	[b] Imported	0.00%	0.00%	0.00%	0.00%

# MARIS SPINNERS LIMITED

## FORMAT OF DISCLOSURE OF RELATED PARTY TRANSACTION MARIS SPINNERS LIMITED YEAR ENDED 31ST MARCH 2022

S. NO.	DETAILS OF THE PARTY LISTED ENTITY/SUBSIDIARY ENTERING INTO THE TRANSACTION		DETAILS OF COUNTER PARTY			TYPE OF RELATED PARTY TRANSACTION	VALUE OF RELATED PARTY TRANSACTION AS APPROVED BY THE AUDIT COMMITTEE (SEE NOTE 6)	VALUE OF RELATED PARTY TRANSACTION DURING THE REPORTING PERIOD	IN CASE OF MONIES ARE DUE TO EITHER PARTY IN THE TRANSACTION		IN CASE OF ANY FINANCIAL INTERESTS INCURRED TO MAKE DEPOSITS, ADVANCES OR INVESTMENTS						ADDITIONAL DISCLOSURE OF RELATED PARTY TRANSACTIONS APPLICABLE ONLY IN CASE THE RELATED PARTY TRANSACTION RELATES TO LOANS, INTERCORPORATE DEPOSITS, ADVANCES OR INVESTMENTS MADE OR GIVEN BY THE LISTED ENTITY/SUBSIDIARY. THESE DETAILS NEED TO BE DISCLOSED ONLY ONCE, DURING THE REPORTING PERIOD WHEN SUCH TRANSACTION WAS UNDERTAKEN
	NAME	PAN	NAME	PAN	RELATIONSHIP OF THE COUNTER PARTY WITH THE LISTED ENTITY/SUBSIDIARY				OPENING BALANCE	CLOSING BALANCE	NATURE OF INDEBTEDNESS (LOAN/ISSUANCE OF OTHER ETC)	COST	TENURE	NATURE (LOAN/ADVANCE/ INTERCORPORATE DEPOSIT/ INVESTMENT)	INTEREST RATE %	TENURE	
1	MARIS SPINNERS LIMITED	AAAC08874F	MARIS HOTELS & THEATRES P LTD	AAAC02174N	ENTERPRISE IN WHICH THE DIRECTOR OF THE COMPANY IS ALSO A BOARD MEMBER	PURCHASE OF POWER	2,00,00,000.00	57,78,478.00	7,19,729.00	11,16,024.00	-	-	-	-	-	-	
2	MARIS SPINNERS LIMITED	AAAC08874F	MARIS AGRO PRODUCTS P LTD	AABCM9293D	ENTERPRISE IN WHICH THE DIRECTOR OF THE COMPANY IS ALSO A BOARD MEMBER	PURCHASE OF GOODS	-	-	16,000.00	-	-	-	-	-	-	-	
3	MARIS SPINNERS LIMITED	AAAC08874F	A R H ENERGY LLP	ABJFA068TR	A FIRM IN WHICH DIRECTORS ARE PARTNERS	PURCHASE OF POWER	2,00,00,000.00	1,07,75,388.00	2,11,340.00	10,75,479.00	-	-	-	-	-	-	
4	MARIS SPINNERS LIMITED	AAAC08874F	HAVIKAL TEA AND PRODUCE CO P LTD	AAACH7389C	ENTERPRISE IN WHICH THE DIRECTOR OF THE COMPANY IS ALSO A BOARD MEMBER	PURCHASE OF GOODS	1,00,000.00	28,399.00	-	-	-	-	-	-	-	-	
5	MARIS SPINNERS LIMITED	AAAC08874F	MR ANANDKUMAR RENGASWAMY	AEDPA878TK	MANAGING DIRECTOR	REMIUN- RATION	40,00,000.00	39,00,000.00	-	-	-	-	-	-	-	-	
6	MARIS SPINNERS LIMITED	AAAC08874F	MRT RAGHURAMAN	AJPRD959C	DIRECTOR	REMIUN- RATION	20,00,000.00	17,05,002.00	-	-	-	-	-	-	-	-	
7	MARIS SPINNERS LIMITED	AAAC08874F	MRT RAGHURAMAN	AAMPD959C	DIRECTOR	LOAN	50,00,000.00	-	50,00,000.00	50,00,000.00	-	-	11.12%	ON DEMAND	UN-SECURED	FOR BUSINESS	
8	MARIS SPINNERS LIMITED	AAAC08874F	MR ADITHYA RAGHURAMAN	AVUPA1383R	DIRECTOR	REMIUN- RATION	10,00,000.00	8,62,500.00	-	-	-	-	-	-	-	-	
9	MARIS SPINNERS LIMITED	AAAC08874F	MR. N SRIDHARAN	ACUPS2954K	KEY MANEGRAL PERSON	KEY MANEGRAL PERSON	3,00,000.00	2,40,000.00	-	-	-	-	-	-	-	-	



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## CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To

The Members of Maris Spinners Ltd,

We have examined the compliance of conditions of Corporate Governance by Maris Spinners Limited, Chennai 600 086 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 in Clause 49 of the Listing Agreement.

For V K S & ASSOCIATES

**V K SHANKARARAMANN**

Company Secretary

Place : Chennai

Date : 07.05.2022



**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 Wholtime 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.
- 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

# MARIS SPINNERS LIMITED

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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.
  - 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.
- f) Existence of integrated Risk Management system  
Whether the company has an integrated risk management system to cover the business risks.

# MARIS SPINNERS LIMITED

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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

**Form No. MR-3****SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022**

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

To,  
The Members,  
**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, 2021 to March 31, 2022** ("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 2022, 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;

# MARIS SPINNERS LIMITED

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, 2022, 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. 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, 2022 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; except the following forms have been filed late with additional filing fees.

SL.NO.	FORM NO.	SRN NO.	DATE OF FILING	Paid with delay with additional fees
1.	CRA 2	T 56868029	29.10.2021	Yes
2.	CRA 4	T 57293284	01.11.2021	Yes
3.	MR 1	T 67706747	27.12.2021	Yes
4.	MR 1	T 68902527	29.12.2021	Yes
5.	MR 1	T 69373504	30.12.2021	Yes

## 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;
  - (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) was 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 seven times in the financial year 2021-22 Viz., on

9th June 2021
30th June 2021
13th August 2021
13th September 2021
10th November 2021
11th February 2022
31st March 2022

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



# MARIS SPINNERS LIMITED

## FRAUD REPORTING

**I further report** that during the financial year ended 31/03/2022 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 9 Directors, 1 Company Secretary and 1 Chief Financial Officer/Key Managerial Personnel:

DIN/PAN	NAME	DESIGNATION	DATE OF APPOINTMENT
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
08172745	ADITHYA RAGHURAMAN	Director	09/06/2021

For **VKS & ASSOCIATES**  
Company Secretaries

V K SHANKARARAMANN  
F.C.S No. 5592  
C.P. No. 5255  
UDIN : F005592D000283861

Place : Chennai  
Date : 07.05.2022

**ANNUAL REPORT ON CSR ACTIVITIES**
**1. Brief outline on CSR Policy of the Company.**

The CSR activities under the Policy are those covered under the ambit of Schedule VII of the Companies Act 2013. CSR is a sense of responsibility towards the community and environment in which we operate. It can be expressed through contribution / participation in educational and social programs, pollution control, Green Movement etc. Considering the vital role played by education in producing good citizens, who can nurture strong and healthy nation, we primarily concentrate on promotion of education besides other social objectives.

**2. Composition of CSR Committee: Not Applicable – Since the amount to be spent is less than Rs. 50 lakh.**

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: **Not Applicable**

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) – **Not Applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

S.No.	Financial Year	Amount available for set off from preceding financial year (in Rs.)	Amount required to be set off for the financial year, if any (in Rs.)
1	2018-19	NA	NA
2	2019-20	NA	NA
3	2020-21	NA	5,24,477.00

6. Average net profit of the company as per section 135(5). **Rs.2,62,23,855.00**

7. (a) Two percent of average net profit of the company as per section 135(5) **Rs.5,24,477.00**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. **Not applicable**

(c) Amount required to be set off for the financial year, if any – Rs. **5,24,477.00**

(d) Total CSR obligation for the financial year (7a+7b- 7c). **Rs.5,24,477.00**

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

(b) Details of CSR amount spent against ongoing projects for the financial year: **Not applicable**

(d) Amount spent in Administrative Overheads Nil

(e) Amount spent on Impact Assessment, if applicable Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) **Rs. 5,93,396.00**

(g) Excess amount for set off, if any – **Not applicable**

# MARIS SPINNERS LIMITED

Sl.No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	5,24,477.00
(ii)	Total amount spent for the Financial Year	5,93,396.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	68,919.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Not applicable**
- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable**
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Nil
- (Asset-wise details)-Not applicable**
- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). **NOT APPLICABLE**

Place : Chennai  
Date : 14.05.2022

**ANANDKUMAR RENGASWAMY**  
Managing Director

**A HARIGOVIND**  
Director



*If undelivered, please return to:*  
**MARIS SPINNERS LIMITED**  
11, Cathedral Road, Chennai - 600 086