



ANNUAL REPORT

2020-2021

K G DENIM LIMITED



K G DENIM LIMITED

BOARD OF DIRECTORS

Executive Chairman Shri KG Baalakrishnan (DIN : 00002174)

Managing Directors Shri B Sriramulu (DIN : 00002560)
Shri B Srihari (DIN : 00002556)

Directors Shri G P Muniappan (DIN : 01653599)
Shri K N V Ramani (DIN : 00007931)
Smt T Anandhi (DIN : 00050786)
Shri M B N Rao (DIN : 00287260)
Shri A Velusamy (DIN : 00002204)
Shri A P Seturaaman (DIN : 07331898)
Shri N Govindarajan (DIN : 00366402)

Registered Office
Then Thirumalai
Jadayampalayam, Coimbatore - 641 302
Phone : (04254) 235401 / 235240
Website : www.kgdenim.com
E-mail : cskgdl@kgdenim.in
CIN : L17115TZ1992PLC003798

Company Secretary Shri M Balaji

Chief Financial Officer Shri S Manickam

Auditors M/s Mohan & Venkataraman
Chartered Accountants
Coimbatore

Bankers Indian Bank
Union Bank of India
State Bank of India
The South Indian Bank Limited

Registrar and Share Transfer Agent
Cameo Corporate Services Ltd
"Subramanian Building"
No.1, Club House Road
Chennai - 600 002
Phone : (044) 28460390 (6 lines)
E-mail : komalar@cameoindia.com

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K G DENIM LIMITED

DIRECTORS' REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

Dear Shareholders,

We have pleasure in presenting the Twenty-Ninth Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March 2021.

FINANCIAL RESULTS

(Rs. in lakhs)

| PARTICULARS | Standalone | | Consolidated | |
|--|---|---|---|---|
| | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 |
| Revenue from Operations and Other Income | 41562 | 49556 | 43813 | 51228 |
| Profit before Finance Cost, Depreciation, Extraordinary Items and Tax Expense | 2691 | 2266 | 2558 | 1769 |
| Less : Finance Cost | 2193 | 2266 | 2276 | 2356 |
| Profit / loss before Depreciation, Extraordinary Items and Tax Expense | 498 | 23 | 282 | -587 |
| Less : Depreciation | 1541 | 1923 | 1549 | 1932 |
| Profit / loss before Extraordinary Items and Tax Expense | 1043 | -1900 | -1267 | -2519 |
| Less : Exceptional Items | - | -450 | - | - |
| Current, Deferred & earlier year tax | -454 | 700 | -521 | 878 |
| Profit / loss from continuing operations | -588 | -1650 | -747 | -1641 |
| Add : Other Comprehensive Income | 126 | 123 | 140 | 129 |
| Net Profit / loss for the year | -462 | -1527 | -607 | -1512 |

STATE OF THE COMPANY'S AFFAIRS

During the period under review, the Company had earned revenue of Rs.41562 lakh and incurred Net Loss of Rs.462 lakh on standalone basis and Rs.43813 lakh and Net Loss Rs.607 lakh, respectively, on consolidated basis.

PERFORMANCE OF THE COMPANY

The Company has three main product segments viz., Fabric (Denim/Apparel Fabric), Home Textiles and Apparels.

There has been a drop in turnover by 16 % compared to the previous year, mainly due to the COVID-19 pandemic which affected all countries world wide.

During the year ended 31.03.2021 total Fabric production was 165 lakh meters as against 231 lakh meters in 2019-20. Drop in production was on account of drop in sales.

Sale of Fabric was 173 lakh meters in 2020-21 as against 225 lakh meters in 2019-20.

The Net Loss for the year is mainly truncated operations due to lockdown announced by Governments on account of COVID-19.

DIVIDEND

In view of the loss incurred by the Company, the Directors regret their inability to declare any dividend.

INDUSTRY STRUCTURE AND DEVELOPMENT

The monstrous epidemic COVID 19 had made a devastating entry into India during the first quarter of FY 2020-21.

Lockdowns had been announced by Governments and all economic activities had come to a virtual halt during the period.

This had come at a time when business conditions were showing signs of improvement after a depression-like scenario had prevailed the earlier year due to Trade/tariff wars between countries and tensed Geopolitical situations.

In the initial stages of FY 2020-21 operations were scaled down by 60% due to reduced and cancellation of orders both at export and domestic markets.

In the second half of the Financial Year, the pandemic appeared to be receding and visible improvements were seen in demand.

Our financial performance also showed improvements as of the end of September 2020. Unfortunately, the 2nd Wave of the pandemic had hit hard from the fourth quarter of the financial year.

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India had witnessed several lacs of people getting affected by the pandemic and several thousand losing lives.

Fresh lockdowns were announced which again affected the operations.

OPPORTUNITIES AND THREATS

With the government of India taking corrective actions by vaccinating people across the country and other preventive measures being enforced, improvements are seen in controlling the epidemic.

The Company expects to increase business in the US, Bangladesh, Sri Lanka and Egypt in the export market and also focus on the domestic manufacturers who export garments to the US and Europe.

Sustainability is the trend with buyers and efforts are being taken to develop fabrics using new fibers, eco-friendly dyes and chemicals and introducing latest technologies to make fabrics more sustainable.

IMPACT OF COVID-19

The world has been afflicted with an unprecedented epidemic COVID-19 which has adversely affected all businesses in all countries including India, during the financial year 2020-2021. All countries, including India announced lock down for 3 to 4 months at the beginning of the financial year 2020-21.

Epidemic COVID-19 had shown signs of recession during the second half of the financial year 2019 -20 and our business had speedily improved during the second half. In spite of lock down for 3 to 4 months, we achieved a turnover of Rs.415 crore in 2020-21

Further, Government of India had announced various finance packages to help industries to tide over the effects of COVID-19. Accordingly, the Company availed Rs.1042 lakh as Covid Emergency loan during the period May 2020 to September 2020 with 6 months moratorium repayable in 3 years. The Company has also been sanctioned Rs.3487 lakh as Guaranteed Emergency Credit Line(GECL) in February / March 2021 with one year moratorium and repayable in 5 years including moratorium.

But the sudden spike in COVID -19 wave 2 in India had slowed down operations in the first quarter of 2021-22. However the sales, especially exports, are expected to pick up in the remaining months of 2021-22.

LISTING OF EQUITY SHARES

The Company's Equity shares are listed at the following Stock Exchange:

BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001.

The Company has paid the Annual Listing Fees to the said Stock Exchange for the Financial Year 2021-22.

PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES

The Company has two wholly owned subsidiaries Trigger Apparels Limited and KG Denim (USA) Inc.

The Company's wholly owned subsidiary Trigger Apparels Limited is engaged in the marketing of readymade garments.

During the year, the gross turnover in Trigger Apparels Limited was Rs.3246 lakh against Rs.4677 lakh during the previous year. The Subsidiary Company has registered a loss of Rs.122 lakh as against a loss of Rs.409 lakh in the previous year. The subsidiary is reorganising its products and marketing channels.

The overall loss for the year 2020-21 has been curtailed compared to earlier years on account of higher sales realisation and better inventory management.

KG Denim (USA) Inc. had achieved a turnover of Rs.55.87 lakh and registered a loss of Rs.22.80 lakh during the year mainly on account of initial advertisement and sales promotion expenses.

As per the provisions of Section 129 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the financial statements of the Subsidiary companies is prepared in Form AOC-1 and same is enclosed to this report as Annexure-1.

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Financial Statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standards 21 issued by The Institute of Chartered Accountants of India (ICAI) and as per the provisions of Companies Act, 2013.

As per the provisions of Section 136 of the Companies Act, 2013, the Company has placed separate audited accounts of its subsidiaries on its website www.kgdenim.com and copy of separate Audited Financial Statements of its subsidiaries will be provided to the shareholders at their request.

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CEO/CFO CERTIFICATION

The Managing Director and Chief Financial Officer of the Company have submitted a Certificate to the Board for the year ended 31st March, 2021.

MEETINGS OF THE BOARD OF DIRECTORS

During the year ended 31st March, 2021, five Board Meetings were held.

The dates on which the Board meetings were held are 11th June, 2020, 29th July 2020, 14th September 2020, 13th November 2020 and 04th February 2021. A meeting of the Independent Directors of the Board was held on 04th February 2021.

Details of meetings of the Board and its Committees are disclosed in the report on Corporate Governance.

DIRECTORS' RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 134 OF THE COMPANIES ACT, 2013

Pursuant to the requirement under Section 134 of the Companies Act, 2013, with respect to the Directors' Responsibility Statement the Board of Directors of the Company hereby confirms:

- i. that in the preparation of the Annual Accounts, the applicable accounting standards have been followed;
- ii. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2021 and Statement of Profit and Loss Account of the Company for that period;
- iii. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the Directors have prepared the Annual Accounts for the Financial Year ended 31st March, 2021 on a going concern basis;
- v. that the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi. that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (7) OF SECTION 149 OF THE COMPANIES ACT, 2013

The Independent Directors have submitted the declaration of independence, as required pursuant to Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section(6).

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee consisted of Shri K N V Ramani, Chairman with Shri G P Muniappan and Shri A P Seturaaman as members.

Brief description of terms of reference:

1. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board for their appointment and removal;
2. carry on the evaluation of every director's performance;
3. formulation of the criteria for determining qualifications, positive attributes and independence of a director;
4. recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
5. formulation of criteria for evaluation of Independent Directors and the Board;
6. devising a policy on Board diversity; and
7. any other matter as the Board may decide from time to time.

NOMINATION AND REMUNERATION POLICY

THE OBJECTIVES OF THE POLICY

1. To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
2. To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies.

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3. To carry out evaluation of the performance of Directors.
4. To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF COMPANIES ACT, 2013

The details of Loans, Guarantees given and Investments made during the Financial Year ended on 31st March, 2021 are given in the notes to Financial Statements in compliance with the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014.

PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF COMPANIES ACT, 2013

The Company adopted a Related Party Transaction Policy in terms of SEBI regulations for compliance with Corporate Governance. The policy has also been hosted on the Company's website. All transactions entered into with Related Parties for the year 2020-21 were on Arm's length basis.

There were no material related party transactions in terms of the Related Party Transaction Policy adopted.

Thus disclosure in Form AOC-2 as per Companies Act, 2013 and Rule 8 of Companies (Accounts) Rules, 2014 are not required.

Further there were no material related party transaction with the Promoters, Directors or Key Managerial Personnel during the year.

All related party transactions are placed before the Audit Committee as also to the Board for approval on a quarterly basis. Omnibus approval was obtained for transactions of repetitive nature.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return is available on Company's website at www.kgdenim.com.

THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO PROVISIONS OF SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014

Information with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Act read with Companies (Accounts) Rules, 2014 is prepared and the same is enclosed as Annexure - 2 to this Report.

RISK MANAGEMENT COMMITTEE

Risk Management Committee consists of Shri B Sriramulu as Chairman with Shri M Balaji and Shri S Manickam as members.

The Committee had formulated a Risk Management Policy for dealing with different kinds of risks which it faces in day to day operations of the Company. Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures to be adopted by the Board. The Company has adequate internal control systems and procedures to combat the risk. The Risk management procedure is reviewed by the Audit Committee and Board of Directors on a Quarterly basis at the time of review of Quarterly Financial Results of the Company.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Corporate Social Responsibility is commitment of the Company to improve the quality of life of the community and society at large. The Company believes in undertaking business in such a way that it leads to overall development of all stakeholders and Society.

The Board of Directors of the Company has constituted Corporate Social Responsibility Committee consisting of Shri KG Baalakrishnan as Chairman with Shri A Velusamy and Shri AP Seturaaman as Members and adopted policy for Corporate Social Responsibility.

Corporate Social Responsibility policy was adopted by the Board of Directors on the recommendation of Corporate Social Responsibility Committee.

The Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as Annexure -3.

EVALUATION OF BOARD

Evaluation of all Board members is done on an annual basis. The evaluation is done by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

The manner in which the evaluation has been done is explained in the report on Corporate Governance.

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DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013, Shri B Srihari retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

KEY MANAGERIAL PERSONNEL

The following are the Key Managerial Personnel of the Company :

- | | |
|--|---------------------------|
| 1. Shri B Sriramulu | - Managing Director |
| 2. Shri B Srihari | - Managing Director |
| 3. Shri M Balaji | - Company Secretary |
| 4. Shri S Muthuswamy (upto 12.11.2020) | - Chief Financial Officer |
| 4. Shri S Manickam (from 13.11.2020) | - Chief Financial Officer |

DEPOSITS

The Company has not accepted any deposits from the public in terms of Section 73 of the Companies Act, 2013.

STATUTORY AUDITORS

M/s. Mohan & Venkataraman were appointed as Auditors of the Company at the Annual General Meeting held on 16.09.2017, to hold office as Auditors for a term of five financial years commencing from 2017-18 to 2021-22 till conclusion of AGM to be held for Financial Year 2021-22.

AUDITORS REPORT

M/s. Mohan & Venkataraman, Chartered Accountants (ICAI Regn. No.007321S) have issued Auditors Report for the Financial Year ended 31st March, 2021.

There are no qualifications in Auditors' Report.

INTERNAL AUDITORS

The Board of Directors of the Company had appointed M/s Gopalaiyer and Subramanian, Chartered Accountants (ICAI Regn. No.000960S) to conduct Internal Audit of the Company for the year 2020-21.

COST AUDITORS

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 Divisions every year.

The Board of Directors, on the recommendation of Audit Committee, has appointed Messrs M Nagarajan, Cost Accountants, (Firm Registration Number 6384) as Cost Auditors to audit the cost accounts of the Company for the Financial Year 2021-22. As required under the Companies Act, 2013, a resolution seeking members' approval for the remuneration payable to the Cost Auditors forms part of the Notice convening the Annual General Meeting for their ratification.

AUDIT COMMITTEE

Audit Committee consisted of Shri G P Muniappan as Chairman with Shri K N V Ramani and Shri M B N Rao as members. All the members of the Audit Committee are Independent Directors.

There is no such incidence where Board has not accepted the recommendation of the Audit Committee during the year under review.

CORPORATE GOVERNANCE

The Corporate Governance Report, which form part of this Report, together with the Certificate from the Practicing Company Secretary of the Company regarding compliance of conditions of Corporate Governance as stipulated in Schedule V of Regulation 34(3) of the SEBI (LODR) Regulations, 2015 is annexed as - Annexure - 4.

VIGIL MECHANISM

The Board of Directors have adopted a Whistle Blower Policy which is hosted on the Company's website. The Whistle Blower Policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. All permanent employees of the Company are covered under the Whistle Blower Policy.

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A mechanism has been established for employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases.

SECRETARIAL AUDITORS REPORT

As per the provisions of Section 204 of the Companies Act, 2013, the Board of Directors have appointed Shri M.R.L.Narasimha, Practicing Company Secretary (C.P.No:799) as Secretarial Auditor to conduct Secretarial Audit of the Company for the Financial Year ended on 31st March, 2021.

Secretarial Audit Report issued by Shri M.R.L.Narasimha, Practicing Company Secretary in form MR-3 is enclosed as Annexure - 5 to this Annual Report.

There are no qualifications in Secretarial Audit Report in the Secretarial Auditors Report.

STATEMENT OF PARTICULARS OF APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL

The Statement of particulars of Appointment and Remuneration of Managerial personnel as per Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as Annexure - 6 to this Annual Report.

ENVIRONMENT

The Company holds due certification under Occupational Health and Safety Management System-ISO-45001 which is also focused on environmental management system. It ensures that the manufacturing of products is carried on without affecting the environment in the working area and surroundings.

The Company has again achieved one of the best scores in the apparel industry as verified by a leading brand assessor continuously this year also and has been meticulously following various environmental measures and reduction programs to achieve the above.

The company has introduced in house developed Agitated Thin Film Dryer (ATFD) to concentrate the RO reject water to fine tune the existing Zero Liquid Discharge system.

The highlighting of our sustainability effort can be seen in the link <https://youtu.be/uZGhiwq6XSM>.

HEALTH AND SAFETY

The Company has obtained certification under Occupational Health and Safety Management System-ISO-45001 which is an Integrated Management System focusing on an organization's occupational health and safety management system. This standard guides us to identify and control the conditions and factors that affect the well-being of employees, contractors, visitors and any other person in the work place.

The Company is implementing various health and safety practices in continuous manner as per Occupational Health and Safety Management System-ISO-45001 standards and legal requirements.

The Company is conscious of improving the occupational and personal health of its employees. In addition, the Company contributes to the well being of its employees as also people living around the factory premises by organising free medical camps, health check up at in house hospitals on regular basis.

The Company provides a safer work environment for its employees. Basic equipments are provided to ensure safety from fire.

Awareness classes are being conducted periodically with the help of internal/external agencies about the basic safety, fire fighting, mock drills, mass evacuation, first aid etc.,

During the COVID-19 Pandemic the Company is following necessary safety precautions for its employees for the smooth functioning of the operations which include:

- Social Distancing -distance marking at entrance and specific norms inside yard premises.
- Temperature Measurements at entrance.
- Compulsory Masks. Free mask supply at entrance.
- Facility for hand washing and sanitizers provided at the workplace.
- Those in containment zones shall not be coming to work. They need to inform their project HRs accordingly.
- Movement within & outside the office will not be allowed unless absolutely required and with prior permission.

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POLICY ON SEXUAL HARASSMENT

The Company has adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the Financial Year ended 31st March, 2021, the Company has not received any complaints pertaining to sexual harassment.

SOCIAL RESPONSIBILITIES

The Company is maintaining a hospital for serving the community including supply of medicines at subsidised costs. As a part of social environmental protection, agro forestry has been developed with a demo plant with the technical support of Forest College, Coimbatore.

Besides necessary essential services like providing potable drinking water to near by villages, financial aids to schools etc., are also rendered.

INSURANCE

All properties and insurable interests of the Company including building, plant and machinery and stocks have been fully insured.

FINANCE

Your Directors acknowledge with gratitude, the valuable assistance and support extended by our Bankers for Term Loans and Working Capital ie., Indian Bank, Union Bank of India, State Bank of India and The South Indian Bank Limited.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

1. The Company maintains all its records in ERP System and the work flow and approvals are routed through ERP System;
2. The Company has appointed Internal Auditors to observe the Internal Controls, whether the work flow of organization is being done through the approved policies of the Company. In every Quarter during the approval of Financial Statements, Internal Auditors will present the Internal Audit Report and Management Comments on the Internal Audit observations;
3. The Board of Directors of the Company have adopted various policies like Related Party Transactions Policy, Whistle Blower Policy, Policy to determine Material Subsidiaries and such other procedures for ensuring the orderly and efficient conduct of its business for 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.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business of the Company.

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

No Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

Details of pending legal cases are furnished in Note No.43 to the accounts.

MATERIAL CHANGES AND COMMITMENTS

There are no Material changes and commitments in the business operations of the Company from the Financial Year ended 31st March, 2021 to the date of signing of the Director's Report except the effect of COVID-19 outlined above.

ACKNOWLEDGMENT

The Directors take this opportunity to place on record their sincere thanks to the Banks and Financial Institutions, Insurance Companies, Central and State Government Departments and the shareholders for their support and co-operation extended to the Company from time to time.

PERSONNEL

The Directors wish to place on record their appreciation for the co-operation extended by all sections of the employees.

CAUTIONARY STATEMENT

The statement in this Directors' Report & Management Discussion and Analysis contain forward looking statements regarding Company's projections & expectations and the actual results could differ materially from those expressed on account of various factors like raw material prices, change in demand, government regulation etc., and the readers are cautioned against placing undue reliance on the same.

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PARTICULARS OF EMPLOYEES

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in Annexure - 6 to this report.

There was no employee in receipt of remuneration exceeding Rs.60 lakhs per annum as per Section 197(12) read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence the particulars are not furnished.

The Company has presented in this Report, the consolidated financial statements of the holding company and all its subsidiaries, duly audited by the Statutory Auditors. The Company will make available the audited annual accounts and related information of its subsidiaries, upon request by any of its shareholders. The annual accounts of the subsidiary companies will also be kept for inspection by any member at the Registered Office of the Company and its subsidiary companies.

Our humble prayers to Sri Venkateswaraswamy Vari of Then Thirumalai for the continued prosperity of the Company.

Coimbatore
29.07.2021

On behalf of the Board
KG Baalakrishnan
Executive Chairman
DIN: 00002174