

RAJAPALAYAM MILLS LIMITED

RAJAPALAYAM

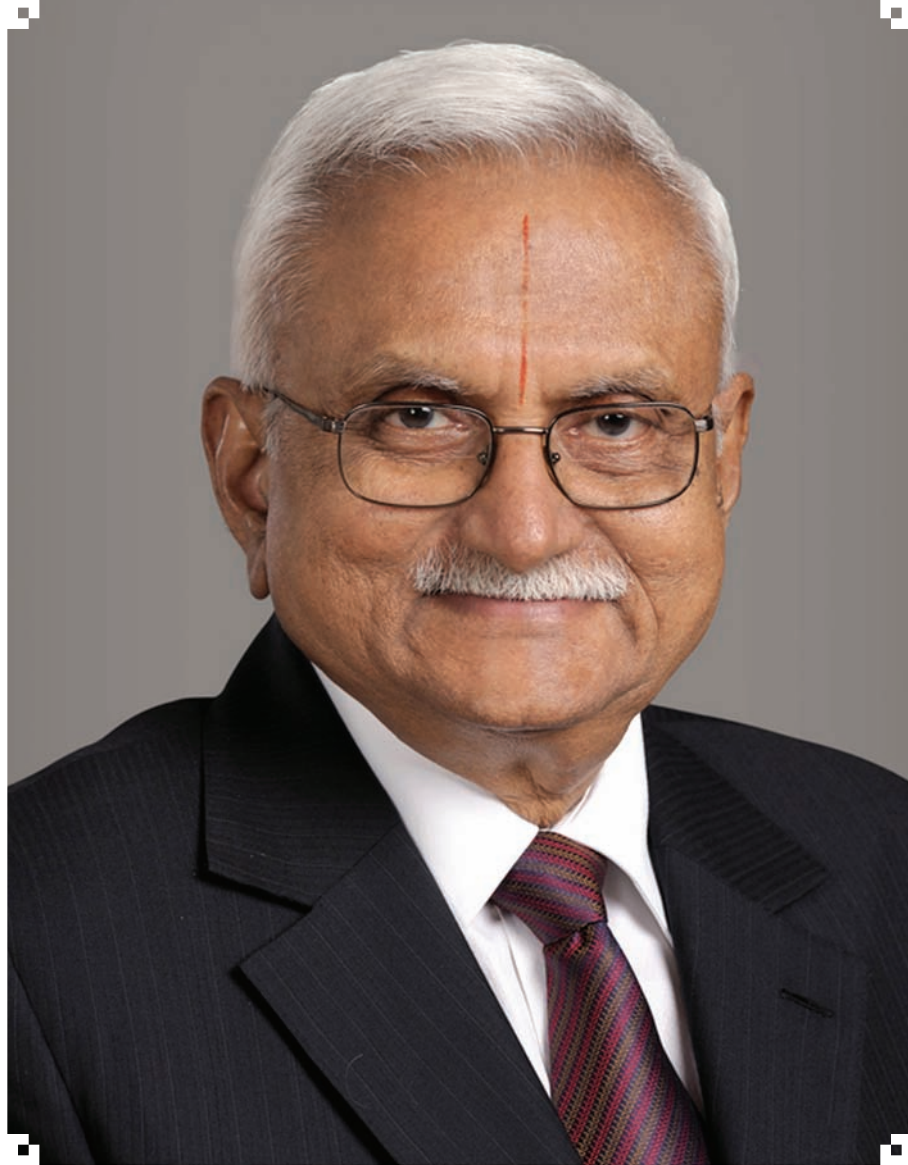


Annual Report and Accounts for the year ended 31st March 2023

FOUNDER



SHRI P.A.C. RAMASAMY RAJA



"Gurubakthamani"
SHRI P.R. RAMASUBRAHMANEYA RAJHA
Sridharmarakshakar - Ramco Group



Board of Directors

Shri P.R. VENKETRAMA RAJA, B.Tech., M.B.A.,
Chairman

Smt. P.V. NIRMALA RAJU, B.E., M.A.,
Managing Director

Shri S.S. RAMACHANDRA RAJA, B.Sc.,

Shri N.K. RAMASUWAMI RAJA, B.Sc.,

Shri A.V. DHARMAKRISHNAN, B.Com, ACA.,

Justice Shri P.P.S. JANARTHANA RAJA, B.L.,

Shri V. SANTHANARAMAN, B.Com, C.A.I.I.B.,

Shri K.B. NAGENDRA MURTHY, M.Com, C.A.I.I.B.,

Smt. SOUNDARA KUMAR, B.Sc., C.A.I.I.B.,

Shri P.V. ABINAV RAMASUBRAMANIAM RAJA, B.Sc., (Indl. Engg.)

Shri P.A.S. ALAGHAR RAJA, D.T.T.,

Chief Financial Officer

Shri B. Gnanagurusamy

Secretary

Shri A. Arulpranavam

Registered Office

Rajapalayam Mills Premises,
Post Box No.1, P.A.C. Ramasamy Raja Salai,
Rajapalayam - 626 117.
Tamil Nadu.
E-mail : rajacot@ramcotex.com
Phone No.: 04563-235666
Fax No.: 04563-236520

Website

www.rajapalayammills.co.in

Corporate Identification Number

L17111TN1936PLC002298

Bankers

Axis Bank Limited

Bank of Bahrain & Kuwait

CTBC Bank Limited

Export Import Bank of India

HDFC Bank Limited

ICICI Bank Limited

IDBI Bank Limited

IDFC First Bank Limited

IndusInd Bank Limited

Kotak Mahindra Bank Limited

RBL Bank Limited

Tamilnad Mercantile Bank Limited

The Federal Bank Limited

Yes Bank Limited

Auditors

M/s. N.A. Jayaraman & Co.,
Chartered Accountants,
9, Cedar Wood, 11, 4th Main Road,
Raja Annamalaipuram,
Chennai - 600 028.

M/s. SRSV & Associates,
Chartered Accountants,
F2, 1st Floor, B Block,
Sivam Padmalaya,
28/25, Neelakanta Metha Street,
T. Nagar, Chennai - 600 017.

Secretarial Auditor

Shri M.R.L. Narasimha,
Lotus 370 - A,
Alagesan Road,
SB Mission Post,
Coimbatore - 641 011.

Cost Auditor

Shri M. Kannan,
IV-B, Akshaya Homes,
9B-20, Tagore Nagar,
Bharathiyar 4th Street,
S.S. Colony,
Madurai - 625 016.



CONTENTS

Separate Financial Statements

Notice to the Members	3
Directors' Report	21
Independent Auditors' Report	79
Balance Sheet	94
Statement of Profit and Loss	95
Statement of Changes in Equity	96
Statement of Cash Flows	97
Notes to Separate Financial Statements	100

Consolidated Financial Statements

Independent Auditors' Report	175
Balance Sheet	188
Statement of Profit and Loss	189
Statement of Changes in Equity	190
Statement of Cash Flows	191
Notes to Consolidated Financial Statements	194



NOTICE

NOTICE TO THE MEMBERS

Notice is hereby given that the 87th Annual General Meeting of the Company will be held at 11:00 A.M. on Friday, the 18th August, 2023. This Annual General Meeting is being conducted through Video Conferencing / Other Audio Visual Means, the details of which are provided in the Notes to this Notice. The following are the businesses that would be transacted at this Annual General Meeting.

ORDINARY BUSINESS - ORDINARY RESOLUTION

1. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:
"RESOLVED THAT the Company's Separate and Consolidated Audited Financial Statements for the year ended 31st March 2023, and the Reports of the Board of Directors and Auditors thereon be and are hereby considered and adopted."
2. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:
"RESOLVED THAT a Dividend of ₹ 1/- per Share be and is hereby declared for the year ended 31st March, 2023 and the same be paid to those Shareholders whose name appear in the Register of Members and Register of Beneficial Owners maintained by the Depositories as on 11th August, 2023."
3. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:
"RESOLVED THAT Shri P.R. Venketrama Raja (DIN: 00331406), who retires by rotation, be and is hereby re-appointed as Director of the Company."
4. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:
"RESOLVED THAT Shri P.V. Abinav Ramasubramaniam Raja (DIN: 07273249), who retires by rotation, be and is hereby re-appointed as a Director of the Company."

SPECIAL BUSINESS - ORDINARY RESOLUTION

5. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:
"RESOLVED that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹ 2,25,000/- (Rupees Two Lakh Twenty Five Thousand Only) plus applicable taxes and Out-of-pocket expenses payable to Shri M. Kannan, Cost Accountant (Firm Registration No. 102185) appointed as the Cost Auditor of the Company by the Board of Directors, for the financial year 2023-24 for auditing the Cost Records relating to manufacture of textile products, be and is hereby ratified and confirmed."

By Order of the Board,
For RAJAPALAYAM MILLS LIMITED,

P.R. VENKETRAMA RAJA
CHAIRMAN
(DIN: 00331406)

RAJAPALAYAM,
24th May, 2023.



NOTICE

NOTES:

1. Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning each item of Special Business is annexed hereto.
2. The Company has chosen to conduct this Annual General Meeting through Video Conferencing. The Annual General Meeting would be conducted in accordance with the -
 - (i) General Circular No: 10/2022 dated 28th December, 2022, issued by Ministry of Corporate Affairs, Government of India
 - (ii) Circular No: SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023, issued by Securities and Exchange Board of India (SEBI) and
 - (iii) such other instructions that may be issued by Statutory Authorities.
3. The Company would be providing the Central Depository Services (India) Limited's (CDSL) system for the Members to cast their vote through remote e-Voting and participate in the Annual General Meeting through Video Conference.
4. Proxies are not being sent to Shareholders, as the meeting is being conducted through Video Conference.
5. The Company is also releasing a Public Notice by way of advertisement being published in English in Business Line (All editions) and in Tamil in Dinamani (Madurai editions), containing the following information:
 - Convening of Annual General Meeting through Video Conference in compliance with applicable provisions of the Act.
 - Date and Time of the Annual General Meeting.
 - Availability of Notice of the Meeting on the website of the Company and the stock exchange, viz. BSE Limited, where the Company's shares are listed and at **<http://www.evotingindia.com>**
 - Refernce to the link of the Company's website, providing assess to the full annual report.
 - Requesting the Members who have not registered their E-Mail addresses with the Company, to get the same registered with the Company.
6. The cut-off date will be Friday the 11th August, 2023 for determining the eligibility to vote by remote e-Voting or in the Annual General Meeting.
7. Pursuant to Rule 8 of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unclaimed / unpaid dividends lying with the Company on the website of the Company (**www.rajapalayammills.co.in**), as



NOTICE

also on the website of The Ministry of Corporate Affairs. The dividends remaining unpaid for a period of over seven years will be transferred to the Investor Education and Protection Fund of the Central Government. Hence, the Members who have not claimed their dividend relating to the earlier years may write to the Company for claiming the amount before it is so transferred to the Fund.

The details of due dates for transfer of such unclaimed dividend to the said Fund are:

FINANCIAL YEAR ENDED	DATE OF DECLARATION OF DIVIDEND	LAST DATE FOR CLAIMING UNPAID DIVIDEND	DUE DATE FOR TRANSFER TO IEPF FUND
31-03-2017 Dividend	10-08-2017	09-08-2024	08-09-2024
31-03-2018 Dividend	10-08-2018	09-08-2025	08-09-2025
31-03-2019 Dividend	14-08-2019	13-08-2026	12-09-2026
31-03-2020 Dividend	15-09-2020	14-09-2027	14-10-2027
31-03-2021 Dividend	25-08-2021	24-08-2028	23-09-2028
31-03-2022 Dividend	20-08-2022	19-08-2029	18-09-2029

8. In accordance with Section 124(5) of the Companies Act, 2013 the Company has transferred the unclaimed / unpaid dividends lying with the Company for a period of over seven years, to the Investor Education and Protection Fund (the IEPF) established by the Central Government.
9. In accordance with Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more have been transferred by the Company to IEPF. The Shareholders / their legal heirs are entitled to claim the said shares and the dividend so transferred from the IEPF by making an online application in Form No. IEPF-5 to the IEPF authorities. The procedure is available at www.iepf.gov.in and the website of the Company viz, www.rajapalayammills.co.in and the Form is available at www.iepf.gov.in
10. Despatching of physical copies of the financial statements (including Board's report, Auditor's report or other documents required to be attached therewith), has been dispensed with. Such statements are being sent only by email to the Members and to all other persons so entitled. The Annual Report will also be made available on the Company's Website - www.rajapalayammills.co.in and at the websites of the BSE Limited, where the Company's shares are listed.



NOTICE

11. The Company has fixed Friday, 11th August, 2023 as the 'Record Date' for determining entitlement of Members to dividend for the financial year ended 31st March, 2023, if approved at the AGM.
12. As per Income Tax Act, 1961, dividend income is taxable in the hands of Shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend payable to Shareholders at the prescribed rates. For the prescribed rates for various categories, the Shareholders are requested to refer to the Income Tax Act, 1961 and amendments thereof. The Shareholders are requested to update their PAN with the Company (in case of shares held in physical mode) with the depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to **Investorgrievance@ramcotex.com** on or before 3rd August, 2023. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident Shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to **Investorgrievance@ramcotex.com**. The aforesaid declarations and documents need to be submitted by the Shareholders on or before 3rd August, 2023.

13. Voting through electronic means:
 - A. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is providing Members remote e-Voting facility to exercise their right to vote at the 87th Annual General Meeting (AGM) and the business may be transacted through such voting, through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).
 - B. The facility for remote e-Voting shall remain open from 9.00 AM on Tuesday, the 15th August, 2023 to 5.00 PM on Thursday, the 17th August, 2023. During this period, the Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date, viz. Friday, the 11th August, 2023, may opt for remote e-Voting. Remote e-Voting shall not be allowed beyond 5.00 PM on Thursday, the 17th August, 2023.