



SREE
AKKAMAMBA
TEXTILES LIMITED
TANUKU
69th ANNUAL REPORT
2022 - 2023

SREE AKKAMAMBA TEXTILES LIMITED

Registered Office : Venkatarayapuram, Tanuku - 534 215
West Godavari District, Andhra Pradesh.

Board of Directors

Sri P.Narendranath Chowdary
Sri M.S.R.V.K. Rangarao
Sri M. Narendranath
Sri J. Murali Mohan
Sri N.V. Somaraju
Sri J. Suresh

Chairman
Managing Director

C.F.O.

Sri N. Satyanarayana

General Manager (Finance & Admn.)

Bankers :

Union Bank of India (e-Andhra Bank)
State Bank of India

Auditors :

M/s. Brahmayya & Co.,
Chartered Accountants
Vijayawada.

Registered Office & Mills :

Venkatarayapuram,
Tanuku - 534 215
Andhra Pradesh.

Cost Auditors :

M/s. Narasimha Murthy & Co.,
Hyderabad.

Company CIN :

U51909AP1954PLC000525

Registrar & Share Transfer Agents :

XL Softech Systems Ltd.,
3, Sagar Society, Road No.2,
Banjara Hills, Hyderabad - 500 034

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Notice to Shareholders

NOTICE is hereby given that 69th Annual General Meeting of the Company will be held on 25th September, 2023 at 10.00 AM at the Registered Office of the Company at Venkatarayapuram, Tanuku, Andhra Pradesh, to transact the following business.

ORDINARY BUSINESS:

1. To consider and adopt the Statement of Profit and Loss for the year ended 31st March, 2023 and Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Sri M.Narendranath who retires by rotation and being eligible offers himself for re-appointment.
3. To ratify the appointment of M/s. Brahmayya & Co., Vijayawada (Reg.No.000513S) as statutory auditors of the Company for the year 2023-24 and to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and if thought fit to pass with or without modification the following Resolution as a Special Resolution:
"RESOLVED THAT pursuant to the provisions of Section 73 and other applicable provisions of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014, the consent of the Members be and is hereby accorded to the Board of Directors of the company for accepting Fixed Deposits from Members within the limits prescribed in the Act."
"RESOLVED FURTHER THAT the Board of Directors or any person authorized thereof be and is hereby authorized to take all such steps as per the provisions of the Companies Act, 2013 and Rules made thereunder in this regard to give effect to this Resolution".
5. To consider and if thought fit to pass with or without modification the following Resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Sec.148 of the Companies Act, 2013 and other applicable provisions, if any, and rules made thereunder, the Company hereby ratifies the payment of remuneration of Rs.1,00,000/- (Rupees one lakh only) per annum to M/s.Narasimha Murthy & Co., Cost Accountants, Hyderabad, who were appointed as Cost Auditors by the Board at its meeting held on 05th August, 2023 for conducting the Cost Audit for the year 2023-24 in respect of the products viz., Cotton and Blended Yarns".
6. To consider and if thought fit to pass with or without modification the following Resolution as a Special Resolution:
"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, and in accordance with the Articles of Association of the company, Dr.Manjulatha Dasari (DIN: 02788338) who was appointed as an Additional Director (in the capacity of a Non-executive Independent Director) by

the Board of Directors at its meeting held on 05 August, 2023 pursuant to section 161 of the Act and as recommended by the Nomination and Remuneration Committee and whose term of office expires at this Annual General Meeting and in respect of whom the company has received a notice in writing from a member along with the requisite deposit amount under section 160 of the Companies Act, 2013 proposing her candidature for the office of Director and who has submitted a declaration that she meets the criteria for independence as provided in section 149(6) of the Act, whose date of birth is 09.04.1948 and has already crossed 75 years of age, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years from the conclusion of this meeting till the conclusion of 74th Annual General Meeting, whose period of office will not be liable to determination by retirement of directors by rotation."

"Resolved further that, the Board of Directors of the company be and is hereby authorised to do all the acts and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. To consider and if thought fit to pass with or without modification the following Resolution as a Special Resolution:

"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, and in accordance with the Articles of Association of the company, Sri V.S.Raju (DIN: 00101405) who was appointed as an Additional Director (in the capacity of a Non-executive Independent Director) by the Board of Directors at its meeting held on 05 August, 2023 pursuant to section 161 of the Act and as recommended by the Nomination and Remuneration Committee and whose term of office expires at this Annual General Meeting and in respect of whom the company has received a notice in writing from a member along with the requisite deposit amount under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act, whose date of birth is 05.07.1941 and has already crossed 75 years of age, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years from the conclusion of this meeting till the conclusion of 74th Annual General Meeting, whose period of office will not be liable to determination by retirement of directors by rotation."

"Resolved further that, the Board of Directors of the company be and is hereby authorised to do all the acts and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

(BY ORDER OF THE BOARD)

Registered Office:
Venkatarayapuram,
TANUKU - 534 215,
05th August, 2023

for SREE AKKAMAMBA TEXTILES LTD
(P.NARENDRANATH CHOWDARY)
CHAIRMAN

NOTES:

1. A member entitled to attend and vote can appoint a proxy to attend and vote instead of himself and that a proxy need not be a member. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company. A member holding more than ten percent of the total share capital of the company may appoint a single person as proxy and such person cannot act as a proxy for any other person or shareholder.
2. The Register of Members of the Company will remain closed from 18th September, 2023 to 25th September, 2023 (both days inclusive).
3. Members are requested to intimate to the Company, changes if any, in their registered addresses at an early date.
4. Dividends, if sanctioned, at the meeting will be payable to those shareholders, whose names are on the Company's Register on 25th September, 2023.
5. As per the provisions of Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, the un-claimed Dividend in respect of Dividend for the year 2014-15 has been transferred to Investor Education and Protection Fund as envisaged in Section 125 (2) (c) of the Companies Act, 2013. Shareholders, who have not encashed the Dividends, may make a request to the Company for the payment of un-encashed Dividend amount in respect of Dividend declared from the years 2015-16 onwards in order to enable the Company to proceed with their request in case the dividend warrants remain un-encashed.

ANNEXURE TO NOTICE:

Explanatory Statement as required under section 102 (1) of the Companies Act, 2013.

Item No.4:

As per the provisions of the Companies Act, 2013, the company can accept fixed deposits only from its members. As such your Board of Directors considers it advisable to continue acceptance of Fixed Deposits from Members which would enable the Company to augment its Financial Resources for working capital requirements.

Your Directors therefore recommend the resolution for your approval.

Directors and Key Managerial Personnel may be deemed to be interested in the resolution in the event they place Fixed Deposits with the Company.

Item No.5:

The Board on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s.Narasimha Murthy & Co., the Cost Auditors to conduct the audit of the Cost records of the company for the financial year ending 31 March,2024 and remuneration of Rs.1,00,000/- plus applicable taxes, out-of-pocket and travelling expenses have been fixed for this purpose.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, ratification for the remuneration payable to the

Cost Auditors for the financial year 2023-24 by way of Ordinary Resolution is being sought from the members.

Your Directors therefore recommend the Resolution for approval.

None of the Directors or Key Managerial Personnel of the company or their relatives are concerned or interested in the resolution.

Item No.6:

Dr. Manjulatha Dasari (DIN:02788338) on the recommendation of Nomination and Remuneration Committee was appointed as an Additional Director in the capacity of Non-executive Independent Director w.e.f. 05-08-2023 by the Board of Directors in accordance with the Articles of Association and sections 149 (6), 161 and schedule IV of the Companies Act, 2013 and she holds office upto the date of ensuing AGM on 25-09-2023. The company has received requisite notice in writing u/s 160 of the Act proposing the candidature of Dr.Manjulatha to be appointed as an Independent Director at the ensuing AGM for a period of 5 consecutive years. Dr.Manjulatha has consented to the proposed appointment and declared qualified. She possesses requisite knowledge, experience and skill for the position of Independent Director as per required criteria under the Act and rules and regulations made thereunder.

Based on the recommendation of the Nomination and Remuneration Committee and in view of her knowledge and expertise, it is proposed to appoint her as an Independent Director of the company in terms of section 149 read with section 152 of the Companies Act, 2013 for a period of 5 (five) consecutive years from the conclusion of 69th AGM till the conclusion of 74th AGM. If appointed, she will not be subject to retirement by rotation.

As she has already crossed 75 years of age, a special resolution needs to be passed seeking the approval of the shareholders and therefore, your Directors recommend the Resolution for approval.

Except Dr.Manjulatha Dasari, none of the Directors or Key Managerial Personnel of the company or their relatives are concerned or interested in the resolution.

Item No.7:

Sri V.S.Raju (DIN:00101405) on the recommendation of Nomination and Remuneration Committee was appointed as an Additional Director in the capacity of Non-executive Independent Director w.e.f. 05-08-2023 by the Board of Directors in accordance with the Articles of Association and sections 149 (6), 161 and schedule IV of the Companies Act, 2013 and he holds office upto the date of ensuing AGM on 25-09-2023. The company has received requisite notice in writing u/s 160 of the Act proposing the candidature of Sri V.S.Raju to be appointed as an Independent Director at the ensuing AGM for a period of 5 consecutive years. Sri V.S.Raju has consented to the proposed appointment and declared qualified. He possesses requisite knowledge, experience and skill for the position of Independent Director as per required criteria under the Act and rules and regulations made thereunder.

Based on the recommendation of the Nomination and Remuneration Committee and in view of his knowledge and expertise, it is proposed to appoint him as an Independent Director of the company in terms of section 149 read with section 152 of the Companies Act, 2013 for a

Sree Akkamamba Textiles Ltd.,

period of 5 (five) consecutive years from the conclusion of 69th AGM till the conclusion of 74th AGM. If appointed, he will not be subject to retirement by rotation.

As he has already crossed 75 years of age, a special resolution needs to be passed seeking the approval of the shareholders and therefore, your Directors recommend the Resolution for approval.

Except Sri V.S.Raju, none of the Directors or Key Managerial Personnel of the company or their relatives are concerned or interested in the resolution.

(BY ORDER OF THE BOARD)

Registered Office:
Venkatarayapuram,
TANUKU - 534 215,
05th August, 2023

for SREE AKKAMAMBA TEXTILES LTD

(P.NARENDRANATH CHOWDARY)
CHAIRMAN

Directors' Report :

Your Directors have pleasure in presenting the 69th Annual Report together with the Audited Statement of Accounts for the year ended 31st March,2023.

FINANCIAL RESULTS:

(Rs. in Lakhs)

	This Year	Previous year
Profit/(Loss) for the year	(1794.80)	2349.04
Add: Balance brought forward from prev. year	1620.28	39.83
	(174.53)	2388.87
Less: Provision for taxation :		
- Current	-	421.00
- Deferred	(491.87)	434.26
- for earlier years	-	-
Add: Excess provision for earlier year	0.69	-
Add: MAT credit entitlement	(0.14)	86.67
Total available for appropriation	317.90	1620.28
Dividend paid during the year	34.02	-
Balance carried forward	283.88	1620.28
	317.90	1620.28

Dividend:

In view of the losses, your Directors have not recommended any Dividend for the year 2022-23.

Performance:

During the year under review, your company achieved a turnover of Rs.114.46 Crores as compared to Rs.171.25 Crores in the previous year. The decrease in turnover was mainly due to lack of demand and Lower price realization for the yarn. Consequently, the company incurred a loss of Rs.17.95 Crores (before tax) which includes the provision made for dimunition in value of shares of AP Gas Power Corp. Ltd., amounting to Rs.3.51 crores as against the profit of Rs.23.49 crores in the previous year.

Capital investment:

During the year under review, the Company has procured a second hand Autoconer and LF1400A Speed Frame, Doffer modification Kits etc., at a total cost of Rs.1.26 crores.

Outlook for the Current Year:

The downfall of the textile industry started in April, 2022 is still continuing due to lack of demand in the global markets resulting in severe drop in the prices of Cotton Yarn. Further,

the power costs are also increased substantially due to imposition of True-up charges and FPPCA charges etc., by APEPDCL on one side and stoppage of self-generation due to increase in Natural Gas prices on the other side. However, the yarn prices may improve in the 2nd half of the current year once the global demand is revived and thereby your company may achieve optimum results during the current financial year.

Fixed Deposits:

The details of Fixed Deposits accepted by the company from it's members under section 73(2) of the Companies Act, 2013 are as under:

i)	Deposits accepted/renewed during the year:	Rs.5,43,08,000/-
ii)	Remained unpaid or unclaimed as at the end of the year:	NIL
iii)	Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved:	NIL
iv)	The details of deposits which are not in compliance with the requirements of Chapter V of the Act:	NIL

Conservation of Energy, Technology Absorption and Foreign Exchange earning and outgo:

Information pursuant to Section 134(3) (m) of the Companies Act, 2013 read with rule 8 of The Companies (Accounts) Rules, 2014 is given in **Annexure 'A'** forming part of this Report.

Particulars of Employees:

None of the employees have drawn the salary in excess of the amount specified in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Investor Education and Protection Fund (IEPF):

During the year under review, the company has transferred to IEPF an amount of Rs.1,31,860/- on 10-10-2022 towards unclaimed dividend for the year 2014-15 corresponding to 65,930 equity shares.

Prevention of Sexual harassment at work place policy:

The company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Compliance Committee (ICC) has been set up to redress the complaints received regarding sexual harassment. All employees are covered under this policy. As on the date of this report, there were no complaints received by the ICC.

The Directors' responsibility statement:

Pursuant to section 134 (3)(c) of the Companies Act, 2013, your Directors state that -

- a. In the preparation of annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- b. The directors had 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 at the end of the financial year and of the profit and loss of the company for that period;
- c. The proper and sufficient care has been taken for maintenance of accounting records in accordance with provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
 - d. The annual accounts of the company have been prepared on a going concern basis; and
 - e. 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.

Extract of Annual Return:

An extract of Annual Return in Form MGT-9 as on 31 March, 2023 is placed in the company's website www.akkamamba.com.

Board Meetings held during the year:

During the year under review, 4 meetings of the Board of Directors of the Company were held on 26-05-2022, 26-07-2022, 27-10-2022 and 02-02-2023.

Nomination and Remuneration Policy:

The Board of Directors of your company has, on recommendation of the Nomination & Remuneration Committee, adopted a Nomination & Remuneration Policy which lays down the framework in relation to the criteria for selection and appointment of Board members and remuneration of Directors/Key Managerial Personnel and Senior Management of the company. This policy can be accessed on the company's website www.akkamamba.com.

Particulars of loans, guarantees or investments:

During the year under review, the company has neither given any loans/ guarantees nor made any investments covered under the provisions of Section 186 of the Companies Act, 2013.

Related party transactions:

The particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 are furnished in **Annexure-B** (in form AOC 2) forming part of this report.

Material changes and commitments affecting the financial position of the Company which have occurred between end of the financial year and the date of Report:

There were no material changes and commitments affecting the financial position of the Company between end of the financial year (31st March, 2023) and the date of the Report (05 August, 2023).

Risk Management Policy:

The company has not developed any risk management policy, as in the opinion of the Board, the elements which may threaten the existence of the company are insignificant.

Corporate Social Responsibility:

As part of CSR initiatives, your company during the financial year 2022-23 has spent an amount of Rs.11 lakhs as per the details given in the report on CSR activities attached as Annexure-D to this report.

Directors:

Under Article 111 of the Articles of Association of the company, Sri M. Narendranath retires by rotation at the ensuing Annual General Meeting and being eligible for re-appointment.

The Independent Directors of the company have declared that they meet the criteria of Independence in terms of Section 149(6) of the Companies Act, 2013 and that there is no change in their status of Independence.

The tenure of appointment of all the three independent directors viz., Sri J.Murali Mohan, Sri N.V.Somaraju and Sri J.Suresh would be completed by 31st March, 2024 and are not eligible for re-appointment as they have completed two consecutive terms of 5 years each. As such, upon recommendation of the Nomination and Remuneration Committee, the Board of Directors in their meeting held on 05-08-2023 appointed (1) Dr.Manjulatha Dasari (DIN:02788338) and (2) Sri V.S.Raju (DIN: 00101405) as Additional Directors in the capacity of Non-executive Independent Directors and they hold office upto the date of ensuing AGM to be held on 25-09-2023.

Based on the recommendation of the Nomination and Remuneration Committee and in view of the knowledge and expertise of both Dr.Manjulatha and Sri V.S.Raju, the Board recommends them to appoint as Independent Directors of the company in terms of section 149 read with section 152 of the Companies Act, 2013 for a period of 5 (five) consecutive years from the conclusion of 69th AGM till the conclusion of 74th AGM.

Names of Companies which have become or ceased to be Subsidiaries/ Joint Ventures/Associates:

There are no Subsidiaries / Joint Ventures / Associates existing / become/ ceased during the year.

Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status or operations of the Company.

Adequacy of internal financial controls:

Your company conducts a review of the financial and operating controls. The internal control system of your company commensurate with its size and nature of the business.

Audit committee:

Audit Committee comprises of 3 non whole-time Independent Directors Sri J.Murali Mohan, Sri N.V.Somaraju, Sri J.Suresh and 1 whole-time Director Sri.M.S.R.V.K.Rangarao. Sri J.Murali Mohan is the Chairman of the Committee.

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises of 3 non whole-time Independent Directors Sri J.Murali Mohan, Sri N.V.Somaraju and Sri J.Suresh. Sri J.Murali Mohan is the Chairman of the Committee.

Auditors:

At the 68th Annual General Meeting (AGM) held on 6th August, 2022, M/s.Brahmayya & Co., Chartered Accountants, Vijayawada, were appointed as the statutory auditors of the company from the conclusion of 68th AGM till the conclusion of 73rd AGM.

In terms of Section 139 (1) of the Companies Act, 2013, the said appointment shall be subject to ratification by members at every annual general meeting.

The Auditors Report to the shareholders for the year under review does not contain any qualification.

Cost Auditors:

M/s.Narasimha Murthy & Co., Cost Accountants, Hyderabad are re-appointed by the Board as Cost Auditors of the Company for the financial year 2023-24.

Industrial relations:

The relations with the employees at all levels are continued to be cordial.

Acknowledgement:

The Directors wish to place on record their appreciation for the co-operation the company received from various departments of Central and State Governments, Consortium of Banks, Deposit holders, Insurance Companies, APEPDCL, GAIL and a host of customers, for their continued support and assistance. The Directors also wish to place on record their appreciation to employees at all levels for their hard work, dedication and commitment.

Venkatarayapuram
Tanuku - 534 215
Date: 05 August, 2023

For and on behalf of the Board of Directors
(P.NARENDRANATH CHOWDARY)
Chairman

Annexure 'A' to Directors' Report

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange.

A. Conservation of Energy:

Efforts to conserve and optimise the use of energy through operational methods and other means are continued.

Significant Initiatives

- Use of Indian Energy Exchange (IEX) power has resulted in savings of Rs.24.83 lakhs.
- Existing choke type tube lights replaced with LED tubes in spinning department and thereby saved power consumption of around 11,520 units.

B. Disclosure of particulars with respect to Absorption of Technology, Research & Development:

Research and Development activities are carried out on an ongoing basis for improving the efficiency and also for improving quality of its products. No separate expenditure was incurred for R & D.

C. Foreign Exchange earnings and outgo:

There were no foreign exchange earnings during the year. The company incurred expenditure in foreign currency equivalent to Rs.50,73,349/- (previous year Rs. 4,26,52,382/-) towards import of raw materials, capital goods, spares etc.

Annexure 'B' to Directors' Report**FORM NO.AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rule, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of the section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis.
 - a) Name(s) of the related party and nature of relationship: NIL
 - b) Nature of contracts/arrangements/transactions: NIL
 - c) Duration of the contracts/arrangements/transactions: NIL
 - d) Salient terms of the contracts/arrangements/transactions including the value, if any: NIL
 - e) Justification for entering into such contracts/arrangements/transactions: NIL
 - f) Date(s) of approval by the Board: NIL
 - g) Amount paid as advances, if any: NIL
 - h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: NIL

2. Details of material contracts/arrangement/transactions at arm's length basis

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts/ arrangements/ transactions including the value, if any (Rs. Lakhs)	Date(s) of approval by the Board, if any	Amount paid as advance, if any
M/s. Sree Venkataraya Printers & Packers Pvt.Ltd.	Purchase of paper cones and boxes / pads	01.04.2022 to 31.03.2023	131.96	29-01-2022	Nil
M/s.Royal Printing Works	Printing & supply of stationery	01.04.2022 to 31.03.2023	1.39	29-01-2022	Nil
M/s VSM Spg. Mills Pvt. Ltd.	Payment of Rent	01.04.2022 to 31.03.2023	12.42	29-01-2022	Nil
M/s.Sree Venkataraya Threads Pvt. Ltd.	Payment of Rent	01-04-2022 to 31-03-2023	2.30	29-01-2022	Nil

Annexure 'C' to Directors' Report

ANNUAL REPORT ON CSR ACTIVITIES

A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The Composition of the CSR Committee:

Sri M. Narendranath, Chairman - Non-executive Director
 Sri J. Murali Mohan - Independent Director and
 Sri M.S.R.V.K. Rangarao,- Executive Director

The Committee met once during the year under review.

Average net profit of the company for last three financial years

Average Net Profit Rs.5,45,40,257/-

Prescribed CSR expenditure (2% of the average net profit of last three financial years)

The company during the financial year 2022-23 was required to spend an amount of Rs.10,90,805/- towards CSR.

Details of CSR spent during the financial year;

- (a) Amount to be spent for the year: Rs.10,90,805/-
 (b) Amount spent during the year Rs.11,00,000/-
 (c) Balance unspent amount; NIL
 (d) Manner in which the amount spent during the financial year is detailed below:

Sl. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1)Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or programs-wise	Amount spent on the projects or programs Sub-heads (1) Direct expenditure on projects or programs (2) overheads	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency
1	Propagating Literature and Fine Arts	Propagating Literature and Fine Arts	Contribution to maintain Libraries, Literature and Fine Arts to Sree Mullapudi Timmaraju Memorial Library and Cultural Centre	Rs. 11,00,000/-	Rs. 11,00,000/-	Rs. 11,00,000/-	Implementing Agency

Responsibility Statement by the Corporate Social Responsibility Committee:

The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.

Tanuku
 05 August, 2023

(M.S.R.V.K. Rangarao)
 Managing Director

(P.Narendranath Chowdary)
 Chairman

INDEPENDENT AUDITORS' REPORT

To The Members of **SREEAKKAMAMBA TEXTILES LIMITED, TANUKU**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **SREE AKKAMAMBA TEXTILES LIMITED ("the Company")** which comprise the Balance sheet as at 31st March, 2023, the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial Statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, its loss and its Cash Flow Statement for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements .

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

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and shareholder's Information, but does not include the financial statements and our auditor's report thereon. The said reports are expected to be made available to us after the date of this audit report.

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

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

When we read the given reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibilities for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India.

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 the 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial Statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We 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 our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether

the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements:

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure- A", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 143(3) of the Companies Act, 2013, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of written representations received from the directors as on 31st March, 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B", and our report express an unmodified opinion on the adequacy and operating effectiveness of the company's IFC with reference to financials.
- g) With respect to Managerial remuneration to be included in the Auditor's report under Section 197(16). -

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act. The remuneration paid to the Managing Director is not in excess of the limits prescribed in Section 197 read with Schedule V to the Companies Act, 2013. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

- h) With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 24(1) to the financial statements;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March 2023.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - 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 on behalf 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 the 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) As stated in Note 24(17.2) to the financial statements
- (a) Dividend of the previous year, declared and paid by the company during the year is in accordance with the section 123 of the Act, as applicable.
- (b) The Board of Directors of the Company has not proposed dividend for the year under report.
- (vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the Financial year ended March 31, 2023.

For Brahmayya & Co.,
Chartered Accountants
Firm Registration Number : 000513S

T.V.RAMANA
Partner
ICAI Membership. No. 200523
UDIN - 23200523BGSVOX9914

Place : Tanuku
Date : 20-05-2023.

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT:

The Annexure referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date, to the members of **SREE AKKAMAMBA TEXTILES LIMITED ("the Company")**, for the year ended 31st March 2023.

We report that:

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets
 - (a) (A) The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment.
 - (B) The company does not have any intangible assets and hence reporting under this clause is not applicable to that extent.
 - (b) The Property, Plant & Equipment are physically verified by the management according to a phased program designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such physical verification.
 - (c) According to the information and explanations furnished to us, the title deeds of immovable properties are held in the name of the company.
 - (d) The company has not revalued any Property, Plant & Equipment during the year and hence reporting under this clause is not applicable to that extent.
 - (e) According to the information and explanations furnished to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii). (a) According to the information and explanation given to us, the inventory has been physically verified by the management at reasonable intervals. The coverage and procedure of such verification is appropriate and the discrepancies noticed during such physical verification of inventories as compared to books have been properly dealt with in the books of account. The discrepancies in each class of inventory does not exceed 10% of the aggregate of each class of inventory.
 - (b) The company has been sanctioned working capital limits in excess of Rs.5 crore, in aggregate from banks or financial institutions on the basis of security of current assets and the quarterly returns filed by the company are in agreement with the books of accounts.
- (iii). During the year the Company has not made investments in, granted any loans or advance in the nature of loans, guarantee or security, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties. Therefore, the provisions of clause 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) & 3(iii)(f) of the said Order are not applicable for the year under report.
- (iv). In our opinion and according to the information and explanations given to us, the company has not granted any loans, guarantees and security in accordance with the provisions of

section 185 of the Companies Act 2013. The company has complied with the provisions of section 186 of the Companies Act 2013, in respect of investments made.

- (v). In our opinion the Company has complied with the provisions of section 73 to 76 and other applicable provisions of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 with regard to the deposits accepted from the public or amounts which are deemed to be deposit.

According to the information furnished to us, no order has been passed on the Company by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal for non-compliance with the provisions of Sections 73 to 76 of the Companies Act 2013.

- (vi). We have broadly reviewed the books of account and records maintained by the company, pursuant to the Rules made by the Central Government for the maintenance of Cost Records under section 148 (1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained.

- (vii). (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, in our opinion, the company is regular in depositing with the appropriate authorities, the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Goods and Service Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues applicable to it.

There were no undisputed amounts payable in respect of Provident Fund, Income Tax, Sales Tax, Goods and Service Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there were no amounts of Sales Tax, Customs Duty, Goods and Service Tax Excise Duty, Cess, Income Tax, Service Tax that have been disputed by the company at the date of the balance sheet under report. Hence, reporting under clause 3(vii)(b) is not applicable.

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Hence, reporting under clause 3(viii) is not applicable.

- (ix). (a) According to the records of the company examined by us, and the information and explanations given to us, there were no defaults in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year under report.

- (b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

- (c) The Company has not taken any term loan during the year under report. Hence, reporting under clause 3(ix)(c) of the order is not applicable.

- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The company does not have any subsidiaries, associates or joint ventures and hence, reporting under clauses 3(ix)(e) and 3(ix)(f) are not applicable.
- (x). (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) No fraud by the Company and no fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- (xii). In our opinion and according to the information and explanations furnished to us, the company is not a Nidhi and hence, the requirement of clause 3(xii) of the Order is not applicable to the company during the year under report.
- (xiii). According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv). (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv). According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with its directors, and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi). (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) and 3(xvi)(b) of the Order is not applicable.

- (b) In our opinion, the Company is not a core investment company (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clauses 3(xvi)(c) and 3(xvi)(d) of the Order is not applicable.
- (xvii). The Company has incurred cash losses during the financial year covered by our audit amounts to Rs.10,10,21,442 and the company has not incurred cash losses in the preceding financial year.
- (xviii). There has been no resignation of the statutory auditors of the Company during the year. Hence, reporting under Clause 3(xviii) of the Order is not applicable.
- (xix). On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) During the year the company have no unspent amount towards Corporate Social Responsibility (CSR) expenditure in pursuance to section 135 of The Companies Act 2013. Accordingly reporting under clause 3(xx) is not applicable.
- (xxi) The company do not have any subsidiaries, associates or joint ventures and hence consolidation of accounts does not arise and hence, reporting under clause 3(xxi) is not applicable.

Place : Tanuku
Date : 20-05-2023.

For Brahmayya & Co.,
Chartered Accountants
Firm Registration Number : 000513S
T.V.RAMANA
Partner
ICAI Membership. No. 200523
UDIN - 23200523BGSVOX9914

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")

We have audited the internal financial controls with reference to financial statements of **SREE AKKAMAMBA TEXTILES LIMITED, ("the Company")** as of 31st March 2023 in conjunction with our 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 with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit.

We have conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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, both applicable to an audit of Internal Financial Controls issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the decisive factor, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence so obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements 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 authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2023, based on "the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls With reference to financial statements issued by the Institute of Chartered Accountants of India".

Place : Tanuku
Date : 20-05-2023.

For Brahmayya & Co.,
Chartered Accountants
Firm Registration Number : 000513S
T.V.RAMANA
Partner
ICAI Membership. No. 200523
UDIN - 23200523BGSVOX9914

Balance Sheet As at 31st March, 2023

(Rs. in lakhs)

Particulars	Notes	As at 31st March 2023	As at 31st March 2022
Equity and Liabilities			
Shareholders' Funds			
Share Capital	2	170.08	170.08
Reserves and Surplus	3	3,287.44	4,623.84
		3,457.52	4,793.92
Non-Current Liabilities			
Long-term Borrowings	4	1,298.40	1,506.12
Other Long-term liabilities	5	277.39	254.71
Deferred Tax Liability (Net)	6	621.66	1,113.53
Long-term Provisions	7	31.50	19.64
		2,228.95	2,894.00
Current Liabilities			
Short-term Borrowings	8	2,763.74	3,415.02
Trade Payables:	9.1		
a) Total outstanding dues of micro and small enterprises		4.10	5.88
b) Total outstanding dues of creditors other than micro and small enterprises		376.73	0.86
Other Current Liabilities	9.2	621.82	830.35
Short term Provisions	7	4.33	435.70
		3,770.71	4,687.81
TOTAL		9,457.18	12,375.73
Assets			
Non current Assets			
Property, Plant and Equipment and Intangible Assets:			
Property, Plant and Equipment (Net Block)	10	5,378.33	5,698.53
Intangible Assets		-	-
Capital Work in Progress		6.01	-
Non-current Investments	11	37.33	388.21
Deferred Tax Assets (net)		-	-
Long term Loans and Advances	12	533.77	473.90
Trade Receivables	13.1	-	-
Other Non Current assets	13.2	227.52	201.09
		6,182.96	6,761.73
Current Assets			
Inventories	14	2,069.69	3,166.45
Trade Receivables	13.1	897.81	1,885.14
Cash and Bank Balances	15	116.95	33.81
Short term Loans and Advances	12	105.03	473.81
Other Current Assets	13.2	84.75	54.78
		3,274.22	5,614.00
TOTAL		9,457.18	12,375.73
Summary of Significant Accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
for Brahmaya & Co.,
Chartered Accountants
Firm Regn.No.000513S
T.V.Ramana
Partner
Membership No:200523
UDIN - 23200523BGSVOX9914
Place: Venkatarayapuram, Tanuku
Date: 20th May, 2023

For and on behalf of the Board of Directors
P.Narendranath Chowdary, Chairman
M.S.R.V.K Ranga Rao, Managing Director
N.Satyanarayana, General Manager (Fin & Admin)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2023

(Rs. In lakhs except no.of equity shares, EPS and per equity share data)

Particulars	Notes	Current Reporting Period 2022-23	Previous Reporting Period 2021-22
Income:			
Revenue from operations	16	11,445.72	17,124.79
Other Income	17	104.53	59.20
Total Income (I)		11,550.25	17,183.99
Expenses:			
Cost of raw materials and components consumed	18	6,937.36	8,885.14
[Increase]/Decrease in Inventories of finished goods	19	357.33	(406.92)
Employee benefits expense	20	1,757.02	1,991.81
Finance Costs	21	364.62	484.97
Depreciation and amortization expense	22	433.72	423.92
Provision for dimunition in value of Investments		350.88	-
Other expenses	23	3,039.85	3,456.03
Total Expenses (II)		13,240.78	14,834.96
Profit/(Loss) before exceptional items & tax		(1,690.52)	2,349.04
Exceptional item			
Loss of Stocks due to fire accident		104.28	-
Profit/(Loss) before tax		(1,794.81)	2,349.04
Less : Tax expenses:			
Short/(Excess) provision of IT for earlier years		(0.69)	-
Tax		-	421.00
MAT credit entitlement		-	(86.68)
MAT credit adjustment for earlier years		0.14	-
Deferred tax		(491.87)	434.26
Tax for earlier years		-	-
Total tax expense		(492.42)	768.58
Profit/(Loss)(after tax) for the year from continuing operations		(1,302.39)	1,580.46
Earning per Equity Share:			
Basic and diluted		(76.57)	92.92
Summary of Significant Accounting policies	1		

As per our report of even date for Brahmayya & Co., Chartered Accountants Firm Regn.No.000513S T.V.Ramana Partner Membership No:200523 UDIN - 23200523BGVVOX9914 Place: Venkatarayapuram, Tanuku Date: 20th May, 2023

For and on behalf of the Board of Directors
P. Narendranath Chowdary, Chairman
M.S.R.V.K Ranga Rao, Managing Director
N.Satyanarayana, General Manager (Fin & Admin)

CASH FLOW STATEMENT FOR THE YEAR 2022-23

(Rs. in lakhs)

	2022-2023	2021-2022
I. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax	(1,794.81)	2,349.04
Add/Less:		
Adjustments for:		
Depreciation	433.72	423.92
Interest paid	361.83	463.99
Interest received	(15.47)	(11.96)
Dividends received	(60.39)	(30.19)
Profit on sale of assets	(3.76)	(0.76)
Loss on sale of assets/written off	-	-
Operating Profit before working capital changes	(1,078.88)	3,194.03
Adjustments for		
Inventories	1,096.76	(1,193.14)
Investments	350.88	-
Long Term Liability	22.68	58.08
Long Term Provision	11.86	2.46
Trade Payables	374.09	(825.45)
Current Liability	(208.54)	200.08
Short term Provision	(10.37)	0.80
Trade Receivables	987.34	(583.66)
Long term Loans & Advances	(60.00)	-
Short term Loans & Advances	(52.22)	(25.46)
Current Assets	(29.97)	(31.17)
Other non -current assets	(26.43)	(20.11)
Cash Generated from operations	1,377.20	776.46
Less: Direct Taxes paid/Refund (Net)	(0.69)	350.00
Net Cash from operating activities before extra ordinary items	1,377.89	426.46
Net cash from Operating activities (A)	1,377.89	426.46

(Rs. in lakhs)

	2022-2023	2021-2022
II. CASH FLOW FROM INVESTMENT ACTIVITIES:		
Purchase of Fixed Assets	(132.46)	(264.39)
Proceeds from sale of assets	16.69	1.25
Interest received	15.47	11.96
Dividends received	60.39	30.19
Net cash used in Investment activities (B)	(39.90)	(220.98)
III. CASH FLOW FROM FINANCING ACTIVITIES:		
Acceptance/(Repayment) of loans	(859.00)	235.42
Dividends paid	(34.02)	-
Dividend Tax paid	-	-
Interest paid	(361.83)	(463.99)
Net cash used for Financing activities (C)	(1,254.85)	(228.57)
Net increase in cash and its equivalents (A+B+C)	83.14	(23.09)
Opening cash & bank balances as on 1-4-2022	33.81	56.90
Closing cash & bank balances as on 31-3-2023	116.95	33.81
	(83.14)	23.09

As per our report of even date
for BRAHMAYYA & CO.
Chartered Accountants
Firm Regn.No.000513S
T.V.Ramana
Partner
Membership No:200523
UDIN - 23200523BGSVOX9914

For and on behalf of the Board of Directors
P.Narendranath Chowdary Chairman
M.S.R.V.K. Rangarao, Managing Director
N.Satyanarayana, General Manager (Fin & Admin)

Place: Venkatarayapuram, Tanuku
Date: 20th May, 2023

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 1 - ACCOUNTING POLICIES

i. GENERAL

- a. The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards as prescribed under section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules 2014 and the provisions of the Act (to the extent notified). The financial statements have been prepared under the historical cost convention on accrual basis.
- b. Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in India requires management, where necessary, to make the estimates and assumptions that effect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from the estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised.

ii. PROPERTY, PLANT AND EQUIPMENT

Freehold Land is carried at historical cost. All other items of Property Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation / amortization and impairment, if any. Cost includes purchase price, taxes and duties, labor cost and directly attributable overheads incurred up to the date the asset is ready for its intended use. However, cost excludes Excise Duty, Value Added Tax and Service Tax, to the extent credit of the duty or tax is availed of.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when 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. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to Profit or Loss during the reporting period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

Depreciation and Amortization:

Depreciation is provided under straight line method in accordance with Schedule II to the Companies Act, 2013 treating the plant as a continuous process plant. Depreciation is computed at a uniform rate treating each Machine/Equipment as a single unit, since the value of components forming part thereof is insignificant.

Residual values and useful lives are reviewed and adjusted if appropriate for each reporting period.

Advances paid towards the acquisition of Property, Plant and Equipment outstanding at each Balance Sheet date is classified as capital advances under other Non-current assets and the cost of assets not put to use before such date are disclosed under capital work-in-progress.

Assets to be disposed off are reported at the lower of carrying value or fair value less cost of sales.

iii. INVESTMENTS

Investments are stated at cost and income thereon is accounted for on accrual. Provision towards decline in the value of investments is made only when such decline is other than temporary.

iv. BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to get ready for their intended use or sale are capitalized as part of cost of such assets. Other borrowing costs are recognized as an expense in the period in which they are incurred.

v. INVENTORIES

- a) Inventories are valued at lower of cost or net realizable value. In respect of Raw Materials and Stores and Spares, cost is determined using FIFO and weighted average methods respectively except, where the net realizable value of the finished goods in which they are used is less than the cost of finished goods and in such event, if the replacement cost of such materials etc., is less than their book values, they are valued at replacement cost. Cost of work-in-progress and finished goods include appropriate portion of overheads etc.,
- b) Stock of scrap and cotton waste are valued at estimated net realizable value.
- c) Tools and implements are valued at cost after providing for obsolescence.
- d) Machinery spares which can be used only in connection with an item of fixed assets and whose use is expected to be irregular are amortized over the life of the principal asset.

vi. SALES

Sales are inclusive of packing charges, freight and handling charges and are exclusive of Sales Tax/GST.

vii. EMPLOYEE BENEFITS:

- a) Company's contributions to Employees' Provident fund and Employee State Insurance are made under a Defined Contribution Plan, and are accounted for at actual cost in the year of accrual.
- b) The company's liability to gratuity on retirement of its eligible employees is funded with the Life Insurance Corporation of India. The incremental expense thereon for each year is arrived at as per actuarial valuation and is recognized and charged to the Profit and Loss Account in the year in which the employee has rendered service.

- c) Expense on account of unutilized/ unencashed leave is arrived at as per actuarial valuation and is recognized and charged to the Statement of Profit and Loss in the year in which employee has rendered services in lieu of such leave.
- d) Gains/losses arrived at in the above actuarial valuations are charged to the statement of profit and loss immediately in each year.

viii. FOREIGN EXCHANGE TRANSACTIONS

- a) Export sales are initially accounted at the exchange rate prevailing on the date of documentation/invoicing and the same is adjusted with the difference in the rate of exchange arising on actual receipt of proceeds in foreign exchange.
- b) Import of materials/capital equipment is accounted at the rates at which the actual payments are affected.
- c) Assets and liabilities arising out of foreign exchange transactions, as mentioned above, are translated at the rates of exchange ruling on the date of Balance Sheet and are suitably adjusted to the appropriate revenue/capital account.

ix. DIVIDEND

Final dividends on shares are recorded as liability on the date of approval by the shareholders and interim dividend are recorded as liability on the date of declaration by the company Board of Directors.

x. TAXATION

Provision is made for income tax liability estimated to arise on the results for the year at the current rate of tax in accordance with the Income Tax Act, 1961.

- Deferred tax resulting from timing differences between book and tax profits is accounted for under the liability method, at the current rate of tax.
- Deferred tax assets arising on account of brought forward losses and unabsorbed depreciation are recognized only when there is virtual certainty supported by convincing evidence that such assets will be realized. Deferred tax assets arising on other temporary timing differences are recognized only if there is a reasonable certainty of realization.
- Minimum alternate tax payable under the provisions of the Income Tax Act, 1961 is recognized as an asset in the year in which credit become eligible and is set off to the extent allowed in the year in which the company becomes liable to pay income taxes at the enacted tax rates.

xi. IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of the same exceeds its recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

xii. CONTINGENT LIABILITIES

Contingent liabilities are not recognized in the accounts, but are disclosed after a careful evaluation of the concerned facts and the legal issues involved.

		(Rs. in lakhs)		
Note 2 - Share Capital	As At 31st March 2023 Rs.	As At 31st March 2022 Rs.		
<u>Authorised Shares :</u> 27,50,000(31st March 2022 : 27,50,000) equity shares of Rs.10/-each	275.00	275.00		
25,000 (31st March 2022: 25,000) 9.50% Cumulative redeemable preference shares of Rs.100/- each.	25.00	25.00		
	300.00	300.00		
<u>Issued Shares :</u> 17,69,308(31st March 2022 :17,69,308) equity shares of Rs.10/- each.	176.93	176.93		
	176.93	176.93		
<u>Subscribed and fully paid-up shares :</u> 17,00,807(31st March 2022 :17,00,807) equity shares of Rs.10/- each.	170.08	170.08		
Total issued, subscribed and fully paid-up capital	170.08	170.08		

(Rs. in lakhs except equity shares)				
a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.	As At 31st March 2023 (Rs.)		As At 31st March 2022 (Rs.)	
	No.	Amt. in Lakhs	No.	Amt. in Lakhs
<u>Equity Shares :</u>				
At the beginning of the period	17,00,807	170.08	17,00,807	170.08
Issued during the period - Bonus issue	-	-	-	-
Issued during the period - ESOP	-	-	-	-
Bought back during the period	-	-	-	-
Outstanding at the end of the period	17,00,807	170.08	17,00,807	170.08

b. Details of shareholders holding more than 5% shares in the company				
Equity shares of Rs.10/- each fully paid	As At 31st March 2023		As At 31st March 2022	
	No.	% holding in the class	No.	% holding in the class
1) The Andhra Sugars Ltd.	1,40,000	8.23%	1,40,000	8.23%
2) Sri Mullapudi Narendranath	2,01,000	11.82%	2,01,000	11.82%
3) Sri Mullapudi Thimmaraja	1,15,600	6.80%	1,15,600	6.80%
4) Sri Mullapudi Mrutyumjaya Prasad	1,07,800	6.34%	1,07,800	6.34%
Total	5,64,400	33.19%	5,64,400	33.19%

c. Rights, Preference and restrictions attached to equity shares:

- 1) The company has only one class of equity shares having a face value of Rs.10/- each. Each holder of Equity Share is entitled to one vote per share held. In the event of liquidation of Company, the holders of equity share will be entitled to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.
- 2) The financial statements of the company were approved by the Board of Directors on 20-05-2023.

d. Equity shares movement during the 5 years preceding 31st March, 2023

During the year 2017-18, the Company had bought back 35,545 shares of Rs.10/- each at a premium of Rs.112.33 each in the course of buy-back offer given by the Company as to facilitate removal of Company name from the Dissemination Board of National Stock Exchange under SEBI Circular No.SEBI/HO/MRD/DSA/CIR/P/2016/110 dated 10-10-2016.

e. Disclosure of Shareholding of Promoters as at 31st March 2023

S. No.	Shares held by promoters at the end of the year			% Change during the year
	Promoter Name	No of Shares	% of total shares	
1	SRI MULLAPUDI NARENDRANATH (IND)	2,01,000	11.82%	0%
2	SRI MULLAPUDI THIMMARAJA (IND)	1,15,600	6.80%	0%
3	SRI MULLAPUDI MRUTYUMJAYA PRASAD	1,07,800	6.34%	0%
4	Smt. MULLAPUDI SATYANARAYANAMMA	55,677	3.27%	0%
5	SRI M S R V K RANGA RAO	49,600	2.92%	0%
6	DR.M HARISCHANDRA PRASAD	49,600	2.92%	0%
7	Smt. MULLAPUDI RENUKA	43,200	2.54%	0%
8	Smt. MULLAPUDI NARAYANAMMA	43,200	2.54%	0%
9	SRI PENDYALA S R V K RANGA RAO	40,000	2.35%	0%
10	SRI PENDYALA NARENDRANADH CHOWDARY	40,000	2.35%	0%
11	SRI MULLAPUDI VIKRAM PRASAD	26,800	1.58%	0%
12	SRI PENDYALA V KRISHNA RAO	20,000	1.18%	0%
13	Smt. GOLI DEVI	20,000	1.18%	0%
14	Smt. GADDIPATI ANURADHA	20,000	1.18%	0%
15	Smt. MADDIPOTI KAMALA DEVI	14,857	0.87%	0%
16	Smt. JUJJAVARAPU USHA RANI	14,857	0.87%	0%
17	SRI PENDYALA VENKATA RAYUDU	14,000	0.82%	0%
18	SRI PENDYALA RAVI	14,000	0.82%	0%
19	Smt. BALUSU RANGANAYAKI	12,000	0.71%	0%
20	SRI MULLAPUDI VENKATARAYUDU	7,000	0.41%	0%
21	Smt. MULLAPUDI RUKMINI	7,000	0.41%	0%
22	Kum. MULLAPUDI RAMYATARA	7,000	0.41%	0%
23	SRI PENDYALA ACHUTARAMAYYA	4,000	0.24%	0%
24	M/s. VENKATARAYA SPORTS PVT LTD	3,360	0.20%	0%
25	M/s. SREE VENKATARAYA DEVELOPERS&SEC P LTD.	3,360	0.20%	0%
26	Smt. E RAMALAKSHMI	2,858	0.17%	0%
27	Smt. S B RADHIKA	2,857	0.17%	0%
28	Smt. NANANTA LAKSHMI DEVI	2,857	0.17%	0%
29	Smt. MULLAPUDI SRIVANI	2,500	0.15%	0%
30	Smt. J ANANTHA LAKSHMI	2,000	0.12%	0%
31	M/s. SRI VENKATARAYA INV & FIN. CO LTD.,	1,760	0.10%	0%
32	Smt. M ASHA RANI	953	0.06%	0%
33	Smt. THULSI RAJKUMAR	952	0.06%	0%
34	Smt. P SUJATHA	952	0.06%	0%
35	M/s. THE MULLAPUDI INV & FINANCE CO (P) LTD.,	200	0.01%	0%
36	M/s. SREE THIMMARAJA INV&FINANCE CO (P) LTD	200	0.01%	0%
	Total	9,52,000	55.97%	0%

e. Disclosure of Shareholding of Promoters as at 31st March 2022

S. No.	Shares held by promoters at the end of the year			% Change during the year
	Promoter Name	No of Shares	% of total shares	
1	SRI MULLAPUDI NARENDRANATH (IND)	2,01,000	11.82%	0%
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8	Smt. MULLAPUDI NARAYANAMMA	43,200	2.54%	0%
9	SRI PENDYALA S R V K RANGA RAO	40,000	2.35%	0%
10	SRI PENDYALA NARENDRANADH CHOWDARY	40,000	2.35%	0%
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12	SRI PENDYALA V KRISHNA RAO	20,000	1.18%	0%
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36	M/s. SREE THIMMARAJA INV&FINANCE CO (P) LTD	200	0.01%	0%
	Total	9,52,000	55.97%	0%

Sree Akkamamba Textiles Ltd.,

(Rs. in lakhs)

Note 3 - Reserves and Surplus	As At 31st March 2023	As At 31st March 2022
General Reserve		
Balance as per the last Financial Statements	3,000.00	3,000.00
Add : Transfer from Surplus balance in the Statement of Profit and Loss.	-	-
Closing Balance	3,000.00	3,000.00
Capital redemption reserve	3.55	3.55
Surplus / (Deficit) in Profit and Loss Statements	-	-
Profit/Loss(-) for the year	1,620.28 (1,302.39)	39.83 1,580.46
	317.90	1,620.28
Less : Appropriations		
Dividend paid	34.02	-
Total Appropriations	34.02	-
Net Surplus in statement of Profit and Loss	283.88	1,620.28
Total Reserves and Surplus taken to Balance Sheet	3,287.44	4,623.84

Note 4 - Long Term Borrowings	Non-current portion		Current maturities	
	As At 31st March 2023	As At 31st March 2022	As At 31st March 2023	As At 31st March 2022
Term Loans				
Rupee loan from banks (secured)				
UGEC Loan from UBI (Covid)	81.33	203.33	122.00	122.00
GECL Loan (Ext) from SBI	237.42	259.00	21.58	-
UGECL Loan (Ext) from UBI	172.83	183.00	10.17	-
	491.58	645.33	153.75	122.00
Inter Corporate Loan (Unsecured)	-	200.00	200.00	400.00
Other Loans and advances:				
Deposits (unsecured)				
Deposit from Directors	33.53	33.53	-	-
Deposits from share holders	773.29	627.26	-	-
	806.82	860.79	200.00	400.00
Total Amount	1,298.40	1,506.12	353.75	522.00
The above amount includes				
Secured borrowings	491.58	645.33	153.75	122.00
Unsecured borrowings	806.82	860.79	200.00	400.00
Amount disclosed under the head "Short term borrowings"(note 8)	-	-	353.75	522.00
Net Amount	1,298.40	1,506.12	-	-

Term Loans from Banks comprise of:

(Rs. in lakhs)

	i UBI(Andhra Bank)	ii SBI	iii UBI(Andhra Bank)
a) Loan availed	366.00	259.00	183.00
b) No. of instalments	36 Monthly	36 Monthly	36 Monthly
c) Instalment commencing from	31-12-2021	31-01-2024	08-02-2024
d) Rate of Interest	7.50%	9.25%	7.50%
e) Instalment amount per quarter/month	10.17	7.19	5.08
f) Extent and operation of the charge	Paripassu first charge on all Stocks of Raw-material , WIP , Finished Goods, Stores & Spares and Receivables	Paripassu first charge on Raw-materials, Finished goods , Stock in process, Stores & Spares and Book Debts and Paripassu second charge on Plant and Machinery	Paripassu first charge on Raw-materials, Finished Goods, Stock in process, Stores & Spares and Book Debts and Paripassu second charge on Plant and Machinery and other Fixed assets

There are no pending charges or satisfaction of charges that are yet to be registered with Registrar of Companies beyond the statutory period.

Note 5 - Other Long Term Liabilities	As At 31st March 2023 Rs.	As At 31st March 2022 Rs.
Trade payables	-	-
Total	-	-
Others		
Outstanding Liabilities for expenses	223.43	218.51
Trade Deposits	1.25	1.25
Advance from customers	-	-
Interest accrued but not due on deposits	52.71	34.95
Unearned revenue	-	-
Total	277.39	254.71

Sree Akkamamba Textiles Ltd.,

(Rs. in lakhs)

Note 6 - Deferred Tax Liability (Net)	As At 31st March 2023 Rs.	As At 31st March 2022 Rs.
<u>Deferred Tax Liability</u>		
Fixed assets: Impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting others	1,019.52	1,192.19
Gross deferred tax liability	1,019.52	1,192.19
<u>Deferred tax asset</u>		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	66.20	78.66
Provision for diminution in the value of investments	-	-
Provision for doubtful debts and advances	-	-
Others-Un-absorbed depreciation loss	331.66	-
Gross deferred tax asset	397.86	78.66
Net Deferred Tax Liability	621.66	1,113.53

Note 7 - Provisions	Long Term		Short Term	
	As At 31st March 2023 Rs.	As At 31st March 2022 Rs.	As At 31st March 2023 Rs.	As At 31st March 2022 Rs.
<u>Provision for employee benefits:</u>				
Provision for gratuity	-	-	-	-
Provision for leave benefits	31.50	19.64	4.33	14.70
	31.50	19.64	4.33	14.70
<u>Other Provisions:</u>				
Provision for Income tax	-	-	-	421.00
	-	-	-	421.00
	31.50	19.64	4.33	435.70

(Rs. in lakhs)

Note 8 - Short Term Borrowings	As At 31st March 2023 Rs.	As At 31st March 2022 Rs.
Cash credit from Banks (Secured)	1,987.37	2,386.78
Loan repayable on demand (Unsecured) - from Directors	28.07	103.90
Deposits (unsecured) - from Directors	-	-
- from Shareholders	394.55	402.35
Current maturities of long term borrowings	353.75	522.00
	2,763.74	3,415.02
<u>The above amount includes</u>		
Secured borrowings	2,109.37	2,508.78
Unsecured borrowings	622.62	906.25

Note: The above Cash Credit loan from Banks are secured by way of first charge on Cotton, Yarn, Stock-in-process, Stores and spares and book debts and second charge on the fixed assets. The same is repayable on demand.

Note 9 - Other Current Liabilities	As At 31st March 2023	As At 31st March 2022
9.1 - Trade payables		
Due to Micro, Small and Medium Enterprises (See Note No.24.12)	4.10	5.88
Due to Others	376.73	0.86
	380.83	6.74
9.2 - Other Liabilities:		
Interest accrued but not due on borrowings	46.65	57.18
Advance from customers	1.24	89.80
Unclaimed dividend	7.85	6.46
Unclaimed Fixed Deposits	-	1.00
Accrued Salaries and Benefits	226.16	262.09
Directors Remuneration	-	16.32
Statutory Dues	1.57	3.65
Outstanding Liabilities for expenses	202.57	190.42
Other payables	135.78	203.44
	621.82	830.35
	1,002.64	837.09

Sree Akkamamba Textiles Ltd.,

Trade Payables ageing schedule outstanding as at 31st March 2023

(Rs. in lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	4.10	-	-	-	-	4.10
(ii) Others	-	375.87	-	-	-	375.87
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-

Trade Payables ageing schedule outstanding as at 31st March 2022

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	5.88	-	-	-	-	5.88
(ii) Others	-	0.86	-	-	-	0.86
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-

Note 10 - Property, Plant and Equipment

(Rs. in lakhs)

Sl. No.	Description	Cost upto 31.03.22	Gross Block			Depreciation				Net Block	
			Additions during the year	Deductions during the year	Cost upto 31.03.23	upto 31.03.22	for the year	on Deductions	upto 31.03.23	W.D.V. AsAt 31.03.23	W.D.V. AsAt 31.03.22
1.	Land	22.62	-	-	22.62	-	-	-	-	22.62	22.62
2.	Buildings	771.38	-	-	771.38	446.46	20.34	-	466.80	304.58	324.92
3.	Roads	2.36	-	-	2.36	2.24	-	-	2.24	0.12	0.12
4	Plant & Machinery	12,707.43	96.12	18.07	12,785.48	7,443.66	389.19	17.17	7,815.67	4,969.80	5,263.77
5	Electrical Installations	320.10	0.25	14.75	305.60	286.52	8.42	14.01	280.93	24.67	33.58
6	Laboratory Equipment	264.45	-	-	264.45	236.25	10.39	-	246.64	17.82	28.21
7	Computers	29.37	-	-	29.37	27.90	-	-	27.90	1.47	1.47
8	Furniture & Fittings	20.30	-	-	20.30	19.27	0.05	-	19.32	0.98	1.03
9	Motor Vehicles	48.65	30.08	20.45	58.28	25.82	5.33	9.16	21.99	36.29	22.83
Total		14,186.66	126.45	53.28	14,259.83	8,488.12	433.72	40.35	8,881.50	5,378.33	5,698.53
	Previous year	13,932.16	264.39	9.89	14,186.66	8,073.60	423.92	9.40	8,488.12	5,698.53	5,858.56

Note: (1) No impairment of assets, hence, the relevant disclosure was not made herein above.

Note 10 - Capital Work in Progress (CWIP aging Schedule)

Particulars	Amount in CWP for a period in Rs.			Total
	Less than 1 year	1-2 Years	More than 3 years	
Water Tank	6.01	-	-	6.01

Sree Akkamamba Textiles Ltd.,

(Rs. in lakhs)

Note 11 - Non-current Investments	As At 31st March 2023	As At 31st March 2022
Trade Investments (valued at cost unless stated otherwise)		
<u>Unquoted equity instruments</u>		
268000 (31 March 2022:268000) Equity shares of Rs. 10/- each, Fully paid up in Andhra Pradesh Gas Power Corporation Ltd.,	350.88	350.88
Less: Provision for diminution in value of shares	350.88	
Non-trade investments (valued at cost unless stated otherwise)	-	350.88
<u>Investment in equity instruments (quoted)</u>		
1509700(31 March2022:301940)Equity shares of Rs.2/-each, fully paid up in The Andhra Sugars Ltd., Tanuku	36.82	36.82
<u>Equity Shares (Unquoted)</u>		
5100 (31 March 2022:5100) Equity Shares of Rs. 10/-each, fully paid up in The Andhra Farm Chemicals Corporation Ltd., Kovvur	0.51	0.51
	37.33	37.33
	37.33	388.21
Aggregate amount of quoted Investments		
- Market Value	1,638.02	2,335.51
- Cost	36.82	36.82
Aggregate amount of unquoted investments	0.51	351.39
Aggregate provision for diminution in value of investments	350.88	-

(Rs. in lakhs)

Note 12 - Loans and advances	Non-current		Current	
	As At 31st March 2023	As At 31st March 2022	As At 31st March 2023	As At 31st March 2022
<u>Capital Advances</u>				
Secured, considered good	-	-	-	-
Unsecured, considered good	60.00	-	-	-
(A)	60.00	-	-	-
Loans and advances to related parties				
Unsecured, considered good				
(B)	-	-	-	-
<u>Advances recoverable in cash or kind</u>				
Secured, considered good			-	-
Unsecured, considered good			82.29	107.93
Doubtful			-	-
			82.29	107.93
Provision for doubtful advances				-
(C)	-	-	82.29	107.93
Other Loans and Advances				
Foreign Currency				
MAT Credit	473.77	473.90	-	-
Advances to Trade Payables	-	-	-	0.25
Advance Income-tax / TDS	-	-	15.06	363.32
Interest subsidy receivable (TUFS)	-	-	-	-
Prepaid expenses	-	-	1.57	2.31
Loans and Advance to employees	-	-	0.46	-
Balances with Statutory / government authorities	-	-	5.64	-
(D)	473.77	473.90	22.74	365.88
Total [A+B+C+D]	533.77	473.90	105.03	473.81

(Rs. in lakhs)

Note 13.1 - Trade receivables	Non-current		Current	
	As At 31st March 2023	As At 31st March 2022	As At 31st March 2023	As At 31st March 2022
Unsecured, considered good, unless stated otherwise:				
Outstanding for a period exceeding six months from the due date of payment				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	-	-
Doubtful	-	-	-	-
Provision for doubtful receivables	-	-	-	-
(A)	-	-	-	-
Other receivables				
Secured, considered good			-	-
Unsecured, considered good			897.81	1,885.14
Doubtful			-	-
Provision for doubtful receivables	-	-	897.81	1,885.14
(B)	-	-	897.81	1,885.14
Total [A+B]	-	-	897.81	1,885.14

Trade Receivables Ageing Schedule :

Trade Receivables ageing schedule outstanding as on 31st March 2023

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables- considered good	893.29	4.51	-	-	-	-	897.81
(ii) Undisputed Trade Receivables- considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered doubtful	-	-	-	-	-	-	-

Trade Receivables ageing schedule outstanding as on 31st March 2022 (Rs. in lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months-1 Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables- considered good	1,392.45	492.67	0.02	-	-	-	1,885.14
(ii) Undisputed Trade Receivables- considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered doubtful	-	-	-	-	-	-	-

Note 13.2 - Other Non-Current Assets	Non-current		Current	
	As At 31st March 2023	As At 31st March 2022	As At 31st March 2023	As At 31st March 2022
Security Deposit				
Secured, considered good	-	-	-	-
Unsecured, considered good	227.52	201.09	-	-
Doubtful	-	-	-	-
[A]	227.52	201.09	-	-
<u>Unsecured, considered good unless stated otherwise</u>				
Non-current bank balances	-	-	-	-
[B]	-	-	-	-
<u>Others</u>				
Gratuity Fund (Net planned assets)	-	-	72.28	46.21
Interest accrued	-	-	12.47	8.57
[C]	-	-	84.75	54.78
Total [A+B+C]	227.52	201.09	84.75	54.78

Sree Akkamamba Textiles Ltd.,

(Rs. in lakhs)

Note 14 - Inventories (valued at lower of cost and net realizable value)	As At 31st March 2023	As At 31st March 2022
Raw materials and components at Cost	1,231.93	1,944.91
Work-in-progress at Cost	222.77	345.69
Finished goods(including cotton waste) at Cost	370.37	604.78
Stores and spares at Cost (including in transit Rs.47,846/- (Prev.year Rs.13,49,681)	242.28	268.66
Loose tools & Implements	2.34	2.41
Total	2,069.69	3,166.45

Note: The value of inventories are net after writing off Stock of Cotton and Waste Cotton burnt in the fire accident occurred on 11-01-2023, for which, the Company lodged claim with Insurer.

Note 15 - Cash and Bank balances	Non-current		Current	
	As At 31st March 2023	As At 31st March 2022	As At 31st March 2023	As At 31st March 2022
<u>Cash and Cash Equivalents :</u>				
Balances with Banks:				
In current accounts			30.04	0.04
Deposits with original maturity of less than 3 months"			22.40	16.58
In unclaimed dividend accounts			7.85	6.46
Cash on hand			38.96	1.13
			99.25	24.21
<u>Other Bank Balances :</u>				
Deposits with original maturity for more than 12 months	-	-	-	-
Deposits with original maturity for more than 3 months but less than 12 months	-	-	-	-
Margin money deposit	-	-	17.70	9.60
	-	-	17.70	9.60
Amount disclosed under non-current assets(Note: 13.2)	-	-	-	-
Total	-	-	116.95	33.81

(Rs. in lakhs)

Note 16 - Revenue from operations	2022-2023	2021-2022
<u>Sale of products:</u>		
Finished goods	10,748.76	16,267.53
Sale of Cotton Waste	696.90	857.25
	11,445.66	17,124.78
<u>Other Operating Revenue</u>		
Packing & Forwarding charges collected	0.06	0.01
Revenue from operations	11,445.72	17,124.79

Details of products sold	2022-2023	2021-2022
<u>Finished goods sold :</u>		
Cotton Yarn	10,748.76	16,267.53
Cotton Waste	696.90	857.25
	11,445.66	17,124.78

Note 17 - Other Income	2022-2023	2021-2022
<u>Interest income on :</u>		
Bank deposits	2.67	3.53
Others	12.81	8.43
Dividend received from The Andhra sugars Ltd	60.39	30.19
Other non-operating income #	28.66	17.05
	104.53	59.20

Note :

# Other non-operating income includes	2022-2023	2021-2022
Miscellaneous Receipts	2.32	8.24
Rent received	1.08	0.92
Net gain on sale of assets	3.76	0.76
Excess Provision written back	21.50	7.13
Total	28.66	17.05

Sree Akkamamba Textiles Ltd.,

(Rs. in lakhs)

Note 18 - Cost of raw material consumed	2022-2023	2021-2022
Inventory at the beginning of the year	1,944.91	1,199.96
Add:Purchases	6,224.38	9,630.09
	8,169.29	10,830.05
Less: Inventory at the end of the year	1,231.93	1,944.91
Cost of raw material consumed	6,937.36	8,885.14

Details of raw material consumed	2022-2023	2021-2022
i) Cotton	6,937.36	8,885.14
Total	6,937.36	8,885.14

Details of Inventory	2022-2023	2021-2022
<u>Raw materials:</u>		
i) Cotton	1,231.93	1,944.91
Total	1,231.93	1,944.91

Note 19 - (Increase) / Decrease in inventories	2022-2023	2021-2022	(Increase) / Decrease
Inventories at the end of the year			2022-23
Work in progress	222.77	345.69	122.92
Finished goods	314.31	585.05	270.74
Cotton waste	56.06	19.73	(36.33)
	593.14	950.47	357.33
Inventories at the beginning of the year			2021-22
Work in progress	345.69	337.59	(8.10)
Finished goods	585.05	190.38	(394.67)
Cotton waste	19.73	15.58	(4.15)
	950.47	543.55	(406.92)

Details of Inventory	2022-2023	2021-2022
<u>Work-in-progress</u>		
Cotton -in-process	222.77	345.69
	222.77	345.69
<u>Finished goods</u>		
Cotton waste	56.06	19.73
Yarn at factory	314.31	585.05
	370.37	604.78

(Rs. in lakhs)

Note 20 - Employee benefit expense	2022-2023	2021-2022
Salaries, wages and bonus	1,460.58	1,658.07
Contribution to provident and other fund	156.04	148.11
Gratuity expense	13.46	13.33
Staff welfare expenses	126.94	172.30
	1,757.02	1,991.81

Note 21 - Finance Costs	2022-2023	2021-2022
Interest	361.83	463.99
Other Borrowing cost	2.79	20.98
	364.62	484.97

Note 22 - Depreciation and amortization expense	2022-2023	2021-2022
Depreciation of tangible assets	433.72	423.92
	433.72	423.92

Note 23 - Other expenses	2022-2023	2021-2022
Consumption of stores and spares	173.27	240.56
Power and fuel	2,039.49	2,241.85
Freight and forwarding charges	109.80	123.25
Rent	14.72	11.97
Rates and taxes	5.54	4.51
Insurance	25.04	24.73
Repairs and maintenance		
Plant and machinery	360.69	462.38
Buildings	60.29	60.84
Others	20.44	27.95
Expenditure on CSR	11.00	-
Sales commission	102.44	144.60
Travelling and conveyance	8.14	1.81
Communication costs	0.99	0.90
Hank Yarn Obligation charges	4.33	2.70
Directors' sitting fee	0.80	0.90
Payment to auditors (Refer details below)	4.34	4.14
Loss on sale of fixed assets	-	-
Bad debts written off	-	7.13
Tools written off	0.26	0.27
Bank Charges	3.76	2.32
Miscellaneous expenses	94.51	93.22
	3,039.85	3,456.03

Sree Akkamamba Textiles Ltd.,

(Rs. in Lakhs)

Payment to Auditors	2022-2023	2021-2022
<u>As Auditor:</u>		
Audit fee	1.75	1.75
Tax audit fee	0.40	0.40
Other services (certification fees)	0.52	0.46
Reimbursement of expenses	0.18	0.13
<u>Cost Auditors:</u>		
Cost Audit Fee	0.80	0.80
GST Audit Fee	0.60	0.60
Reimbursement of expenses	0.09	-
Total	4.34	4.14

Note 24	2022-2023 Rs.	2021-2022 Rs.
1. Contingent liabilities not provided for:		
a) Counter guarantees given to bankers for issue of Bank guarantees in favour of Government authorities.	-	-
b) Estimated amount of contracts to be executed on Capital accounts.	17.11	-
c) Claims against the company not acknowledged as debts; - Income tax matters	-	-
d) Bills discounted with Banks	NIL	NIL
2. Earnings in Foreign Currency	NIL	NIL
3. Expenditure incurred in Foreign Currency :		
- on account of foreign travel (excluding tickets purchased in Indian currency)	-	-
- CIF value of Imports made during the year :-		
- Raw materials	-	220.31
- Components and spare parts	50.73	0.63
- Capital Goods	-	205.58
4. Commitments		
-Commitments in respect of sale contracts	734.00	559.97
-Commitments in respect of purchase contracts	15.59	31.13

(Rs. in lakhs except quantitative data given below)

5. Sales :	2022-23		2021-22	
	Quantity (Kgs.)	Value	Quantity (Kgs.)	Value
Cotton yarn	23,85,816	10,748.82	31,01,469	16,267.53
Waste	9,54,632	696.90	14,62,799	857.25
		11,445.72		17,124.78

(Rs. in lakhs except quantitative data given below)

	2022-23		2021-22	
	Quantity (Kgs.)	Value	Quantity (Kgs.)	Value
6. Raw Material Consumed Cotton	32,03,821	6,937.36	47,82,106	8,885.14
7. Opening Stock of Finished goods: Yarn	1,46,534	585.05	52,558	190.38
Waste	58,296	19.73	48,594	15.58
8. Closing stock of finished goods: Yarn	66,871	314.31	1,46,534	585.05
Waste	48,087	56.06	58,296	19.73

9. Details of Licenced, installed and actual production :

(Rs. in lakhs except quantitative data given below)

	2022-2023	2021-2022
a) Capacity registered with the Government: Spindles (Nos.)	80,208	80,208
b) Installed Capacity: Spindles (Nos.)	80,208	80,208
c) Actual Production: Yarn (Kgs.)	23,06,153	31,95,445
Waste (Kgs.)	9,44,423	14,72,501

Note: The licenced and installed capacities are as certified by the Management.

10. Comparison between indigeneous and imported raw materials, components and spare parts during the year

(Rs. in lakhs except quantitative data given below)

a) Raw materials:	2022-23		2021-22	
	Imported	-	0.00	82.19
Indigenous	6,937.36	100.00	8,802.96	99.07
	6,937.36	100%	8,885.14	100%
b) Components and spare parts: (charged to appropriate heads)				
Imported	55.08	17.20	1.25	0.30
Indigenous	265.21	82.80	413.09	99.70
	320.29	100%	414.34	100%

11. The balances in the accounts of various parties are subject to confirmation by and reconciliation with the concerned parties.

12. Disclosures on payments and dues to suppliers as defined in Micro, Small and Medium Enterprises Development Act,2006:

(Rs. in Lakhs)

Particulars	Current year	Previous year
1. Amount remaining unpaid to any "Supplier" at the end of the year		
a) Principal amount of bills to be paid	4.10	5.88
b) Interest due thereon	Nil	Nil
2. Payments made to suppliers during the year but beyond appointed / agreed by		
a) Payments made to Suppliers	Nil	Nil
b) Interest paid along with such payments during the year u/s 16 of the Act	Nil	Nil
3. The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under MSMED Act,2006	Nil	Nil
4. Amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
5. Amount of further interest remaining due and payable even in succeeding years until such date when the interest dues above are actually paid to the small enterprises for the purpose of disallowance of deductible expenditure under section 23 of MSMED Act, 2006	Nil	Nil
Note: For the purpose of the above details of the status of the suppliers under the Act has been determined to the extent of and based on information furnished by the respective parties and has accordingly been relied upon by the Company and its Auditors.		

13. DISCLOSURE REQUIRED BY ACCOUNTING STANDARD-15 (REVISED) - EMPLOYEE BENEFITS

(Rs. in Lakhs)

	2022-23		2021-22	
	GRATUITY	Leave Encashment	GRATUITY	Leave Encashment
a) <u>Reconciliation for present value of obligations</u>				
Present value of obligations as at beginning of year	674.24	34.34	678.08	31.07
Interest Cost	47.21	1.83	47.09	1.83
Current Service Cost	41.54	3.08	43.09	0.59
Benefits paid	52.08	14.99	67.18	7.58
Actuarial (gain)/loss on obligation	(22.16)	11.57	(26.84)	8.43
Present value of obligations as at end of year	688.74	35.83	674.24	34.34
b) <u>Reconciliation for Fair Value of Plan Assets</u>				
Fair value of plan assets at beginning of year	715.11		688.01	
Expected return on plan assets	53.13		50.01	
Contributions	44.87		44.27	
Benefits paid	(52.08)		(67.18)	
Actuarial gain on plan assets	-		-	
Fair value of plan assets at the end of year	761.03		715.11	
c) <u>Expenses Recognised in statement of Profit & loss a/c</u>				
Current Service cost	41.54	3.08	43.09	0.59
Interest Cost	47.21	1.83	47.09	1.83
Expected return on plan assets	53.13	-	50.01	-
Net Actuarial gain recognized in the year	(22.16)	11.57	(26.84)	8.43
Expenses to be recognised in the profit&loss	13.46	16.48	13.33	10.85
d) <u>Net Liability Recognised in the Balance Sheet</u>				
Present value of obligations as at the end of year	688.74	35.83	674.24	34.34
Fair value of plan assets as at the end of the year	761.03	-	715.11	-
Funded status	72.28	(35.83)	40.87	(34.34)
Net Liability Recognized in the Balance Sheet	(72.28)	35.83	(40.87)	34.34
e) <u>Actuarial Assumptions</u>				
Assumptions				
Discount Rate	7.25%	7.32%	7.25%	6.81%
Salary Escalation	7.00%	5.00%	7.00%	6.00%
Mortality rate	LIC 1994-96 Ultimate Mortality Table			

14. As the company is engaged in manufacture of a single line of products, identification of the company's business into segments does not arise, as contemplated in Accounting Standard (AS-17) "Segment reporting" issued by the Institute of Chartered Accountants of India.

Sree Akkamamba Textiles Ltd.,

15. Related Party Disclosures:

A. List of related parties

1	Key Managerial Personnel	Sri M.S.R.V.K. Rangarao
2	Relatives of Key Managerial Personnel	Smt. M.Satyanarayanamma - Mother of Sri M.S.R.V.K.Rangarao Smt. M.Srivani - Wife of Sri M.S.R.V.K. Rangarao Sri M.Harischandra Prasad - Brother of Sri M.S.R.V.K.Rangarao Master M.Venkatarayudu - Son of Sri MSRVK Rangarao Ms.M.Rukmini - Daughter of Sri MSRVK Rangarao Mr. M Rushyant -Son in law of Sri MSRVK Rangarao Ms.M.Ramya Tara - Daughter of Sri MSRVK Rangarao
3	Enterprises controlled by Key Managerial Personnel and Relatives of Key Managerial Personnel	The Andhra Sugars Ltd., VSM Spinning Mills Pvt. Ltd., Sree Venkataraya Printers and Packers Pvt. Ltd. Sree Venkataraya Threads Private Ltd., Royal Printing Works Hindustan Allied Chemicals Ltd., Sree Mullapudi Thimma Raju Memorial Library&Culture Centre.

B. Transactions with the related parties :

(Rs. in Lakhs)

Sl. No.	Nature of transaction	Enterprises Controlled by Key Managerial Personnel and relatives of Key Managerialpersonnel	Key Managerial Personnel	Relatives of Key Managerial Personnel
1.	Purchase of Goods from Sree Venkataraya Printers & Packers Pvt. Ltd.	131.96 (199.47)		
	The Andhra Sugars Ltd.	- (0.34)		
2	Sale of Goods to The Andhra Sugars Ltd.	4.96 (6.30)		
3	Dividends received from The Andhra Sugars Ltd.	60.39 (30.19)		
4	Services Rendered by Royal Printing Works	1.38 (1.71)		
5	Remuneration paid to (Including Commission) Sri M.S.R.V.K. Rangarao		71.03 (69.43)	

Sree Akkamamba Textiles Ltd.,

(Rs. in Lakhs)				
Sl. No.	Nature of transaction	Enterprises Controlled by Key Managerial Personnel and relatives of Key Managerial personnel	Key Managerial Personnel	Relatives of Key Managerial Personnel
6	Interest paid to Hindustan Allied Chemicals Ltd., Sri M.S.R.V.K. Rangarao Ms. M Rukmini Ms. M Ramya Tara Sri Mullapudi Venkata Rayudu Smt. Mullapudi Satyanarayanamma	35.92 (61.94)	4.12 (0.55)	0.65 (0.61) 1.07 (1.00) 0.42 (1.43) 1.91 --
7	Loan Repaid to Hindustan Allied Chemicals Ltd.,	400.00 (250.00)		
8	Rent paid to VSM Spinning Mills Pvt. Ltd. <u>Balances as at 31.3.2023</u>	12.42 (11.97)		
9	Share capital of the Company held by The Andhra Sugars Ltd. Sri M.S.R.V.K. Rangarao Dr. M. Harischandra Prasad Smt. Mullapudi Satyanarayanamma Smt. Mullapudi Srivani Sri Mullapudi Venkata Rayudu Ms. Mullapudi Rukmini Ms. Mullapudi Ramya Tara	14.00 (14.00)	4.96 (4.96)	4.96 (4.96) 5.57 (5.57) 0.25 (0.25) 0.70 (0.70) 0.70 (0.70) 0.70 (0.70)
10	Investments held in The Andhra Sugars Ltd. The Andhra Farm Chemicals Corp. Ltd.	36.82 (36.82) 0.51 (0.51)		

Sree Akkamamba Textiles Ltd.,

(Rs. in Lakhs)				
Sl. No.	Nature of transaction	Enterprises Controlled by Key Managerial Personnel and relatives of Key Managerialpersonnel	Key Managerial Personnel	Relatives of Key Managerial Personnel
11	Amount due to Hindustan Allied Chemicals Ltd.,	200.00 (600.00)		
	Sri M.S.R.V.K. Rangarao		39.06 (120.21)	
	Ms. M Rukmini			8.44 (7.87)
	Ms.M Ramya Tara			13.93 (12.97)
	Sri Mullapudi Venkata Rayudu			-
	Smt. Mullapudi Satyanarayanamma			(12.16) 51.91
				-
12	Amount due from The Andhra Sugars Ltd.	- (1.35)		
13	Dividends Paid to			
	The Andhra Sugars Ltd.	2.80 -		
	Sri M.S.R.V.K. Rangarao		0.99 -	
	Dr. M. Harischandra Prasad			0.99 -
	Smt. Mullapudi Satyanarayanamma			1.11 -
	Smt. Mullapudi Srivani			0.05 -
	Sri Mullapudi Venkata Rayudu			0.14 -
	Ms. Mullapudi Rukmini			0.14 -
	Ms. Mullapudi Ramya Tara			0.14 -
14	Contributions towards CSR Expenses			
	Sree Mullapudi Thimma Raju Memorial Library & Culture Centre	11.00 -		

16. Earning Per Share - the numerators and denominators used to calculate Basic and Diluted Earning per Share for the years:

Particulars		2022-2023 Rs.	2021-2022 Rs.
Profit attributable to the Shareholders	A	(1,302.39)	1,580.46
Basic/Weighted Average No of Equity Shares Outstanding during the year	B	17.01	17.01
Nominal value of Equity Share Rs.		10.00	10.00
Basic and Diluted Earning Per Share	A/B	(76.57)	92.92

17. Corporate Social Responsibility(CSR)

As per section 135 of Companies Act, 2013 the CSR committee has been formed by the company. (Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(i) amount required to be spent by the company during "the year,	10.91	Nil
(ii) amount of expenditure incurred,	11.00	Nil
(iii) shortfall at the end of the year,	Nil	Nil
(iv) total of previous years shortfall,	Nil	Nil
(v) reason for shortfall,	NA	NA
(vi) nature of CSR activities,	Eradication Of Hunger And Mal-nutrition, Promoting Education, Art And Culture, Health And Care, Destitute Care And Rehabilitation And Rural Development Projects	Eradication Of Hunger And Mal-nutrition, Promoting Education, Art And Culture, Health And Care, Destitute Care And Rehabilitation And Rural Development Projects
(vii) details of related party transactions	NA	NA
(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	Nil	Nil

17.2 In respect of the year ended 31-03-2023, the company has not proposed any dividend.

18 Relationship with Struck off Companies

(Rs. in Lakhs)

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding as at March 31, 2023	Relationship with the Struck off company, if any, to be disclosed	Balance outstanding as at March 31, 2022	Relationship with the Struck off company, if any, to be disclosed
-	-	-	-	-	-

19 Ratios

Ratio	Numerator	Denominator	Current year	Previous year	% Variance	Reasons for variance more than 25%
Current Ratio (in times)**	Current assets	Current liabilities	0.87	1.20	-27%	
Debt-Equity Ratio (in times)	Total Debt	Shareholder's Equity	1.17	1.03	14%	
Debt Service Coverage Ratio (in times)*	Earnings available for debt service	Debt service	(0.11)	0.46	-125%	
Return on Equity Ratio (in %)*	Net profit after taxes - Preference dividend (If any)	Average shareholders equity	-32%	39%	-180%	
Inventory turnover ratio (in times)	Cost of goods sold or sales	Average inventory	4.37	6.66	-34%	Reduction in value of inventories
Trade Receivables turnover ratio (in times)	Net credit sales	Average Accounts receivable	8.23	10.75	-23%	
Trade payables turnover ratio (in times)	Net credit purchases	Average trade payables	32.12	22.96	40%	Reduction in value of purchases
Net capital turnover ratio (in times)**	Net sales	Working capital	(23.05)	18.49	-225%	
Net profit ratio* (in %)	Net profit	Net sales	-11%	9%	-223%	

Ratio	Numerator	Denominator	Current year	Previous year	% Variance	Reasons for variance more than 25%
Return on Capital employed* (in %)	Earning before interest and taxes	Capital employed	-18%	26%	-167%	
Return on investment (in %) (in equity shares)	Income generated from investment	Average investment	-26%	164%	-116%	Fluctuations in price of equity share

* The Company has incurred loss in the current year as against profit in the previous year. Hence, profit related ratios i.e. Debt Service Coverage ratio, Return on Equity, Net Profit ratio and Return on Capital Employed were not comparable with the previous year.

** The Net working capital as at 31st March 2023 is negative due to reduced Trade Receivables and Inventory values and hence Net Capital Turnover ratio is not comparable with the previous year.

20 Previous year figures have been regrouped wherever necessary and figures have been rounded off to the nearest rupee.

21 Previous year figures have been shown in brackets.

As per our report of even date
for BRAHMAYYA & CO.
Chartered Accountants
Firm Regn.No.000513S
T.V.Ramana
Partner
Membership No:200523
UDIN - 23200523BGSVOX9914

For and on behalf of the Board of Directors
P.Narendranath Chowdary Chairman
M.S.R.V.K. Rangarao, Managing Director
N.Satyanarayana, General Manager (Fin & Admin)

Place: Venkatarayapuram, Tanuku
Date: 20th May, 2023