

PERAMBALUR SUGAR MILLS LIMITED



45th ANNUAL REPORT 2021-22



**PERAMBALUR SUGAR
MILLS LIMITED**

**45TH ANNUAL REPORT
2021-22**

PART - I

NOTICE & REPORTS

PERAMBALUR SUGAR MILLS LTD.

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Thiru. C.Vijayaraj Kumar, I.A.S.,			
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COMPANY SECRETARY			
Thiru. G. Alagarsamy			
CHIEF ACCOUNTS OFFICER			
Thiru. C. Arumugam			
STATUTORY AUDITORS			
M/s. Vruksha & Co., Chartered Accountants			
BANKERS			
State Bank of India Indian Overseas Bank Tamil Nadu State Apex Co-op. Bank Trichy District Central Co-op. Bank			
REGISTERED OFFICE			
'Aavinllam', II-Floor, 3-A, Pasumpon Muthuramalinganar Salai, Nandanam, Chennai – 600 035.			
UNITS			
Perambalur Sugar Mills, Eraiyyur, Perambalur District, Pincode - 621133.			
		AUDIT COMMITTEE	
		Thiru.R. Thulasiram	
		Dr. S. Pazhanivelan	
		Thiru.T.Chandhirasekhar	

PERAMBALUR SUGAR MILLS LIMITED

CIN: U15520TN1976SGC007172

Regd. Office: Aavin Illam, II-Floor, 3A- Pasumpon Muthuramalinganar Salai,
Nandanam, Chennai - 600 035.**NOTICE TO SHAREHOLDERS**

Notice is hereby given that the Forty Fifth Annual General Meeting of Perambalur Sugar Mills Limited will be held on Wednesday day, 28th December, 2022 at 3.00 P.M at the Conference Hall of the Office of the Perambalur Collectorate and through Video Conferencing from (1) Aavin Illam, II-Floor, 3A- Pasumpon Muthuramalinganar Salai, Nandanam, Chennai - 600 035, (2) Perambalur Sugar Mills, Eraiur and (3) web link sent to shareholders, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2022 and Profit & Loss Account of the Perambalur Sugar Mills Limited for the year ended 31st March 2022, together with Directors' Report and Auditors' Report thereon.
2. To authorize the Board of Directors to fix the Audit fees payable to M/s.Vruksha & Co., Statutory Auditors appointed by the Comptroller and Auditor General of India for the year 2022-23.

Special Business:

3. To consider and if deemed fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:-
"RESOLVED that Thiru. C. Vijayaraj Kumar, IAS, be and is hereby nominated as a Chairman & Managing Director of the Company."
4. To consider and if deemed fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:-
"RESOLVED that Tmt.R. Lilly, IAS, be and is hereby nominated as a Director of the Company."
5. To consider and if deemed fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:-
"RESOLVED that Tmt. P. Venkada Priya, IAS, be and is hereby nominated as a Director of the Company."
6. To consider and if deemed fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:-
"RESOLVED that Tmt. A.K. Sivamalar, be and is hereby nominated as a Director of the Company."
7. To consider and if deemed fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:-
"RESOLVED that Thiru R. Thulasiram, be and is hereby nominated as a Director of the Company."

8. To consider and if deemed fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:-
“**RESOLVED** that Thiru C. Rajendran, be and is hereby nominated as a Director of the Company.”
9. To consider and if deemed fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:-
“**RESOLVED** that Thiru K. Ramesh, be and is hereby nominated as a Director of the Company.”
10. To consider and if deemed fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:-
“**RESOLVED** that Dr.S. Pazhanivelan, be and is hereby nominated as an Independent Director of the Company.”
11. To consider and if deemed fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:-
“**RESOLVED** that Thiru T. Chandhirasekar, be and is hereby nominated as an Independent Director of the Company.”
12. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:-
“**RESOLVED** that pursuant to Sec.148(3) and other applicable sections if any, of the Companies Act, 2013 and Rule 14(b) of Companies (Accounts and Audit) Rules, 2014, including, any statutory modification(s) or re-enactment(s) thereof (for the time being in force) the remuneration of Rs.16,500/- (Rupees Sixteen Thousand Five Hundred only) with reimbursement of actual travelling and out of pocket expenses approved by the Board of Directors payable to M/s. Manoharan & Co., Cost Accountant who has been re-appointed as Cost Auditor for Perambalur Sugar Mills Ltd. for 2022-23 be and is hereby ratified.”

// By order of the Board //

Place: CHENNAI
Date : 05/12/2022

C. VIJAYARAJ KUMAR
CHAIRMAN & MANAGING DIRECTOR

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a Member of the Company.
2. The proxy form in order to be effective must be duly filled in and lodged with the Company at its Registered Office not less than 48 hours before the commencement of the meeting.
3. The Explanatory Statement pursuant to Sec. 101 of the Companies Act, 2013 in respect of item No. 3 to 12 are annexed.
4. The Register of Members and the Share Transfer Registers of the Company will remain closed during the period from 14.12.2022 to 28.12.2022 (both dates are inclusive).
5. Members are requested to send their queries if any on the 45th Annual Report to Registered Office at-least 7 days before the meeting, so that the required clarification can be furnished at the meeting.
6. Members are requested to intimate change, if any, in their registered address immediately.
7. Members / proxies should bring the Attendance slip, sent herewith, duly filled in for attending the meeting.
8. Members are requested to bring the 45th Annual Report while attending the Meeting.
9. Members holding more than 1 (one) share certificate in their name under different Ledger Folios are requested to apply for consolidation of such Folios.
10. In initial days, the shareholders have not furnished their full address. As a result, the Annual Report is reaching them belatedly. Therefore, all the shareholders are requested to furnish their full address containing Door No., Street Name, Name of Village / Taluk, District Name with Postal Pincode, etc., Cell No. through a post card to ensure timely receipt of Annual General Meeting intimation.

ROUTE MAP



EXPLANATORY STATEMENT

(As required under Sec.102 of the Companies Act, 2013)

Item No. 3:

The Government of Tamil Nadu nominated Thiru. C.Vijayaraj Kumar, I.A.S. vide G.O. (Rt).No.4435 Public (Special A) Department, dated 25.11.2022 as Principal Secretary / Chairman & Managing Director of Tamil Nadu Sugar Corporation Limited in the place of Thiru Harmander Singh, IAS. As per standing order of the Government issued in G.O. Ms. No. 2 Industries (MIC.2) Department dt. 06.01.2022, towards constitution of the board by appointing certain directors as Ex-officio Directors on the Board of Perambalur Sugar Mills Limited, which includes the Chairman and Managing Director of Tamil Nadu Sugar Corporation Limited as one of the Directors in the PSM Board. Accordingly, the Board of Directors in their 213th meeting held on 05.12.2022 has appointed him as the Chairman and Managing Director as per Section 161 of the Companies Act, 2013. Thiru C.Vijayaraj Kumar, I.A.S. will be holding his office as Chairman and Managing Director of the Company till the conclusion of the ensuing Annual General Meeting. A Notice has been received from a shareholder proposing the appointment of Thiru C.Vijayaraj Kumar, I.A.S. as the Chairman and Managing Director of the Company. The Directors consider it necessary to appoint him as a Chairman and Managing Director in the interest of the Company and therefore recommend the resolution for his appointment. Thiru C.Vijayaraj Kumar, I.A.S. is interested in this resolution as it concerns him.

None of the other Directors and none of the Key Managerial Personnel are interested in this resolution.

Item No. 4 :

The Government Standing Order G.O. Ms. No. 2 Industries (MIC.2) Department dt. 06.01.2022, towards constitution of the board by appointing certain directors as Ex-officio Directors on the Board of Perambalur Sugar Mills Limited, which includes the Special Secretary to Government, Industries Department has been nominated as a Director in the place of Managing Director, Tamil Nadu Salt Corporation Limited. Accordingly, the Board of Directors in its 208th meeting held on 01.03.2022 has appointed Tmt. R. Lilly, I.A.S., as a Director as per Section 161 of the Companies Act, 2013. Tmt. R. Lilly, I.A.S., will be holding her office as a Director of the Company till the conclusion of this Annual General Meeting. A Notice has been received from a shareholder proposing the appointment of Tmt. R. Lilly, I.A.S., as a Director of the Company. The Directors consider it necessary to appoint her as a Director in the interest of the Company and therefore recommend the resolution for her appointment. Tmt. R. Lilly, I.A.S., is interested in this resolution as it concerns her.

None of the other Directors and none of the Key Managerial Personnel are interested in this resolution.

Item No. 5:

Tmt. P. Sri Venkata Priya, I.A.S., has been appointed as Collector, Perambalur Dist. vide G.O. (Rt) No.3101 Public (Special-A) Department, dt. 24.10.2020 in the place of Tmt. V.Santha, I.A.S. The standing order of the Government through G.O.(Ms) No.267, Industries (MIC.2) Department, dt.19.12.2020 towards constitution of the Board by appointing certain directors as Ex-officio Directors on the Board of Perambalur Sugar Mills Limited, which includes the Collector, Perambalur Dist. is deemed to be a Director in the PSM Board. Accordingly, the Board of Directors has appointed her as Director in the Board on 13.1.2021. As per provisions of Section 161 of the Companies Act, 2013, she will continue as Director till the Conclusion of this Annual General Meeting. A Notice has been received from a shareholder proposing the appointment of Tmt. P. Sri Venkata Priya, I.A.S., as a Director of the Company. The

Directors consider it necessary to appoint her as a Director in the interest of the Company and therefore recommend the resolution for her appointment. Tmt. P. Sri Venkata Priya, I.A.S., is interested in this resolution as it concerns her.

None of the other Directors and none of the Key Managerial Personnel are interested in this resolution.

Item No. 6:

Tmt. A.K. Sivamalar, has been appointed as Additional Registrar / Managing Director of TamilNadu Cooperative Sugar Federation Ltd. vide G.O. (D) No. 62 Cooperative, Food and Consumer Protection (CE1) Department, dt.13.05.2020 in the place of Dr.A.D.Baskaran. The standing order of the Government through G.O.(Ms) No.267, Industries (MIC.2) Department, dt.19.12.2020 towards constitution of the Board by appointing certain officials as Ex-officio Directors on the Board of Perambalur Sugar Mills Limited, which includes the Additional Registrar / Managing Director of Tamil Nadu Cooperative Sugar Federation Limited is deemed to be a Director in the PSM Board. Accordingly, the Board of Directors has appointed her as Director in the Board on 13.1.2021. As per provisions of Section 161 of the Companies Act, 2013, she will continue as Director till the Conclusion of this Annual General Meeting. A Notice has been received from a shareholder proposing the appointment of Tmt. A.K. Sivamalar as a Director of the Company. The Directors consider it necessary to appoint her as a Director in the interest of the Company and therefore recommend the resolution for her appointment. Tmt. A.K. Sivamalar is interested in this resolution as it concerns her.

None of the other Directors and none of the Key Managerial Personnel are interested in this resolution.

Item No. 7:

The Government Standing Order G.O. Ms. No. 2 Industries (MIC.2) Department dt. 06.01.2022, towards constitution of the board by appointing certain directors as Ex-officio Directors on the Board of Perambalur Sugar Mills Limited, which includes the Director representing Finance Department in the Board of Tamil Nadu Sugar Corporation Limited is deemed to be Director in the PSM Board. Accordingly, the Board of Directors in its 209th meeting held on May 27th, 2022, has appointed Thiru. R. Thulasiram as a Director as per Section 161 of the Companies Act, 2013. Thiru. R. Thulasiram will be holding his office as a Director of the Company till the conclusion of this Annual General Meeting. A Notice has been received from a shareholder proposing the appointment of Thiru. R. Thulasiram as a Director of the Company. The Directors consider it necessary to appoint him as a Director in the interest of the Company and therefore recommend the resolution for his appointment. Thiru. R. Thulasiram is interested in this resolution as it concerns him.

None of the other Directors and none of the Key Managerial Personnel are interested in this resolution.

Item No. 8:

Thiru. C.Rajendran has been appointed as District Revenue Officer / General Manager of Tamil Nadu Sugar Corporation Limited by Tamil Nadu Government in G.O.(Misc.) No.4485 General (Special A) Department dated 18.11.2021 in the place of Tmt. G. Vijaya. The Standing Order G.O. Ms. No. 267, Industries (MIC.2) Department, dated. 19.12.2020 towards constitution of the Board by appointing certain directors as Ex-officio Directors on the Board of Perambalur Sugar Mills Limited, which includes the District Revenue Officer / General Manager of Tamil Nadu Sugar Corporation Limited is deemed to be Director in the PSM Board. Accordingly, the Board at its 207th Meeting held on 02.12.2021 appointed him as a Director in the Board. As per provisions of Section 161 of the Companies Act, 2013, he will continue as Director till the conclusion of this Annual General Meeting. A Notice has been received from a shareholder proposing the appointment of Thiru. C.Rajendran, as a Director of the Company. The Directors consider it necessary to

appoint him as a Director in the interest of the Company and therefore recommend the resolution for his appointment. Thiru. C.Rajendran is interested in this resolution as it concerns him.

None of the other Directors and none of the Key Managerial Personnel are interested in this resolution.

Item No. 9:

Thiru. K. Ramesh has been appointed as District Revenue Officer / Chief Executive of Perambalur Sugar Mills Limited by Tamil Nadu Government in G.O.(Misc.) No.4485 General (Special A) Department dated 18.11.2021 in the place of Thiru N.Kathiresan. The Standing Order G.O. Ms. No. 267, Industries (MIC.2) Department, dated 19.12.2020 towards constitution of the Board by appointing certain officials as Ex-officio Directors on the Board of Perambalur Sugar Mills Limited, which includes the District Revenue Officer / Chief Executive of Perambalur Sugar Mills Limited is deemed to be Director in the PSM Board. Accordingly, the Board at its 207th Meeting held on 02.12.2021 appointed him as a Director in the Board. As per provisions of Section 161 of the Companies Act, 2013, he will continue as Director till the conclusion of this Annual General Meeting. A Notice has been received from a shareholder proposing the appointment of Thiru. K. Ramesh, as a Director of the Company. The Directors consider it necessary to appoint him as a Director in the interest of the Company and therefore recommend the resolution for his appointment. Thiru K. Ramesh is interested in this resolution as it concerns him.

None of the other Directors and none of the Key Managerial Personnel are interested in this resolution.

Item No. 10:

As per Rule No.4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, every public company having paid up share capital of Rs. 10.00 Crores or more or public company having turnover of Rs. 100.00 Crores or more or public company which is having aggregate loan of Rs. 50.00 Crores or more shall appoint at least two directors as Independent Directors. As the share capital of the company is more than Rs.10.00 Crores, it necessitated the company to appoint two Independent Directors on the Board. Accordingly, the Board of Directors in its 201st meeting held on 10.06.2020 have appointed Dr. S. Paneerselvam as Independent Director for a period of two years. The tenure of Independent Directorship of above director would be completed at the ensuing Annual General Meeting. But, in the meanwhile, Dr. S. Pazhanivelan, has reported as Director, Water Technology Centre, Tamil Nadu Agricultural University, Coimbatore, per letter No.DWTC/ Estt/ Director, WTC/2022, dated 16.05.2022, in the place of Dr.S. Paneerselvam. The Board of Directors in its 209th meeting held on 27th May, 2022, has appointed Dr. S. Pazhanivelan as Independent Director for two years. Our Directors consider and recommend the appointment of the above Director for two years in the interest of the company as their service would be beneficial to the Company. Dr. S. Pazhanivelan is interested in this resolution as it concerns him.

None of the other Directors and none of the Key Managerial Personnel are interested in this resolution.

Item No.11:

As per Rule No.4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, and Section 149(6) of the Companies Act,2013, every public company having paid up share capital of Rs. 10.00 Crores or more or public company having turnover of Rs.100.00 Crores or more or public company which is having aggregate loan, Debentures & Deposits of Rs. 50.00 Crores or more, shall appoint at least two directors as Independent Directors on its Board. As the share capital of the company is more than Rs. 10.00 Crores, it necessitated the company to appoint two Independent Directors on the Board. Accordingly, considering the importance of his service, his

directorship is extended for this year and recommended for ratification of his appointment. Our Directors considered and recommended to continue and ratify his appointment as Independent Director for this year also in the interest of the

Company as his services would be beneficial to the Company and therefore recommend the resolution for his appointment. Thiru.T. Chandhirasekhar is interested in this resolution as it concerns him.

None of the other Directors and none of the Key Managerial Personnel are interested in this resolution.

Item No.12:

Cost Audit has been made as compulsory for Sugar Industry in 1974. Since then every year, Cost Audit is being done. As per Sec. 148 (3) of the Companies Act, 2013, for the year 2022-23, the Board of Directors in the 209th Meeting held on 27.05.2022 have appointed M/s. Manoharan & Co, Cost Accountant on a remuneration of Rs.16,500/- (Rupees Sixteen Thousand Five Hundred Only). As per Rule 14 (b) of Companies (Audit and Auditors) Rule, 2014, the remuneration of Cost Auditors shall be ratified by the shareholders. Therefore, your Directors request the share holders to ratify the remuneration of Rs.16,500/- (Rupees Sixteen Thousand Five Hundred Only) payable to M/s. Manoharan & Co. to conduct Cost Audit for 2022-23.

None of the Directors and Key Managerial Personnel are either concerned or interested in this resolution.

(By the order of Board of Directors)

Place: CHENNAI
Date : 05/12/2022

C. VIJAYARAJ KUMAR
CHAIRMAN & MANAGING DIRECTOR

PERAMBALUR SUGAR MILLS LIMITED

DIRECTORS' REPORT

To
The Shareholders,
Perambalur Sugar Mills Limited.

Your Directors present the 45th Annual Report of the Company together with the Standalone Balance Sheet as at 31.3.2022, the Profit and Loss Account for the year ended 31.3.2022 and the Auditor's Report on the accounts of the Company.

1. PHYSICAL PERFORMANCE OF THE MILLS:

The physical performance of Perambalur Sugar Mills Limited, during the accounting year 2021-2022 as compared to the year 2020-2021 were as under:

Sl. No.	Particulars	2021-22	2020-21
1.	Cane Crushed M.T.	2,70,770	1,56,891
2.	Sugar Produced Qtls.	2,61,375	1,37,824
3.	Capacity Utilisation %	52.47	30.40
4.	Pol % in Cane %	11.39	10.64
5.	Average Recovery %	9.58	8.78
6.	Total Loss %	1.83	1.88

2. FINANCIAL PERFORMANCE

The working results of the Company for the year ended 31.3.2022 as compared to 31.3.2021 were as follows:

(Rs. in lakhs)

Sl. No.	Particulars	31.03.2022	31.3.2021
i)	Income from Operation	9,031.84	6,658.89
ii)	Other income	89.83	39.04
iii)	Total Income	9,121.67	6,697.93
iv)	LESS: Cost of Sales	8,032.71	7,460.31
v)	Earnings before interest and Depreciation	1,088.96	(-) 762.38
vi)	Interest	1,893.56	1,665.31
vii)	Earnings before depreciation	(-)804.60	(-)2,427.69
viii)	Depreciation	101.70	104.84
ix)	Profit / Loss for the year	(-) 906.30	(-) 2,532.53
x)	Prior year adjustments (Net)	(-) 148.40	173.51
xi)	Profit / Loss after prior year adjustments	(-)757.90	(-) 2,359.02
xii)	Cumulative loss brought forward from Previous year	(-) 33,754.30	(-) 31,395.28
xiii)	Cumulative Loss carried over to Balance Sheet	(-) 34,512.20	(-) 33,754.30

3. NET WORTH:

The Cumulative loss of the company as on 31.3.2022 was (-) Rs.34,512.20 Lakhs.

4. GENERATION OF INTERNAL RESOURCES:

The generation of internal resources during the three years ended on 31st March were as follows:-

Particulars	Rs. in Lakhs		
	For the year ended 31.3.2022	For the year ended 31.3.2021	For the year ended 31.3.2020
(a) Profit / Loss	(-) 757.90	(-) 2,359.02	(-)1133.64
(b) Depreciation	101.70	104.84	102.59
Cash Profit / Loss (a – b)	(-) 656.20	(-) 2,254.18	(-)1031.05

5. DIVIDEND:

In view of the Company has accumulated loss, your Directors regret their inability to recommend any dividend for the year.

6. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid in the past.

7. MATERIAL CHANGES IN THE FINANCIAL YEAR AFFECTING THE COMPANY:

The Tamil Nadu Government vide its G O Ms. No 88, Industries (MIC.1) Department dt: 29.3.2019 have converted the outstanding loans, Ways and means advances of Rs.171.1045 Crores, accumulated upto 31.03.2018 (Principal amount of Rs.116.7070 Crores and interest amount Rs. 54.3975 Crores) into Share Capital Assistance. This conversion into share capital will necessitate the increase of authorized share capital of the company. In G.O.(Ms).No.89, Industries (MIC-1) Department, dated.16.03.2020, the Government have increased the Authorised Share Capital from Rs. 52.00 Crores to Rs.210 Crores. Hence, the Shareholders at their 42nd Annual General Meeting held on 05.12.2019 have resolved to increase the Authorized Share Capital from Rs. 52 Crores to Rs.210 Crores.

The company has sent proposals to Government to get permission to issue redeemable non-cumulative preference shares for 17,11,04,408 numbers for Rs.171,10,44,080 at Rs.10/- per share to Tamil Nadu Government.

8. CORPORATE SOCIAL RESPONSIBILITY:

The Board of Directors has constituted a Corporate Social Responsibility Committee. Since the company is continuously incurring loss, our company has not developed and implemented any initiatives in this regard during the year under review.

9. PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS:

There are no loans, guarantees or investments made by the company under Section 186 of the Companies Act, 2013 during the year under review.

10. PARTICULARS OF CONTRACTS OR ARRANGEMENT MADE WITH RELATED PARTIES:

There was no contract or arrangements made with related party as defined under Section 188 of the Companies Act, 2013 during the year under review.

11. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS MADE BY THE AUDITORS:

Explanations to the qualifications of the Statutory Auditors is given the addendum.

12. EXTRACTS OF ANNUAL RETURN:

The extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is attached to this report.

13. NUMBER OF BOARD MEETINGS CONDUCTED:

The company had conducted 4 (Four) Board Meetings during the year under review.

14. AUDIT REPORTS :**i) STATUTORY AUDIT**

The Comptroller and Auditor General of India has re-appointed M/s.Vruksha & Co., Chartered Accountants, Trichy as the Statutory Auditors of the Company for the year under report in pursuance of Section 139(5) of the Companies Act, 2013 and his report is annexed to the Annual Reports.

ii) COST AUDIT :

Company has re-appointed M/s. Manoharan & Co. to conduct the Cost Audit of the Company's unit at Eraiyur for the year under report. The Cost Audit report will be filed with the Ministry of Corporate Affairs, Government of India.

iii) AUDIT BY COMPTROLLER & AUDITOR GENERAL OF INDIA:

The Comptroller and Auditor General of India has conducted test / supplementary audit of the accounts of the Companies Act, 2013. The 'NIL Comments Certificate' issued by the Comptroller and Auditor General is annexed to the Annual Report.

15. PARTICULARS IN RESPECT OF EMPLOYEES

As non of the Employees of the Company were in receipt of remuneration in excess of the limit prescribed under Companies Act 2013, furnishing of details does not arise.

16. PARTICULARS RELATING TO ENERGY CONSERVATION

The particulars relating to conservation of energy as required under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 are furnished in the Annexure-I.

17. DIRECTORS' RESPONSIBILITY:

Pursuant to Section 134 (5) of the Companies Act, 2013, your Directors wish to confirm that:

- i. in preparation of Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii. the Directors have adopted 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 FY year and of the profit or loss of the company for that period;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the Annual Accounts on a "going concern" basis;
- v. the Directors have laid down proper Internal Financial Controls to be followed by the company and that such Internal Financial Controls are adequate and are operating effectively.
- vi. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and are operating effectively.

18. DECLARATION BY INDEPENDENT DIRECTORS

The Directors disclosed to the Board, the statement of declaration given by the Independent Directors.

19. INTERNAL CONTROL SYSTEM AND ADEQUACY:

The present Internal Control System was laid down very long back. The management has updated Software relating to Cane Management. The qualifications of Statutory Auditors were discussed in the Audit Committee Meeting and in the Board Meeting extensively to bring an effective internal control system.

20. CHANGE OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The following changes in the Board of Directors any Key Managerial Personnel have been effected consequent to the transfer of individuals by orders of the Government of Tamil Nadu.

- (i) Thiru. C. Vijayaraja Kumar, I.A.S., Principal Secretary to Government has been nominated by Government of Tamil Nadu in G.O.(Rt).No.4435 Public (Special A) Department, dt. 25.11.2022 as the Chairman & Managing Director in the place of Thiru Harmander Singh, IAS.
- (ii) Tmt. R. Lilly, IAS, Special Secretary to Government, Finance Department has been nominated as a Director in the place of Thiru K. Rajamani, Managing Director, Tamil Nadu Salt Corporation Limited.
- (iii) Tmt. P. Sri Venkata Priya, IAS, Collector, Perambalur Dist. has been nominated as a Director in place of Tmt. V.Santha, IAS.

- (iv) Tmt. A.K. Sivamalar, Managing Director of the Tamil Nadu Cooperative Sugar Federation Limited has been nominated as a Director in place of Dr.A.D. Baskaran.
- (v) Thiru. R. Thulasiram, Joint Secretary to Government, Finance Department has been nominated as a Director in place of Tmt. Reeta Harish Thakkar, IAS.
- (vi) Thiru C. Rajendran, District Revenue Officer/ General Manager, Tamil Nadu Sugar Corporation Limited has been nominated as a Director in place of Tmt. G. Vijaya.
- (vii) Thiru K. Ramesh, District Revenue Officer/ Chief Executive, Perambalur Sugar Mills Limited has been nominated as a Director in place of Thiru N. Kathiresan.
- (viii) Thiru T. Chandhirasekhar, Chief Engineer (Agri.Engg.), River Valley Project, Agricultural Engineering Department, Nandanam, Chennai-35 has been nominated as a Independent Director in place of Dr.R. Murugesan.
- (ix) Dr.S. Pazhanivelan, Director, Water Technology Centre, Tamil Nadu Agricultural University, Coimbatore has been nominated as a Independent Director in place of Dr. S. Panneerselvam.
- (x) Thiru C. Arumugam has been appointed as Chief Accounts Officer in the place of Thiru R. Jayabalmami.

Your Directors wish to place on record their appreciation for the valuable services rendered by Thiru Harmander Singh, I.A.S., Tmt. Reeta Harish Thakkar, I.A.S., Thiru K.

Rajamani, I.A.S., Dr. A.D. Baskaran, Tmt. V. Santha, IAS, Tmt. G. Vijaya, Thiru N. Kathiresan, Dr.R. Murugesan, and Dr.S. Panneerselvam as Directors and Thiru R. Jayabalamami as Chief Accounts Officer of the company.

21 THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Adequate policies have been implemented. There are no complaints during the year.

22. VIGIL MECHANISM:

The Company has implemented vigil mechanism through internal control mechanism.

23. DEPOSITS FROM PUBLIC:

The Company has not accepted any deposits from Public

24. COMPLIANCE WITH SECRETARIAL STANDARDS:

The Directors have devised proper systems to ensure compliance with Secretarial Standards.

25. ACKNOWLEDGEMENT

Your Directors wish to place on record their gratitude to the Government of Tamil Nadu for its confirmed support and guidance in managing the affairs of the Company.

Your Directors also wish to thank the Trichy District Central Cooperative Bank for their cooperation and support in extending cash credit facility to the company along with State Bank of India, Indian Overseas Bank, Tamil Nadu State Apex Cooperative Bank.

Your Directors also acknowledge the continued support of the Department of Sugar, Chennai and Tamil Nadu Co-operative Sugar Federation, Chennai for extending their cooperation and assistance for the conduct of the Company's business.

Your Directors wish to commend the co-operation extended by all Officers, workers and staff of the Company in managing the affairs of the Company and look forward to greater co-operation and hard work in improving the performance of the Company.

Your Directors wish to place on record their sincere thanks to the cane growers and shareholders for their co-operation for the smooth running of the Mills. Your Directors further solicit your continued co-operation in the coming years also.

(By the order of Board of Directors)

Place: CHENNAI
Date : 05/12/2022

C. VIJAYARAJ KUMAR
CHAIRMAN & MANAGING DIRECTOR

PERAMBALUR SUGAR MILLS LTD.

Annexure – 1

FORM A (SEE RULE 2)

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

Sl. No.	Particulars	Unit of measurement	Current Year 2021-22	Previous year 2020-21
A	POWER & FUEL CONSUMPTION			
1	ELECTRICITY:			
(a)	Purchased			
	Units	KWH	1021500	1072500
	Total Amount	Rs. in Lakhs	137.95	113.55
	Rate per Unit	Rs.	13.50	13.80
(b)	Own generation			
	(i) Through Diesel Generator	Units	5047	1866
	Units / Litre of diesel oil	KWH	0.93	0.933
	Cost / Unit	Rs.	96.40	96.40
	(ii) Through Steam Turbo Generator			
	Units	KWH	2,52,51,313	37,91,665
	Units / Tone of steam used	Units	202.28	160.06
	Cost / Unit	Rs.	Own Steam used	Own Steam used
2	COAL (SPECIFY QUANTITY & WHERE USED)	-	-	-
3	FURNACE OIL			
	Quantity	K. Ltr.	Nil	Nil
	Total Amount	Rs. in lakhs	Nil	Nil
	Average rate	Rs./K.Ltr.	Nil	Nil
4	OTHERS / INTERNAL GENERATION		Nil	Nil
B	CONSUMPTION PER UNIT OF SUGAR PRODUCTION:			
1	Product - Sugar	Qtls.	2,61,375	1,30,835
2	Electricity	KWH	24.00	28.98
3	Furnace Oil	Ltr.	Nil	Nil
4	Coal (Specify quantity)	M.Ts.	75.00	668.52
5	Others – Bagasse	M.Ts.	Nil	Nil
6	Others – Molasses	M.Ts.	Nil	Nil
7	Others – Press Mud	M.Ts	Nil	Nil

C. ENERGY CONSERVATION MEASURES:

a) Energy Conservation measures adopted :

- NIL -

b) Additional investments and proposals, if any, being implemented for reduction of steam and energy :

- NIL -

c) Impact of the measures on (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

- NIL -

D. RESEARCH & DEVELOPMENT:

The Company does not have an exclusive R & D wing of its own. However, the Company utilizes the innovations arising out of the research carried out by R and D wing of the Bio-Control Lab set up by the Tamil Nadu Co-op. Sugar Federation and the research wing of South India Sugar Research Foundation. At present, these Institutions have undertaken research in areas like bio-pesticides.

E. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

-NIL-

F. FOREIGN EXCHANGE EARNING AND OUTGO

-NIL-

Addendum to Director's Report

A. Standalone Financials

S.No.	Qualified Opinion of the Auditors	Reply
1.	<p><u>Inventories:</u></p> <p>Stock records are manually maintained not integrated with books of accounts. Stock taking has been done by the management, But has not been reconciled with stock records. Hence short or excess stock is not known</p>	<p>The stock of Stores and Spares is maintained in the tally and integrated with the books of accounts, whereas, the stock of Sugar, Molasses has not been integrated with the books of accounts so far at the end of the year , they are making necessary entries in the books of accounts.</p> <p>This has also been reported by the Internal Auditors and it has been discussed in detail in the Audit Committee Meeting held on 23.11.2022 and the Board Meeting held on 28.11.2022 and necessary documentations to be maintained and how to account it were discussed. It will be implemented in the Financial Year 2023-24 onwards.</p>
2.	<p><u>Books of Accounts:</u></p> <p>Accounts are maintained in tally. There is no control over, insertion, modification or deletion of entries. in the package. Large number of corrections were made after commencement of audit.</p>	<p>This has also been discussed in the Audit Committee Meeting held on 23.11.2022 and in the Board Meeting held on 28.11.2022. Tally system supplier will be called for and integrated and pool-proof accounting package will be implemented before the end of the current Financial Year 2022-23.</p>
3.	<p><u>Compliance with MSME Act:</u></p> <p>The Company has not collected and maintained details necessary for identification of Small, Medium and Micro Enterprises.</p>	<p>The list of MSME suppliers are now prepared by the mill and the balances pending for MSME suppliers are listed out and kept on the records.</p>
4.	<p><u>Consumables:</u></p> <p>Purchase of silver coins on 30.9.2021 for Rs.3,23,109/- has been charged to consumables.</p>	<p>As this is the Welfare item distributed to the Labourers of Perambalur Sugar Mills Ltd., on the occasion of the May Day function and non submission of the bills by the Stores section, the advance drawn by the Purchaser for such a purpose was not adjusted till 29.9.2022. However, strict instructions was given to adjust any advance drawn within a month and more than one advance should not be sanctioned to a single person when the previous one is pending.</p> <p>Also advance will be drawn only in the name of the Common Cadre Officers.</p>

5.	<p><u>Road Development Fund:</u></p> <p>The Company has collected Road Development Fund from ryots. The opening balance in the account is Rs.35,10,800/- the Company has to collect Rs.6,94,833/- during the year. The Company has given Rs.2,48,000/- as employee tour advance. The expenses / receipt are not record through P&L A/c. No agreement / authority for such collection was produced for recovery or spending.</p>	<p>The amount is not a Tour advance drawn by the Cane Development Officer. But the amount drawn by him for Development of Road to the farmers (ryots). After completing all formalities and after completion of the road work, the Cane Development Officer will submit the bills for adjusting of the advance.</p>
6.	<p><u>GST – Input Tax Credit Written-off:</u></p>	<p>Based on the advice of the Internal Auditor external agency, the entry was passed in the books of accounts. However, it was advised to get the opinion of Head Office in future in this regard.</p>
7.	<p><u>Balance Confirmations:</u></p> <p>Confirmation of balance have not been received from majority of the debtors / creditors making it difficult for us to verify the correctness of these balances.</p>	<p>Though the company has forwarded a letter calling for confirmation of balances, there is no proper response from most of the parties. However, there is a presumption clause in the company's letter that if the Debtor / Creditor do not confirm or dispute, the balance, within the stipulated time, it will be presumed that they confirm the balance.</p>

Place: CHENNAI
Date : 05/12/2022

C. VIJAYARAJ KUMAR
CHAIRMAN & MANAGING DIRECTOR

FORM NO. MGT 9**EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2021****(Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014)****I. REGISTRATION & OTHER DETAILS:**

1	CIN	U15520TN1976SGC007172
2	Registration Date	24.7.1976
3	Name of the Company	PERAMBALUR SUGAR MILLS LIMITED
4	Category/Sub-category of the Company	GOVERNMENT COMPANY – LIMITED BY SHARE CAPITAL
5	Address of the Registered office & contact details	AAVIN ILLAM, II-FLOOR, 3A- PASUMPON MUTHURAMALINGANAR SALAI, NANDANAM,CHENNAI, TAMILNADU INDIA – 600 035
6	Whether listed company	NO
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NOT APPLICABLE

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	SUGAR	10721	75.81%
2	MOLASSES	10728	16.26%

B) Shareholding of Promoter-

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Government Company – Tamil Nadu Sugar Corporation Ltd.	36097487	94.98	--	36097487	94.98	--	No change
2	Government nominee	14	0.0003	--	14	0.0003	--	No change
	Total	36097501	94.98	--	36097501	94.98	--	No change

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	36097487	94.98	36097487	94.98
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	-	-	-	-
3	At the end of the year	36097487	94.98	36097487	94.98

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	15800	0.02	15800	0.02
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
3	At the end of the year	15800	0.02	15800	0.02

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	14	0.0003	14	0.0003
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	--	--	--	--
3	At the end of the year	14	0.0003	14	0.0003

IV) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Rs. in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	12,838.52	--	--	12,838.52
ii) Interest due but not paid	4,735.29	--	--	4,735.29
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	17,573.81	--	--	17,573.81
Change in Indebtedness during the financial year				
* Addition	3,214.93	--	--	3,214.93
* Reduction	(-) 126.92	--	--	(-) 126.92
Net Change	3,088.01	--	--	3,088.01
Indebtedness at the end of the financial year				
i) Principal Amount	2,066.82	--	--	2,066.82
ii) Interest due but not paid	6,170.98	--	--	6,170.98
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	26,832.80	--	--	26,832.80

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. in Lakhs)

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Chief Executive Perambalur Sugar Mills		
		Thiru N. Kathiresan (1.4.21 to 22.11.21)	Thiru K.Ramesh (22.11.21 to 31.3.22)	
1	Gross salary	7,74,455.00	4,93,215.00	17,60,885.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	--		--
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--		--
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	--		--
2	Stock Option	--		--
3	Sweat Equity			
4	Commission - as % of profit - others, specify...	--		--
5	Others, please specify			
	Total (A)	10,14,610.00	1,30,219.00	11,44,829.00
	Ceiling as per the Act	--		--

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors	Total Amount	
1	Independent Directors	Dr.S. Panneerselvam Thiru T. Chandhirasekhar	--	
	Fee for attending board committee meetings	As they are Executives of the Government Institutions and Department. Hence, No remuneration paid.		
	Commission			
	Others, please specify			
	Total (1)			
2	Other Non-Executive Directors			
	Fee for attending board committee meetings			
	Commission			
	Others, please specify			
	Total (2)			
	Total (B)=(1+2)			
	Total Managerial Remuneration			
	Overall Ceiling as per the Act			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel (In Lakhs)			
		Chief Accountant	Company Secretary	CFO	Total
1	Gross salary	--	--	--	--
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	--	--	--	--
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--	--
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--	--
2	Stock Option	--	--	--	--
3	Sweat Equity	--	--	--	--
4	Commission	--	--	--	--
	- as % of profit	--	--	--	--
	others, specify...	--	--	--	--
5	Others, please specify	--	--	--	--
	Total	--	--	--	--

VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

Place: CHENNAI
Date : 05/12/2022

C. VIJAYARAJ KUMAR
CHAIRMAN & MANAGING DIRECTOR

INDEPENDENT AUDITOR'S REPORT
To the Members of "PERAMBALUR SUGAR MILLS LIMITED"

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Qualified Opinion:

We have audited the standalone financial statements of PERAMBALUR SUGAR MILLS LIMITED, which comprise the Balance Sheet as at 31st March 2022 and the statement of Profit and Loss, and 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, except for effects of the matter(s) described in the basis for qualified opinion section aforesaid standalone 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 March 31, 2022, its profit and its cash flows for the year ended on that date.

Basis for Qualified Opinion:

Inventories:

Stock records are manually maintained not integrated with books of accounts. Stock taking has been done by the management, But has not been reconciled with stock records. Hence short or excess stock is not known.

Books of accounts:

Accounts are maintained in tally. There is no control over, insertion, modification or deletion of entries in the package. Large number of corrections were made after commencement of audit.

Compliance with MSME Act:

The Company has not collected and maintained details necessary for identification of Small, Medium and Micro enterprises.

Consumables:

Purchase of silver coins on 30-09-2021 for Rs 3,23,109/- has been charged to consumables.

Road Development Fund:

The Company has collected Road Development Fund from ryots. The opening balance in the account is Rs. 35,10,800/- the Company has collect Rs 6,94,833/- during the year. The Company has given Rs. 2,48,000/- as employee tour advance. The expenses/receipt are not record through P&L A/c . No agreement/ authority for such collection was produced for recovery or spending.

GST – Input Tax Credit Written off:

ITC on purchase have been taken on the basis of invoices. ITC for an amount of Rs 11.11 Lakhs has been written off as the suppliers have not given credits have not filed their returns. The company has written of the same without following up the matter with suppliers.

Balance Confirmations:

Confirmation of balance have not been received from majority of the debtors/ creditors making it difficult for us to verify the correctness of these balances.

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 there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available 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 management report, if we conclude that there is material misstatement therein; we are required to communicate the matter to those charged with governance as required under SA 720 "The Auditor's responsibilities Relating to other Information".

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements:

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these standalone 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 principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. That 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 skepticism 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 control 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 a 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, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure-A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

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.

- (a) 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
- (b) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
- (c) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (d) On the basis of the written representations received from the Directors as on 31st March, 2022 taken on record by the Board of Directors, none of the director is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- (e) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (f) 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were 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 it's knowledge and belief, as disclosed in the notes to the accounts 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(s) or entity(ies), including foreign entities("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 it's knowledge and belief, as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 has 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. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

Place: Trichy

Date: 28.11.2022

For Vruksha & Co,
Chartered Accountants,
Firm Regn Number 0072386S,
V.alagappan
FCA LLB CISA
Partner,
Membership Number 200546.
UDIN: 22200546Belriv6303

ANNEXURE A

Statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act 2013.

- (i) (a) (A) The Fixed assets register maintained by the company is incomplete and not up to date;
(B) The Company has no intangible assets;
- (b) Property, Plant and Equipment have been physically verified; Discrepancies are not known as the fixed assets register is incomplete and not up to date.
- (c) The company has acquired entire land of 133 acres through a Government order. There are no title deeds.
- (d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) Physical counting of inventory had been conducted at the end of the year by the management. It has not been reconciled with book stock.
- (b) The Quarterly reports / statements filed by the company with the banks for the working capital limits sanctioned in excess of five crore rupees are agreement with the books of accounts of the company.
- (iii) The company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- (iv) In our opinion and according to our information and explanations given to us, the company has not granted any loans or provided any guarantee or security to any Director of the Company and hence the provisions of Section 185 of the act is not applicable to the Company. The company has complied with provision of section 186 as applicable.
- (v) The Company has not accepted any Deposits, the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, are not applicable to this Company.
- (vi) Maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. Separate cost records are not maintained by the company.
- (vii) (a) The company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. There are no arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date, they became payable.
- (b) The following are the dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added taxes which have not been deposited on account of dispute.

Name of Statute	Nature of Dues	Forum where dispute is pending	Period to which it relates	Amount (Rs. In Lakhs)
Central Sales Act 1956	Sales / Purchase Tax	STAT Madurai	1992-93	1.64
Tamil Nadu General Sales Tax Act 1959	Sales / Purchase Tax	STAT Madurai	1995-96	234.28
Central Sales Act 1956	Sales / Purchase Tax	STAT Madurai	2007-08	12.12
Central Sales Act 1956	Sales / Purchase Tax	STAT Madurai	2009-10	3.57
Income Tax	Income Tax	Assessing officer for passing order giving effect to appeal order	2010-11	99.77

(viii) The Company has not surrendered or disclosed any transactions not recorded in the books of account as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961)

(ix) (a) The company has defaulted in repayment of loans or borrowings to the financial institution and Government of Tamilnadu.

Nature of the borrowing	Name of the lender	Principal O/s	Interest O/s	Due Date
Short Term Borrowings	Tamilnadu Industrial Development Corporation Ltd	8,58,00,000	30,84,93,810	Within FY 2003-04
Short Term Borrowings	Ways & Means Advance from Government of Tamilnadu	22,61,50,000	12,99,84,564	Within FY 2018-19
Short Term Borrowings	Ways & Means Advance from Government of Tamilnadu	18,50,000	9,59,086	Within FY 2018-19
Short Term Borrowings	Ways & Means Advance from Government of Tamilnadu	8,68,85,476	5,07,72,105	Within FY 2018-19
Short Term Borrowings	Ways & Means Advance from Government of Tamilnadu	16,64,90,000	5,98,06,241	Within FY 2019-20
Short Term Borrowings	Ways & Means Advance from Government of Tamilnadu	25,09,000	9,20,547	Within FY 2019-20
Short Term Borrowings	Ways & Means Advance from Government of Tamilnadu	3,96,97,000	1,37,70,372	Within FY 2019-20
Short Term Borrowings	Ways & Means Advance from Government of Tamilnadu	25,00,000	5,20,712	Within FY 2020-21
Short Term Borrowings	Ways & Means Advance from Government of Tamilnadu	6,11,99,500	1,20,33,332	Within FY 2020-21
Short Term Borrowings	Ways & Means Advance from Government of Tamilnadu	6,11,99,500	1,07,84,527	Within FY 2020-21
Short Term Borrowings	Ways & Means Advance from Government of Tamilnadu	8,60,53,000	1,49,44,695	Within FY 2020-21
Short Term Borrowings	Ways & Means Advance from Government of Tamilnadu	19,50,57,000	1,40,91,131	Within FY 2021-22
Short Term Borrowings	Ways & Means Advance from Government of Tamilnadu	22,20,000	1,60,778	Within FY 2021-22

- (b) The company has not been a declared wilful defaulter by any bank or financial institution or other lender;
 - (c) Term loans were applied for the purpose for which the loans were obtained.
 - (d) Funds raised on short term basis have not been utilised for long term purposes.
 - (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
 - (f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) No moneys were raised by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (xi) (a) No fraud by the company or any fraud on the company has been noticed or reported during the year.
- (b) No report under section 143(12) of the Companies Act had been filled by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government
- (c) As represented by the company there were no whistle-blower complaints, received during the year.
- (xii) The company is not a Nidhi Company hence reporting under clause 3(xii) of the order is not applicable.
- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards;
- (xiv) The internal audit conducted by external auditors is inadequate considering the volume of operations & large no of journals passed (5149).
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) and registration has not been obtained.
- (b) The Company has not conducted any Non-Banking Financial activities without a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, and as such clause 3(xvi)c of the order is not applicable.
- (d) The Group has no CIC as part of the Group.
- (xvii) The company has incurred cash losses in the financial year and in the immediately preceding financial year.

Financial Year	Cash Loss Rs. In Lakhs
2020-21	(2254.18)
2021-22	(656.19)

- (xviii) There has been no resignation of the statutory auditors during the year.
- (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, we are of the opinion that no material uncertainty exists as on the date of the audit report and that the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;
- (xx) Section 135 of the Companies act is not applicable to this company and hence reporting under clause 3(xx) of this order is also not applicable.

Place: Trichy

Date: 28.11.2022

For Vruksha & Co,
Chartered Accountants,
Firm Regn Number 0072386S,
V.alagappan
FCA LLB CISA
Partner,
Membership Number 200546.
UDIN: 22200546Belriv6303

ANNEXURE B

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 over financial reporting of PERAMBALUR SUGAR MILLS LIMITED as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both 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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Over Financial Reporting

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

Qualified Opinion:

In our opinion, except for the possible effects of the material weaknesses described below on the achievement of the objectives of the control criteria, the Company has maintained adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were not operating effectively as of March 31, 2022, based "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India"

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

We have considered the material weaknesses identified and reported below in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2022 standalone financial statements of the Company, and these material weaknesses does not affect our opinion on the financial statements of the Company.

1. The Company passes large number of incorrect entries and later passes rectification entries showing weak internal control over accounting system. During the year it has passed fifty rectification entries.
2. The company opens multiple accounts for the same customer/supplier/other co-operative sugar mill / expense heads and distribute entries relating to one year to various accounts leading to difficulties in reconciliation of balances.
3. Control over inventory is weak. The records are not integrated with books of accounts. Closing stock are taken but not reconciled with stock records for shortage or excess.
4. The company regularly books large amount of income and expenses as prior period income or expense. During the year amount of prior period income booked is Rs. 1,78,75,471.52/- and expenses booked is Rs. 30,35,700/-.

5. The company continues to pass accounting entries in tally till September 2022 and frequently changes the entries, books are not printed & not kept bound.
6. The company has no proper system to differentiate capital expenditure and revenue expenditure. It has capitalized Rs 12,457.61/- on 31-08-2021 and Rs 59,300/- on 28-02-2022 relating to repairs & stationary respectively as capital assets.
7. The company is not raising invoices for sale of power. It is done through journal entries.

Place: Trichy

Date: 28.11.2022

For Vruksha & Co,
Chartered Accountants,
Firm Regn Number 0072386S,
V.alagappan
FCA LLB CISA
Partner,
Membership Number 200546.
UDIN: 22200546Belriv6303

ANNEXURE – C

Annexure To the Independent Auditor's Report Of Even Date On The Standalone Financial Statement of Perambalur Sugar Mills Limited

Annexure – C to the Auditors' Report

Report on the directions issued under section 143(5) of the Act, by the Comptroller and Auditor General of India (Referred to in Para 2 in Report on other Legal and Regulatory Requirements in our Independent Auditors' Report of even date on the standalone Financial Statement of Perambalur Sugar Mills Ltd)

S.NO	Matters specified in Directions issued by C&AG through web site applicable from the year 2021-22 and onwards	Reply by Auditors
1	Whether the company has system in place to process all the accounting transactions through IT System? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company use only a financial accounting package for processing accounting transactions. The system is used like accrual accounting system. Hence no implications of processing of accounting transactions outside the IT system.
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/ interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	There were no restructuring of existing loans. No cases of waiver/write off of debts/loans/interest etc. by any lender during the year. Not Applicable.
3	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	As per the information and explanations and as per the books of account of the company the funds received/receivable were properly accounted for/utilized as per its terms and condition of the schemes from central/state government.

S.No	Matters specified in Additional Sub directions issued vide letter No. AG (AU-II)/AMG-I/O AD-II/ VIII/2022-23/ Dt. 13.06.2022	Reply by Auditors											
1	Whether the company's pricing policy absorbs all fixed and variable cost of production as well as the allocation of overheads?	<p>The company has no pricing policy as the company is following the Fair Remunerative Price (FRP) fixed by the Government of India.</p> <p>The pricing policy has not absorbed all fixed and variable cost of production as well as the allocation of overheads.</p>											
2	Whether the company has fixed norms for normal losses and a system for evaluation of abnormal losses for remedial action is in existence?	<p>We have been informed that norms have been fixed for normal loss.</p> <p>However, the necessary cost records are not maintained to decide the normal & abnormal losses</p>											
3	What is a system of valuation of by-products and finished products? List out the cases of deviation from its declared policy.	<table border="1"> <thead> <tr> <th colspan="2" data-bbox="858 889 1161 932">Finished Products</th> </tr> </thead> <tbody> <tr> <td data-bbox="858 932 1161 1017">Sugar</td> <td data-bbox="1161 932 1474 1017">Cost or net Realizable value whichever is lower</td> </tr> <tr> <th colspan="2" data-bbox="858 1017 1161 1059">By products</th> </tr> <tr> <td data-bbox="858 1059 1161 1112">Molasses</td> <td data-bbox="1161 1059 1474 1112" rowspan="2">Since realized / realizable value</td> </tr> <tr> <td data-bbox="858 1112 1161 1166">Bagasse</td> </tr> <tr> <td colspan="2" data-bbox="858 1166 1474 1238">However, there were no deviations noticed from its declared policy.</td> </tr> </tbody> </table>	Finished Products		Sugar	Cost or net Realizable value whichever is lower	By products		Molasses	Since realized / realizable value	Bagasse	However, there were no deviations noticed from its declared policy.	
Finished Products													
Sugar	Cost or net Realizable value whichever is lower												
By products													
Molasses	Since realized / realizable value												
Bagasse													
However, there were no deviations noticed from its declared policy.													
4	State the extent of utilization of plant & machinery during the year vis-à-vis installed capacity.	The installed crushing capacity of plant and machinery is 516000 M.T. per annum. Actual quantity crushed during the year was 270769 M.T. which is 52.47% if the capacity utilization.											
5	Whether the company has effective system for physical verification, valuation of stock, treatment of non-moving items and accounting of effect of shortage/excess noticed during physical verification.	Based on the information and explanations given to us, the company has system of physical verification, valuation of stocks by heads of concerned departments. No shortage/excess have been reported by them.											

Place: Trichy

Date: 28.11.2022

For Vruksha & Co,
Chartered Accountants,
Firm Regn Number 0072386S,
V.alagappan
FCA LLB CISA
Partner,
Membership Number 200546.
UDIN: 22200546BELRIV6303

K.P.ANANDH, IA & AS

ACCOUNTANT GENERAL (Audit-II)

Tamil Nadu & Puducherry,
"Lekha Pariksha Bhavan",
361, Anna Salai,
Chennai – 600 018.

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA. UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF PERAMBALUR SUGAR MILLS LIMITED FOR THE YEAR ENDED 31ST MARCH 2022.

The preparation of financial statements of Perambalur Sugar Mills Limited Chennai for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act , 2013 is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 28.11.2022.

I, on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit of the financial statements of Perambalur Sugar Mills Limited for the year ended 31 March 2022 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6) (b) of the Act.

Place : Chennai
Date : 22.12.2022

For and on the behalf of the
Comptroller & Auditor General of India,
sd/-
Accountant General

PART - II

**PERAMBALUR SUGAR MILLS LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2022
AND
PROFIT & LOSS ACCOUNTS
FOR THE YEAR ENDED 31.3.2022**

PERAMBALUR SUGAR MILLS LIMITED
Balance Sheet as at 31st March, 2022

	Particulars	Note No.	As at 31 March, 2022	As at 31 March, 2021
			Rs. In Lakhs	Rs. In Lakhs
I	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	1	3,800.35	3,800.35
	(b) Reserves and surplus	2	(34,495.29)	(33,737.39)
	(c) Share Capital Pending Allotment	2a	17,110.44	17,110.44
2	Non-current liabilities			
	(a) Long-term borrowings	3	222.45	349.37
	(b) Long-term provisions	4	103.43	79.13
3	Current liabilities			
	(a) Short-term borrowings	5	15,704.09	12,489.15
	(b) Trade payables			
	(i) Total outstanding dues of micro enterprises and small enterprises; and			48.15
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises.	6	3,410.01	4,743.56
	(c) Other current liabilities	7	8,776.60	7,180.47
	(d) Short-term provisions	8	93.66	87.67
	Total		14,725.74	12,150.91
II	ASSETS			
1	Non-current assets			
	(a) Property, Plant and Equipment and Intangible Assets			
	(i) Property, Plant & Equipment	9	598.08	658.29
	(ii) Intangible Assets			
	(iii) Capital Work in Progress	10	24.75	-
	(b) Non-current investments	11	5.11	5.11
	(c) Long-term loans and advances	12	664.36	664.36
	(d) Other Non Current Assets	13	21.82	52.63

Particulars	Note No.	As at 31 March, 2022	As at 31 March, 2021
		Rs. In Lakhs	Rs. In Lakhs
2 Current assets			
(a) Inventories	14	9,195.07	6,928.23
(b) Trade receivables	15	2,908.91	1,311.50
(c) Cash and cash equivalent	16	22.40	71.83
(d) Short-term loans and advances	17	1,132.45	2,334.15
(e) Other current assets	18	152.79	124.81
		14,725.74	12,150.91
Summary of significant accounting policies and the accompanying notes are an integral part of the financial statements	I		

S. Ulaganathan
Chief Accountant

G. Alagarsamy
Company Secretary

Kanniyan Ramesh
Director

C. Rajendren
Director

Place: Trichy
Date: 28/11/2022

As per our report of even date

for M/s. VRUKSHA & CO.,
Chartered Accountants
Firm Reg No: 0007238S

V. ALAGAPPAN FCA, LLB, CISA
(Partner)
(M.No. 200546)
Place: Trichy
Date: 28/11/2022

PERAMBALUR SUGAR MILLS LIMITED
Statement of Profit and Loss for the year ended 31st March, 2022

Particulars		Note No.	As at 31 March, 2022	As at 31 March, 2021
			Rs. In Lakhs	Rs. In Lakhs
I	Revenue from operations (net)	19	9,031.84	6,658.89
II	Other income	20	89.83	39.04
III	TOTAL INCOME (1+II)		9,121.67	6,697.93
IV	EXPENSES			
	(a) Cost of Materials Consumed	21	7,894.34	4,526.25
	(b) Purchases of Stock-in-Trade	22	6.00	3.95
	(c) Changes in Inventories	23	(2,247.82)	1,017.97
	(d) Employee Benefits Expense	24	1,175.03	1,189.36
	(e) Finance Costs	25	1,893.56	1,665.31
	(f) Depreciation and Amortisation Expense	9	101.70	104.84
	(g) Other Expenses	26	1,056.75	549.28
	TOTAL EXPENSES		9,879.57	9,056.96
V	Profit / (Loss) Before Exceptional and Extra Ordinary Items (III-IV)		(757.90)	(2,359.02)
VI	Exceptional Items			-
VII	Profit / (Loss) Before Extra Ordinary Items (V-VI)		(757.90)	(2,359.02)
VIII	Extra Ordinary Items			-
IX	Profit/Loss Before Tax (VII-VIII)		(757.90)	(2,359.02)
X	Profit / (Loss) for the year the Continuing Operations (IX-X)		(757.90)	(2,359.02)
XI	Profit / (Loss) for the year the Discontinuing Operations		-	-
XII	Tax expense for Discontinuing Operations		-	-
XIII	Profit / (Loss) from the Discontinuing Operations (after tax)		-	-

Particulars		Note No.	As at 31 March, 2022	As at 31 March, 2021
			Rs. In Lakhs	Rs. In Lakhs
XIV	Profit/(Loss) for the Period(XI+XIV)		(757.90)	(2,359.02)
XV	Earnings Per Equity Share			
	1)Basic (In Rupees)		(1.99)	(6.21)
	2) Diluted (In Rupees)		(1.99)	(6.21)

See Accompanying Notes forming part of the statements 1-26

S. Ulagananthan
Chief Accountant

G. Alagarsamy
Company Secretary

Kanniyan Ramesh
Director

C. Rajendren
Director

Place: Trichy
Date: 28/11/2022

As per our report of even date

for M/s. VRUKSHA & CO.,
Chartered Accountants
Firm Reg No: 0007238S

V. ALAGAPPAN FCA, LLB, CISA
(Partner)
(M.No. 200546)
Place: Trichy
Date: 28/11/2022

PERAMBALUR SUGAR MILLS LIMITED

Significant Accounting Policies & Notes to Accounts

Basis of Preparation:

These financial statements are prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014 till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards, notified under the Companies Act 1956 shall continue to apply. Consequently these financial statements are prepared to comply in all material aspects with the Accounting Standards notified under Sub-Section (3C) of Section 211 of the Act (Companies (Accounting Standards) Rules, 2021) and the other relevant provisions of the Companies Act, 2013.

All assets and liabilities are classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization of cash and cash equivalents. The company has ascertained its operating cycle as 12 months for the purpose of current-noncurrent classification of assets and liabilities.

1. ACCOUNTING POLICY:

a) AS 1-Disclosure of Accounting Policies:

Financial statements are prepared under the historical cost and on the basis of going concern. The Company follows mercantile system of accounting and recognizes income and expenditure on an accrual basis, including provisions/adjustments for committed obligation and amounts determined as payable or receivable during the year.

Accounting policies adopted by the company represents true and fair view of the state of affairs of the financial statements. The significant accounting policies followed are disclosed herein below.

b) AS 2 - Valuation of Inventories:

Particulars	Particulars
Sugar - Free Sale	At Cost i.e. relevant season's cost or net realizable value whichever is lower.
Molasses	At since realized /realizable value.
Bagasse	At since realized /realizable value.
Sugar in Process	At relevant season's cost (or) Net realisable value less packing material cost whichever is lower.
Molasses in Process	At since realized /realizable value.
Standing Crop	At estimated value.
Fertiliser, Pesticides, Diesel and Lubricant	At Cost
Bio- Compost	At Market value.
Stores and Spares	At Weighted average cost.

c) AS 3- Cash Flow Statements:

The Cash flow statement is prepared under the indirect method as per Accounting Standard 3 “Cash Flow Statements”.

d) AS 4-Contingencies and Events Occurring After the Balance Sheet Date:

Events occurring after the Balance Sheet date are those that occur between the Balance Sheet date and the date on which the Financial Statements are approved. Such events may necessitate adjustment of assets and liabilities or a financial impact of which may require a disclosure. The Company considers and makes necessary disclosures for all such material events.

e) AS 5-Net Profit/Loss for the Period & Prior Period Items:

- i) The entire Loss for the Period solely comprises of Loss from Ordinary Activities.
- ii) Details of prior period expenses and incomes are furnished in the Note No: 28 hereof.

f) AS 9 - Revenue Recognition:

- 1) Sale of Sugar and Molasses stated at exclusive of duties & taxes and recognized as and when the risks and rewards are transferred
- 2) Traded goods are recognized when the title of goods is transferred.
- 3) Sale of Power is recognized as per the agreements entered thereto.
- 4) Rental income is recognized as per the agreements entered thereto.
- 5) Interest income is recognized on time proportion basis and rates implicit.
- 6) Dividend income is recognized when the right to receive is established.

g) AS 10-Property,Plant and Equipments:

Fixed assets are stated at original cost of acquisition less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. The asset retired from active use and is held for disposal is to be recognised at lower of net book value and net realisable value.

Depreciation :

The assets are depreciated over the remaining useful life. On addition during the current year depreciation provided on pro-rata basis.

h) AS 12 - Accounting for Government Grant:

Grants in the nature of promoter's contribution from the Government has been credited and kept in the Capital Reserve to be converted as Share capital after duly complying with legal formalities.

i) AS 13 - Accounting for Investments:

Long Term Investments are stated at cost.

j) AS 15 - Employee Benefits:

Salary and other short term benefits are recognised as an expense in statement of Profit & loss in the year in which related service is rendered. The company has no defined benefit plans. It has only defined contribution plan.

a) Provident Fund :

Contribution to provident fund is made on monthly, at applicable rate to the Regional Authorities of Employees Provident Fund authority and debited to the profit and loss a/c on accrual basis.

b) Gratuity :

The Company's liability towards retirement benefits in the form of Gratuity is provided on the basis of actuarial valuation furnished by L.I.C. under their cash accumulation scheme.

c) Leave Encashment :

The provision for Earned Leave Encashment has been made on actuarial basis. The funds are kept in the business of the company and not invested

k) AS 16 - Borrowing Cost:

During the year there was no borrowing cost attributable to qualifying assets and hence capitalisation of borrowing cost does not arise.

l) AS 17-Segment Reporting:

The Company is engaged in Manufacture of Sugar & Sale of Power. These are reportable segments for the year. Entire Operations of the Company is only in domestic hence reportable geographical segment does not arise. Segment wise Income, Expenses, Assets and Liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of cost plus margins. Revenue, Expenses, Assets and Liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated Revenue/Expenses/Assets/Liabilities".

m) AS 18 - Related Party Disclosures:

The Related parties where control exists or where significant influence exists and with whom transactions have taken place are furnished in the Note No: 38 hereof.

n) AS 20 - Earning Per Share:

Basic Earnings per share are calculated by dividing the net profit or loss for the accounting year attributable to equity shareholders by the weighted average number of shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit and loss for the year attributable to equity shareholders and weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential Equity Shares.

EPS For the year ended 31.03.2022 Rs. (1.99)

o) AS 22 - Accounting for Taxes on Income:

Tax expense comprises of current and deferred tax.

(a) Current Tax :

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. The tax rates and tax law used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Provision for current tax is made for the amount of tax payable in respect of taxable income for the year under Income Tax Act, 1961.

(b) Deferred Tax :

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation and timing differences in allowances in tax purposes, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

p) AS 28 - Impairment of Assets:

As per AS-28 (Impairment of Assets) it is necessary to assess annually on Balance Sheet date whether the assets are impaired. In the opinion of the Company's Management, all the assets are likely to realize much higher realizable value than what is stated and carried in the Balance Sheet i.e. there is no impairment in the value of the Assets as at 31.03.2022.

q) AS 29 - Provisions, Contingent Liabilities

Provisions :

A Provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates

Contingent Liability :

A Contingent Liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. Contingent liabilities are disclosed by way of notes in the Balance Sheet and Contingent Assets are neither recognized nor disclosed.

PERAMBALUR SUGAR MILLS LIMITED
Note forming part of the financial statements

Note No: 1 - Share Capital

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
Authorised 21,00,00,000 Equity shares of Rs.10/- each	21,000.00	21,000.00
Shares Issued, Subscribed and fully paid 3,80,03,477 Equity shares of Rs.10/- each fully paid up with voting rights	3,800.35	3,800.35
Total	3,800.35	3,800.35

Note No: 1(a) Reconciliation of the number of shares at the beginning and end of the reporting year

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
Number of share outstanding as at the beginning of the year	3,80,03,477	3,80,03,477
Add: Number of shares allotted during the year	-	-
Number of share outstanding as at the end of the year	3,80,03,477	3,80,03,477

Note No: 1(b) Shares in the company held by other company - Numbers

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
Tamilnadu Sugar Corporation Limited - Holding Company	3,60,97,501	3,60,97,501

Note No: 1(c) Details of shares held by each shareholder holding more than 5%

Class of shares / Name of shareholders	As at 31-Mar 2022		As at 31-Mar 2021	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Tamilnadu Sugar Corporation Ltd	3,60,97,501	94.98%	3,60,97,501.00	94.98%

Note No: 1(d) - Shareholding of promoters

Promoter Name	Shares held by promoters at the end of the year		
	No. of Shares	% of Total Shares	% Change during the year
Tamilnadu Sugar Corporation Limited	3,60,97,501	94.98%	-
Individuals	19,05,976	5.02%	
Total	3,80,03,477	100%	

Note No: 1(e) Management Disclosure

The Company has issued only one class of equity shares having par value of Rs.10/- per share. One equity share carries one vote.

The members are entitled to vote in accordance with their share holding.

Note No: 2 - Reserve & Surplus

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
(a) Capital Reserve (Government grants)		
Opening balance	16.91	16.91
Add: Additions during the year	-	-
Less: Utilised/ transferred during the year	-	-
Closing Balance	16.91	16.91
(b) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(33,754.30)	(31,395.28)
Add: Profit / (Loss) for the year	(757.90)	(2,359.02)
Closing Balance	(34,512.19)	(33,754.30)
Total	(34,495.29)	(33,737.39)

Note No: 2a - Share Capital Pending Allotment

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
Government of Tamilnadu has issued orders vide G O No.MS 88 dated 29-03-2019 to convert all Loans borrowed from it, along with interest accrued till 31-03-2018 into Equity Based on which Board has resolved to convert all the Loans borrowed from Tamilnadu Government along with Interest accrued till 31-03-2018 into Equity. The Authorised Share Capital was increased to accommodate the said conversion. Increase in authorised share capital was done during 2019-2020. Government of Tamilnadu, vide its G O No. MS 89, Industries (MIC1) Department dt: 16.03.2020 approved to issue Equity Shares in Perambalur Sugar Mills Ltd (PSM). However, in a later development, the Board of Directors have represented to the Government to issue a fresh G O for issue of Preference Shares Capital instead of Equity Share Capital. Since the Allotment of Preference Shares are in process, the same amount continues to be shown as Share Capital Pending Allotment as on 31-03-2022.	17,110.44	17,110.44
Total	17,110.44	17,110.44

Note No: 3 Long term borrowings

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
Secured Loans		
(i) Central Government Financial Assistance as Soft Loan from Banks Secured by creation of charge on Fixed Assets	138.73	258.37
(ii) Covid Term Loan from Banks	83.72	91.00
Unsecured Loan	-	-
Total	222.45	349.37

Note No: 3(i) Loan from TDCCB

Long term loan borrowed from Banks for the year 2019-20 amounting to Rs.471.93 Lakhs @ 11.50% (with penal interest of 2% for default, if any) repayable in 48 monthly installments with reimbursement of interest @ 7% from central government for one year to ensure FRP cane price disbursement which is guaranteed by State Government. Current Outstanding of the above loan is Rs. 83.34 Lakhs.

Note No: 3(ii) Covid Term Loan

During 2021-2022 State Bank of India (SBI) released Rs.91.00 Lakhs @ 7.80% of Interest repayable in 36 Equal Monthly Instalments. Current Outstanding of the above loan is Rs. 83.72 Lakhs.

Note No: 4 - Long Term Provisions

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
Provision for employee benefits - Earned Leave	103.43	79.13
Total	103.43	79.13

Note No: 5 - Short Term Borrowings

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
Secured		
(a) Cash Credit From Consortium Bankers Secured by pledge of stock of sugar valid upto 30/09/2022 @ 11.50% p.a, guaranteed by State Government	5,527.98	4,285.82
(b) Loan against Fixed Deposits with SBI	-	-
(c) Current Maturities of Long term borrowings (Ways & Means Advance from TN. Govt.)	10,176.10	8,203.33
Total	15,704.09	12,489.15

Note No: 5(a) - Details of the loans, Terms of repayment and delay in payment**i.Loan From Government**

Product Name	Principal (Rs. In Lakhs)	Interest (Rs. In Lakhs)	Interest Rate	Repayment Schedule
Tamilnadu Industrial Development Corporation Ltd	858.00	3,084.94	16.5%+2.0%	Within FY 2003-04
Ways & Means Advance from Government of Tamilnadu	2,261.50	1,298.85	13%+2.5%	Within FY 2018-19
Ways & Means Advance from Government of Tamilnadu	18.50	9.59	13%+2.5%	Within FY 2018-19
Ways & Means Advance from Government of Tamilnadu	868.85	507.72	13%+2.5%	Within FY 2018-19
Ways & Means Advance from Government of Tamilnadu	1,664.90	598.06	13%+2.5%	Within FY 2019-20
Ways & Means Advance from Government of Tamilnadu	25.09	9.21	13%+2.5%	Within FY 2019-20
Ways & Means Advance from Government of Tamilnadu	396.97	137.70	13.3%+2.5%	Within FY 2019-20
Ways & Means Advance from Government of Tamilnadu	25.00	5.21	13.3%+2.5%	Within FY 2020-21
Ways & Means Advance from Government of Tamilnadu	612.00	120.33	13.3%+2.5%	Within FY 2020-21
Ways & Means Advance from Government of Tamilnadu	612.00	107.85	13.3%+2.5%	Within FY 2020-21
Ways & Means Advance from Government of Tamilnadu	860.53	149.45	13.3%+2.5%	Within FY 2020-21
Ways & Means Advance from Government of Tamilnadu	1,950.57	140.91	13.3%+2.5%	Within FY 2021-22
Ways & Means Advance from Government of Tamilnadu	22.20	1.17	13.3%+2.5%	Within FY 2021-22
Total	10,176.10	6,170.98		

Note No: 6 - Trade Payable Ageing

Product Name	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
	Amount in Lakhs	Amount in Lakhs	Amount in Lakhs	Amount in Lakhs	Amount in Lakhs
(i) MSME	-	-	-	-	-
(ii) Others	2,476.39	740.98	88.79	103.85	3,410.01
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-

Note: Company has not obtained certificates from creditors to classify them as Micro, Small, Medium enterprises. Hence all creditors are amount under others.

Note No: 7 - Other current liabilities

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
(a) Liability for Area Development Fund	24.19	24.19
(b) Interest accrued and due on Ways & Means Advance from Govt.	6,170.98	4,735.29
(c) Other Liabilities	2,581.43	2,420.99
Total	8,776.60	7,180.47

Note No: 8 - Short Term Provision

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
(a) Provision for employee benefits:(Short Term)		
(i) Provision for bonus	22.06	18.65
(ii) Provision for Pension contribution	14.80	15.91
(iii) Provision for Earned Leave benefit	56.80	53.11
Total	93.66	87.67

Note No: 9 - Property, Plant & Equipment

Particulars	Land	Buildings	Plant & Equipments	Furniture & Equipments	Vehicles	Computer	Total
	Amount in Lakhs	Amount in Lakhs	Amount in Lakhs	Amount in Lakhs	Amount in Lakhs	Amount in Lakhs	Amount in Lakhs
Cost As at March 31, 2020	8.94	537.52	3,200.23	57.61	32.37	57.67	3,894.34
Additions	-	-	96.33	2.33	-	-	98.66
Disposals	-	-	-	-	-	-	-
Cost As at March 31, 2021	8.94	537.52	3,296.55	59.94	32.37	57.67	3,993.00
Additions	-	3.50	36.60	0.09	-	1.30	41.49
Disposals	-	-	-	-	-	-	-
Cost As at March 31, 2022	8.94	541.02	3,333.16	60.02	32.37	58.97	4,034.49
Depreciation as at March 31, 2020	-	329.51	2,768.42	55.28	24.49	52.16	3,229.87
Charges for the Year	-	13.08	86.52	1.05	1.57	2.62	104.84
Disposals	-	-	-	-	-	-	-
Depreciation as at March 31, 2021	-	342.59	2,854.94	56.33	26.06	54.78	3,334.70
Charges for the Year	-	13.06	85.58	1.26	1.57	0.22	101.70
Disposals	-	-	-	-	-	-	-
Depreciation as at March 31, 2022	-	355.65	2,940.52	57.59	27.64	55.00	3,436.40
Net Block							
As at March 31, 2020	8.94	208.01	431.80	2.33	7.88	5.51	664.47
As at March 31, 2021	8.94	194.93	441.62	3.61	6.31	2.89	658.29
As at March 31, 2022	8.94	185.37	392.63	2.43	4.74	3.97	598.08

Note: Land includes Rs.6.64 Lakhs being the pro-rata value of land (Perambalur Sugar Mills Ltd) purchased by TNCSEF ON BEHALF OF Co-Operative & Public Sector Sugar Mills.

Note No: 10 - Capital Work in process ageing

CWIP	Amount in CWIP for the period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
	Amount in Lakhs	Amount in Lakhs	Amount in Lakhs	Amount in Lakhs	Amount in Lakhs
Projects in progress	24.75	-	-	-	24.75
Projects temporarily suspended	-	-	-	-	-

Note No: 11 - Non-current investments

Particulars	As at 31-Mar-2022			As at 31-Mar-2021		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
	Amount in Lakhs	Amount in Lakhs	Amount in Lakhs	Amount in Lakhs	Amount in Lakhs	Amount in Lakhs
Investments (At cost):						
A. Trade						
50,930 Equity Shares of Rs. 10/- each fully paid up in Tamil Nadu Newsprint & Papers Ltd	0.02	-	0.02	5.09	-	5.09
B. Non - Trade						
40 Shares of Rs.50/ each fully paid in Tiruchirappalli district co-operative supply and marketing society Ltd	-	5.09	5.09	-	0.02	0.02
Total	0.02	5.09	5.11	5.09	0.02	5.11
Aggregate amount of unquoted investments			5.09			0.02
Aggregate amount of quoted investments at Face Value			0.02			5.09
Aggregate market value of listed and quoted investments	[@167.65 (NSE)]		939.18	[@146.55 (NSE)]		74.64

Note No: 12 - Long term loans & advances

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
A. Secured, considered good		
B. Unsecured, considered good		
(a) Capital advances	664.36	664.36
(b) Trade Advances	-	-
Total	664.36	664.36

Note No: 13 - Other Non Current Assets

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
Security Deposits	21.82	52.63
Total	21.82	52.63

Note No: 14 - Inventories

(At lower of cost and net realisable value as certified by Management)

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
(i) Work In process		
(a) Sugar	174.87	234.13
(b) Molasses	28.37	33.28
Sub Total (A)	203.24	267.41
(ii) Finished Goods		
(a) Sugar	8,224.01	6,324.44
(b) Molasses	695.24	290.49
(c) Baggasse	-	-
Sub Total (B)	8,919.25	6,614.93
(iii) Stores/Spares	82.16	63.13
Less: provision for obsolete Stores	22.95	22.95
Sub Total (C)	59.21	40.18
(iv) Others		
(a) Fertilizer & Pesticides	12.00	5.70
(b) Tools & Appliances	-	-
(c) Standing Crops	1.38	-
Sub Total (D)	13.38	5.70
Total (A+B+C+D)	9,195.07	6,928.23

Note No: 15 - Trade Receivable

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
Unsecured, considered good	2,908.91	1,311.50
Doubtful	11.44	11.44
	2,920.34	1,322.94
Less: Provision for doubtful trade receivables	11.44	11.44
Total	2,908.91	1,311.50

Note No: 15(a) - Trade Receivable Ageing

Product Name	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
	Amount in Lakhs	Amount in Lakhs	Amount in Lakhs	Amount in Lakhs	Amount in Lakhs	Amount in Lakhs
(i) Undisputed Trade Receivables considered good	719.95	203.30	1,302.78	677.46	16.85	2,920.34
(ii) Undisputed Trade Receivables considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

Note No: 16 - Cash and cash equivalent

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
(a) Cash on hand	1.10	0.50
Sub total (A)	1.10	0.50
(b) Balances with banks		
(i) In current accounts	2.45	2.45
(ii) In deposit accounts	7.96	7.49
(iii) Other earmarked accounts (SUBUCAS & NADP Scheme)	10.90	61.39
Sub total (B)	21.31	71.33
Total (A+B)	22.40	71.83

Note No: 17 - Short Term Loan & Advances

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
A. Secured, considered good	1.10	0.50
B. Unsecured, considered good		
(a) Loans and advances to employees	36.26	17.29
(b) Advance to Growers, suppliers and contractors	32.51	79.81
(c) Other Advances	1,063.68	2,237.05
Sub total	1,132.45	2,334.15

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
C. Doubtful		
(i) Advance to Growers, suppliers and contractors Doubtful	-	-
Less: Provision for other doubtful loans and advances	-	-
Sub Total	-	-
(ii) Other Advances		
Doubtful	11.70	12.29
Less: Provision for doubtful advances	11.70	12.29
Sub Total	-	-
Total	1,132.45	2,334.15

Note No: 18 - Other Current Assets

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
Unsecured, considered good		
(a) Accrual		
Interest accrued on Bank Deposits	0.01	0.01
(b) Amount recoverable from Subsidiary Company	-	-
(c) Amount recoverable for cane diversion to other Mills	24.41	-
(d) Prepaid expenses	37.81	46.34
(e) Balances with government authorities	-	-
(i) TDS	21.57	28.78
(ii) Service Tax, E.D ,VAT credit receivable	20.31	14.91
(f) Others	48.68	34.77
Total	152.79	124.81

Note No: 19 - Revenue from operation

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
(i)(a) Manufactured goods		
Sale of Sugar	7,652.34	5,048.41
Sale of Molasses	501.48	1,083.34
Sale of Pressmud	17.12	9.60
Sale of Flyash	0.54	0.01
Sale of Power-Co-Gen	847.13	506.92
Sale of Baggase	-	-
Sub Total (A)	9,018.62	6,648.28
(b) Traded goods		
Sale of Fertiliser and Pesticides	11.59	5.68
Sale of Farm/Parasite Lab. Products	1.63	4.92
Sub Total (B)	13.22	10.61
(ii) Sale of services		
Consultancy service charges from co-operative sugar mills	-	-
Sub Total (C)	-	-
Total (A)+(B)+(C)	9,031.84	6,658.89

Note No: 20 - Other Income

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
(a) Interest income		
From Bank on Fixed Deposits	11.36	0.46
From others	69.08	-
(b) Dividend income:	-	-
From long-term investments- Others	1.53	3.06
(c) Rent received	0.01	-
(d) Subsidy received	-	-
(e) Scrap Sales	0.45	10.77
(f) Others	7.40	24.76
Total	89.83	39.04

Note No: 21 - Cost of materials consumed

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
Material consumed:		
Sugarcane Consumed	7,894.34	4,526.25
Total	7,894.34	4,526.25

Note No: 22 - Purchase of Trading goods

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
Fertiliser and Pesticides	6.00	3.95
Total	6.00	3.95

Note No: 23 - Increase / decrease of Inventories

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
Finished goods		
Sugar: Opening Stock	6,324.44	7,019.30
Closing Stock	8,224.01	6,324.44
Sub Total (a)	(1,899.57)	694.86
Molasses: Opening Stock	290.49	873.24
Closing Stock	695.24	290.49
Sub Total (b)	(404.75)	582.75
Baggasse: Opening Stock	-	4.65
Closing Stock	-	-
Sub Total (c)	-	4.65
Work in process		
Sugar-in-process: Opening Stock	234.13	-
Closing Stock	174.87	234.13
Sub Total (d)	59.26	(234.13)
Molasses-in-process: Opening Stock	33.28	-
Closing Stock	28.37	33.28
Sub Total (e)	4.92	(33.28)
Fertilizer & Pesticides :Opening Stock	5.70	7.41
Closing Stock	12.00	5.70
Sub Total (f)	(6.30)	1.71
Pressmud : Opening Stock	-	1.41
Closing Stock	-	-
Sub Total (g)	-	1.41
Standing Crops : Opening Stock	-	-
Closing Stock	1.38	-
Sub Total (h)	(1.38)	-
Net (increase) / decrease (a+b+c+d+e+f+g+h)	(2,247.82)	1,017.97

Note No: 24 - Employee benefits expense

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
(a) Salaries, Wages and Bonus	982.95	1,010.62
(b) Contribution to	-	-
(i) Provident fund	103.79	85.89
(ii) Pension fund	-	-
(c) Gratuity contribution scheme	41.75	31.51
(d) Staff welfare expenses	46.54	61.34
(e) Earned Leave	-	-
Total	1,175.03	1,189.36

Note No: 25 - Finance Cost

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
(a) Interest expense on:		
(i) Bank loan (Term Loan, Soft loan and Cash credit)	612.09	1,022.57
(ii) Ways & Means Loans	1,281.47	642.74
Total	1,893.56	1,665.31

Note No: 26 - Other Expenses

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
Carriage Inwards	-	4.76
Co-Gen Expenses	258.81	205.71
Process Stores consumed	94.16	51.66
Consumption of packing materials	103.71	53.97
Power and fuel	190.33	135.91
Self generation tax on electricity	8.06	2.80
Rent	3.56	9.50
Repairs and maintenance - Buildings	20.83	0.31
- Machinery	188.84	101.82
- Others	25.50	15.99
Insurance	28.53	18.35
Rates and taxes	3.78	22.24

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
Travelling and conveyance	5.66	4.89
Printing and stationery	6.59	5.09
Postage, Telephone	3.00	3.20
Selling & Distribution Expenses	27.85	12.87
Bank charges	18.45	10.89
Entertainment Expenses	0.54	0.49
Legal and professional	5.74	3.63
Subscription to Associations	1.05	29.66
Corporate Meeting Expenses	9.02	12.14
Payments to auditors (Refer Note No: 27 below)	0.90	1.36
Guarantee Commission	17.60	-
Prior period items (Refer Note No: 28 below)	(148.40)	(173.51)
Security Charges	45.56	-
Other Administrative Expenses	101.48	15.54
Provision for bad & doubtful debts	-	-
Write off (GST ITC)	11.13	-
Loss on retirement of Assets	-	-
Miscellaneous expenses	24.48	-
Total	1,056.75	549.28

Note No: 27 - Payment to Auditors

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
(i) Payments to the Auditors comprises		
As Auditors - Statutory audit	0.86	0.86
For Reimbursement of Expenses	0.05	0.50
Total	0.90	1.36

Note No: 28 - Prior Period Items

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
Prior Period Expenses:		
TNEB Dosit	8.58	-
C.I.S Buresus Facility Services	1.66	-
Co-Gen consent fees	7.86	4.55
Exgratia & Incentives	3.69	-
Telephone	0.18	-
Property Tax	1.02	-
Consultancy fees	0.40	-
Subscription fees	7.40	-
Auditor fees	0.90	0.22
Auditor Expenses	0.40	-
Uniform Sticking charges	1.79	-
Head Office expenses	0.25	2.12
Sale of power value revised	0.68	-
Repairs & Maintenances	-	1.08
TDS Deduction	-	0.05
Salary & Allowances	-	2.75
Contractors Payment	-	1.34
Testing Charges	-	0.06
ITC Reversal	-	23.50
	34.82	35.67
Prior Period Income:		
TDS Rectified	0.01	-
Insurance Claim	3.77	-
Transport Subsidy	179.43	205.78
Legal & Transporation charges	-	3.40
	183.21	209.17
Total	(148.40)	(173.51)

Note No: 29 - Disputed Statutory dues

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
(a) Commercial Tax (Purchase Tax) (Dispute is pending at DCCT Appeal Trichy)	251.61	251.61
(b) Income Tax (Dispute is pending at CIT (Appeal) ITAT, Chennai before AO for appeal effect order)	99.77	55.04
Total	351.38	306.65

Note No: 30 - Contingent Liability not Provided For

Levy Sugar Excess Realization Case – 1977-78 and 1979-80 Season's Production

- i) Consequent to the fixation of final price by the Government of India for the Levy Sugar sold out of 1977-78 and 1979-80 season's production, the company is contingently liable to repay Rs.24.16 lakhs out of the interim price received for sale of sugar out of these two season's production as may be applicable. However the company has requested Govt. of India to adjust the buffer stock subsidy of Rs.10.95 lakhs as well as the differential levy price of levy sugar exported during 1977-78 and 1979-80 season amounting to Rs.10.52 lakhs receivable from the Govt. of India against the company's liability of Rs.24.16 lakhs.
- ii) Provision for labour cases which are pending before the Appellate Authorities have not been made.
- iii) Due to TANGEDCO towards Share Capital contribution by Cane Growers net of recoveries Rs. 3.45 Crores.

Note No: 31 - Land

The Company had entered into a land lease agreement with TANGEDCO on 12.03.2010 and leased out land admeasuring 29.98 acres of land in the Perambalur sugar mills premises at Eraiyur for implementation of Co-generation Project by the TNEB.

Note No: 32 - Claims related to supply of machinery to the company

M/S Walchand Nagar Industries Ltd., have filed a civil suit claiming a sum of Rs.10.64 Lakhs relating to the supply of machinery to the unit mill of the company during expansion. The company has not provided for the additional interest liability of Rs.4.46 Lkajs and further interest at 24% as the case is pending disposal before the Chennai High Court.

Note No: 33 - Co - Generation & Modernization

The cost of project of Co-Generation is Rs.96.14 crores and cost of project for Modernization of Perambalur Sugar Mills is Rs.42.72 crores TANGEDCO has raised loan for a term of 13 years with 3 years moratorium period for the project. Cane growers of Perambalur Sugar Mills have to contribute 10% of the project cost and short fall, if any, will be provided by Government as equity. The company has no capital commitments except 10% contribution as equity.

During the year the PSM billed Rs.,847.13 Lakhs towards sale of Power.

Note No: 34 - Labour Matters

- i) Tamil Nadu All Co-operative and Public Sector Sugar Mills staff Peravai filed a writ petition No.2325/2004 and obtained orders on revision of pay scale on par with common cadre system employees with effect from 01/04/2003. Orders of Madras High Court were received in July, 2015. The Financial Commitment is not quantifiable. The Company has filed Writ Appeal No.54/55 of 2016 against the orders and obtained status quo on 27.1.2016 in CMP No.561, 562, 563 of 2016.
- ii) Some of the employees of the company have filed claims for which 06 cases involving labour and personnel matters are pending disposal in the Court of law. The values of all the claims in these cases are not quantifiable.

Note No: 35 - Water Charges

The Company has made full payment on the contractual quantity of 11.50 Lakh K.Ls of water as per the initial agreement with P.W.D at Rs.0.50/K.L. upto the year 1999-2000 pending Govt. approval for execution of fresh agreement. The Company is however making payment of Rs.3.25 Lakhs per annum for water charges on the quantity of water being drawn each year from the Vellar River not exceeding 6.50 Lakh K.L. from the year 2000-01.

Note No: 36 - Employee Benefits (Gratuity & Leave encashment)

- (a) The company through the Trustees, Tamil Nadu Sugar Corporation.Ltd. Group Gratuity Scheme, maintains a Group Gratuity (Cash Accumulation) Scheme with Life Insurance Corporation of India in respect of all employees of the company. The scheme had been approved by the Commissioner of Income Tax. As per the Group Gratuity (Cash Accumulation) Scheme which is in force, the company has computed the liability on actuarial valuation furnished by the Life Insurance Corporation of India. Necessary effect in this respect has been given in the Books of Accounts as of 31st March 2022. Leave Encashment is provided for as per the Actuarial Valuation as on 31-03-2022.

(b) Employees terminal benefits (AS-15)**(i) Gratuity (Funded):**

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
1. Assumption	(In Lakhs)	(In Lakhs)
Discount rate	7.00%	7.25%
Salary escalation	7.00%	7.25%
2. Table showing changes in the present value of obligation as on 31.03.2022		
Present value of obligation as at beginning of the year	304.74	306.70
Interest cost	21.47	22.24
Current Service Cost	23.32	23.32
Benefits paid	(49.90)	(54.97)
Actuarial(gain/loss) in obligations	3.16	7.46
Present value of obligations as at end of year	302.79	304.74

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
3. Table showing changes in the fair value of plan assets on 31.3.2022		
Fair value of plan assigned at beginning of year	288.59	313.92
Expected return on plan assets	17.05	21.50
Contributions	16.00	8.14
Benefits paid	(49.90)	(54.97)
Actuarial (gain/loss) in plan assets	Nil	Nil
Fair value of plan assets at the end of year	271.74	288.59
4. Table showing fair value of plan assets		
Fair value of plan assets at beginning of year	288.59	313.92
Actual return on plan assets	17.05	21.50
Contributions	16.00	8.14
Benefits paid	(49.90)	(54.97)
Fair value of plan assets at the end of year	271.74	288.59
Funded status	(33.00)	(16.15)
Excess of Actual over estimated return on plan assets	Nil	Nil
(Actual rate of return=Estimated rate of return as ARD falls as on 31st March)		
5. Actuarial Gain/Loss recognized as on 31.3.2022	31-03-2022	31-03-2021
Actuarial (gain/loss) obligations	(3.16)	(7.46)
Actuarial (gain/loss) for the year plan assets	Nil	Nil
Actuarial (gain/loss) obligations	3.16	7.57
Actuarial (gain/loss) recognized in the year	3.16	7.57
6. The amounts to be recognized in the balance sheet and statements of profit & loss:		
Present value of obligations at the end of year	302.79	304.74
Fair value of plan assets at the end of the year	271.74	288.59
Funded status	(33.00)	(16.15)
Net Assets(liability)recognized in Balance Sheet	(33.00)	(16.15)
7. Expenses Recognized in statement of profit and loss		
Current Service Cost	23.32	23.32
Interest cost	21.47	22.24
Expected return on Plan Assets	(17.05)	(21.50)
Net Actuarial gain/loss recognized in the year	3.16	7.46
Expenses recognized in statement of Profit and Loss	30.89	31.51

(ii) Earned Leave Encashement (Unfunded)

PRINCIPAL ACTUARIAL ASSUMPTIONS [Expressed as weighted averages]	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
Discount Rate	6.19%	6.25%
Salary escalation rate	6.00%	6.00%
Attrition rate	5.00%	5.00%
Expected rate of return on Plan Assets	0.00%	0.00%

AMOUNTS RECOGNISED IN THE BALANCE SHEET AND RELATED ANALYSIS	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
Present value of the obligation	160.22	132.24
Fair value of plan assets	-	-
Difference	(160.22)	(132.24)
Unrecognized transitional liability	-	-
Unrecognized past service cost – non vested benefits	-	-
Liability recognized in the balance sheet	(160.22)	(132.24)

AMOUNTS RECOGNISED IN THE BALANCE SHEET AND RELATED ANALYSIS	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
Current Service Cost	38.87	35.74
Interest Cost	8.26	6.52
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognized in the year	16.36	18.25
Transitional Liability recognized in the year	-	-
Past service cost – non-vested benefits	-	-
Past service cost – vested benefits	-	-
Expenses recognized in the statement of profit and loss	30.77	60.51

Note No: 37 - Segment reporting

The Company is engaged in the Manufacture of Sugar and allied activities and Sale of Power. Disclosure as required by Accounting Standard 17 “Segment Reporting” issued by the institute of Chartered Accountants of India is given below

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs.	Rs.
Segment Revenues		
Manufacture&Sale of Sugar	82,74,53,677.00	61,91,01,100.00
Sale of Power	8,47,13,257.00	5,06,92,296.00
Total	91,21,66,934.00	66,97,93,396.00
Segment Expenses		
Manufacture& Sale of Sugar	96,20,76,049.00	88,51,24,552.00
Sale of Power	2,58,80,535.00	2,05,71,027.00
Total	98,79,56,584.00	90,56,95,579.00
Segment Assets		
Manufacture of Sugar	1,20,94,51,109.00	1,03,50,29,203.00
Sale of Power	26,31,22,553.00	18,00,61,415.00
Total	1,47,25,73,662.00	1,21,50,90,618.00
Segment Liabilities		
Manufacture of Sugar	2,78,35,38,051.00	2,45,17,22,424.00
Sale of Power	4,74,85,495.00	4,60,28,428.00
Total	2,83,10,23,546.00	2,49,77,50,852.00

Note No: 38 - Related party disclosures

Name of the related party and their relationship with the company:

Tamilnadu Sugar Corporation Limited - Holding Company

Particulars	As at 31-Mar 2022	As at 31-Mar 2021
	Rs. in Lakhs	Rs. in Lakhs
Balance Sheet Transactions		
Loan	586.23	522.27
Profit and Loss Transactions		
Income received from Holding Company	11.79	9.49
Expenses of Holding Company shared	136.54	98.51

Note No: 39

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Note No: 40

Figures have been rounded off to the nearest lakhs except in the case of earning per shares and number of shares.

S. Ulagananthan
Chief Accountant

G. Alagarsamy
Company Secretary

Kanniyan Ramesh
Director

C. Rajendren
Director

Place: Trichy
Date: 28/11/2022

As per our report of even date

for M/s. VRUKSHA & CO.,
Chartered Accountants
Firm Reg No: 0007238S

V. ALAGAPPAN FCA, LLB, CISA
(Partner)
(M.No. 200546)
Place: Trichy
Date: 28/11/2022

PERAMBALUR SUGAR MILLS LIMITED
Cash Flow Statement for the year ended 31st March, 2022

Amount in Lakhs

Particulars	Current year		Previous year	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/Loss as per P&L Account		(757.90)		(2,359.02)
Adjustment for				
Add:				
Depreciation (Net of sharing)	101.70		104.84	
Finance cost	1,893.56	1,995.26	1,665.31	1,770.15
Less:				
Interest income from bank and others	80.44		4.55	
Dividend received	1.53	81.97	3.06	7.61
		1,155.39		(596.49)
Operating profit/loss before Working Capital Changes				
Change in operating assets and liabilities				
Increase / Decrease in:				
Inventories	(2,266.84)		1,022.38	
Trade Receivables	(1,597.40)		(417.74)	
Short term loans & Advances	1,201.71		(272.76)	
Other Current Assets	53.32		135.36	
Trade Payable	(1,381.71)		(1,362.18)	
Current liabilities	1,596.14		2,243.90	
Short term & Long term Provisions	30.29		28.34	
Long Term Loans & Advances	-	(2,364.50)	(14.11)	1,363.19
Cash generated from Operations		(1,209.11)		767.70
Less: Income taxes paid		-		-
Net Cash Flow from Operating Activities (a)		(1,209.11)		767.70
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of PPE		(66.24)		(98.66)
Interest Income		80.44		6.64
Dividend Income		1.53		3.06
Net cash from Investing Activities (b)		15.73		(88.96)

Particulars	Current year		Previous year	
C. CASH FLOW FROM FINANCING ACTIVITIES				
Increase/(Decrease) in Long Term Borrowings		(126.93)		(95.42)
Increase/(Decrease) in Short Term Borrowings		3,214.93		(1,534.98)
Interest paid		(1,893.55)		(655.48)
Net Cash from Financing Activities (c)		1,194.45		-2,285.88
Net Increase/(Decrease) in Cash & Cash Equivalents (a+b+c)		1.08		(1,608.13)
Cash and cash equivalent at the beginning of the year		10.44		1,618.57
Cash and cash equivalent at the end of the year		11.51		10.44
Note				
1. The above cash flow statement has been prepared under indirect method as per AS-3.				
2. Component of Cash and Cash Equivalents:				
Cash on hand		1.10		0.50
Balance with banks				
- in current accounts		2.45		2.45
- in deposit accounts		7.96		7.49
		11.51		10.44

S. Ulagananthan
Chief Accountant

G. Alagarsamy
Company Secretary

Kanniyan Ramesh
Director

C. Rajendren
Director

Place: Trichy
Date: 28/11/2022

As per our report of even date

for M/s. VRUKSHA & CO.,
Chartered Accountants
Firm Reg No: 0007238S

V. ALAGAPPAN FCA, LLB, CISA
(Partner)
(M.No. 200546)
Place: Trichy
Date: 28/11/2022

