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Kerala Agro Machinery Corporation Ltd.



A Government of Kerala Undertaking

48th ANNUAL REPORT *Et* AUDIT REPORT 2020-2021

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BOARD OF DIRECTORS 2020-21



Shri. P. Balachandran
Chairman



Shri. K.P. Sasikumar
Managing Director



Shri. Bobby Antony
Director,
Additional Secretary,
Agriculture Dept.



Shri. A. Ajithkumar
Director,
Joint Secretary,
Finance Dept.



Shri. A. Shajan
Director,
Joint Secretary,
Agriculture Dept.



Shri. C.K. Sasidharan
Director



Shri. K.T. Jose
Director



Shri. K.S. Mohanan
Director



Shri. S. Suresh Kumar
Director



Shri. P. Kunjukrishnan
Bangalam
Director

Statutory Auditors : M/s. S. Kumar & Kumar, Chartered Accountants, Ernakulam

Cost Auditors : M/s. Rajendran Mani and Varier, Cost Accountants, Ernakulam

Legal Advisors : M/s. Menon & Pai, Advocates, Ernakulam

PRESENT BOARD OF DIRECTORS



Sureshraj. K
Chairman



Sivaramakrishnan. V
Managing Director



G. Sreeni
Director
Joint Secretary
Finance Dept.



Anoop. V
Director
Under secretary
Agriculture Dept.



Buhari. S
Director



Chackochan K.A
Director



V. Monachan
Director



Nixon M T
Director



C.K. Gopi
Director

OUR BANKING PARTNERS

Union Bank of India
Federal Bank

State Bank of India
Indian Bank

KERALA AGRO MACHINERY CORPORATION LTD., ATHANI

MANAGING DIRECTOR'S SPEECH

Dear Members,

On behalf of the Board of Directors of the Company, it is an honor and privilege for me to extend a very warm welcome to each one of you to the 48th Annual General Meeting (adjourned) of your Company. The Annual Report, including the Audited Financial Statements for the year ended 31st March 2021 are already with you and with your kind permission, I take them as read.

This has been a really challenging year for your Company due the increase in material cost and after getting marginally affected by the pandemic has posted a profit after tax of INR 0.47 Cr this has been achieved after absorption excess over provision of Rs.3.22 Crores on the implementation of Long Term Settlement of workers from the year 2016 onwards and DA arrears Officer's as per government orders. Revenue from operations for the year 2020-21 is INR 199.22 Crores as against INR 203.06 Crore sin 2019-20, which showed a slight decrease by 0.18%.

Under the backdrop, I would like to share with you some of the achievements of your Company during the year 2020-21. Even after getting affected by the Pandemic and uncontrolled increase in the price of steel and other raw material we have been able to achieve a Turnover of Rs.197.82Crores. During the financial year 2020-2021.

In order to aid the fight in pandemic we had launched two varieties of Sanitizer dispensing units, we had also launched Agri. tool kit for households to popularize the terrace cultivation and small scale vegetable cultivation.

Your Company had launched the production Eco-leopard tiller from Valiyavelicham Unit Kannur. We had been to a great extent successful in selling our new product namely, 'Low Height Power Reaper' which is suitable for harvesting of low height crops like soya bean, Chana, etc. In order to widen the sales network in Kerala we had started giving dealership to Co-operative societies and also has launched an online portal to sell our products.

To conclude, on behalf of the Board of Directors, I would like to convey my sincere thanks and acknowledgment for the co-operation and support extended by all our stakeholders. I take this opportunity to specially thank Department of Agriculture for the support and valuable guidance. I would also like to thank my colleagues on the Board for their valuable guidance and contribution in steering the Company.

I thank all present here once again for having attended today's Annual General Meeting.

I now move the Agenda items as per notice for your consideration and approval

V. SIVARAMAKRISHNAN
MANAGING DIRECTOR

Date : July 27, 2022

Place : Athani

NOTICE

SEC/AGM/48
Dated 20/07/2022

The Shareholders, Board of Directors
& Statutory Auditors
Kerala Agro Machinery Corporation Ltd.,
Athani-683 585

Sir,

Notice is, hereby, given that the 48th adjourned Annual General Meeting of the Shareholders of the Company will be held through Video Conference on Wednesday 27th July, 2022 at 11.30 AM to transact with or without modification the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt Directors' Report, audited Balance Sheet as at 31.03.2021, Statement of Profit & Loss for the period 2020-21 and Cash Flow together with Report of Statutory Auditors and Report of the Comptroller & Auditor General of India.
2. To declare dividend.
3. To fix the remuneration of Statutory Auditor.

SPECIAL BUSINESS

4. To ratify the remuneration paid to Cost Auditor

By order of the Board of Directors

Sd/-

MANAGING DIRECTOR

Encl: Proxy Form

Form No.MGT-11

PROXY FORM

(Pursuant to section 105 (6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014)

KERALA AGRO MACHINERY CORPORATION LIMITED

CIN: U29211KL1973SGC002492

KAMCO, ATHANI POST OFFICE, ERNAKULAM, KERALA - 683585

E-mail Id: mail@kamcoindia.com, Ph. No.: 0484-2474301

Name of the member:

Registered address:

E-mail id:

Folio No.:

I, being the member of equity shares of the above named company, hereby appoint

1.Name:.....

Address:.....

Email id:

Signature: or failing him/ her

2.Name:.....

Address:.....

Email id:

Signature: or failing him/ her

3.Name:.....

Address:.....

Emailid:.....

Signature:

as my proxy to attend and vote (on a poll) for me and on my behalf at the adjourned 48th Annual General Meeting of the Company, to be held through Video Conference on 27th July 2022 Wednesday at 11.30 A.M. at the Registered Office of the Company, Athani, Ernakulam and at any adjournment thereof in respect of such resolutions as are indicated below:

ORDINARY BUSINESS:

1. Adoption of the Financial Statements along with the report of Directors' and Auditor's for the year ended 31.03.2021.
2. Declaration of Dividend.
3. Fixation of remuneration of Auditors.

SPECIAL BUSINESS:

1. Ratify the remuneration paid to Cost Auditor.

Signed thisday of2022

Affix
Revenue
Stamp

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

KERALA AGRO MACHINERY CORPORATION LTD., ATHANI.

DIRECTOR'S REPORT

The Members,
KAMCO Ltd.

Your Directors have pleasure in presenting the 48th Annual Report of the Company and the Audited Statement of accounts for the financial year ended March 31st, 2021.

1. Introduction

India has a particularly large agricultural sector. While the sector's share of GDP has halved in the past 30 years to around 15 per cent, but it still employs around half of India's workforce and accounts for much of the volatility in Indian GDP. India has the second largest area of arable land in the world and is a major producer of a number of agricultural products like paddy rice, bananas, wheat, sugar cane, cotton lint etc. Government has introduced several programs to assist agricultural sector. These include enhanced institutional credit to farmers, promotion of scientific warehousing infrastructure; including cold storages, improved irrigation facilities, provision of price stabilization etc. All these Projects aim at making farming competitive & profitable and doubling the income of farmers by 2022. When agriculture sector develops, it in turn enhances our market potentials.

Due to the constraints of COVID 19 pandemic and rising trends in raw material prices during F.Y 2020-21, we also suffered a dip of 2% in terms of Turnover and decline of our production by 13%. Even though COVID19 is having an impact in the economic scenario with the introduction of various revival packages which is giving much needed importance to agriculture sector, revival in rural demand is expected. With focus on diversification and also widening the dealership chain, Company is hopeful of achieving a sales target of Rs.300 Crores and profit of Rs.10 Crores by 2023.

2. Operational Performance

Performance of the company during FY 2020-21, registered decrease in terms of production, sales and also profit. Turnover decreased from Rs.201.41 Crores during F.Y 2019-20 to Rs.197.82 Crores during current year. There was also a decrease in Tiller production from 12277 Nos. during 2019-20 to 10605 Nos. during 2020-21. Reaper production also suffered a production loss of 28%. Sale of spares and accessories which is the main revenue earner of the company has increased by 8% during reporting year.

3. WORKING RESULTS

Working results of the financial year 2020-21 are as follows:-

Particulars	2020-21	2019-20
Production	(Nos)	(Nos)
KAMCO Power Tiller	10605	12277
KAMCO Power Reaper	2772	3836
Weeder	547	182
Brush cutter	1052	832
Sales	(Nos)	(Nos)
KAMCO Power Tiller	10624	12263
KAMCO Power Reaper	4003	2851
KAMCO Engine	10	8
POWER Weeder	546	243
Brush Cutter	1232	632
FINANCIAL HIGHLIGHTS		
A. Sales Revenue	Rs.in Lakh	Rs.in Lakh
KAMCO Power Tiller	13335.36	15203.95
KAMCO Power Reaper	3596.64	2532.55
PowerWeeder	257.28	112.44
Brush Cutter	255.06	130.05
Diesel Engine	5.86	4.77
Spares and Accessories & Others	2332.20	2157.71
Total Sales	19782.40	20141.47
B. Working Results	Rs.in Lakh	Rs.in Lakh
Operating profit	72.97	563.67
Depreciation, impairment loss and amortization	174.97	183.83
Cash Profit	247.94	747.50
Profit before tax	72.97	563.67
Provision for tax and deferred tax (net of excess of previous year)	25.51	159.47
Profit available for appropriation	47.46	404.20
C. Appropriation	Rs.in Lakh	Rs.in Lakh
Proposed dividend	16.15	16.15
Other reserves	10	50
Profit after tax, dividend and transfer to reserve	21.31	338.02

4. Internal Financial Control

The Company has put in place adequate internal financial controls over financial reporting Systems commensurate to the nature of its business and complexity of its operations. These are regularly tested for their effectiveness by Statutory as well as Internal Auditors. The Audit Committee reviews the adequacy and effectiveness of the Company's Internal Control Environment and monitors the implementation of the Audit recommendations.

5. Capital structure

The authorized capital of the company remained unaltered at Rs.200 lakh. Issued and paid up capital also remained unchanged at Rs.161.46 lakh, divided into 161460 equity shares of Rs.100/- each fully paid up, entirely held by Government of Kerala.

6. Dividend and reserves

Your Board is pleased to recommend a dividend of 10% (same rate of 2019-20) on the paid up value of Equity Shares as on 31.03.2021, to the Shareholders subject to the approval of Annual General Meeting. An amount Rs.10,00,000/- is proposed to be transferred to other reserves.

7. Fixed Deposits

Company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as on the Balance Sheet date as envisaged under Chapter V of the Companies Act, 2013 and Rules made there under.

8. Particulars of loans, guarantees or investments

The company has not made any investment, given guarantee and securities during the year under review. There for no need to comply provisions of Section 186 of Companies Act, 2013.

9. Related Party Transactions Under Section 188

No transactions were entered with related parties during the year under review and hence, no disclosure under Section 188 is applicable to the Company.

10. Material Changes and Commitment if any under Section 134(3)(1)

No material changes and commitments affecting the financial position of the company occurred between the end of the financial year and the date of this report.

11. Subsidiaries, Joint Ventures and Associate Companies:

During the period under review there were no Companies which have become or ceased to be Subsidiaries, Joint Ventures or Associates

12. Significant or material orders passed by Regulators /Courts/ Tribunal impacting the going concern status and the company's operations in future:

During the year under review, there are no significant or material orders passed by the regulators or courts or tribunals, impacting the going concern status or operations of the Company.

13. Contribution to exchequer

The Company's contribution to the exchequer by way of taxes and duties are summarized below:-

Contribution	Amount (Rs. In Lakhs)	
	2020-21	2019-20
GST	2552.82	2593.41
Income Tax	21.81	156.50
Total	2574.63	2749.91

Dividend to the extent of Rs.16.15 lakhs also have been proposed for payment during the year (Rs.16.15 lakhs in previous year).

14. Expansion and Diversification

The existing power tiller assembling line of the company is one set up during the inception of the company in 1973 .It is high time to renovate the setup to suite the current requirement. A proposal involving a total outlay of Rs 24 crores for modernising the plant, envisaging 50% assistance under R.K.V.Y scheme has been submitted to Government and got approval. As a first stage we had submitted proposal of Rs.3 Crore in the above sanctioned amount, Rs.1.5 Crore has been sanctioned for release in 2020-21. We have already started the implementation. Total outlay of Rs.71.77 Lakhs is incurred in the current year for modernization of plant, which is shown under the head 'Capital works in progress' in Balancesheet.

15. Research & Development activities

Company is well aware of the importance of the research and development activities in developing various new generation machines suitable for marginal farmers all over India. Recently R&D department has been strengthened. Company could develop a new variant of Reaper suitable for mulberry cutting. The development of Eco Leopard Tiller intended for Valiyavelicham unit is nearing completion. New products like self-start Tillers, Conoweeders, self-priming Pump Sets, Low height Reapers and accessories like Ridger wheel, Spiral wheel, Leveler, Hitch for Garden Tiller etc. have already been developed and has started being marketed and the response from customers are encouraging.

16. Investment

Company's investment in equity shares amounting to Rs.50 lakhs in Cochin International Airport Limited (CIAL), Rs.150 lakhs in Kerala feeds and Rs.5 lakh in Kerala Environ Infrastructure Limited remains unchanged.

17. Financial Assistance to other Institutions

The loans granted to Coconut Development Corporation amounting to Rs.25 lakh during 1998 and to Vazhakulam Agro and Fruit Processing Company Ltd., during 2018 amounting to Rs.115 lakh they have till now repaid only Rs. 4/- lakh, balance loan of Rs.111 lakh and interest amounting to Rs.29.97 lakh is still pending for a final settlement.

18. Environment & Safety

The Company aims to be the benchmark for environmental stewardship in the tiller industry by focusing on operational excellence aimed at resource efficiency through a Prevent, Minimise, Recover, Reuse and Recycle hierarchical approach to reduce its ecological footprint. The Company is committed to responsible use and protection of the natural environment through conservation and sustainable practices.

19. Corporate Social Responsibility (CSR)

As per the requirement of Section 135 of Companies Act, 2013, Companies (Corporate Social Responsibility Policy) Rules 2014 and Schedule VII (activities to be included in the CSR Policies), the Company constituted a Corporate Social Responsibility Committee at the Board level to monitor the CSR activities. The CSR policy of the Company is available in the following link <https://www.kamcoindia.com/CSR>. The Company understands its responsibility towards the society and environment in which it operates. KAMCO Ltd. has already identified the strategic areas to achieve its CSR objectives. The Annual Report on CSR activities of the Company for the Financial Year 2020-21 are given in **Annexure III**.

20. ISO Certification

Your company is an ISO certified company since October 1996. As on date company holds ISO 9001:2015 certification. The management system of the company including the implementation meets the requirements of the standard; ISO 9001:2015. This certificate is valid until September 2023 and its scope covers design, development and manufacture of Power Tillers, Implements, Accessories, Spare Parts, Diesel Engines and Reapers. All units of the company except the new one at Valiyavelicham, is working with ISO 9001-2015 version certification. Internal audit and surveillance audit are being conducted as per schedule.

21. Particulars of Employees

There were no employees who were in receipt of remuneration within the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence, the particulars as required to be disclosed under the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are 'NIL'.

22. Human Resources & Industrial Relation

Your company takes pride in the commitment, competence and dedication shown by its employees at all levels. Continuous efforts are taken to ascertain the training needs for improving performance of employees at all levels and a training calendar is prepared in advance in consultation with all concerned. Internal and external training in different technical and managerial areas are arranged frequently. The long term agreement of workers has been implemented with effect from 01-07-16 based on Government order and MOU with recognized trade unions.

23. Right to Information Act, 2005.

In order to promote transparency and accountability, an appropriate mechanism has been put in place in the Company to provide information to citizens under the provisions of Right to Information (RTI) Act, 2005. For this purpose, the company has, in line with the RTI Act, nominated a Public Information Officer and Assistant Public Information Officers. An Appellate Authority has also been nominated for considering the appeals of information seekers, who may not be satisfied with the response of Public Information Officers. The details of the procedure for securing access to information and filing of first appeal under the Act are hosted in KAMCO website. Instructions have been given to units/administrative departments to ensure compliance to the mandatory requirements of the Act.

24. Disclosures under sexual Harassment Of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

The company has adopted Anti Sexual Harassment policy as per provisions of the Companies Act, 2013 and constituted an Internal Complaint Committee to redress complaints received regarding sexual harassment. The Committee meets at regular intervals and discusses welfare measures of women employees. The following is the summary of sexual harassment complaints received and disposed off during the period under review:

No. of complaints at the beginning of the year	: Nil
No. of complaints received during the year	: Nil
No. of complaints disposed off during the year	: Nil
No. of complaints at the end of the year	: Nil

25. Conservation of energy, technology absorption, foreign exchange earnings and outgo.

The information as prescribed under Section 134 of the Companies Act, 2013, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988, is appended as **Annexure I** to Board's report.

Directors responsibility Statement as required under Section 134(3) (c) of the Companies Act 2013.
The Directors confirm that:

- a) In preparation of the annual accounts for the Financial Year ended 31st March 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the Financial Year and of the profit of the company for the period 2020-21;
- c) The Directors have taken proper and sufficient care for the maintenance of the 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;
- d) The Directors have prepared the annual accounts on a going concern basis;
- e) The Directors have laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively.
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

26. Corporate Governance

Even though your company is a non-listed, fully state owned PSU, company lay great emphasis on the highest standards of corporate governance. The company believes that good corporate governance is essential for achieving long term corporate goals and to enhance stakeholder's value. The company's governance philosophy is founded upon a rich legacy of fair, ethical and transparent governance practices by adopting the highest standards of professionalism, honesty, integrity, and ethical behavior, in order to protect the interest of all its stakeholders.

27. Management

Chairman Sri. P. Balachandran and Managing Director Sri K.P Sasikumar continues to hold their respective offices during the year 2020-21. Directors Sri.C.K.Sasidharan, Sri.P.Kunjukrishnan Bangalam, Sri.K.T.Jose, Sri.S.Sureshkumar, Sri.K.S.Mohanan, Sri.Boby Antony, Sri.A.Shajan continues as Directors. As per GO(Rt) No:661/2020 /AgriDtd 22/07/2020, Sri A.AjithKumar was appointed as Director in the Board of Directors of KAMCO in place of Sri V.K Rajan.

28. Declaration by Independent Directors:

The Company has not appointed any Independent Directors under Section 149 (4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

29. Board Meetings

During the financial year 2020-21, 13 board meetings were held on 11.05.2020, 25.07.2020, 10.08.2020, 17.10.2020, 26.10.2020, 26.12.2020, 09.01.2021, 19.01.2021, 30.01.2021, 13.02.2021, 20.02.2021, 26.02.2021 and 16.03.2021 respectively. The attendance particulars of Board Meeting are:-
The attendances of directors in the meetings are as follows:

Sl. No	Name of Director	Date of Board Meetings													
		11. 05. 20	15. 07. 20	10. 08. 20	17. 10. 20	26. 10. 20	26. 12. 20	09. 01. 21	19. 01. 21	30. 01. 21	13. 02. 21	20. 02. 21	26. 02. 21	16. 03. 21	
1	P. Balachandran	P	P	P	P	P	A	P	P	A	P	P	P	A	
2	C. K. Sasidharan	P	P	A	A	P	P	A	A	A	A	A	A	A	
3	P. Kunjukrishnan Bangalam	A	P	P	P	P	P	P	P	P	P	P	P	P	
4	Boby Antony	P	P	P	P	P	P	P	P	P	P	P	P	A	
5	K. T. Jose	A	P	P	A	P	A	P	P	P	P	P	P	P	
6	S. Suresh Kumar	P	P	P	P	P	P	P	P	P	P	P	P	P	
7	K. S. Mohanan	A	P	P	P	P	P	P	A	A	P	A	A	A	
8	V.K Rajan	P													
9	A.Shajan	P	P	A	P	P	P	P	P	A	P	P	P	P	
10	A.Ajithkumar		P	P	P	P	P	P	P	P	P	A	P	P	
11	K.P Sasikumar, MD	P	P	P	P	P	P	P	P	P	P	P	P	P	

*P – Present, A- Absent, blank indicates cessation from office.

30. Company's policy relating to directors appointment, payment of remuneration and discharge of their duties:

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company. KAMCO is a Government Company in terms of Section 2 (45) of the Companies Act, 2013. The Board of Directors of the Company are nominated/appointed by the Government of Kerala. The Government of Kerala fixes the remuneration of the Directors. Remuneration of the below Board level executives are fixed on the basis of Government guidelines in this regard with the approval of the Board of Directors and Government of Kerala.

31. Committees of the Board

The compositions of the committees are as follows:

Audit Committee:

Sl. No.	Name of Director	Designation
1	C.K.Sasidharan	Member
2	S.Sureshkumar	Member
3	A.Ajith Kumar	Member
4	K.P Sasikumar	Member

During the financial year 2020-21 one meeting was held on 09.01.2021. All the members were present in the meeting. Three more sub committees of the Board were constituted; one for monitoring production and marketing functions, another for recruitment and promotion and purchase procedure committee. The said sub committees met 14 times during F.Y 2020 -21.

32. Nomination & Remuneration Committee:

Being a fully State owned company, directors are appointed by the government to whom no remuneration is payable. Honorarium of Chairman and salary of Managing Director are fixed by the government and hence no Nomination and Remuneration committee is required to be constituted.

33. Risk Management and Internal Adequacy

The company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by statutory as well as Internal Auditors and cover all office functions and key business areas. Significant audit observations and follow up action thereon are reported to audit committee. The audit committee reviews adequacy and effectiveness of the company's internal control, environment and monitors the implementation of audit recommendations including those relating to strengthening of company's risk management policies and system. Presently; there are no risks which threaten the existence of the Company.

34. Auditor and Audit Report

Statutory Auditors

M/s.S.KUMAR &KUMAR(Firm Regn.No.01597S), 'Sree'XLII/1921 B,Old Railway Station Cross Road, Ernakulam,Cochin-682018 continues to hold office till the conclusion of the ensuing Annual General Meeting. The Notes on standalone and consolidated financial statements referred to in the Auditors Report are self-explanatory and the reply to the comments of the auditor is annexed to this report. The Auditors Report does not contain any qualification, reservation or adverse remark or disclaimer. No frauds were reported by the Auditors of the Company as per section 134(3)(ca) of the Companies Act, 2013.

Cost Auditor

Pursuant to Section 148of the Companies Act, 2013 read with Companies (Cost Records and Audit) Amendment Rules 2014, your Company is required to maintain the cost records as specified under Section 148(1) of the Companies Act 2013 and the said cost records are also required to be audited. M/s. Rajendran Mani &Varrier, Cost Accountants (Firm Regn.No.000006) also have been reappointed to carry out cost audit of the Company for the financial year 2020-21.

35. Annual Return

Pursuant to the provisions of section 92(3) of the Companies Act, 2013 and rule 12 of the Companies (Management and Administration) Rules, 2014, an extract of Annual return in MGT-9 is annexed with this report as **Annexure-II**. In accordance with the Companies Act, 2013, the annual return in the prescribed format is available at: <https://www.kamcoindia.com/userfiles/FORM%20MGT-7-KAMCO-FY%202020-21.pdf>

36. Secretarial Audit Report

Pursuant to the Section 204 of the Companies Act, 2013 and the rules made there under relating to Secretarial Audit Report are not applicable to the Company.

37. Vigil Mechanism Policy

Being a non-listed fully State owned company having no public borrowings or credit facilities from banks or financial institutions, provisions of Section 177 (9) of Companies Act regarding "Whistle Blower Policy" is not applicable to the company.

38. Future Outlook

Farm Mechanization has been identified as a key tool to increase the agriculture production. It increases the efficiency of farm labour and reduces time of agricultural operations by 15-25 percent. The overall level of farm mechanization in India is 40-45 percent. The coverage of farm mechanization is varies region to region. Com-

pany is planning to diversify its product range and explore the states where the farm mechanization is under penetrated. The main challenge of Indian Agricultural sector is low productivity and high cost. Mechanization is the only solution for increasing productivity and reducing cost. Rural farmers all over India expect small and user –friendly machines for crop specific application at affordable price. Company intend to produce an array of machines meeting, the expectation of farmers and thereby widen the market. The rising trend in raw materials prices could impact the margins of the Company which may expect to be 15 percentage in 2022-23. The Company is very much hopeful of witnessing benefits from operating coverage with better demand.

39. Acknowledgement

We thank our customers, vendors, dealers, investors, business associates and bankers for their continued support during the year. We place on record our appreciation of the contribution made by employees at all levels. Our resilience to meet challenges was made possible by their hard work, solidarity, co-operation and support. We thank the Government of India, the State Government where we have operations, and other government agencies for their support and look forward to their continued support in the future.

For and on behalf of the Board

sd/-

K.P. SURESH RAJ
CHAIRMAN

Place: Athani
Date: 12-05-2022

ANNEXURE I TO DIRECTOR'S REPORT FOR THE YEAR ENDED 31ST MARCH, 2021

The information as prescribed under section 134 of the Companies Act, 2013, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, is

A. CONSERVATION OF ENERGY		
a	Energy Conservation measures taken.	As Company is not a power intensive unit, no specific action taken.
b	Additional investments and proposals, if any, being implemented for reduction of consumption of energy.	As the industry is not a power intensive unit, no major capital investment was made during the year 2020-21. However utilization of solar power is planned during coming years.
c	Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.	Not applicable.
d	Total energy consumption per unit of production.	79 Unit
B. TECHNOLOGY ABSORPTION		
1.	Efforts made	Development of new generation power tiller intended for production at Valiyavelicham unit is progressing.
C. FOREIGN EXCHANGE EARNINGS & OUTGO		
i	Activities relating to exports	Export initiatives were not successful due to fluctuation of rupee value and increase in domestic cost.
ii	Initiatives to increase exports	For popularizing our products in overseas market, competent dealers are being appointed.
iii	Development of new export market for products and services	Board has given approval to participate in exhibitions of farm machineries in overseas countries.
iv	Export plans	
v	Total foreign exchange used	US \$ 260779.70 (US \$ 2059.95)
vi	Total foreign exchange earned	US \$ 189521 (Nil)

Appended as Annexure I to Board's Report.

ANNEXURE II TO DIRECTOR'S REPORT FOR THE YEAR ENDED 31ST MARCH, 2021

Form No. MGT – 9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2021.

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	U29211KL 1973 SGC002492
ii)	Registration Date	24.03.1973
iii)	Name of the Company	Kerala Agro Machinery Corporation Ltd.
iv)	Category/Sub Category of the Company	Company limited by shares/ Fully Kerala State owned government company
v)	Address of the Registered Office and contact details	Athani – 683585, Ernakulam District, Kerala, India. Phone: (0091) 0484-2474301/2474302 E-mail : mail@kamcoindia.com Web Site: www.kamcoindia.com
vi)	Whether listed Company	No
vii)	Name, Address and Contact details of Registrar and 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.]

Sl. No.	Name and Description of main products/services	NIC Code of the product/service	% to total turnover of the company
1	Manufacture and sale of agricultural machineries like Power tillers and Reapers.	C-10	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-NIL

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

a) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 31.03.2020)				No. of Shares held at the end of the year (As on 31.03.2021)				% Change during the year
	De mat	Physi- cal	Total	% of Total Shares	De mat	Physi- cal	Total	% of Total Shares	
A.Promoters									
1.Indian									
a) Individual/ HUF									
b) Central Govt.									
c) State Govt.(s)		161460	161460	100		161460	161460	100	NIL
d) Bodies Corp.									
e) Banks/FI									
f) Any other (Government Companies)									
Total Shareholding Of Promoter (A)									
B.Public Share- holding									
1.Institutions									
a) Mutual Funds									
b) Banks/FI									
c) Central Govt.									
d) State Govt.(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (Cooperative Societies)									
Sub-total (B)(1):-									
2.Non-Institutions									
a) Bodies Corp									
i) Indian									
ii) Overseas									

b) Individuals									
i) Individual share-holders holding nominal share capital up to Rs.1 lakh									
ii)Individual share-holders holding nominal share capital in excess of Rs.1 lakh									
c)Others (Specify)									
Non Resident Indians									
Overseas Corporate Bodies									
Foreign Nationals									
Clearing Members									
Trusts									
Foreign Bodies – D R									
Sub Total (B) (2):-									
Total Public Shareholding (B)=(B) (1)+(B)(2)									
C. Shares held by Custodian for GDRs& ADRs									
Grand Total (A+B+C)		161460	161460	100		161460	161460	100	

b) Shareholding of Promoters - Not Applicable

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Share Holding 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								
2								
Total								

c) Change in Promoters Shareholding
(Please specify if there is no change) - Nil

Sl. No	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
	At the beginning of the Year				
	Date wise Increase/ decrease in Promoters shareholding during the year specifying the reasons for increase/ decrease (eg: allotment/ transfer/bonus/sweat equity etc.)				
	At the end of the year				

d) Shareholding Pattern of Top Ten Shareholders
[Other than Directors, Promoters and Holders of GDRs and ADRs] - Not Applicable

Sl. No	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
	At the beginning of the Year				
	Date wise Increase/ decrease in Promoters shareholding during the year specifying the reasons for increase/ decrease (eg: allotment/ transfer/bonus/sweat equity etc.)				
	At the end of the year (or on the date of separation, if separated during the year)				
	At the end of the year (or on the date of separation, if separated during the year)				

e) Shareholding of Directors and Key Managerial Personnel - Nil

Sl. No	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
	At the beginning of the Year				
	Date wise Increase/ decrease in Promoters shareholding during the year specifying the reasons for increase/ decrease (eg: allotment/ transfer/bonus/sweat equity etc.)				
	At the end of the year				

V.INDEBTEDNESS :Indebtedness of the Company including interest outstanding / accrued but not due for payment - Nil

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i)Principal Amount				
ii)Interest due but not paid				
iii)Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
Addition				
Reduction				
Net Change				
Indebtedness at the end of the financial year				
i)Principal Amount				
ii)Interest due but not paid				
iii)Interest accrued but not due				
Total (i+ii+iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL - Not Applicable

a) Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTM/Manager				Total Amount
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 (A)					
	Ceiling as per the Act					

b) Remuneration to Other Directors

Sl. No.	Particulars	Name of MD/WTM/Manager				Total Amount
1	Independent Directors					
	Fee for attending board committee meetings					
	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 - NIL

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	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				
	Stock Option				
	Sweat Equity				
	Commission- as % of profit				
	-Others specify				
	Others, please specify				

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES - NIL

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					
Punishment					
Compounding					
B.DIRECTORS					
Penalty					
Punishment					
Compounding					
C.OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board

Place - Athani
Date -12.05.2022

sd/-
K.P. SURESH RAJ
CHAIRMAN

ANNEXURE III TO DIRECTOR'S REPORT FOR THE YEAR ENDED 31ST MARCH, 2021

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES OF THE COMPANY

1.	Brief outline on CSR Policy of the Company	Please read section : Corporate Social Responsibility in the Board's Report
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2.	The Composition and category of the members as on 31st March 2021 are given below:	
Sl.No.	Name of the Member and Designation	Category of Member
a	Shri. A.Ajith Kumar, Member	Non-Executive Director
b	Shri. C.K Sasidharan, Member	Non-Executive Director
c	Shri. S. Sureshkumar, Member	Non-Executive Director
d	Shri. K.P Sasikumar, Member	Managing Director

The Composition and category of the members as on the date of the Report are given below:		
Sl.No.	Name of the Member and Designation	Category of Member
a	Shri. A.Ajith Kumar, Member	Non-Executive Director
b	Shri. C.K Sasidharan, Member	Non-Executive Director
c	Shri. S. Sureshkumar, Member	Non-Executive Director
d	Shri. K.P Sasikumar, Member	Managing Director

3.	Provide the web link where Composition of CSR committee, CSR policy and CSR projects approved by the board are disclosed on the website of the Company	https://www.kamcoindia.com/CSR
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4.	Provide the details of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules 2014, if applicable (attach the report)	Not applicable to the financial year under review
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5. Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility) Rules 2014 and amount required for set off for the financial year, if any			
Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial years, if any (in Rs.)
1	2019-20	Nil	Nil
2	2018-19		
3	2017-18		

6.	Average net profit of the Company as per section 135(5)	Rs.435.08Lakh
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7.	a	Two percent of average net profit of the Company as per section 135(5)	Rs.8.70Lakh
	b	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
	c	Amount required to be set off for the financial year, if any	Nil
	d	Total CSR obligation for the financial year (7a+7b-7c)	Rs.8.70Lakh

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

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs.6.50Lakh	Not Applicable		Not Applicable		

(b) Details of CSR amount spent against ongoing projects for the financial year

1	2	3	4	5		6	7	8	9	10	11	
SI No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes / No)	Location of the project.		Project Duration	Amount Allocated for the Project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to unspent CSR account for the project as per section 135(6) (in Rs.)	Mode of Implementation Direct (Yes/ No)	Mode of Implementation through Implementing Agency	
				State	District						Name	CSR Registration number
Not Applicable												

(c) Details of CSR amount spent against other than ongoing projects for the financial year

1	2	3	4	5		6	7	8	
SI No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project.		Amount spent for the Project (in Rs.)	Mode of Implementation Direct (Yes/No)	Mode of Implementation through Implementing Agency	
				State	District			Name	CSR Registration number
1.	Health Care and Medical Infrastructure	Clause (i) Promoting healthcare including preventive health care and sanitation	Yes	Kerala	Ernakulam	2.5 Lakhs	Yes	Not Applicable	
2.	Education to Children	Clause (ii) Promoting education	Yes	Kerala	Ernakulam	2 Lakhs	Yes	Not Applicable	
3.	Health Care	Clause (i) Promoting healthcare including preventive health care and sanitation	Yes	Kerala	Ernakulam	1.5 Lakhs	Yes	Not Applicable	
4.	Health Care and Medical Infrastructure	Clause (i) Promoting healthcare including preventive health care and sanitation	Yes	Kerala	Ernakulam	0.25 Lakhs	Yes	Not Applicable	
5.	Health Care and Medical Infrastructure	Clause (i) Promoting healthcare including preventive health care and sanitation	Yes	Kerala	Ernakulam	0.25 Lakhs	Yes	Not Applicable	
d	Amount spent in Administrative Overheads							Nil	
e	Amount spent on Impact Assessment, if applicable							Nil	
f	Total Amount spent for the Financial Year (8a+8b+8c+8d+8e)							Rs.6.50 Lakhs	

g	Excess amount for set off, if any	
SI No	Particular	Amount (inRs.)
i.	Two percent of average net profit of the Company as per Section 135(5)	Rs.8.70 Lakhs
ii.	Total amount spent for the Financial Year	Rs.6.50 Lakhs
iii.	Excess amount spent for the Financial Year [(ii)-(i)]	(Rs.2.20 Lakhs)
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial year

SINo Pre- ceding Finan- cial Year	Amount transferred to Unspent CSR Ac- count under section 135(6) (in Rs.)	Amount spent in the reporting Fi- nancial Year (in Rs.)	Amount transferred to any fund specified un- der Schedule VII as per section 135(6), if any.			Amount remaining to be spent in suc- ceeding financial years (in Rs.)
			Name of the Fund	Amount (in Rs.)	Date of transfer	
Not Applicable						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s)

SI No	Project ID	Name of the Proj- ect	Financial year in which the project was com- menced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the proj- ect in the reporting financial year (in Rs.)	Cumu- lative amount spent at the end of reporting Financial year (in Rs.)	Status of the project com- pleted/ ongoing
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

a	Date of creation or acquisition of the capital assets(s)	Nil
b	Amount of CSR spent for creation or acquisition of capital asset	Nil
c	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not Applicable
d	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)	Not Applicable

11	Specify the reasons(s), if the Company has failed to spend two percent of the average net profits as per Section 135(5).	
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For and on behalf of the Board

sd/-
K.P. SURESH RAJ
CHAIRMAN

Place: Athani
Date: 12-05-2022

KERALA AGRO MACHINERY CORPORATION LTD, ATHANI.

Management Response to the Comments of Statutory Auditors

	Comments of Statutory Auditors	Company's Reply
I	Valuation of Long Term Investment The Company holds Investments at Rs1.50 Crores in the form of Unquoted Equity Share in M/s Kerala Feeds at cost. As per the provisions of AS 13 on Investments, such Investments must be valued at cost or fair market value, whichever is lower. Valuation in this regard has not been performed by the Company in light of indicators of deteriorating financial health of M/s Kerala Feeds (as per latest available Audited Financial Statements)	As per the direction of government; company invested Rs.150Lakh during 1996 in equity shares of M/s.Kerala Feeds LTD, a State Public Sector Unit engaged in the manufacture of cattle feeds. Annual accounts of the said company has been finalized only up to 31.03.2021. Though the company is not recently running on profit, its net asset is still positive and investment shown 'at cost' need no review at this stage. The fact that long term investments are shown 'at cost' is disclosed in accounting policy of the company under note no.2 A.6 and this is in accordance with accounting standard on investment (AS13).
II	Uncertainty in Realisation of principal and interest Recoverability of Principle and interest amounts due to the Company from M/s. Kerala Coconut Development corporation (Rs.50.12 lakhs) and M/s.Vazhakulam Agro and Fruits Processing Co. Ltd. (Rs1.11 Crores) is not certain and neither confirmed	M/s.KSCDC and M/s.Vazhakulam Agro and Fruits Processing Co. Ltd. is a State owned units and loan has been granted as per direction from Govt. Matter has been taken up with Govt. No provision is required to be created. The matter is fully disclosed under note no. 2B8.
III	Sundry Debtors to the tune of Rs 4.51Crores is long outstanding.The company has not made adequate bad debts provisioning in this regard.	Company has taken up measures to recover the amount from defaulting parties and is hopeful of recovering the amount in full and hence no provision is required at this stage

S KUMAR & KUMAR
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To The Members of Kerala Agro Machinery Corporation Limited
CIN:U29211KL1973SGC002492

Report on the Standalone Financial Statements

We have audited the standalone financial statements of **Kerala Agro Machinery Corporation Limited** which comprise the balance sheet as at **31st March 2021**, and the statement of profit and loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

1. Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31st March, 2021**, and its profit and cash flows for the year ended on that date

2. Basis for Qualified Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules 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.

1. The Company holds Investments at Rs 1.50 Crores in the form of Unquoted Equity Share in M/s Kerala Feeds at cost. As per the provisions of AS 13 on Investments, such investments must be valued at cost or fair market value, whichever is lower. Valuation in this regard has not been performed by the Company in light of indicators of deteriorating financial health of M/s Kerala Feeds (as per latest available Audited Financial Statements)
2. Recoverability of Principle and Interest amounts due to the Company from M/s Kerala Coconut Development Corporation (Rs 50.12 lakhs) and M/s Vazhakulam Agro Farms (Rs 1.11 Crores) is not certain and neither confirmed.
3. Sundry Debtors to the tune of Rs 4.51Crores is long outstanding .The company has not made adequate bad debts provisioning in this regard.

3. Responsibility 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 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting 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.

4. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the Circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

5. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;

- d. Except for matters described in the Basis of Opinion Paragraph, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e. Section 164(2) of the Act w.r.t Disqualification of Directors not applicable to the Company vide Notification No. GSR 463@ Dated 05/06/2015 of MCA
- f. With respect to Other Matters to be included in 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 has fully disclosed the impact of all pending litigation on its financial position in its financial statements.
 - ii. The company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts, whenever applicable except for matters specified in Basis of Qualified Opinion Para
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

6. Report On The Directions Issued By The Comptroller and Auditor General Of India U/S 143(5)

SL NO.	DIRECTIONS	AUDITORS COMMENTS
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 has IT System to process all accounting transactions. There are no Situations where processing of Accounting transactions Outside IT System. No deviations observed in this regard.
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	There are no restructuring of Existing Loans/ Write off of Debts/Loans/Interest etc... In the Financial Year subject to Audit.
3	Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation	There are no such funds receivable, hence clause not applicable.

We have attached a separate Statement as "ANNEXURE B" with respect to Compliance on the sector specified sub directions u/s143 (5) of the Companies Act, applicable to the Company.

For **S. Kumar & Kumar**
Chartered Accountants

Sd/-
C.A. Satheesh Kumar. G (Partner)
M.No: 027965, FRN: 01597S
UDIN: 21027965AAAAIJ4376

Place: Ernakulam
Dated: December 15, 2021

ANNEXURE – A TO THE INDEPENDENT AUDITOR’S REPORT

The Annexure referred to in Independent Auditors’ Report to the members of the Company on the financial statements of **Kerala Agro Machinery Corporation Limited CIN: U29211KL1973SGC002492 (Reg. ATHANI POST OFFICE ERNAKULAM KERALA 683585)** for the year ended 31 March, 2021, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of immovable property are held in the name of the Company.
- (d) The Company has not revalued its Plant and Equipment (including Right of Use assets) or intangible assets or both during the year
- (ii) Physical verification of inventory has been conducted at reasonable intervals by the management and any material discrepancies noticed have been properly dealt with in the books of account
- (iii) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 during the year
- (iv) In respect of loans, investments, guarantees, and security provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- (v) The Company has not accepted any deposits from the public during the year and hence, the directives by the Reserve Bank of India, the provisions of sections 73 to 76 and any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable.
- (vi) Maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and such accounts and records have been so made and maintained.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, ESI, income-tax, Value Added Tax, Service Tax, Goods and Service Tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities during the year. There are no undisputed 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) According to the information and explanations given to us, particulars of disputed amounts payable in respect of income tax and Service Tax statutory dues were in arrears as at 31st-March 2021 are as follows

Name of the Statute/Nature of Dues	Amount	Period	Forum where dispute pending
Income Tax Act 1961	23,44,275	1991-92	Dy. Commissioner of Income Tax
	36,48,375	1992-93	Dy. Commissioner of Income Tax
	1,80,457	2004-05	CIT (Appeals)
	1,21,53,251	2005-06	ACIT
	13,31,183	2008-09	CIT (Appeals)
	1,23,719	2009-10	CIT (Appeals)
	19,75,330	2011-12	CIT
	68,550	2012-13	CIT
	66,112	2013-14	CIT (Appeals)
	91,679	2014-15	CIT (Appeals)
	63,856	2017-18	CIT(Appeals)
	1,86,880	2018-19	CIT(Appeals)
Service Tax	17,43,624	2012-15	Commissioner of Central Excise & Service Tax

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not raised loans from financial Institutions or banks or governments by issue of debentures, hence clause VIII not applicable.
- (ix) The Company has not raised any moneys by way of Public Offer or further Public Offer during the year. Neither has it made any preferential allotment or private placement during the year.
- (x) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no evidence of fraud by the company or any fraud on the Company has been noticed or reported during the year
- (xi) Sec 197 of Companies Act w.r.t to Managerial Remuneration not applicable to the company.
- (xii) The Company is not a Nidhi Company. Accordingly, paragraph 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 company has an internal audit system commensurate with the size and nature of its business
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with them, accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.
- (xvii) There has been no resignation of Statutory Auditors during the Financial Year

- (xviii) on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date
- (xix) Section 135 of the Companies Act 2013 applicable on the Company and duly complied with.
- (xx) The Financial Statements of the Company does not form part of Consolidated Financial Statements of any other Company. Accordingly, paragraph 3(xxi) of the Order is not applicable.

For **S. Kumar & Kumar**
Chartered Accountants

Sd/-

C.A. Satheesh Kumar. G (Partner)
M.No: 027965, FRN: 01597S
UDIN: 21027965AAAAIJ4376

Place: Ernakulam
Dated: December 15, 2021

ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Kerala Agro Machinery Corporation Limited CIN: U29211KL1973SGC002492 (Reg. ATHANI POST OFFICE ERNAKULAM KERALA 683585) as of 31st March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

1. Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

2. 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 judgement, 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.

3. 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 prepara-

tion of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

4. 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.

5. Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021, 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, except in the case of internal financial controls established in the area of inventories.

For **S. Kumar & Kumar**
Chartered Accountants

Sd/-
C.A. Satheesh Kumar. G (Partner)
M.No: 027965, FRN: 01597S
UDIN: 21027965AAAAIJ4376

Place: Ernakulam
Dated: December 15, 2021



सत्यमेव जयते

**OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT-I) KERALA,
THIRUVANANTHAPURAM**

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER
SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL
STATEMENTS OF KERALA AGRO MACHINERY CORPORATION LIMITED,
ERNAKULAM FOR THE YEAR ENDED 31 MARCH 2021.**

The preparation of financial statements of **Kerala Agro Machinery Corporation Limited, Ernakulam for the year ended 31 March 2021** 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 is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the 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 **15 December 2021**.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct supplementary audit of the financial statements of **Kerala Agro Machinery Corporation Limited, Ernakulam for the year ended 31 March 2021** under section 143(6)(a) of the Act.

*For and on behalf of
the Comptroller and Auditor General of India*

Thiruvananthapuram
Dated: 18.01.2022


ANIL CHERIAN
PRINCIPAL ACCOUNTANT GENERAL (AUDIT-I),
KERALA

KERALA AGRO MACHINERY CORPORATION LIMITED
REGISTERED OFFICE: ATHANI P.O., ERNAKULAM DISTRICT, KERALA - 683 585

BALANCE SHEET AS AT 31st MARCH, 2021

Sl. No:	PARTICULARS	Notes	AS AT 31.03.2021 (₹)	AS AT 31.03.2020 (₹)
I	EQUITY AND LIABILITIES			
1	Shareholder's Funds			
	a. Share Capital	3	1,61,46,000	1,61,46,000
	b. Reserves & Surplus	4	1,27,55,78,770	1,25,12,06,066
	Sub Total		1,29,17,24,770	1,26,73,52,066
2	Non-Current Liabilities			
	a. Deferred Tax Liabilities (Net)	5	20,86,976	17,17,189
	b. Long-term Provisions	8	7,30,11,470	13,87,75,035
	Sub Total		7,50,98,446	14,04,92,224
3	Current Liabilities			
	a. Trade Payables	6		
	i. Due to Micro and Small Enterprises (See Note 2B.9.b)		Nil	Nil
	ii. Others		40,05,89,776	46,74,70,293
	b. Other Current Liabilities	7	14,07,37,522	12,21,62,741
	c. Short-term Provisions	8	7,22,12,174	3,71,97,361
	Sub Total		61,35,39,472	62,68,30,395
	TOTAL		1,98,03,62,688	2,03,46,74,685
II	ASSETS			
1	Non-Current Assets			
	a. Fixed Assets	9		
	i. Tangible assets		17,81,42,164	18,70,22,775
	ii. Intangible assets		8,28,832	8,42,880
	iii. Capital work in progress		71,77,035	-
	b. Non-Current Investments	10	2,05,00,000	2,05,00,000
	c. Long-term loans and advances	11	2,22,24,390	97,13,000
	Sub Total		22,88,72,421	21,80,78,655
2	Current Assets			
	a. Inventories	12	41,75,66,993	44,49,67,848
	b. Trade receivables	13	95,18,83,749	1,04,50,66,323
	c. Cash and Cash equivalents	14	23,54,21,293	17,67,67,870
	d. Short-term loans and advances	11	13,58,58,195	14,25,16,329
	e. Other current assets	15	1,07,60,037	72,77,660
	Sub Total		1,75,14,90,267	1,81,65,96,030
	Significant Accounting Policies	2.A.		
	Notes Forming Part of Accounts	2.B.		
	Contingent Liabilities	2.B1		
	TOTAL		1,98,03,62,688	2,03,46,74,685
	The accompanying Notes 1 - 23 form an integral part of these financial statements			

For and on behalf of the Board

Sd/-
K.P. SASIKUMAR
Managing Director

Sd/-
A. Ajith Kumar
Director

As per our report of even dated attached

For **S. Kumar & Kumar**
Chartered Accountants

Sd/-
C.A. Satheesh Kumar. G (Partner)

M.No: 027965, FRN: 01597S
UDIN: 21027965AAAAIJ4376

Ernakulam,
15-12-2021

Athani
30-11-2021

KERALA AGRO MACHINERY CORPORATION LIMITED
REGISTERED OFFICE: ATHANI P.O., ERNAKULAM DISTRICT, KERALA - 683 585

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2021

Sl. No	PARTICULARS	Notes	For the year ended 31-03-2021 (₹)	For the year ended 31-03-2020 (₹)
	Revenue			
I	Revenue from operations	16	1,97,82,40,414	2,01,41,46,640
II	Other Income	17	1,39,12,854	1,64,19,881
III	Total Revenue (I+II)		1,99,21,53,268	2,03,05,66,521
IV	Expenses			
	Cost of Raw Materials Consumed	18	1,33,17,76,336	1,47,82,58,530
	Change in inventories of finished goods, Work in progress and Stock in trade	19	3,88,58,024	(4,24,03,875)
	Employee Benefits Expenses	20	51,30,21,760	43,09,69,243
	Depreciations and amortizations expense	9	1,74,97,059	1,83,82,967
	Other expenses	21	8,33,53,682	8,88,21,494
	Prior Period Expense/ (Income)	22	3,49,289	1,71,358
V	Total Expenses		1,98,48,56,150	1,97,41,99,717
VI	Profit before exceptional and extraordinary items and tax (III - V)		72,97,118	5,63,66,804
VII	Exceptional items		-	-
VIII	Profit before extraordinary items and tax (VI - VII)		72,97,118	5,63,66,804
IX	Extraordinary items		-	-
X	Profit before tax (VIII - IX)		72,97,118	5,63,66,804
XI	Tax expense:			
	1. Current tax		21,81,340	1,56,50,000
	2. Earlier years			13,596
	3. Deferred tax- Revesal(+)		3,69,787	2,83,070
XII	Profit for the period from continuing operations (X-XI)		47,45,991	4,04,20,138
XIII	Profit from discontinuing operations		-	-
XIV	Tax expense of discontinuing operations		-	-
XV	Profit from discontinuing operations (after tax) (XIII - XIV)		-	-
	Profit for the period (XII + XV)		47,45,991	4,04,20,138
XVI	Earnings per equity share:	23		
	1. Basic		29	250
XVII	2. Diluted		29	250
	Summary of Significant Accounting Policies	2.A.		
	Notes Forming Part of Accounts	2.B		

The accompanying Notes 1 - 23 form an integral part of these financial statements

For and on behalf of the Board

Sd/-
K.P. SASIKUMAR
Managing Director

Sd/-
A. Ajith Kumar
Director

As per our report of even dated attached

For **S. Kumar & Kumar**
Chartered Accountants

Sd/-
C.A. Satheesh Kumar. G (Partner)

M.No: 027965, FRN: 01597S
UDIN: 21027965AAAAIJ4376

Ernakulam,
15-12-2021

Athani
30-11-2021

KERALA AGRO MACHINERY CORPORATION LIMITED
REGISTERED OFFICE: ATHANI P. O. , ERNAKULAM DISTRICT, KERALA 683 585
Cash Flow Statement for the Year Ended 31st March 2021

	Particulars	₹ 31.03.2021	₹ 31.03.2020
A	Cash Flow from Operating Activities:		
	Profit before taxation and exceptional items	7297118	56366804
	Adjustment For:-		
	Depreciation, Amortization & Impairment	17497059	18382967
	Interest Income	-8217893	-9905368
	Capital grant under RKVY Scheme written back	-3758687	-4213887
	Dividend Income	0	-1375000
	Profit/Loss on sale of fixed assets	-20529	0
	Operating Profit before Working Capital Changes	12797068	59255516
	Adjustment for:-		
	Trade and Other Receivables	93182574	-371263293
	Inventories	27400855	25977818
	Other Current Assets	-3482377	725697
	Loans and Advances	3613088	-13738761
	Trade payables and Other Liabilities	-80669088	234215009
	Cash generated from operations	52842120	-64828014
	Tax Paid (net of refunds)	-11647684	-14945109
	Net Cash From Operating Activities - A	41194436	-79773123
B	Cash Flow from Investing Activities:		
	Purchase of Fixed Assets	-15949006	-9846243
	Interest Received	8217893	9905368
	Dividend Received	0	1375000
	Sale of fixed assets	190100	0
	Net Cash form/used in Investing Activities - B	-7541013	1434125
C	Cash Flow from Financing Activities:		
	Dividend Paid and tax thereon	0	-1946487
	Capital grant received under RKVY Scheme	25000000	0
	Net Cash Used in Financing Activities:- C	25000000	-1946487
	Net Increase/ (Decrease) in Cash and Cash equivalent	58653423	-80285485
	Equivalents (A+B+C)		
	Cash and Cash Equivalents as at 1st April(Opening Balance)	176767870	257053355
	Cash and Cash equivalents as at 31st March(Closing Balance)	235421293	176767870
	Net Increase/ (Decrease) in Cash and Cash equivalent	58653423	-80285485
Notes			
1	The Cash Flow Statement is prepared in accordance with AS 3 issued by the ICAI		
2	Negative Figures represents deduction or outflow.		
3	Figures of previous year have been regrouped wherever necessary, to suit current year's presentation		
4	Cash and cash equivalent included in the cash flow comprises of the following balances as on 31.03.2021		
		₹ 2021	₹ 2020
	Cash on hand	117138	143945
	Balance with Banks in current account	93453902	83483068
	Savings bank Account with Treasury	4315930	2568043
	Fixed Deposit with Treasury	24000000	24000000
	Fixed Deposit with bank original maturity more than three months	91523687	45808192
	Fixed Deposit with bank original maturity more than twelve months	22010636	20764622
	Total	235421293	176767870

For and on behalf of the Board

Sd/-

K.P. SASIKUMAR
Managing Director

Sd/-

A. Ajith Kumar
Director

As per our report of even dated attached

For **S. Kumar & Kumar**
Chartered Accountants

Sd/-

C.A. Satheesh Kumar. G (Partner)

M.No: 027965, FRN: 01597S

UDIN: 21027965AAAAIJ4376

Ernakulam,
15-12-2021

Athani
30-11-2021

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021**

I. CORPORATE INFORMATION

KERALAAGRO MACHINERY CORPORATION LTD is a fully state owned organization, registered under Company's Act 1956, engaged in the manufacture of Agricultural Machinery. The registered office of the Company is situated at Athani, in Ernakulam District.

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A.BASIS FOR PREPARATION OF FINANCIAL STATEMENT

The financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Policies in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Companies Act. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

1. Revenue Recognition:-

- i The company follows the mercantile system of accounting and recognizes Income and Expenditure on accrual basis.
- ii Sales are exclusive of GST. GST in respect of sales of previous year is shown separately as deduction from gross turn over. Export sales are accounted on the basis of Bill of Lading.
- iii Scrap sales is accounted for on delivery basis. No inventory is taken for scrap, as the amount involved is not material.
- iv Warranty liability for after sales services to the extent ascertained is accounted on accrual basis.

2. Fixed Assets:-

Fixed Assets are stated at the cost of acquisition less accumulated depreciation and impairment loss if any. Cost includes all identifiable expenditure incurred to bring the assets to its present condition and location. The Tax/Duty credits available are adjusted in the cost as per the rules of blocked credit under sec. 17(5) of CGST Act, 2017. Lease hold land is shown separately and amortized during the period of lease agreement.

3. Depreciation:-

- (i) Depreciation on tangible and intangible assets are provided on written down value method over the useful life of assets prescribed in part C of schedule II of Companies Act 2013.
- (ii) Written down value of loose tools (assembling tools) are reviewed every year on the basis of further estimated life and loss if any are debited to current year expense under the head 'loss on revaluation of tools'.

4. Impairment of Assets:-

As at each balance sheet date, the carrying amount of assets is tested for impairment so as to determine:

- (i) the provision for impairment loss; if any, required; or
- (ii) the reversal, if any, required of impairment loss recognized in previous periods.
- (iii) Impairment loss of Fixed Assets is provided based on "Value in use" and estimated realizable value of each asset.

5. Government Grants

Grants received from the Central and State Government towards capital expenditure are treated initially as Capital Reserve and subsequently adjusted as income in the same proportion as the depreciation written off on the assets acquired out of grants.

6. Investments:-

Long term investments are stated at cost or fair market value whichever is lower.

7. Valuation of Inventories:-

- (i) Inventories of Raw materials and Components, Stores and Spares, Work in Progress and Finished Goods are stated at lower of cost or net realizable value.
- (ii) Work in progress at Machine Shop is valued based on percentage of completion method and included in the closing value of stock.
- (iii) Cost comprise all cost of purchase excluding taxes eligible for refund, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formula used is Weighted Average Cost and due allowance is made for defective and obsolete items.
- (iv) Most of the parts of the Power Tiller is specially designed and this cannot be used for other purposes and is not available in the market except from KAMCO's dealers. Company is actively involved in the spare parts business of all components related to the product line operated. Price of components is fixed in such a manner to derive fixed margin of profit on the landed cost of raw material which is considered as net realisable value.

8. Employee Benefits:-

- (i) Contributions to Provident Fund and Family Pension fund are provided for and payments thereof are made to relevant authorities on due basis.
- (ii) Annual contribution for gratuity is made to Group Gratuity Scheme of Life Insurance Corporation of India on actuarial basis.
- (iii) For encashment of leave payable at the time of retirement of employees, contribution is made to a group leave encashment policy with Life Insurance Corporation of India on the basis of their actuarial valuation. Payment in respect of leave surrender of employees in service is charged to revenue in the year of payment.

9. Provision for Taxes:-

- (i) Current tax is measured at the amount expected to be paid to the taxation authorities, using the applicable tax rates, tax laws and favourable judicial pronouncements/legal opinion.
- (ii) Deferred tax, comprising of tax effects of timing differences between taxable and accounting incomes for the period, is recognized keeping in view the consideration of prudence in respect of deferred tax assets.
- (iii) Amount, if any, paid under dispute are shown under advance tax.

10. Research and Development Expense:-

- (i) Revenue expenditure is charged out as expense in the year in which they are incurred.
- (ii) Expenditure of a capital nature is debited to Fixed Assets and Depreciation is provided on such assets as are applicable.

11. Provisions, contingent Liabilities and Contingent assets:-

Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if

- (i) The company has a present obligation as result of a past event.
- (ii) A probable outflow of resources is expected to settle the obligation, and
- (iii) The amount of the obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received. Contingent liability disclosed in the case of:

- a) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- b) A present obligation when no reliable estimate is possible, and
- c) A possible obligation arising from past events where the probability of outflow of resources is not remote,
- d) Amount shown under contingent liability is reasonably ascertained based on disputed claim. Contingent Assets are neither recognised, nor disclosed. Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

12. Cash Flow Statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Accounting Standard (AS) 3 on 'Cash Flow Statement'.

13. Taxes on Income

Current tax is determined on the basis of taxable income in accordance with the provisions of Income Tax Act, 1961. Deferred Tax Liability/Asset resulting from 'timing difference' between accounting income and taxable income is accounted for considering the tax rate & tax laws that have been enacted or substantively enacted as on reporting date. Deferred tax asset is recognized and carried forward only to the extent that there is reasonable certainty that the asset will be realized in future. Deferred tax assets are reviewed at each reporting date for their realisability.

II B. NOTES FORMING PART OF ACCOUNTS.

1. CONTINGENT LIABILITIES NOT PROVIDED FOR

(Fig in Rs.)

Sl.No	Description	Current year	Previous year
(a)	Demand from Income Tax Dept. disputed (See note below)	2,22,33,667	2,20,46,787
(b)	Disputed Sales Tax (see note below)	Nil	13,48,286
(c)	Service tax & interest on technology fee, royalty TA directors disputed (see note below)	17,43,624	17,43,624
(d)	Disputed claims of employees at High court and Tribunals	3643424	3643424
(e)	Bank Guarantees	91,90,500	27,65,500

- (g) Estimated value of works to be executed on capital contract Rs.24,75,500/-(Rs.19,80,909/-) and on balance installment towards technology transfer fee to Barbieri Rs.19,74,320/- (Rs.19,08,540/-) being equivalent value of 23000 Euro @ 85.84.

2. STATUS OF INCOME TAX, SALES TAX & SERVICE TAX ASSESSMENTS

Status of income tax assessments are as summarized below:-

A.INCOME TAX ASSESSMENTS AND APPEALS AS ON 31.03.2021

(Fig in Rs.)

Assess-ment year	Status and details	Disallow-ance amount involved	Tax paid under dispute	Contingent Liability
1991-92	Service charges paid to Govt.of Kerala Appellate tribunal allowed the appeal of the Company but CIT referred the case to High Court has directed the assessing authority to consider the matter afresh. Accordingly, Dy. Commissioner of 1.Tax has heard the case on 04.06.2005, but not finalized. Decision is pending as several PSUs have similar disallowances and uniform decision is required.	4530000 (4530000)	Nil (Nil)	2344275 (2344275)
1992-93	- do -	7050000	Nil (Nil)	3648375 (3648375)
2004-05	Company has filed an appeal before CIT (Appeals) against demand towards interest u/s 234 by Dy.CIT for late remittance of advance tax of Rs.91 lakhs towards second installment (Cheque was issued on 12.09.03 but bank transferred the amount on 16.09.03). Remitted Rs.1.80 lakhs and appeal is pending.	Nil	180457 (180457)	180457 (180457)

2005-06	Original assessment u/s 143(3) was completed on 20.09.2007. Later as per notice u/s. 148 company was asked to file return of income. As per assessment order based on above Asst. Commissioner of Income Tax vide order dated 28.12.2010 demanded tax amounting to Rs.121.53 lakhs by disallowing certain expenses under prior period, provision for leave encashment etc. Against this demand KAMCO have made a part remittance of Rs.30 lakhs under dispute and filed appeal petition before CIT against these disallowances. On 28.3.2013 IT department have adjusted their demand of Rs.121.53 lakhs against refund due to KAMCO for the A.Y 11-12. This has also been represented before IT authorities.	19474290 (19474290)	3000000 (3000000)	12153251 (12153251)
2008-09	As per Assessment order dated 02.12.2010 Assessment officer has disallowed various expenses and demanded an amount of Rs.13.31 lakh towards tax. Remitted the tax Rs.13.31 under dispute. Appeal petition against the decision of Assessment Officer has been filed before CIT.	2807731 (2807731)	1331183 (1331183)	1331183 (1331183)
2009-10	As per Assessment order dated 24.03.15 returned income has been assessed disallowing expenses to the tune of Rs.363878 being rental income and additional depreciation and tax on the same @ 34% amounts to Rs.1.24 lakhs. Appeal filed is pending and disputed tax is shown as contingent liability.	363878 (2392464)	Nil	123719 (123719)
2010-11	Return filed on 29.9.2010 with Gross Total Income of Rs. 132785476/-. Intimation U/s 143(1) of the Income Tax Act received with demand of Rs. 77,85,149/-. There will not be any demand for this year since the figure of 77,85,149/- arose only due to non reflection of TDS credits to us as claimed in the return. Taxes paid as per return including TDS amounts to Rs. 45138793/-. Whereas in intimation U/s 143 (1) it is Rs. 39265209/-. Sub Treasury Aluva who deducted TDS on interest on our fixed deposits has not timely filed TDS return and hence the difference. They have subsequently filed return and same is reflected in AS 26. The matter has been represented before ACIT. Scrutiny Assessment pending. No further liability envisaged.			

2011-12	Return filed on 29.9.2010 with Gross Total Income of Rs. 132785476/-. Intimation U/s 143(1) of the Income Tax Act received with demand of Rs. 77,85,149/-. There will not be any demand for this year since the figure of 77,85,149/- arose only due to non reflection of TDS credits to us as claimed in the return. Taxes paid as per return including TDS amounts to Rs. 45138793/-. Whereas in intimation U/s 143 (1) it is Rs. 39265209/-. Sub Treasury Aluva who deducted TDS on interest on our fixed deposits has not timely filed TDS return and hence the difference. They have subsequently filed return and same is reflected in AS 26. The matter has been represented before ACIT. Scrutiny Assessment pending. No further liability envisaged.			
2012-13	Revised return of Income filed on 30.5.2013, with Gross Total Income Rs. 68343412/- claiming refund of Rs.109.97 lakhs. Against refund claimed by us the Income Tax Department has adjusted Rs.50.8 lakhs against their demand of A.Y.2009-10.Assessment Order U/s 143 (3) dt 17-03.2015 received, disallowing items Viz, rental income (Rs. 68234), expenditure for earning income U/s 14 A read with Rule 8D (Rs. 108758), with demand to pay tax Rs. 68550/.Tax on disallowed amount will be 0.68 lakhs . We have filed appeal before the CIT against the disallowances. Stay Petition has also been filed. Case is pending. Application filed with Income Tax Department of one time settlement scheme under Vivad Se Viswas.	176992 (Nil)	Nil	68550 (68550)
2013-14	Assessment order under Sec.143(3) of the IT Act completed and orders issued by ACIT.Expenditure for earning exempted income estimated under provision of sec14A read with rule 8D OF IT Act to the tune of Rs. 109900 and rental income of Rs.94776/- has been disallowed .Tax on disallowed amount will be Rs.0.66lakhs.Appeal has been filed against these disallowances. Application filed with Income Tax Department of one time settlement scheme under Vivad Se Viswas.	203766 (Nil)	Nil	66112 (66112)

2014-15	Assessment order under sec.143(3) of IT completed against our revised return of Income for Rs.69120912 without any disallowance of expense. Refund due Rs.1174560 has been received on 21.03.2017. Subsequently reassessment proceedings initiated and order u/s.143(3) r.w.s.147 issued on 09.12.2019. appeal filed before the Commissioner of Income Tax (Appeals). Case is pending. Application filed with Income Tax Department of one time settlement scheme under Vivad Se Viswas.	282,564 (Normal provision) 10,96,265 (MAT provision)	Nil (Nil)	91,679 (Nil)
2015-16	Assesment order under Sec.143(3) of IT Act 1961 received, without any disallowance of expense. However there is a demand of Rs.50560. It is understood that this demand has arisen due to errors in interest calculation. Request for rectifying the error filed. Error in calculation of interest rectified and refund received amounting to Rs.79320 on 22.05.2018.			Nil (Nil)
2016-17	Revised return filed on 25/03/2018 with refund of Rs.22601. Assessment order under Sec.143(3) of IT Act, 1961 received without any disallowance of expense. Refund of Rs.266010 admitted. This refund has been adjusted against outstanding demand pertaining to AY 2010 and AY 2012.			
2017-18	Revised return filed on 10/08/2018 with gross total income of Rs 28577239 with refund of Rs.560270. Case is taken for assessment and order u/s.143(3) was issued on 27.12.2019 after making certain disallowances. Appeal filed on 29.01.2020 before the CIT(Appeals) against disallowance of delayed contribution to ESI & PF (Rs.15,54,699) and prior period expenses (Rs.58176). Appeal is pending.	16,12,825 (Nil)	12,771 (Nil)	63,856 (Nil)
2018-19	Revised return filed on 26/03/2019 with gross total income of Rs.40531205 with a refund of Rs.354230. Case is taken for assessment and order u/s.143(3) was issued on 17.03.2021 due to delay in filing audit report. Appeal filed before the CIT(Appeals) to condone the delay in filing audit report and consider the original return filed date as the date of filing the revised return. Appeal is pending.			186,880 (Nil)

2019-20	Revised return filed on 25/09/2020 with gross total income of Rs.38825950 with a refund of Rs.263720.			
2020-21	Revised return filed on 15/02/2021 with gross total income of Rs.53842530 with a refund of Rs.84000.			
	TOTAL		45,24,411 (4524411)	2,22,33,667 (22046787)

Figures shown in bracket relate to previous year.

B. SALES TAX

CST and VAT has been replaced by GST, with effect from 01-07-2017. All pending assessments of the VAT period have been completed and only one appeal with respect to CST of first quarter of 2017-18 is pending with Deputy Commissioner. The Tax together with interest on C-forms that could not be submitted at the time of assessment amounts to Rs. 1348286. Majority of C-forms for the relevant period also could be collected subsequently and hence no additional liability is anticipated. The disputed amount has been shown under contingent liability and amount deposited at the time of filing appeal has been shown under advance sales tax paid. The appellate tribunal sanctioned to submit the C-forms and F-forms once again with the assessing authority. After verification the same the Deputy Commissioner issued final order with Rs.179,981 as liability, which is off-set with the amount deposited at the time of appeal of Rs.222,857/- and the balance amount of Rs.42,876/- is refundable from the Department.

C. SERVICE TAX

During the audit conducted by Central Excise and Service tax Department during August 2015 for the period 01-04-2012 to August 2015, a demand has been raised for remitting service tax and interest on technology transfer and royalty payments made to M/s Barberi Italy as well as travel expense reimbursed to chairman and directors. Total demand amounts to Rs.1743624/- (Rs.1743624/-) including interest. According to legal opinion obtained permanent transfer of technology/intellectual property amounts to purchase and attract no service tax. Similarly reimbursement of actual expense incurred by chairman and directors are exempted and hence company filed appeal which is pending. Since interest rates are extremely high and payments are to government, lawyers advised the company to remit the amount demanded from 01-10-2010 onwards under protest and claim refund filing appeal. Accordingly company remitted the tax and interest and the amount paid has been shown under 'advance tax remitted under dispute'. The amount has also been shown under contingent liability.

3. Reserve fund was created amounting to 60000000, during 1994-95 for equity participation in M/S Kerala Feeds worth Rs.150 lakh has been reversed during the year 2017-18 to profit & loss account as separate reserve is not required to be provided for equity participation as per Companies Act 2013. This has no impact on total reserves and surplus as per Note No 4. of balance sheet.
4. The Company had made Long Term Investments of Rs.20500000/- towards Equity Shares of other Companies and same is stated at cost.
5. Dividend income is accounted on the basis of declaration of the same and credited to the income of reporting year on accrual basis. However nil amount is accounted in FY 2020-21, due to non declaration of dividend by M/s. CIAL and M/s. Kerala EnviroInfrastructure Ltd.

6. (a) The inventories include Rs.30477909 (Rs.31281357/-) materials issued to fabricators/contractors for machining and other process work and held by them in trust.

(b) GST was introduced all over the country with effect from 01/07/2017. Eligible credit in respect of various stock during the transition period including unutilized VAT credit allowed to be carried forward has been brought to account under the head balance under 'Electronic credit ledger' crediting stock account and refund of the same is yet to be obtained.

7. Warranty Claim received and admitted by the Company till 31.03.2021 has been accounted for. As the products are under warranty only for 500 hours and the average warranty claim for the past is only nominal, as compared to sale value of products, no provision has been made for warranties on products sold during the year, the claim for which may arise in future.

8. The loan amount of Rs.2500000/- granted to M/s.Kerala State Coconut Development Corporation together with interest is outstanding for recovery and the matter has been taken up with Government of Kerala. Till the year 2003-04, Company had charged simple interest @ 18% on the loan and thereafter interest is not accounted as the said company is under liquidation process and the entire amount is pending for a final settlement. The non-provision of interest has an impact of Rs.450000/- decrease in current year profit. Similarly, had the interest been provided on accrual basis there would have been an increase in accumulated profit and loans and advances as on 31.03.2021 to the extent of Rs.7650000/- (Rs. 7200000/-) each. According to the Agreement executed with M/s.Kerala State Coconut Development Corpn. Ltd., loan amount of Rs.2500000/- together with interest was to be repaid by the borrowing Company immediately after disposal of its land at Edappally in Ernakulam Dist. or within a period of one year, whichever is earlier. This loan was granted to them based on the direction of the Government of Kerala vide their letter dt.25.08.98. The Govt. letter also states that the loan together with interest will be repaid by the borrower after disposal of its land at Edappally in Ernakulam Dist. Company had already written letters to the State Government with a request to transfer and register a portion of the land occupied by KSCDC at Edappally in favour of the company in full and final settlement of the entire loan, interest and penal interest. The Management do not envisage any problem in getting the loan amount. The Company is following up the matter with Govt. and KSCDC Ltd. As per the agreement the loan is to be fully paid on or before 31.08.1999. However the repayment is pending due to the matters specified above. Hence this loan is treated as Non Current Assets.

During the year 2017-18 company had granted a loan of Rs.11500000/- to M/s Vazhakulam Agro & fruit processing company limited; a state owned venture, as directed by government vide their letter no 1755561/ PU2/2017 agri (PU) dated 24/08/2017 and based on loan agreements executed. As per the agreement M/s VAFPC has to repay the loan with 9% interest within a period of 6 months. They repaid Rs.400000/- and interest upto 31/3/18 amounting to Rs.571339/- Balance loan of Rs.11100000/- and interest for the year amounting to 29,97,000 is outstanding for settlement. Loan amount is shown under the head current advance and interest under the head interest receivable

9. (a) Company has implemented Web based access to creditors and dealers having network connectivity, for viewing their accounts status and facility to point out difference in account immediately. Differences pointed are verified and wherever rectification required same have been made. Confirmation has been received from major dealers and with respect to creditors as payments are made bill wise and online viewing facilities given, no further confirmation have been received from them. Debtors and Creditors are stated at book balances.

(b) For orders placed through E-Tender system, few suppliers have submitted MSME Registration details. Their payments have been released as per tender terms. With regard to others, none of the trade creditors have claimed any benefits under chapter V of MSMED Act and filed any evidence claiming their status as

MSME. Hence the company considered amount payable to MSME as Nil and accordingly.

Particulars	As at 31.03.2021
a. Principal amount due remaining unpaid and interest due there on above	NIL
b. Payment made to suppliers beyond appointed date and interest paid under sec 16 of MSMED Act 2006	NIL
c. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed date during the year) but without adding the interest specified under this Act.	NIL
c. The amount of interest accrued and remaining unpaid at the end of each accounting year	NIL

10. During the year the Research and Development activities continued and expense incurred amounting to Rs.616848/- (Rs.463377/-) has been charged to revenue as per existing policy of the Company.
11. As per accounting standard 22, 'Accounting for taxes on income' an amount of Rs.369787/- has been charged during the current year, as against Rs.283070/- charged during its previous year. Deferred tax liability is measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax liability as on 31.03.2021 is Rs.2086976 against 1717189/- during its previous year. Tax rate adopted for the calculation of deferred tax is income tax rate of Assessment Year 2021-2022 @ 25% plus 7% surcharge and 4 % cess.
12. As the company's products, production process, administrative and sales activities and also risk, cost and revenue of all Units/Locations are identical; management is of the opinion that there is no reportable segments as envisaged under AS 17.
13. Based on the analysis of long pending EMD/Security Deposits payable to various parties, Company has credited an amount of Rs.14,04,498/- to profit & loss account.
14. In the year Company has written off Rs.80,685/- being the refund of Fringe Benefit Tax as there is no Appeal is pending with Department.
15. As per the requirement of AS 28, assets have been verified by an internal committee and no impairment provision is found required during the year.
16. Company's products are usually sold through dealers on ex-works dealer price. During the year, in Karnataka state; for subsidy sales Govt insisted direct billing by manufacturer (not by dealer) and hence company billed end customers at customer price and sale is inclusive of same. Difference between customer price and dealer price; which is due to dealer towards pre delivery expense and inspection charges and also after sales service charges based on GST bill has been debited to after sales service charges in P&L Account of current year. This has no net impact on revenue.
17. In accordance with AS 22 "Accounting for Taxes on Income", provision for current year Income tax has been shown net of advance tax paid during the year.
18. (a) In the case of amount recoverable from Govt. companies and for debts and other receivables including loans outstanding (other than on cases where provision for doubtful debts have been provided), the management do not envisage any threat of recovery as of now.

(b) The Company has taken various steps such as issue of notices/filing of litigation to recover the long pending balances with debtors and same are at different stages out of the notice issued cases we have been able to recover some amount and in some cases we have been able to revive the trading activities

with them leading to recovery of the old dues. A detailed breakup is given below:-

Dealer	Outstanding Amount (in Lakhs)	Remarks
Notice Issued cases		
Chem Traders	122.55	The party has paid Rs.65 lakhs in 2021-22 and now pending is Rs.57.6 lakhs
Luit Agro	28.04	The party has fully paid the dues in 20-21
Reliable Distributer	216.37	The trading activity with this Dealer is resumed and they are clearing their old dues. The balance as on 31/03/21 is Rs153 lakhs and as on 19/10/21 is Rs85.61 lakhs
Usha Agro	86.35	The trading activity with this Dealer is resumed and they are clearing their old dues. As on 31/3/21 their due is 28.47 lakhs.
Friends Machinery	645.50	The trading activity with this Dealer is resumed and they are clearing their old dues. As on 19/10/21 their balance is Rs.594 lakh
Ohm Sharavana Tractor	17.89	The dealer has cleared major portion of their old dues, now the due pending is only 0.39 lakhs
Saramit Enterprises	5.02	The dealer has paid the old dues
Arun Autos	0.71	Recommended to write off as Bad Debt
Pramod Machinery	4.23	The dealer has paid the old dues.
Cheque Cases Pending		
Patel Agencies	145.69	The Case has been decided in favour of KAMCO.
Patel Agencies, Bihar	25.01	Allowed to recover amount plus cost and interest
Venkateswara	68.50	The case has been posted to 25.02.2021 but has not heard so far.
Civil Recovery Suit Pending		
Ganges	13.34	Suit is still pending.
Dhru	54.73	Suit is still pending.
Total	1433.93	

19. Liability in respect of gratuity and terminal leave encashment of employees are covered under policy of LIC and payments are made as per actuarial valuation on opening date of every financial year. To comply with accounting standard, provision is created for balance amount so as to make the fund value equal to the liability as on closing date as per actuarial valuation of 1st April of subsequent financial year (that is closing date of every accounting year).

Disclosure as per accounting standard -15 on 'Employee Benefits' are as under

Short term employee benefits

Employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits and are recognized in the period in which the employee renders the related service.

Post-employment benefit (Defined Benefit Plans)

a) Gratuity

The company has a defined gratuity benefit plan and same is covered under policy of M/s. Life Insurance Corporation of India. Every employee who has rendered continuous services of five years or more is entitled to get gratuity at 15 days salary for each completed year of service on superannuation, resignation, termination or on death. The employees gratuity plan is a defined benefit plan. Provision for gratuity to employees is estimated on the assumption that gratuity would be payable to all workers at the end of the year. The details of fund value and obligations are as follows:-

Defined Benefit Obligation (Figures in Rupees)

Opening Balance	151275350
Interest cost	10599399
Current Service Cost	7374947
Actuarial Loss	22223749
Less:-Benefits paid	-28604785
Closing Balance	162868660

Actuarial Assumptions

Discount rate	7%
Salary escalation rate	5%

b) Leave

The company provide earned leave and half pay leave to the employees of the company which accrue annually @ 30 days and 20 days respectively. Earned leave is encashable and half pay leave are non-encashable. However total amount of leave that can be encashed on superannuation shall be restricted to 300 days and liability for the same is recognized on the basis of actuarial valuation made by LIC and contribution is made to them. Earned leave surrender wages of employees in service is paid by the company during the year of surrender and debited to 'Staff Cost' of concerned year. The details of obligation and fund value of Group Earned Leave Surrender Policy are as follows.

Defined Benefit Obligation (Figures in Rupees)

Opening Balance	50143545
Interest cost	3635407
Current Service Cost	9638884
Actuarial Loss	2556637
Less:-Benefits paid	-16038145
Closing Balance	49936328

Actuarial Assumptions

Discount rate	7%
Salary escalation rate	5%

c) Provident Fund

Company pays fixed contribution to Provident Fund at pre-determined rates to a separate trust, which invests the fund in permitted securities. Contribution to family pension scheme is paid to the appropriate authorities. The annual contribution to the funds for the year is recognized as expense and is debited to the statement of profit and loss. The obligation of the company is to make such fixed contribution and to ensure a minimum rate of return to the members as specified by Government. Overall interest earning and cumulative surplus of the trust is more than the statutory interest payment requirement. Hence no further

provision is considered necessary.

d) Pay-revision of workers which was due w.e.f 01.07.2016 have got approval from Govt. and implemented. Payment of first instalment of arrears was made during the year. The Company has provided Rs.72807429/- towards the settlement of final instalment. Pay-revision (2014) due to Officer's sanctioned by Govt. as per G.O.(MS) No.32/2020/Agri dated 10.03.2020 has been implemented in April 2020 and the payment of pay-revision arrears after adjusting adhoc-advance was disbursed during the year. Also Company has provided Rs.18421017/- towards the payment of Officer's D.A due with effect from 01.01.2019

e) Provision has been created for statutory bonus of the current year at 20%. Regular employee's not eligible for bonus have been granted an amount of Rs.32600/- (Rs.32600/-) as per Government direction for the financial year 2020-21. Provision has been created for payment of such special allowance amounting to Rs.12957513 (Rs.13117976).

f) An embezzlement of cash by cashier of Mala Unit amounting to Rs.1420000/- by forging bank statements and confirmation certificates has been detected during September 2013. Criminal complaint filed with Jurisdictional Police authorities and on the basis of FIR, accused has been arrested. Internal disciplinary actions along with civil and criminal proceedings have been initiated against the accused and he has been terminated from service. Both civil and criminal cases/appeals are filed at respective courts. Further, internal control measures have been further streamlined and strengthened to avoid similar issues.

20. The amount shown under Packing, Forwarding and Insurance Expense (Selling and distribution Expense of Note No.21) is net of credit Rs.1324892.65 (Rs.1235424/-) being difference in transit insurance recovered and actual amount paid.

21. 6th unit at Valiyavelichem, Kannur set up for the manufacture of New Generation Tillers and exclusive Research and Product Development has been commissioned during January, 2016. The unit has been set up at five acres of land allotted by M/s. Kerala State Industrial Development Corporation on 30 years lease. Assets acquired for the unit amounting to Rs.130867937 have been capitalized and depreciation is provided for. Since the design for New Generation Tiller is not ready, the unit is manufacturing garden tillers and brush cutters. Since the land is acquired on 30 years lease, in compliance with AS 17 it is shown separately under "Lease hold land" and cost is written off during lease period on prorata basis. Accordingly an amount of Rs.519123/- (Rs.519123/- in previous year) is debited to expense of current year.

22. (a) Company received an amount of Rs.70000000/- from Government, towards capital grant under RKVY scheme for the new units at Valiyavelichem Kannur against an amount of Rs. 100000000/- sanctioned. The amount received has been credited to capital reserve under Note number 4 and pro-rata depreciation of the assets like building machinery and electrical works for which the grant has been utilized is reversed and taken as revenue of the year under the head 'other income' in Note number 17. This is in accordance with the accounting policy followed by the company and is in line with accounting standards on capital grants.

(b) In the current year Company received an amount of Rs.2.50 crores from Government towards capital grant under RKVY scheme for the plant modernization at Athani Unit. The amount received has been credited to capital reserve under Note number 4. The asset erection and acquisition under process, and not finished in the year. Since, the value of asset additions amounts to Rs.71,77,035/- grouped under 'Capital Work in Progress' in Note number 9.

23.A.PARTICULARS OF TURNOVER 2020-21

DESCRIPTION OF PRODUCTS	CURRENT YEAR		PREVIOUS YEAR	
	QTY(NOS)	VALUE in Rupees	QTY(NOS)	VALUE in Rupees
1. Manufactured Products				
Power Tillers	10544	1321709152	12263	1520395142
Power Reapers	3997	359129815	2851	253255172
Diesel Engines	10	586300	8	477650
Mini Tractor	4	1132000	3	849000
Power Weeder	546	25727989	243	11244604
Brush Cutter	1232	25506142	632	13005500
Other Products		3780190		761276
Sub Total		1737571587		1799988344
2.Traded Goods				
Sales of Accessories & Rotavator		92195332		90592108
3. Export/Deemed Export				
Power Tillers	80	11827209		Nil
Power Reaper	6	534000		
Others		1714884		Nil
Sub Total		14076093		Nil
4. Sale of Spares		131560124		121475509
Total Sale of Products		1975403136		2012055961
5. Sale of Scrap		2837278		2090679
Revenue From Operations		1978240414		2014146640

B. STOCK POSITION AND CONSUMPTION OF RAW MATERIALS, COMPONENTS AND TRADED GOODS (Figures in Rupees)

PARTICULARS	OPENING STOCK	PURCHASES	CONSUMPTION	CLOSING STOCK
Indigenous components	210372597	1146780211	1130382418	226770390
Implements & Accessories components	8785800	65971905	63702059	11055646
Paints & Chemicals	2098545	13538456	13425558	2211443
Reaper, Weeder and Others	44268140	101463118	108712243	37019015
Total	265525082	1327753690	1316222278	277056494
Previous year	331590242	1396030225	1462095435	265525082

There is no item of raw material having individual value of 10% or more of the total value of raw material consumed. Hence quantitative particulars of individual item as required under part II of schedule VI is not given.

C. VALUE OF IMPORTS (ON CIF BASIS)

Particulars	Current Year (Rs.)	Previous year(Rs.)
Capital Goods	Nil	Nil
Traded Goods	2,19,16,537	166,150

D. VALUE OF IMPORTED RAW MATERIALS, SPARE PARTS & COMPONENTS CONSUMED DURING THE YEAR

Particulars	Current Year (Rs.)	Previous year(Rs.)
Indigenous Components	1294550418	1461929285
% of consumption on total	98.33	99.99
Imported	21916537	166150
% of consumption on total	1.67	0.01
Total	1316222278	1462095435

E. EARNINGS IN FOREIGN CURRENCY

Particulars	Current Year (Rs.)	Previous year (Rs.)
Export/Deemed Export Sales (on F.O.B. basis)	1,40,76,093	Nil

F. PARTICULARS OF REMUNERATION TO DIRECTORS

(Figures in Rupees)

Name	Designation	Remunerat-ion	Honorarium	Others	Total
Shri.P.Balachandran	Chairman	Nil	230324 (240000)	Nil	230324 (240000)
Shri.K.P.Sasikumar	Managing Director	18,60,340 (17,18,889)	Nil	Nil	18,60,340 (17,18,889)

Note: Honorarium showed is excluding RCM on GST

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

NOTE - 3 SHARE CAPITAL

Sl. No:	PARTICULARS	AS ON 31-03-2021 (₹)	AS ON 31-03-2020 (₹)
a.	Authorised Capital 2,00,000 Equity Shares of (₹)100/= each	2,00,00,000	2,00,00,000
b.	Issued, Subscribed and fully Paid up shares 1,61,460 Equity Shares of (₹).100/= each, fully paid up (1,61,460 Equity Shares of ₹ 100/= each, fully paid up)	1,61,46,000	1,61,46,000
c.	Reconciliation of shares outstanding at the beginning and at the end of the reporting period		
		AS ON 31.03.2021	AS ON 31.03.2020
		No. of shares	Amount (₹)
	At the beginning of the period	161460	1,61,46,000
	Add: Shares issued during the year	-	-
	Less: Shares bought back during the year	-	-
	Add: Other movements during the year	-	-
	Outstanding at the end of the period	161460	1,61,46,000
d.	<u>Terms/rights attached to equity shares.</u> <ul style="list-style-type: none"> The Corporation has only one class of equity shares having par value of ₹ 100 per share. Each holder of equity share is entited to one vote per share. In the event of liquidation of the Corporation, the holders of equity shares will be entited to receive the realised value of the assets of the Company, remaining after payment of all preferential dues. The Corporation declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of share holders in ensuing Annual General Meeting. <p>During the year ended 31. 03.2021 the amount of dividend per share ₹.10 (31.03.2020 - ₹.10/-). The total dividend appropriation for the year ended 31.03.2021 amounted to ₹.1614600/- (Previous Year ₹.1614600/-) and Corporate Dividend Tax amounted to ₹.Nil (Previous Year ₹.Nil)</p>		
		AS ON 31-03-2021 (₹)	AS ON 31-03-2020 (₹)
e.	Shares held by holding/ultimate holding company/ or their subsidiaries/associates	NIL	NIL
f.	Details of shareholder's holding more than 5% shares in the company	AS ON 31.03.2021	AS ON 31.03.2020
		No. of shares	No. of shares
	Government of Kerala	1,61,460	1,61,460
		% of holdings	
	As per records of the company, including its Register of Members and other declarations received from them regarding beneficial interest, the above share holding represents both legal and beneficial ownership of shares.		
g.	Aggregate number of shares issued for consideration other than cash, bonus shares issued and shares bought back during the period of five years immediately preceeding the reporting date	Aggregate No: of Shares	
		AS ON 31-03-2021 (₹)	AS ON 31-03-2020 (₹)
		NIL	NIL

NOTE - 4 RESERVES AND SURPLUS

Sl. No:	PARTICULARS	AS ON 31-03-2021 (₹)	AS ON 31-03-2020 (₹)
a.	Capital Reserve		
	Capital Reserve	3,75,667	3,75,667
	Capital Grant received for Plant Modernisation from Kerala RKVY	2,50,00,000	
	Capital Grant received from Kerala RKVY 47935464		
	Less:- Grant received Written back during the year (3758687)	4,41,76,777	4,79,35,464
		6,95,52,444	4,83,11,131
b.	General Reserve		
	Opening Balance	14,86,20,000	14,36,20,000
	Add: Transferred from Statement of Profit and loss	10,00,000	50,00,000
		14,96,20,000	14,86,20,000
c.	Surplus in the statement of Profit and Loss		
	Opening Balance	1,05,42,74,935	1,02,04,72,589
	Add reserve fund created for equity participation shown above	-	-
	Surplus during the year	47,45,991	4,04,20,138
	Less: Appropriations:		
	Proposed final equity dividend *	16,14,600	16,14,600
	Dividend distribution tax (Short provision in FY 2018-19)		3,192
	Transfer to General Reserve	10,00,000	50,00,000
	Total Appropriations	26,14,600	66,17,792
	Net Surplus in the Statement of Profit and loss	1,05,64,06,326	1,05,42,74,935
	Total Reserves and Surplus	1,27,55,78,770	1,25,12,06,066

* The Board of Directors has proposed final dividend for the year 2020- 21 ₹.1614600- per Equity Share of par value of ₹.100/- (Previous Year ₹.10/- equity share)

NOTE - 5 DEFERRED TAX LIABILITY (Net)

Sl. No:	PARTICULARS	AS ON 31-03-2021 (₹)	AS ON 31-03-2020 (₹)
a.	Deferred Tax Liability		
	WDV as per Companies Act (See Note 5A)	11,23,74,946	11,61,48,915
	WDV as per IT act	10,48,73,236	10,99,76,412
	Excess depreciation claimed	75,01,710	61,72,503
	Tax on above *@25%+7% surcharge+4% edu cess(27.82%)	20,86,976	17,17,189
	Fixed Assets: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting	20,86,976	17,17,189
	Gross Deferred Tax Liability	20,86,976	17,17,189

NOTE - 5A

Sl. No:	PARTICULARS	AS ON 31-03-2021 (₹)	AS ON 31-03-2020 (₹)
	WDV as per Companies Act including intangible asset as per Note-9	178970996	187022775
	Less:- Land	22419273	22938396
	Less:- Capital grant received net written back	44176777	47935464
	WDV as per Companies Act	112374946	116148915

NOTE - 6 TRADE PAYABLES

Sl. No:	PARTICULARS	AS ON 31-03-2021 (₹)	AS ON 31-03-2020 (₹)
a.	Dues to Micro and Small Enterprises (See Note- 2B (9 b))	Nil	Nil
b.	Dues to Others	40,05,89,776	46,74,70,293
	TOTAL	40,05,89,776	46,74,70,293

NOTE - 7 OTHER CURRENT LIABILITIES

Sl. No:	PARTICULARS	AS ON 31-03-2021 (₹)	AS ON 31-03-2020 (₹)
a.	Other Payables:		
i	Statutory Remittances	2,86,36,266	1,11,15,360
ii	Expenses Payable	3,06,85,756	2,45,04,777
iii	Advances from Customers	3,45,17,099	2,68,23,317
iv	Other Payables	3,95,25,065	5,27,87,480
v	Creditors for Capital & Other Contracts	73,73,336	69,31,807
	TOTAL	14,07,37,522	12,21,62,741

NOTE - 8 PROVISIONS

Sl. No:	PARTICULARS	LONG TERM		SHORT TERM	
		AS ON 31-03-2021 (₹)	AS ON 31-03-2020 (₹)	AS ON 31-03-2021 (₹)	AS ON 31-03-2020 (₹)
a.	Provision for Employee Benefits	7,30,11,470	13,87,75,035	6,89,82,974	3,55,82,761
	Total (a)	7,30,11,470	13,87,75,035	6,89,82,974	3,55,82,761
b.	Other Provisions				
	For Proposed Equity Dividend			32,29,200	16,14,600
	For Tax on Proposed Equity Dividend			-	-
	Total (b)			32,29,200	16,14,600
	TOTAL	7,30,11,470	13,87,75,035	7,22,12,174	3,71,97,361

NOTE 9 - FIXED ASSETS AS AT 31.03.2021(₹)

DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION/AMORTISATION				NET BLOCK	
	AS ON 01.4.2020	ADDI- TIONS	DELETIONS	AS ON 31.03.2021	AS ON 01.04.2020	FOR THE YEAR	DELE- TIONS	AS ON 31.03.2021	AS ON 31.03.2020
(I) TANGIBLE ASSETS									
FREE HOLD LAND	9597212		-	9597212				-	9597212
LEASE HOLD LAND	15573676		-	15573676	2232492	519123	-	2751615	13341184
BUILDINGS	247429038	3156323	-	250585361	117009591	9307219	-	126316810	130419447
PLANT AND MACHINERY	167443446	1924826	-	169368272	142268870	4430722	-	146699592	25174576
OFFICE EQUIPMENTS	6748871	149209	-	6898080	6174952	182313	-	6357265	573919
FURNITURE AND FITTINGS	18772261	384970	-	19157231	16524314	590166	-	17114480	2247947
PATTERNS, JIGS & FIXTURES	8265821		-	8265821	6168447	900567	-	7069014	2097374
MOTOR CAR & VEHICLES	10483178	1647556	1035445	11095289	7998734	936254	8,65,875	8069113	2484444
COMPUTER MACHINERY	24105088	1509086	-	25614174	23038673	616647	-	23655320	1066415
OTHERS	839315		-	839315	819058		-	819058	20257
TOTAL	50,92,57,906	87,71,970	10,35,445	51,69,94,431	32,22,35,131	1,74,83,011	8,65,875	33,88,52,267	18,70,22,775
PREVIOUS YEAR	498481902	10776004	-	509257906	303852164	18382967	-	322235131	194629738
(II) INTANGIBLE ASSETS									
INTANGIBLE ASSET UNDER DEVELOPMENT (Know how fee-new generation Tiller)	842880			842880		14048		14048	842880
TOTAL	8,42,880	-	-	8,42,880	-	14,048	-	14,048	8,42,880
PREVIOUS YEAR	842880			842880					842880
(III) CAPITAL WORK IN PROGRESS									
PLANT MODERNIZATION (RKVY) - ATHANI		7177035		7177035					-
TOTAL	-	71,77,035	-	71,77,035	-	-	-	-	71,77,035
PREVIOUS YEAR	-			-	-			-	-

NOTE - 10 NON CURRENT INVESTMENTS

Sl. No:	PARTICULARS	AS ON 31-03-2021 (₹)	AS ON 31-03-2020 (₹)
	Non Trade Investments (Valued at cost) Unquoted		
a.	M/s. Kerala Feeds (Govt. of Kerala Undertaking)		
	1500 (1500) Equity Shares of ₹ 10000 (10000) each fully paid up	1,50,00,000	1,50,00,000
b.	M/s. Cochin International Airport Limited		
	500000 (500000) Equity Shares of ₹. 10 (10) each fully paid up	50,00,000	50,00,000
c.	M/s. Kerala Enviro Infrastrucure Limited		
	50000 (50000) Equity Shares of ₹ 10 (10) each fully paid up	5,00,000	5,00,000
	TOTAL	2,05,00,000	2,05,00,000

NOTE - 11 LOANS AND ADVANCES

Sl. No:	PARTICULARS	NON CURRENT		CURRENT	
		AS ON 31-03-2021 (₹)	AS ON 31-03-2020 (₹)	AS ON 31-03-2021 (₹)	AS ON 31-03-2020 (₹)
a.	Loans and advances to Employees	14,20,000		1,03,47,378	2,83,89,867
b.	Deposits				
	Unsecured, considered good				
i.	Government and Other Public Bod-ies	46,91,788	47,00,398	8,14,05,844	7,43,39,773
c.	Advance Recoverable in cash or in kind				
	Unsecured, considered good				
i.	Advance Tax and Tax Deducted at Source(net of provision)			2,88,13,172	1,93,46,828
d.	Other Loans and advances				
	Unsecured, considered good				
i.	Government Companies	1,61,12,602	50,12,602	-	1,11,00,000
ii.	Contractors and Suppliers			1,74,41,164	1,14,89,224
iii.	Less :- Provision for bad and doudt-ful advance			21,49,363	21,49,363
		1,61,12,602	50,12,602	1,52,91,801	2,04,39,861
	TOTAL	2,22,24,390	97,13,000	13,58,58,195	14,25,16,329

NOTE - 12 INVENTORIES (Valued at lower of cost or net realizable value)

Sl. No:	PARTICULARS	AS ON 31-03-2021 (₹)	AS ON 31-03-2020 (₹)
a.	Stock of raw materials	27,70,56,494	26,55,25,082
b.	Work in progress	8,49,62,940	7,07,23,264
c.	Stock of Finished Goods	5,02,51,470	10,33,49,170
d.	Stock of Tools	8,89,564	8,84,647
f.	Consumables stores and spares	44,06,525	44,85,685
	TOTAL	41,75,66,993	44,49,67,848

NOTE - 13 TRADE RECEIVABLES

Sl. No:	PARTICULARS	AS ON 31-03-2021 (₹)	AS ON 31-03-2020 (₹)
a.	Outstanding for a period exceeding six months from the date they are due for payment		
	Secured, considered good	10,77,39,770	10,53,39,770
	Unsecured , considered good	6,14,99,607	1,61,90,475
	Doubtful	22,86,018	22,21,575
		17,15,25,395	12,37,51,820
	Less : Provision for Bad and Doubtful Debts	22,86,018	22,21,575
		16,92,39,377	12,15,30,245
b.	Other trade receivables		
	Secured, considered good	6,86,97,960	4,99,00,000
	Unsecured , considered good	71,39,46,412	87,36,36,078
	Doubtful	-	-
		78,26,44,372	92,35,36,078
	TOTAL	95,18,83,749	1,04,50,66,323

NOTE - 14 CASH AND CASH EQUIVALENTS

Sl. No:	PARTICULARS	AS ON 31-03-2021 (₹)	AS ON 31-03-2020 (₹)
1	Cash and cash equivalents		
a.	Cash on Hand	1,17,138	1,43,945
b.	Balance with Banks		
	On Current Accounts	9,34,53,902	8,34,83,068
	Savings Account with Treasury	43,15,930	25,68,043
c.	Fixed Deposit with Treasury	2,40,00,000	2,40,00,000
	Sub Total	12,18,86,970	11,01,95,056
2	Others		
a.	Fixed Deposit with banks original maturity more than three months (Balance held as Margin Money or security against borrowings guarantees and other commitments ₹2765500/- (₹ 4700000/-))	9,15,23,687	4,58,08,192
b.	Fixed Deposit with banks original maturity more than twelve months	2,20,10,636	2,07,64,622
	Sub Total	11,35,34,323	6,65,72,814
	TOTAL	23,54,21,293	17,67,67,870

NOTE-15 OTHER CURRENT ASSETS

Sl. No:	PARTICULARS	AS ON 31-03-2021 (₹)	AS ON 31-03-2020 (₹)
I	Other Assets		
	Unsecured, Considered Good		
a.	Interest Receivable	48,48,960	37,24,427
b.	Claim/ Dividend Receivable	36,89,690	22,54,710
c.	Stipend Receivable	21,80,887	12,58,023
d.	Rent Receivable	40,500	40,500
	TOTAL	1,07,60,037	72,77,660

NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2021

NOTE- 16 REVENUE FROM OPERATIONS

SI. No:	PARTICULARS	For the year ended 31-03-2021(₹)	For the year ended 31-03-2020(₹)
	Operating Revenue		
a.	Sale of products	1,97,54,03,136	2,01,20,55,961
b.	Other Operating Revenue(Sale of scrap)	28,37,278	20,90,679
	TOTAL	1,97,82,40,414	2,01,41,46,640
	Note 16(a) Sale of products		
	Manufactured products	1,73,75,71,587	1,79,99,88,344
	Traded Goods	9,21,95,332	9,05,92,108
	Spares	13,15,60,124	12,14,75,509
	Export Manufactured products and spares	1,40,76,093	-
	TOTAL	1,97,54,03,136	2,01,20,55,961

NOTE - 17 OTHER INCOME

SI. No:	PARTICULARS	For the year ended 31-03-2021(₹)	For the year ended 31-03-2020(₹)
a.	Interest Income		
i.	Bank Deposits	50,26,300	50,45,705
ii.	Other Deposit		
	Treasury Deposit	21,07,034	37,30,735
	Other Deposit	10,84,559	11,28,928
	Total Interest Income	82,17,893	99,05,368
b.	Dividend Received	-	13,75,000
c.	Rent Received	66,000	66,000
d.	Other non- operating income	18,30,222	7,88,280
e.	Capital grant from Govt under RKVY written back (pro rata to depreciation)	37,58,687	42,13,887
f.	Foreign Exchange Rate Fluctuation gain	40,052	71,346
	TOTAL (a to f)	1,39,12,854	1,64,19,881

NOTE - 18 COST OF RAW MATERIAL CONSUMED

Sl. No:	PARTICULARS	For the year ended 31-03-2021(₹)	For the year ended 31-03-2020(₹)
	Opening Stock	26,55,25,082	33,15,90,242
	Add: Purchase during the year	1,32,77,53,688	1,39,60,30,224
		1,59,32,78,770	1,72,76,20,466
	Less: Closing Stock	27,70,56,494	26,55,25,082
		1,31,62,22,276	1,46,20,95,384
	Add: Stores and Spares Consumed	1,55,54,060	1,61,63,146
	TOTAL	1,33,17,76,336	1,47,82,58,530

NOTE- 19 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

Sl. No:	PARTICULARS	For the year ended 31-03-2021(₹)	For the year ended 31-03-2020(₹)
a	Inventories at the begning of the year		
	Finished Goods	10,33,49,170	5,58,79,020
	Work in Progress	7,07,23,264	7,57,89,539
	Total (a)	17,40,72,434	13,16,68,559
b	Inventories at the end of the year		
	Finished Goods	5,02,51,470	10,33,49,170
	Work in Progress	8,49,62,940	7,07,23,264
	Total (b)	13,52,14,410	17,40,72,434
	TOTAL	3,88,58,024	(4,24,03,875)

NOTE - 20 EMPLOYEES BENEFITS EXPENSES

Sl. No:	PARTICULARS	For the year ended 31-03-2021 (₹)	For the year ended 31-03-2020(₹)
	Salaries and Wages	41,17,63,298	34,96,19,241
	Contribution To Provident Fund	1,93,88,467	1,84,99,060
	Contribution To Pension Fund	1,62,73,730	1,42,58,725
	Contribution To ESI	22,12,755	23,19,185
	Contribution To Labour Welfare Fund	48,613	8,764
	Contribution To Kamco Welfare Centre	3,15,040	3,62,150
	Gratuity & Leave Policy with LIC	3,29,26,755	1,78,94,562
	Staff Welfare	3,00,93,102	2,80,07,556
	TOTAL	51,30,21,760	43,09,69,243

NOTE - 21 OTHER EXPENSES

Sl. No:	PARTICULARS	For the year ended 31-03-2021 (₹)	For the year ended 31-03-2020(₹)
	Freight	3,12,718	3,88,884
	Power & Fuel	86,90,994	90,00,179
	Coolie Charges	38,91,167	35,79,343
	Packing, Forwarding, Freight & Insurance	2,20,77,782	2,16,92,797
	Repairs		
	Plant & Machinery	4,18,853	1,71,442
	Buildings	22,31,898	41,11,641
	Others	22,97,453	22,34,206
	Testing Fee Charges	12,01,737	22,30,612
	Loss on revaluation of Tools & Stock Items	3,91,661	3,35,487
	ETP Operation charges	4,02,161	4,19,500
	Rates & Taxes	13,98,739	20,52,760
	Travelling Expenses - Directors & Chairman	8,13,589	16,08,436
	Travel & Accommodation - Others	22,84,804	66,45,214
	Printing & Stationery	14,85,877	15,11,489
	Postage, Telegram and Telephone	6,83,342	6,24,078
	Auditors Remuneration:		
	For Audit	1,75,000	1,25,000
	For Tax Audit	50,000	50,000
	For Cost Audit & Sales Tax	64,000	79,000
	For Other Audit, Professional Services & Reimbursement of Expenses	74,750	73,734
	Directors Sitting Fee	52,800	72,000
	Legal & Consultation Charges	3,86,349	8,46,430
	Research & Development Expense	6,16,848	4,63,377
	Service Charges		
	Security Staff	65,49,339	61,32,865
	Others	4,02,568	4,88,197
	Lease line Rent to BSNL	4,87,886	2,75,721
	AMC Contract Charges	9,97,798	7,48,493
	Board Meeting expenses	2,31,483	2,22,407
	Insurance charges	9,70,000	6,96,989
	Repairs & Running expense Vehicle	27,49,105	27,06,643
	Honarium to Chairman	2,30,324	2,40,000
	Royalty on tractors sold	20,602	14,936
	Advertisement & Publicity	23,36,492	21,13,621
	Warranty claim	-	3,90,442
	Sales promotion Expenses	11,81,846	29,10,922
	Certification fee ISO 9002	60,313	53,198
	Subscription and Membership Fee	1,24,280	52,962
	Inaugural function Expenses	4,36,348	-
	Corporate Social Responsibility - Expenses	6,50,000	5,69,081
	Bank charges	2,14,265	26,643
	After sales service charges	1,34,30,824	99,37,134
	Rent paid	-	39,580
	Bad and doubtful debts & advances	64,443	-
	Miscellaneous expenses	22,13,244	28,86,051
	TOTAL	8,33,53,682	8,88,21,494

NOTE - 22 PRIOR PERIOD INCOME / EXPENDITURE

Sl. No	PARTICULARS	INCOME		EXPENDITURE	
		For the year ended 31-03-2021 (₹)	For the year ended 31-03-2020 (₹)	For the year ended 31-03-2021 (₹)	For the year ended 31-03-2020 (₹)
	Royalty expenses over booked in 2017-18		11,295		
	Electricity charges collected from Federal Bank		25,848		
	Freight Charges for 2018-19 & 2019-20			13,013	12,315
	Legal and Consultations Charges for 2016-17 & 2018-19				32,500
	Transit Insurance Charges				1,26,228
	Courier Charges for 2018-19				9,912
	Arrear amount paid to Headload workers (2015-19)				27,046
	Testing Fees paid			19,147	
	Sales Promotion expenses			51,200	
	Other staff welfare expense			16,887	
	Travel and conveyance			7,200	100
	Research & Development Expense			14,700	
	Other expense			97,545	
	Purchase				400
	FBT Refund Due written off			80,685	
	Credit note of Dealer Agri Ignite Ventures			48,912	
	Sub Total	-	37,143	3,49,289	2,08,501
NET BALANCE (EXPENSE/INCOME)				3,49,289	1,71,358

NOTE - 23 EARNINGS PER SHARE

Sl. No	PARTICULARS	For the year ended 31-03-2021 (₹)	For the year ended 31-03-2020 (₹)
a.	Net profit as per Statement of Profit and Loss	47,45,991	4,04,20,138
b.	Net profit available to Equity Share holders	47,45,991	4,04,20,138
c.	No. of equity Shares at year end	1,61,460	1,61,460
d.	Weighted average number of Equity shares used as denominator	1,61,460	1,61,460
e.	Basic and Diluted Earning Per Share	29	250
f.	Face Value per Equity Share	100	100

The Company has reclassified previous year figures to conform to this year's classification.

Signature to Note 1 to 23

For and on behalf of the Board

Sd/-
K.P. SASIKUMAR
Managing Director

Sd/-
A. Ajith Kumar
Director

As per our report of even dated attached

For **S. Kumar & Kumar**

Chartered Accountants

Sd/-
C.A. Satheesh Kumar. G (Partner)

M.No: 027965, FRN: 01597S

UDIN: 21027965AAAAIJ4376

Ernakulam,
15-12-2021

Athani
30-11-2021



Export of various machineries to UAE and Africa



Despatch of Power Tillers to various States of India by rail



Distribution program of agricultural machineries to various places in Kerala

FACTORIES

Athani

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South Kalamassery

Industrial Development Plot
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Kanjikode

New Industrial Development Area
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Mala

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Valiyavelicham

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