
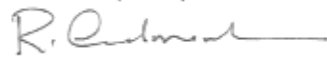



FORM A

**Format of covering letter of the annual audit report to be filed with the
Stock Exchange**

1.	Name of the Company	Sri Lakshmi Saraswathi Textiles (Arni) Limited
2.	Annual financial statements for the year ended	31 st March 2015
3.	Type of Audit observation	Un-qualified / Matter of Emphasis
4.	Frequency of observation	Whether appeared first time...../ repetitive...../ since how long period Not Applicable
5.	To be signed by-	
	• CEO	for SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED  (BALAKRISHNA S) MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER
	Wholetime Director	for SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED  (R.PADMANABAN) JOINT MANAGING DIRECTOR
	• Auditor of the company	for M/s. S.VISWANATHAN  (CHELLA K. SRINIVASAN) Partner CHARTERED ACCOUNTANTS
	• Audit Committee Chairman	 (J M GROVER)

SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED
(CIN : L17111TN1964PLC005183)

ANNUAL REPORT 2014-15



SRI B. RAJAGOPAL NAIDU 1901 - 73
OUR REVERED FOUNDER

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Sri Lakshmi Saraswathi Textiles (Arni) Limited

(CIN : L17111TN1964PLC005183)

BOARD OF DIRECTORS

SRI. BALAKRISHNA S	Managing Director
SRI. R.PADMANABAN	Joint Managing Director
SRI. J. M. GROVER	
SRI. R. SAMBASIVAN	

BANKERS

Indian Overseas Bank
Chennai House
Esplanade, Chennai 600 108

State Bank of India,
Leather & International Branch,
'MVJ' Towers, 177/1 PH Road,
Chennai – 600 010

AUDITORS

Messers S.Viswanathan
17, Bishop Wallers Avenue (West)
Mylapore, Chennai 600 004.

REGISTERED OFFICE

16, Krishnama Road,
Nungambakkam, Chennai 600 034.
Email: slst@vsnl.com
Web: www.slstindia.com

FACTORY

Raghunathapuram,
Sevoor Village,
PIN 632 316
Arni Taluk, Tiruvannamalai District,
Tamil Nadu

REGISTRARS & SHARE TRANSFER AGENTS

Cameo Corporate Services Limited
Subramanian Building,
No.1, Club House Road,
Chennai 600 002
Email: cameo@cameoindia.com



Sri Lakshmi Saraswathi Textiles (Arni) Limited

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Fifty first Annual General Meeting of the Company will be held at 02.30 P.M. on Wednesday, August 12, 2015 at Rani Seethai Hall, 603 Mount Road, Chennai-600 006, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account of the Company for the year ended 31st March 2015, the Audited Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in the place of Sri Balakrishna S (holding DIN 00084524), who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in the place of Sri R.Padmanaban (holding DIN 00084579) who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

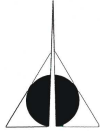
Sub 5: To appoint Sri Balakrishna. S, as Managing Director, for a period of 3 years w.e.f 01.04.2015 and to approve his remuneration

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT, pursuant to provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder read with Schedule V to the Companies Act 2013, Sri Balakrishna S, be is hereby appointed as Managing Director of the company for a period of 3 years from 01.04.2015 to 31.03.2018 and that he may be paid remuneration which is in accordance with Schedule V of Companies Act 2013 as detailed below from 01.04.2015 to 31.03.2018.

- a) Salary Rs.90,000/- per month from 01.04.2015 and an annual increment of 10% of salary from 01.04.2016 onwards on a cumulative basis.
- b) Allowance of 2/3rd of salary per month.
This allowance is not to be taken into account for the purpose of calculation of employer's contribution to provident fund and gratuity payable.
- c) Bonus as applicable to other employees of the company.
- d) Perquisites
 - i. Contribution to Provident Fund to the extent not taxable under the Income Tax Act, 1961.
 - ii. Gratuity at the rate not exceeding half-a-months salary for each completed year of service.
 - iii. Medical Reimbursement - Reimbursement of Medical expenses incurred for self and family subject to a ceiling of one month salary in a year or 3 months salary over a period of 3 years.

EXPLANATION: Family means Spouse, Dependent Children and Dependent Parents of the Director



Sri Lakshmi Saraswathi Textiles (Arni) Limited

- e) Provision of Car for use on Company's business, telephone at residence and mobile phones will not be considered as perquisites. Personal long distance calls on telephones and use of car for private purpose shall be billed by the Company to the Individual appointee concerned.

Sub 6: To appoint Sri R Padmanaban, as Joint Managing Director, for a period of 3 years w.e.f. 01.04.2015 and to approve his remuneration

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT, pursuant to provisions of Sections 196,197,203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder read with Schedule V to the Companies Act 2013, Sri R.Padmanaban, be and is hereby appointed as Joint Managing Director of the Company for a period of 3 years from 01.04.2015 to 31.03.2018 and that he may be paid remuneration which is

- a) Salary Rs.60,000/- per month from 01.04.2015 and an annual increment of 10% of salary from 01.04.2016 onwards on a cumulative basis.
- b) Allowance of 2/3rd of salary per month.
This allowance is not to be taken into account for the purpose of calculation of employer's contribution to provident fund and gratuity payable.
- c) Bonus as applicable to other employees of the company.
- d) Perquisites
- i. Contribution to provident fund to the extent not taxable under the Income Tax Act, 1961.
- ii. Gratuity at the rate not exceeding half-a-months salary for each completed year of service.
- iii. Medical Reimbursement - Reimbursement of Medical expenses incurred for self and family subject to a ceiling of one month salary in a year or 3 months salary over a period of 3 years.
EXPLANATION: Family means Spouse, Dependent Children and Dependent Parents of the Director
- e) Provision of Car for use on Company's business, telephone at residence and mobile phones will not be considered as perquisites. Personal long distance calls on telephones and use of car for private purpose shall be billed by the Company to the Individual appointee concerned.

For and on behalf of the Board

Place : Chennai
Date : May 26, 2015

(BALAKRISHNA S)
Chairman & Managing Director



Sri Lakshmi Saraswathi Textiles (Arni) Limited

NOTE:

1. The statement pursuant to Section 102 of Companies Act 2013, which sets out details relating to Special Business at the meeting is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
3. The Proxy form duly stamped and executed should be deposited at the Registered Office of the Company atleast forty eight hours before the time fixed for the commencement of the Meeting.
4. Members/ Proxies are requested to bring the attendance slip duly filled in for attending the meeting
5. Members who hold shares in the de-materialised form are requested to bring their depository account number for easier identification of attendance at the meeting
6. The Register of Members and Share Transfer Books of the Company will remain closed from August 06, 2015 to August 12, 2015 (both days inclusive).
7. The ISIN No. allotted to the equity shares of your company for the purpose of de-materialization is **INE456D01010**
8. Members holding shares in physical form are requested to notify the change in address, immediately. Members holding shares in the electronic form are requested to notify the change in address to their depository participants.
9. **a) Members holding shares in physical form are requested to register their email ids with the registrar / company for the purpose of sending Notice, Annual Reports and other communication by electronic mode.**
b) Members holding shares in electronic form are requested to register/ update their email ids with the depository participant for the purpose of sending Notice, Annual Reports and other communication by electronic mode.

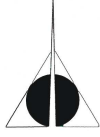
10. Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 51st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Ltd, (CDSL)

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com during the voting period.
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the Company "Sri Lakshmi Saraswathi Textiles (Arni) Ltd" from the drop down menu and click on "SUBMIT"



Sri Lakshmi Saraswathi Textiles (Arni) Limited

(iv) Now Enter your User ID:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
User ID	For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company

Then enter the Captcha Code as displayed and Click on Login.

(v) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.

(vi) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.	

Sequence Number: *Sequence no. has been provided as Sl.No.in the address label"*
(Please note that as per below for Default PAN the sequence number refers to the sequence number given for each member in the ROM file by the RTA.

*Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

Please enter any one of the details in order to login. In case both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

To avoid this problem of filling a default number in future, members are strongly advised to update their PAN details and dividend bank details immediately with their Depository Participants / RTA – Cameo Corporate Services Limited / Company.

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.



Sri Lakshmi Saraswathi Textiles (Arni) Limited

- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the company “Sri Lakshmi Saraswathi Textiles (Arni) Ltd “ on which you choose to vote.
- (xi) On the voting page, you will see Resolution Description and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “Resolutions File Link” if you wish to view the entire Resolutions.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

- II. The voting period begins at 09.00 AM on 9th August 2015 and ends at 05.00 PM on 11th August 2015. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date for e-voting) of 05th August, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- III. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at <https://www.evotingindia.co.in> under help section or write an email to helpdesk.evoting@cdslindia.com.
- IV. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date for e-voting) of 05th August 2015.
- V. Any person who acquires shares after despatch of the Notice of Annual General Meeting and holding shares as on the cut-off date for evoting, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com.



Sri Lakshmi Saraswathi Textiles (Arni) Limited

- VI. Mr. Balu Sridhar, partner M/s. A.K. Jain and Associates, Company Secretaries, (CP NO. 3550) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VII. The Scrutinizer shall within a period not exceeding two(2) working days from the conclusion of the Annual General Meeting make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- VIII. The Results shall be declared within 48 hours of the conclusion of AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.slstindia.com and on the website of BSE within two (2) days of AGM of the Company.
11. The facility for voting through polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through polling paper.
12. Electronic copy of the Annual Report for 2014-15 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2014-15 is being sent in the permitted mode.
13. Electronic copy of the Notice of the 51st Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 51st Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
14. Members may also note that the Notice of the 51st Annual General Meeting and the Annual Report for 2014-15 will also be available on the Company's website www.slstindia.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Chennai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: slst@vsnl.com.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
16. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
17. Pursuant to the provisions of Sec. 205A and 205C of Companies Act 1956, the dividend for the year 2006-07, which remained unpaid or unclaimed for a period of seven years was transferred to the Investor Education and Protection Fund of the Central Government on 09th April 2014.



Sri Lakshmi Saraswathi Textiles (Arni) Limited

18. The Equity Shares of the Company are listed in the following Exchange
Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers
25th Floor, Dalal Street
MUMBAI 400 023

The company has paid the listing fees for 2015-16 to Bombay Stock Exchange Ltd.

19. At this Annual General Meeting, Sri Balakrishna S and Sri R.Padmanaban retire by rotation and being eligible, offer themselves for reappointment.

- (a) Sri Balakrishna S, is a Commerce Graduate and holder of Master Degree in Business Administration from Connecticut University, USA. He has been with the company since October 1985 and joined the Board as Director in August 1986.

Details of other Directorships / Committee memberships held by him

1) SLST Mills Limited	Director
2) Ten Infrastructure Private Limited	Director

- (b) Sri R.Padmanaban is an Engineer and has been with the Company since October 2000.

Details of other Directorships / Committee memberships held by him

1) Nilgiris Flower Company Limited	Director
2) Sherhood Properties Private Limited	Director
3) Masterjee Institute of Studies Pvt Ltd.,	Director

For and on behalf of the Board

Place : Chennai
Date : May 26, 2015

(BALAKRISHNA S)
Chairman & Managing Director



Sri Lakshmi Saraswathi Textiles (Arni) Limited

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

Sub 5 Sri Balakrishna S, Wholetime Director was reappointed by the shareholders for a period of three years from April 1, 2012 to March 31, 2015 at the 48th Annual General Meeting held on September 28, 2012. Under his able guidance, the Company has made good progress. The Nomination and Remuneration Committee and the Board of Directors considers that his continued guidance and services are necessary to the Company in the coming years also. The Board of Directors, keeping in mind the services he has rendered to the Company, decided it fit to appoint him as Managing Director of the Company. The remuneration proposed is in accordance with the provisions of the Companies Act, 2013.

The proposed resolution is to obtain the approval of shareholders for the appointment of Sri Balakrishna S, as Managing Director of the Company for a period of 3 years from April 1, 2015 and payment of Remuneration from April 1, 2015 which has already been approved by the Board at its meeting held on April 1, 2015 as recommended by the Nomination and Remuneration Committee at its meeting held on April 1, 2015.

Sri Balakrishna S, is interested in this resolution.

Sub 6 Sri R.Padmanaban, Technical Director was reappointed by the shareholders for a period of three years from April 1, 2012 to March 31, 2015 at the 48th Annual General Meeting held on September 28, 2012. Under his able guidance, the Company has made good progress. The Nomination and Remuneration Committee and the Board of Directors considers that his continued guidance and services are necessary to the Company in the coming years also. The Board of Directors, keeping in mind the services he has rendered to the Company, decided it fit to appoint him as Joint Managing Director of the Company. The remuneration proposed is in accordance with the provisions of the Companies Act, 2013.

The proposed resolution is to obtain the approval of shareholders for the appointment of Sri R.Padmanaban, as Joint Managing Director of the Company for a period of 3 years from April 1, 2015 and payment of Remuneration from April 1, 2015 which has already been approved by the Board at its meeting held on April 1, 2015 as recommended by the Nomination and Remuneration Committee at its meeting held on April 1, 2015.

Sri R.Padmanaban, is interested in this resolution.

By Order of the Board

Place : Chennai
Date : May 26, 2015

(BALAKRISHNA S)
Chairman & Managing Director



Sri Lakshmi Saraswathi Textiles (Arni) Limited

SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED

FIFTY FIRST ANNUAL REPORT

DIRECTORS' REPORT

Ladies and Gentlemen,

Your Directors present the Fifty First Annual Report of the Company alongwith the audited statement of accounts for the year ended 31st March 2015.

WORKING RESULTS

Details	Rs.	Rs.
Profit from business operation before Financial Expenses and Depreciation		1,08,75,964
Less:-		
1) Financial Expenses	1,18,11,213	
2) Depreciation	2,24,46,290	3,42,57,503
Profit/Loss before Tax		-2,33,81,539
Less: Provision for Tax		
- For Current Tax		0
- Deferred Tax Liability Written off		62,33,792
- Provision for tax for earlier years		-50,25,760
Current year Profit/Loss After Tax		-2,21,73,507
Loss carried forward from previous year		0
		-88,77,915
Loss carried forward		-3,10,51,422

2. PRODUCTION AND SALES

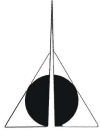
Production of yarn during the year was 58.90 lakhs kgs as against 57.62 lakhs kgs in the previous year. The sale value during the year was Rs.115.08 crores as against Rs. 125.70 crores of previous year.

3. DIVIDEND

Due to loss, your Directors do not recommend Dividend.

4. TRADE PROSPECT AND OUTLOOK

The performance of the company during the year under review was not upto the expected level. The raw material cost remained constant. There were constraints in getting sufficient power and the average cost of power was high. The profitability of your company was affected by reduction in capacity utilization due to non availability of sufficient manpower and reduction in selling price of yarn.



Sri Lakshmi Saraswathi Textiles (Arni) Limited

5. CURRENT YEAR

The demand for the yarn and price realization at the beginning of the current year are good. Your Directors are doing their best to improve the performance.

6. DIRECTORS

Sri Balakrishna S and Sri R.Padmanaban retire by rotation and are eligible for reappointment.

7. Extract of Annual Return

An extract of Annual Return in Form MGT 9 is given in **ANNEXURE 1**.

8. Details of Board Meetings held during 2014-15.

There were five Board meetings held during the year 2014-15. The details and attendance record of Directors at the Board Meetings are as under.

Date of Meeting	Board Strength (on the date of meeting)	No.of Directors Present
29.05.14	4	4
31.07.14	4	4
31.10.14	4	4
11.02.15	4	4
09.03.15	4	4

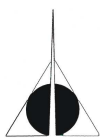
9. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013, the Directors state that –

1. In the preparation of Annual Accounts for the year ended 31st March 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures.
2. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year ended 31st March 2015, and of the profit/ loss of the company for that period.
3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. The Directors had prepared the annual accounts on a going concern basis.
5. The Directors had laid down Internal Financial Controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
6. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

10. Independent Directors

- a) The Board of Directors state that declarations were given by Sri J M Grover and Sri R.Sambasivan, Independent Directors under sub section (6) of 149 of Companies Act, 2013.



Sri Lakshmi Saraswathi Textiles (Arni) Limited

b) Terms and conditions of appointment of Independent Directors can be viewed at the company Website: www.slstindia.com

11. Remuneration Policy

The Remuneration Policy was recommended by Nomination and Remuneration Committee at its meeting held on February 11, 2015 and adopted by the Board of Directors at its meeting held on the same day and the policy is given in **ANNEXURE 2**

12. Explanation to observations of Secretarial Auditor.

The Board of Directors wish to state that:

- Chief Executive Officer has been appointed by the Board of Directors at its meeting held on April 01, 2015
- Regarding three other matters of non-compliances reported by the Secretarial Auditor, Directors are taking all earnest steps to comply with the requirements of Companies Act 2013.

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not given any Loans, guarantees or Investments covered under Sec 186 of Companies Act 2013.

14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SEC 188(1) COMPANIES ACT 2013

Related Parties	Name of Director to whom related	Nature of relationship	Salary, Allowance and Bonus Rs.	PF Rs.	Medical Benefit Rs.	Total Rs.
Mr.R.Thirumalai	R.Padmanaban	Brother	9,15,990	64,800	18,000	9,98,790
Mr.R.Rajagopal (employed for 10 months from 01.06.2014)	R.Padmanaban	Brother	3,00,000	21,600	0	3,21,600
Mr.Srish Jayender Balakrishna (employed for 10 months from 01.06.2014)	Balakrishna S	Son	3,00,000	21,600	0	3,21,600
Total			15,15,990	1,08,000	18,000	16,41,990

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 in Form No. AOC 2 is provided in **Annexure – 3**.

15. Material Changes

There are no material changes affecting the financial position of the company which occurred between the end of the financial year of the company to which the financial statements relate and the date of this report.

16. DETAILS TO BE DISCLOSED UNDER RULE 8(3) OF COMPANIES (ACCOUNTS) RULES 2014.

The information to be disclosed under **RULE 8(3) OF COMPANIES (ACCOUNTS) RULES 2014** is given in **ANNEXURE – 4**.



Sri Lakshmi Saraswathi Textiles (Arni) Limited

17. Risk Management Policy

At present, risk management is handled by the Wholetime Directors and the risk management policy is yet to be framed.

18. Corporate Social Responsibility

As the company's net worth, turnover and net profit are below the threshold limit prescribed under the Companies Act, 2013, the company is yet to form a Corporate Social Responsibility Committee.

19. Evaluation of Board

The performance of Board, its Committee and individual directors are evaluated by No. of meetings held, time spent in each meeting deliberating the issues, quality of information / data provided to the member, the time given to them to study the details before each meeting, quality of the deliberation in each meeting, contribution of each director, the details of decision taken and measures adopted in implementing the decision and monitoring the continuous implementation of the decision and feed back to the Board.

20. DETAILS TO BE DISCLOSED UNDER RULE 8(5) OF COMPANIES (ACCOUNTS) RULES 2014.

The information to be disclosed under **RULE 8(5) OF COMPANIES (ACCOUNTS) RULES 2014** is given in **ANNEXURE – 5**.

21. DISCLOSURE ON AUDIT COMMITTEE

a) The composition of the Audit Committee is as below:

Member & Chairman	Sri J M Grover
Member	Sri R. Sambasivan

All the members have wide exposure in the relevant areas.

b) The Board of Directors has accepted all recommendations of Audit Committee.

22. Establishment of Whistle Blower Policy and Vigil Mechanism

A Whistle Blower Policy and Vigil Mechanism was adopted by the Board of Directors at its meeting held on March 9, 2015. The policy can be viewed at the company website www.slstindia.com.

23. Secretarial Audit Report

The Secretarial Audit Report for the year 2014-15 is provided in **ANNEXURE - 6**.

24. DETAILS TO BE DISCLOSED UNDER RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The required disclosures are provided in **ANNEXURE - 7**.



Sri Lakshmi Saraswathi Textiles (Arni) Limited

25. DETAILS TO BE DISCLOSED UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

As none of the employees was in receipt of remuneration in excess of the prescribed limit, there is no report under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

26. INFORMATION REQUIRED UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2014.

The company has in place a system to redress complaints received regarding sexual harassment in line with the requirements of the Sexual Harassment of women at the workplace (Prevention, Prohibition & Redressal) Act, 2013

All employees (permanent, contractual, temporary, apprentices and trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2014-15.

-	No of complaints received	-	Nil
-	No of complaints disposed off.	-	NA

27. FINANCE

The Board of Directors thanks Indian Overseas Bank and State Bank of India for their continued assistance and co-operation.

28. LABOUR

The relationship with labour continues to be cordial. Your Directors place on record their appreciation of the devoted services of the Officers, Members of the Staff and Workers during the year.

29. COST AUDIT

As per Statutory requirement, there is no cost audit for the Textile Industry for the year 2014-15.

30. CORPORATE GOVERNANCE

Clause 49 is not, for the time being, applicable to your company, as your company's equity share capital and net worth is below the threshold limit prescribed under this Clause of the Listing Agreement and hence the Report on Corporate Governance is not provided.

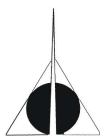
31. AUDITORS

The Auditors of the Company M/s. S.Viswanathan retire and are eligible for reappointment. The Audit Committee of the Board of Directors has recommended their re-appointment. A Certificate under Section 139(1) of the Companies Act 2013 has been obtained from them.

By Order of the Board

Place : Chennai
Date : May 26, 2015

(BALAKRISHNA S)
Chairman & Managing Director



Sri Lakshmi Saraswathi Textiles (Arni) Limited

Annexure – 1

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2015

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

I. REGISTRATION & OTHER DETAILS:

i	CIN	L17111TN1964PLC005183
ii	Registration Date	02.05.1964
iii	Name of the Company	Sri Lakshmi Saraswathi Textiles (Arni) Ltd
iv	Category/Sub-category of the Company	Public Company/ Limited by Shares
v	Address of the Registered office contact details	16, Krishnama Road, Nungambakkam & Chennai - 600 034
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	M/s.Cameo Corporate Services Limited, Subramanian Building, No.1,Club House Road, Chennai-600002

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 & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Cotton Yarn Unbleached	17111 }	90.08%
2	Cotton Yarn and Fibre	17111 }	
3	Cotton Fabric	17121	9.92%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	- - - - Not Applicable - - - -				
2					
3					

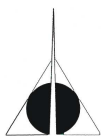


Sri Lakshmi Saraswathi Textiles (Arni) Limited

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

(i) Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year 31.03.2014				No. of shares held at the end of the year 31.03.2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/HUF	1835953	0	1835953	55.09	1835953	0	1835953	55.09	0.00
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt(s)	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1)	1835953	0	1835953	55.09	1835953	0	1835953	55.09	0.00
(2) Foreign									
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b) Other - Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter(A)= (A)(1)+(A)(2)	1835953	0	1835953	55.09	1835953	0	1835953	55.09	0.00
B. Public Shareholding									
(1) Institutions									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks / FI	-	100	100	0.00	0	100	100	0.00	0.00
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIs	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(i) Any Other-Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-
Sub- Total (B)(1)	0	100	100	0.00	0	100	100	0.00	0.00
2. Non- Institutions									
(a) Bodies Corporate									
(i) Indian	64679	2800	67479	2.02	82999	2800	85799	2.57	0.55
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
i Individual shareholders holding nominal shares capital up to Rs.1 lakh	511542	255844	767386	23.03	524722	250586	775308	23.26	0.24
ii Individual shareholders holding nominal shares capital in excess of Rs.1 lakh	564455	0	564455	16.94	540293	0	540293	16.21	-0.72
(c) Others (specify)									
Directors and their Relatives	0	30100	30100	0.90	0	30100	30100	0.90	0.00
Hindu Undivided Families	64437	0	64437	1.93	65020	0	65020	1.95	0.02
Non Resident Indians	2840	0	2840	0.09	177	0	177	0.01	-0.08
Sub- Total (B)(2)	1207953	288744	1496697	44.91	1213211	283486	1496697	44.91	0.00
Total Public Shareholding (B)= (B)(1)+(B)(2)	1207953	288844	1496797	44.91	1213211	283586	1496797	44.91	0.00
(C) Shares held by Custodian for GDRs and ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A)+(B)+(C)	3043906	288844	3332750	100.00	3049164	283586	3332750	100.00	0.00



Sri Lakshmi Saraswathi Textiles (Arni) Limited

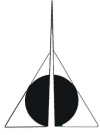
IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)

(ii) Shareholding of promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year 31.03.2014			Shareholding at the end of the year 31.03.2015			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1	R PADMANABAN	223900	6.72	-	223900	6.72	-	0.00
2	R PADMINI	210600	6.32	-	210600	6.32	-	0.00
3	R THIRUMALAI	226003	6.78	-	226003	6.78	-	0.00
4	R SRIHARI	296200	8.89	-	0	0.00	-	-8.89
5	R RAJAGOPAL	220800	6.63	-	220800	6.63	-	0.00
6	R SRIHARI	260000	7.80	-	0	0.00	-	-7.80
7	S BALAKRISHNA	228450	6.85	-	784650	23.54	-	16.69
8	SHANTHA SRIHARI	170000	5.10	-	170000	5.10	-	0.00

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

Sl. No.		Shareholding at the beginning of the year-31.03.2014		Cumulative Shareholding during the year-31.03.2015	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	S BALAKRISHNA At the beginning of the year	228450	6.85	228450	6.85
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.) 19/07/14	556200	16.69	784650	23.54
	At the end of the Year	784650	23.54	784650	23.54
2	R SRIHARI At the beginning of the year	296200	8.89	296200	8.89
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.) 19/07/14	296200	8.89	0	0.00
	At the end of the Year	0	0.00	0	0.00
	R SRIHARI At the beginning of the year	260000	7.80	260000	7.80
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.) 19/07/14	260000	7.80	0	0.00
	At the end of the Year	0		0	0.00

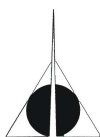


Sri Lakshmi Saraswathi Textiles (Arni) Limited

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

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year-31.03.2014		Cumulative Shareholding during the year-31.03.2015	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ANIL KUMAR GOEL At the beginning of the year	184100	5.52	184100	5.52
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.) 25/04/14	184100	5.52	0	0.00
	At the end of the Year (or on the date of separation, if separated during the year)	0	0.00	0	0.00
	ANIL KUMAR GOEL At the beginning of the year	0	0.00	184100	5.52
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.) 25/04/14	184100	5.52	184100	5.52
	At the end of the Year (or on the date of separation, if separated during the year)	184100	5.52	184100	5.52
2	RATHINASAMY NARAYANASAMY RUBESH At the beginning of the year	48594	1.46	48594	1.46
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)				
	At the end of the Year (or on the date of separation, if separated during the year)	48594	1.46	48594	1.46
	R N RUBESH At the beginning of the year	3684	0.11	3684	0.11
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)				
	At the end of the Year (or on the date of separation, if separated during the year)	3684	0.11	3684	0.11
	R N RUBESH At the beginning of the year	800	0.02	800	0.02
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)				
	At the end of the Year (or on the date of separation, if separated during the year)	800	0.02	800	0.02
3	R N RUBESH JT.N LALITHA At the beginning of the year	44609	1.34	44609	1.34
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)				
	Purchase 04/04/2014	2122	0.06	46731	1.40
	Purchase 16/05/2014	4494	0.13	51225	1.54
	Purchase 30/05/2014	1756	0.05	52981	1.59



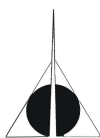
Sri Lakshmi Saraswathi Textiles (Arni) Limited

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year-31.03.2014		Cumulative Shareholding during the year-31.03.2015	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Purchase 06/06/2014	100	0.00	53081	1.59
	Purchase 13/06/2014	10257	0.31	63338	1.90
	Purchase 30/06/2014	802	0.02	64140	1.92
	Purchase 04/07/2014	15000	0.45	79140	2.37
	Purchase 12/09/2014	649	0.02	79789	2.39
	Purchase 19/09/2014	3946	0.12	83735	2.51
	Purchase 30/09/2014	1999	0.06	85734	2.57
	Purchase 07/11/2014	100	0.00	85834	2.58
	Purchase 23/01/2014	410	0.01	86244	2.59
	Purchase 30/01/2015	112	0.00	86356	2.59
	Purchase 06/02/2015	250	0.01	86606	2.60
	At the end of the Year (or on the date of separation, if separated during the year	86606	2.60	86606	2.60
4	MUKTILAL G PALDIWAL At the beginning of the year	41256	1.24	41256	1.24
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)				
	Purchase 12/09/2014	200	0.01	41456	1.24
	At the end of the Year (or on the date of separation, if separated during the year	41456	1.24	41456	1.24
5	CHHAGANLAL PRABHULAL VIDJA At the beginning of the year	31451	0.94	31451	0.94
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)				
	SALE 06/06/2014	5000	0.15	26451	0.79
	SALE 13/06/2014	10000	0.30	16451	0.49
	At the end of the Year (or on the date of separation, if separated during the year	16451	0.49	16451	0.49
6	BHARATKUMAR HIMATLAL KANSARA At the beginning of the year	22000	0.66	22000	0.66
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)				
	At the end of the Year (or on the date of separation, if separated during the year	22000	0.66	22000	0.66
7	N LALITHA JT.R N RUBESH At the beginning of the year	21412	0.64	21412	0.64
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)				
	PURCHASE 16/05/2014	25	0.00	21437	0.64
	PURCHASE 30/05/2014	2955	0.09	24392	0.73
	PURCHASE 13/06/2014	1849	0.06	26241	0.79
	At the end of the Year (or on the date of separation, if separated during the year	26241	0.79	26241	0.79



Sri Lakshmi Saraswathi Textiles (Arni) Limited

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year-31.03.2014		Cumulative Shareholding during the year-31.03.2015	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8	PRAFUL H BHANDARI At the beginning of the year	21000	0.63	21000	0.63
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)				
	PURCHASE 30/05/2014	1760	0.05	22760	0.68
	SALE 13/06/2014	1000	0.03	21760	
	SALE 18/07/2014	1500	0.04	20260	
	PURCHASE 07/11/2014	760	0.02	21020	
	SALE 20/03/2015	10000	0.30	11020	
	At the end of the Year (or on the date of separation, if separated during the year)	11020	0.33	11020	0.33
	PRAFUL H BHANDARI At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)				
	PURCHASE 20/03/2015	10000	0.30	10000	0.30
	At the end of the Year (or on the date of separation, if separated during the year)	10000	0.30	10000	0.30
9	PRAFUL H BHANDARI At the beginning of the year	17853	0.54	17853	0.54
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)				
	SALE 04/07/2014	750	0.02	17103	0.51
	PURCHASE 18/07/2014	1500	0.05	18603	
	SALE 31/10/2014	760	0.02	17843	
	SALE 27/03/2015	9550	0.29	8293	
	At the end of the Year (or on the date of separation, if separated during the year)	8293	0.25	8293	0.25
	PRAFUL H BHANDARI At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)				
	PURCHASE 30/06/2014	1435	0.04	1435	0.04
	PURCHASE 11/07/2014	750	0.02	2185	0.07
	PURCHASE 18/07/2014	1815	0.05	4000	0.12
	PURCHASE 24/07/2014	200	0.01	4200	0.13
	At the end of the Year (or on the date of separation, if separated during the year)	4200	0.13	4200	0.13
10	ABHAY KRISHI UDYOG P LTD At the beginning of the year	16263	0.49	16263	0.49
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)				
	At the end of the Year (or on the date of separation, if separated during the year)	16263	0.49	16263	0.49



Sri Lakshmi Saraswathi Textiles (Arni) Limited

(v) **Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year-31.03.2014		Cumulative Shareholding during the year-31.03.2015	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	S BALAKRISHNA (DIRECTOR/CFO)				
	At the beginning of the year	228450	6.85	228450	6.85
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)				
	19/07/14	556200	16.69	784650	23.54
	At the end of the Year	784650	23.54	784650	23.54
2	R PADMANABAN (DIRECTOR)				
	At the beginning of the year	223900	6.72	223900	6.72
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)		0.00		0.00
	At the end of the Year	223900	6.72	223900	6.72
3	R SAMBASIVAN (DIRECTOR)				
	At the beginning of the year	200	0.01	200	0.01
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)		0.00		0.00
	At the end of the Year	200	0.01	200	0.01
4	GEETHA SUNDARARAGHAVAN (Company Secretary)				
	At the beginning of the year	100	0.00	100	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)		0.00		0.00
	At the end of the Year	100	0.00	100	0.00



Sri Lakshmi Saraswathi Textiles (Arni) Limited

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

(Rs. in Lakhs)

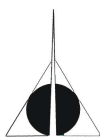
SI.No	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Amount
		S.Balakrishna	R.Padmanaban	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961. * (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	19.60	12.56	32.16
2	Stock option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission as % of profit	Nil	Nil	Nil
5	Others (specify)	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil
	Total (A)	19.60	12.56	32.16
	Ceiling as per the Act	Ceiling not applicable, since only minimum remuneration is paid		

* Employer's contribution of EPF, not considered as salary

B. Remuneration to other directors:

(Rs. in Lakhs)

SI.No	Particulars of Remuneration	Name of the Directors		Total Amount
1	Independent Directors (a) Fee for attending board committee meetings (b) Commission (c) Others, please specify Total (1)	Mr. J.M.Grover	Mr.R.Sambasivan	Rs.in Lakhs
		1.60	1.60	3.20
		Nil	Nil	Nil
		Nil	Nil	Nil
		1.60	1.60	3.20
2	Other Non Executive Directors (a) Fee for attending board committee meetings (b) Commission (c) Others, please specify. Total (2) Total (B)=(1+2) Total Managerial Remuneration	Nil	Nil	Nil
		1.60	1.60	3.20
	Overall Ceiling as per the Act.	Ceiling not applicable, since only minimum remuneration is paid		



Sri Lakshmi Saraswathi Textiles (Arni) Limited

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

(Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961. * (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Not Applicable	5.98	Not Applicable	5.98
2	Stock Option		Nil		
3	Sweat Equity				
4	Commission as % of profit others, specify				
5	Others, please specify				
	Total		5.98		5.98

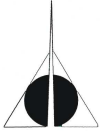
* Employer's contribution of EPF, not considered as salary

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	494.22	195.73		689.95
ii) Interest due but not paid	0.00	7.10		7.10
iii) Interest accrued but not due	0.00	0.00		0.00
Total (i+ii+iii)	494.22	202.83		697.05
Change in Indebtedness during the financial year				
Additions	56.48	0.00		56.48
Reduction	0.00	4.79		-4.79
Net Change	56.48	-4.79		51.69
Indebtedness at the end of the financial year				
i) Principal Amount	550.70	188.90		739.60
ii) Interest due but not paid	0.00	9.14		9.14
iii) Interest accrued but not due	0.00	0.00		0.00
Total (i+ii+iii)	550.70	198.04		748.74



Sri Lakshmi Saraswathi Textiles (Arni) Limited

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

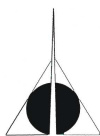
(Rs. in Lakhs)

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					

By Order of the Board

Place: Chennai
Date : May 26, 2015

(BALAKRISHNA S)
Chairman & *Managing Director*



NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

Definitions:

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

“Key Managerial Personnel” means:

- i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Wholetime Director and other Full Time Director(s).
- ii) Chief Financial Officer;
- iii) Company Secretary; and
- iv) such other officer as may be prescribed.

“Senior Managerial Personnel” mean the personnel of the company who are members of its core management team excluding Board of Directors and above, including all functional heads.

Objective:

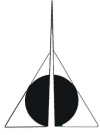
The objective of the policy is to ensure that

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors, key managerial personnel and senior management of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Role of the Committee:

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director’s performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.



Sri Lakshmi Saraswathi Textiles (Arni) Limited

APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.
- d) The Committee has to approve recruitment of any person who is a relative (as defined in Companies Act, 2013) of a Director, Key Managerial Personnel and Senior Management.

TERM/TENURE

- a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

- b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

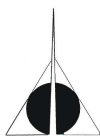
No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.



Sri Lakshmi Saraswathi Textiles (Arni) Limited

REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

1) Remuneration to Managing Director / Whole-time Directors:

- a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

2) Remuneration to Non-Executive / Independent Directors:

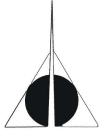
- a) Remuneration / Commission:

The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.

- b) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

- c) All the remuneration of the Non-Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- d) Any remuneration paid to Non-Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:



Sri Lakshmi Saraswathi Textiles (Arni) Limited

- i) The services are rendered by such Director in his capacity as the professional; and
- ii) In the opinion of the Committee, the Director possesses the requisite qualification for the practice of that profession.

3) Remuneration to Key Managerial Personnel and Senior Management:

- a. The remuneration / compensation / commission etc. to KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b. The remuneration and commission to be paid to Key Managerial Person shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force and in accordance with the Company's Policy.
- c. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board.
- d. KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

IMPLEMENTATION

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may delegate any of its powers to one or more of its members.
- The Committee shall be approached, as and when necessity arises in respect of any recruitment or determination of remuneration, for any Director, KMP, Senior Management or relative of a Director or KMP.

DEVIATIONS FROM THIS POLICY

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case with the prior/ post approval of NRC.

By Order of the Board

Place : Chennai
Date : May 26, 2015

(BALAKRISHNA S)
Chairman & Managing Director



Sri Lakshmi Saraswathi Textiles (Arni) Limited

Annexure - 3

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

Form AOC – 2

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

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

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

(a) Name(s) of the related party and nature of relationship:

Related Parties	Name of Director to whom related	Nature of relationship	Salary & Allowance Rs.	* Date of approval by the Board	Total Rs.
Mr.R.Thirumalai	R.Padmanaban	Brother	998790	30.07.2001/ 29.05.2014	998790
Mr.R.Rajagopal (for 10 months from 01.06.2014)	R.Padmanaban	Brother	321600	29.05.2014	321600
Mr.Srish Jayender Balakrishna (for 10 months from 01.06.2014)	Balakrishna S	Son	321600	29.05.2014	321600
Total			1641990		1641990

* Dates of appointment and latest revision

- (b) Nature of contracts/arrangements/transactions: : Employment
(c) Duration of the contracts / arrangements / transactions : 2014-2015
(d) Salient terms of the contracts or arrangements or transactions including the value, if any: : Normal employment terms of the company.

By Order of the Board

Place : Chennai
Date : May 26, 2015

(BALAKRISHNA S)
Chairman & *Managing Director*



Sri Lakshmi Saraswathi Textiles (Arni) Limited

Annexure - 4

Details on Conservation of energy, Technology absorption and Foreign exchange earnings and Outgo

Details	Disclosure	
(A) Conservation of energy- (i) the steps taken or impact on conservation of energy;	The company conducts periodical energy audit and implements the advice given by the energy audit team. In all machines and areas wherever required energy savings equipments / spares/ component are used to conserve energy	
(ii) the steps taken by the company for utilising alternate sources of energy;	The company as alternate source has installed 1 No. Wind Turbine Generator.	
(iii) the capital investment on energy conservation equipments;	During the year – Nil.	
(B) Technology absorption-	Nil	
(C) Foreign exchange earnings and Outgo		
The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.	<u>Earnings/ Inflow Through Export</u>	Rs.in lakhs 397.72
	<u>Expenses / Outgo</u>	
	i) Raw Materials purchase	84.49
	ii) Import of spares and components	15.84
	iii) Foreign Travel Expenses	0.94
iv) Selling Expenses	5.21	
	Total	106.48

By Order of the Board

Place : Chennai
Date : May 26, 2015

(BALAKRISHNA S)
Chairman & Managing Director

Annexure – 5

DETAILS TO BE DISCLOSED AS PER PROVISION OF RULE 8(5) OF COMPANIES (ACCOUNTS) RULES 2014.

(I) The financial summary or highlights;	The same has already been discussed in the earlier portion of this report.
(II) The change in the nature of business, if any;	There is no change
(III) The details of directors or key managerial personnel who were appointed or have resigned during the year;	There was no resignation or appointment of any Key Managerial Personnel.
(IV) The names of companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year;	Nil
(V) The details relating to deposits, covered under Chapter V of the Act,-	The company does not accept deposit from public.
(VI) The details of deposits which are not in compliance with the requirements of Chapter V of the Act;	No such deposit

By Order of the Board

Place : Chennai
Date : May 26, 2015

(BALAKRISHNA S)
Chairman & Managing Director



Sri Lakshmi Saraswathi Textiles (Arni) Limited

SECRETARIAL AUDIT REPORT

ANNEXURE – 6

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2015

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2015

To
The Members,
SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED
16, Krishnama Road, Nungambakkam,
Chennai - 600034

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED, (hereinafter called as "the company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31.03.2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- i) *The Company has not appointed CEO as required u/s 203 of the Companies Act, 2013.*
- ii) *The Company has no woman director as required u/s 149 of the Companies Act, 2013*
- iii) *The Audit Committee of the Company should comprise of atleast three directors with independent directors forming a majority. However, the Audit Committee of Company comprises of two directors only.*
- iv) *The nomination and remuneration committee shall consist of three or more non-executive directors of the Company with not less than one half being independent directors. However, the nomination and remuneration committee of Company comprises of two non-executive directors only.*



Sri Lakshmi Saraswathi Textiles (Arni) Limited

The Company has complied with the applicable clauses of the Listing Agreements entered into by the Company with Bombay Stock Exchange and Madras Stock Exchange.

We report that, the provisions of the following regulations are not applicable to the Company during the audit period:-

- a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
- c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- e) Secretarial Standards issued by The Institute of Company Secretaries of India.

We further report that, the Company has no Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing.

We further report that, having regard to the compliance system prevailing in the Company and based on the written representations received from the officials / executives of the Company, we state that there are adequate systems and processes commensurate with the size and operations of the company to monitor and ensure compliance of the following laws applicable specifically to the Company;

- (a) The Factories Act, 1948.
- (b) The Water (Prevention and Control of Pollution) Act, 1974.
- (c) The Air (Prevention and Control of Pollution) Act, 1981.

We further report that

- (a) the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors *except for the appointment of Woman director*.
- (b) adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (c) Majority decision is carried through while there were no dissenting members.
- (d) there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- (e) the shareholders of the Company has given their consent to borrow money in excess of paid up capital and free reserves to an extent of Rs.50 Crores in the Annual general meeting held on 01.08.2014.

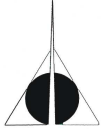
For A.K.JAIN & ASSOCIATES
Company Secretaries

No. 2, (New No.3), Raja Annamalai Road,
First Floor, Purssaiwalkam,
Chennai – 600 084

Place: Chennai
Date: 22.05.2015

BALU SRIDHAR
Partner
M.No. F5869
C.P. No. 3550

This report is to be read with our letter of even dated which is annexed as Annexure A and form an integral part of this report.



Sri Lakshmi Saraswathi Textiles (Arni) Limited

Annexure A

To,
The Members,
SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED
16, Krishnama Road, Nungambakkam,
Chennai - 600034

Our report of even date is to be read along with this letter.

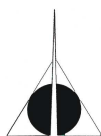
1. Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliances of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For A.K.JAIN & ASSOCIATES
Company Secretaries

No. 2, (New No.3), Raja Annamalai Road,
First Floor, Purssaiwalkam,
Chennai – 600 084

Place: Chennai
Date: 22.05.2015

BALU SRIDHAR
Partner
M.No. F5869
C.P. No. 3550



Sri Lakshmi Saraswathi Textiles (Arni) Limited

Annexure – 7

DETAILS DISCLOSED AS PER PROVISION OF RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

S. No.	Disclose Requirements	Disclosure				
1.	The ratio of the remuneration of each Director to the median remuneration of the Company for 2014-15, the percentage increase in remuneration of each Director, Chief Finance Officer, Chief Executive Officer and Company Secretary in 2014-15 and the comparison of remuneration of each Key Managerial Personal against the performance of the Company.	Name of Director / KMP and Designation	Remuneration of Director/ KMP for 2014-15 (Rs.in Lakhs)	% increase in the remuneration in 2014-15	Ratio of remuneration of each Director to median Remuneration of employee.	Comparison of the remuneration of the KMP against the performance of the company.
		Balakrishna S, Managing Director.(Wholetime Director and CFO during 2014-15)	21.07	73%	27	Profit after tax during 2014-15 reduced to Rs. (-)222 lakhs from Rs.(+)195 lakhs during 2013-14
		R.Padmanaban Joint Managing Director(Technical Director during 2014-15)	13.46	67%	17	Not Applicable
		Geetha Sundararaghavan Company Secretary	6.63	26%	Not Applicable	Profit after tax during 2014-15 reduced to Rs. (-)222 lakhs from Rs.(+)195 lakhs during 2013-14
2	The percentage increase in the median remuneration of employees in the financial year	9%				
3	The number of permanent employees on the rolls of company;	1132				
4	The explanation on the relationship between average increase in remuneration and company performance;	The median remuneration increased by 9% whereas the Profit After Tax for 2014-15 was Rs.(-) 222 lakhs and Rs.(+) 195 lakhs for 2013-14. The decline in PAT was due to fall in market price of yarn and in line with industrial trend.				
5	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	The increase in remuneration of Key Managerial Personal was 59% during the year. The turnover and other income decreased by 8% and Profit After Tax by 2.13 times.				



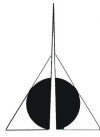
Sri Lakshmi Saraswathi Textiles (Arni) Limited

S.No.	Disclose Requirements	Disclosure
6	Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase/decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;	a) Market capitalization as on March 31, 2015 was Rs.7.92 crores (Rs.8.57 crores as on March, 31 2014) b) The Price Earning Ratio of the company as on March, 31 2015 was negative and 4.40 as on March 31, 2014. c) The market quotation as on March, 31 2015 was Rs.23.75 per shares as compared to the last public issue price of Rs.40 per share in May 1994. The decrease in market quotation was 40.62% as on March, 31 2015 as compared to the issue price.
7	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	The percentage increase of remuneration of employees other than the managerial personal was 10 and whereas that of managerial personnel was 71. The significant increase was due to the fact that the managerial remuneration was revised after the year 2003 in the year 2014 i.e. after 11 years on 01.04.2014, whereas the remuneration of employees other than managerial personnel is increased every year.
8	The key parameters for any variable component of remuneration availed by the directors;	There is no variable component of remuneration availed by the directors
9	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year; and	There is no such employee in the employment of the company during the year under review.
10	Affirmation that the remuneration is as per the remuneration policy of the company.	It is affirmed that the remuneration of all employees including directors is as per the remuneration policy of the company.

By Order of the Board

Place : Chennai
Date : May 26, 2015

(BALAKRISHNA S)
Chairman & Managing Director



Sri Lakshmi Saraswathi Textiles (Arni) Limited

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED

Report on the Financial Statements.

We have audited the accompanying financial statements of Sri Lakshmi Saraswathi Textiles (Arni) Limited, (the company) which comprise the Balance Sheet as at March 31, 2015, Statement of Profit and Loss & the Cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements.

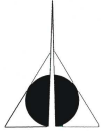
The Company's Board of Directors is responsible for the matters stated in Sec 134(5) of the Companies Act, 2013("the act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Principals generally accepted in India, including the Accounting Standards specified under Sec 133 of the act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies making judgements and estimates, that are reasonable and prudent and the design, implementation and maintenance of adequate 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.

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. We conducted our audit in accordance with the standards on Auditing specified under Sec 143 (10) of the act. Those standards require that we comply that 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 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, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial control system over financial reporting and operating effectiveness of the such control. An audit also includes evaluating the appropriateness of 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the financial statements.



Sri Lakshmi Saraswathi Textiles (Arni) Limited

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015
- b) in the case of Statement of Profit and Loss, of the LOSS for the year ended on that date; and
- c) in the case of Cash flow Statement, of the cash flows for the year ended on that date;

Report on Other Legal and Regulatory Requirements

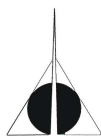
1. As required by the Companies (Auditor's Report) Order, 2015(" the order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Companies Act 2013, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, 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 the effects for the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the Balance Sheet, Statement of Profit and Loss & the Cash flow Statement comply with the Accounting Standards specified under the Section 133 of the act, read with rule 7 in Companies (Accounts) Rules, 2014;
 - e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of of sub-section (2) of section 164 of the act.
 - f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

17, Bishop Wallers Avenue (West),
CIT Colony, Mylapore,
Chennai – 600 004.

For M/s S Viswanathan
Chartered Accountant
FRN: 004770S

Place: Chennai
Date: May 26, 2015

Chella K Srinivasan
Partner
Membership No: 023305



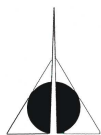
Sri Lakshmi Saraswathi Textiles (Arni) Limited

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in Our Independent Auditors' Report to the members of the company on the financial statements for the year ended 31st March 2015, we report that

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) The company has a regular program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner at reasonable intervals by the management. According to the information and explanations given to us, no material discrepancies were observed by the management on such verification.
- (ii) (a) The stock of inventory has been physically verified by the management at reasonable intervals during the year. In our opinion the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size and nature of its business.
- (c) The company is maintaining proper records of inventory. No material discrepancy was noticed on such physical verification.
- (iii) According to the information and explanations given to us and on the basis of our examination of the books of accounts, 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. Consequently the provisions of clause (iii) (a) (b) and (c) are not applicable to the company.
- (iv) In our opinion and according to the explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, with regard to purchase of inventory and fixed assets and for the sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.
- (v) The company has not accepted any deposits from the Public during the year.
- (vi) Central Government has prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act and such accounts and records have been prepared and maintained by the company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, amount deducted or accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, wealth tax, service tax, value added tax, cess and other material statutory dues have been regularly deposited by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, value added tax, cess and other material statutory dues were in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.



Sri Lakshmi Saraswathi Textiles (Arni) Limited

- (b) According to the information and explanations given to us, there are no material dues of provident fund, sales tax, wealth tax, service tax, value added tax, cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to the information and explanations given to us, the following dues of income tax and employees' state insurance have not been deposited by the company on account of disputes.

Name of the Statute	Nature of dues	Amount Rs.	Period to which the amount relates	Forum where dispute is pending
Income-tax Act 1961	Income tax	12,21,350	Assessment year 1999 - 2000	IT Appeals before ITAT, & High Court
Income-tax Act 1961	Income tax	33,86,521	Assessment year 2000 - 2001	IT Appeals before ITAT, & High Court
Total		46,07,871		
Employee's State Insurance Act 1948	Contribution to Employee's State Insurance Corporation	4,15,356	2000-01	High Court

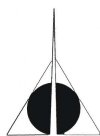
- (c) According to the information and explanations given to us, the amounts which were required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.
- (viii) The Company has accumulated losses as at March 31, 2015 and has incurred cash loss in the financial year and there was no cash loss in the immediately preceding financial year.
- (ix) The company did not have any outstanding dues to financial institutions, banks during the year.
- (x) In our opinion and according to the information and explanations given to us the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) The Company did not have any term loans outstanding during the year.
- (xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported, during the course of our audit.

17, Bishop Wallers Avenue (West),
CIT Colony, Mylapore,
Chennai – 600 004.

Place: Chennai
Date: May 26, 2015

For M/s S Viswanathan
Chartered Accountant
FRN: 004770S

Chella K Srinivasan
Partner
Membership No: .023305



Sri Lakshmi Saraswathi Textiles (Arni) Limited

BALANCE SHEET AS AT 31 ST MARCH 2015

Particulars	Note No.	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share Capital	1	3,33,27,500	3,33,27,500
(b) Reserves and surplus	2	16,93,47,096	19,57,99,940
Non-current liabilities			
(a) Long-term borrowings	3	0	0
(b) Deferred Tax liabilities (Net)		0	82,89,052
Current liabilities			
(a) Short-term borrowings	4	7,39,60,533	6,89,95,579
(b) Trade payables	5	1,29,87,763	4,96,28,094
(c) Other current liabilities	6	39,80,303	20,37,640
(d) Short-term provisions	7	6,76,53,244	7,39,89,562
TOTAL		36,12,56,439	43,20,67,367
Assets			
Non-current assets			
(a) Fixed assets	8		
(i) Tangible assets		14,17,01,791	17,31,19,206
(ii) Intangible assets		4,43,228	1,84,314
(iii) Capital work-in-progress		0	0
Sub Total		14,21,45,019	17,33,03,520
(b) Non-current investments	9	96,14,960	72,00,000
(c) Other Non Current Assets	10	1,10,75,327	1,09,86,058
Current assets			
(b) Inventories	11	9,19,53,953	7,64,59,878
(c) Trade receivables	12	2,50,61,853	7,81,00,948
(d) Cash and Bank Balances	13	33,22,998	38,61,656
(e) Short-term loan and advances	14	7,53,88,694	8,00,97,989
(f) Other current assets	15	26,93,635	20,57,318
TOTAL		36,12,56,439	43,20,67,367

NOTES 1 TO 25 AND ADDITIONAL INFORMATION IN NOTE 26 & 27 FORM PART OF THIS BALANCE SHEET

BALAKRISHNA S
Managing Director

GEETHA SUNDARARAGHAVAN
Company Secretary

R.PADMANABAN
Joint Managing Director

17, Bishop Wallers Avenue (West)
CIT Colony, Mylapore, Chennai - 600 004
Dated: May 26, 2015

As per our report annexed
for **M/s.S.VISWANATHAN**
CHELLA K.SRINIVASAN
Partner
Chartered Accountants



Sri Lakshmi Saraswathi Textiles (Arni) Limited

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2015

Particulars	Note No.	For the year ended on 31.03.2015 Rs.	For the year ended on 31.03.2014 Rs.
I Revenue from Operations	16	115,07,53,859	125,69,78,499
II Other Income	17	87,19,213	61,40,892
III Total Revenue		<u>115,94,73,072</u>	<u>126,31,19,391</u>
IV Expenses :			
Cost of materials consumed	18	72,13,09,273	79,12,15,603
Purchase of Stock-in-Trade	19	1,11,95,135	5,25,300
Changes in inventories of finished goods	20	(1,61,35,430)	3,17,55,356
Change in process stock	21	79,39,055	(56,04,768)
Employees benefits expenses	22	11,74,72,760	10,14,56,820
Finance Expenses	23	1,18,11,213	89,94,441
Depreciation and amortization expenses	8	2,24,46,290	2,44,44,385
Other expenses	24	<u>28,12,89,272</u>	<u>27,36,80,056</u>
Total Expenses		<u>115,73,27,568</u>	<u>122,64,67,193</u>
V Profit before exceptional and extraordinary items and tax (III-IV)		21,45,504	3,66,52,198
VI Exceptional items	25	2,55,27,043	0
VII Profit before extraordinary items and tax (V-VI)		(2,33,81,539)	3,66,52,198
VIII Extraordinary items		0	0
IX Profit before Tax (VII-VIII)		(2,33,81,539)	3,66,52,198
X Tax expense :			
(i) Current Tax		0	1,10,67,619
(ii) Deferred Tax		(62,33,792)	15,40,859
(iii) Tax relating to earlier years		<u>50,25,760</u>	<u>45,74,726</u>
Sub total		(12,08,032)	1,71,83,204
LESS : MAT Credit written back		<u>0</u>	<u>0</u>
		(12,08,032)	1,71,83,204
XI Profit (Loss) for the period from continuing operations after Tax (IX-X)		(2,21,73,507)	1,94,68,994
XII Profit/(Loss) from discontinuing operations		0	0
XIII Tax expense of discontinuing operations		0	0
XIV Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)		0	0
XV Profit (Loss) for the period (XI - XIV)		(2,21,73,507)	1,94,68,994
Earning Per Share of value Rs.10 each	27(ix)		
Basic		-6.65	5.84
Diluted		-6.65	5.84

NOTES 1 TO 25 AND ADDITIONAL INFORMATION IN NOTE 26 & 27 FORM PART OF THIS PROFIT & LOSS ACCOUNT

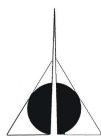
BALAKRISHNA S
Managing Director

GEETHA SUNDARARAGHAVAN
Company Secretary

R.PADMANABAN
Joint Managing Director

17, Bishop Wallers Avenue (West)
CIT Colony, Mylapore, Chennai - 600 004
Dated: May 26, 2015

As per our report annexed
for **M/s.S.VISWANATHAN**
CHELLA K.SRINIVASAN
Partner
Chartered Accountants



Sri Lakshmi Saraswathi Textiles (Arni) Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2015

	Year ended on 31-03-2015 Rs.	Year ended on 31-03-2014 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	(2,33,81,539)	3,66,52,198
Adjustments for :		
Add :- Depreciation	2,24,46,290	2,44,44,385
Finance Expenses	1,18,11,213	89,94,441
	<u>1,08,75,964</u>	<u>7,00,91,024</u>
(Less) / Add :- (Profit) / Loss on sale of assets	(34,88,617)	-
Interest received	(15,29,280)	(9,92,604)
Operating Profit before Working Capital Changes	<u>58,58,067</u>	<u>6,90,98,420</u>
Adjustments for :-		
Inventories	(1,54,94,075)	2,30,31,811
Receivables	5,30,39,095	2,12,35,774
Loans and advances	40,72,991	(59,55,385)
Current Liabilities	<u>(3,64,78,307)</u>	<u>(1,96,57,548)</u>
Cash Generated from Operations	<u>1,09,97,771</u>	<u>8,77,53,072</u>
Direct taxes paid	(80,20,431)	(1,97,89,180)
NET CASH FROM OPERATING ACTIVITIES (a)	29,77,340	6,79,63,892
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed assets and other Capital expenses	(41,29,841)	(2,85,19,905)
Sale of Fixed assets	99,96,070	-
Purchase of shares	(24,14,960)	(14,00,000)
Interest received	15,29,280	9,92,604
NET CASH FROM INVESTING ACTIVITIES (b)	49,80,549	(2,89,27,301)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Decrease/ Increase in Working Capital Bank Finance	56,48,106	(2,12,07,382)
Proceeds from Unsecured Loans and other Loans	15,39,960	64,00,000
Repayment of Term Loans	-	(1,55,37,000)
Payment of Dividend and tax thereon	(38,73,400)	-
Finance Expenses	(1,18,11,213)	(89,94,441)
NET CASH FROM FINANCING ACTIVITIES (c)	(84,96,547)	(3,93,38,823)

Contd. 2...



Sri Lakshmi Saraswathi Textiles (Arni) Limited

	Year ended on 31-03-2015 Rs.	Year ended on 31-03-2014 Rs.
Net Change in Cash and Cash Equivalent (a+b+c)	(5,38,658)	(3,02,232)
Cash and Cash Equivalent as at 1st April - 2014 (2013)	38,61,656	41,63,888
Cash and Cash Equivalent as at 31st March - 2015 (2014)	33,22,998	38,61,656

/ BY ORDER OF THE BOARD /

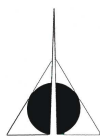
BALAKRISHNA S
Managing Director

GEETHA SUNDARARAGHAVAN
Company Secretary

R.PADMANABAN
Joint Managing Director

17, Bishop Wallers Avenue (West)
CIT Colony, Mylapore, Chennai - 600 004
Dated: May 26, 2015

As per our report annexed
for **M/s.S.VISWANATHAN**
CHELLA K.SRINIVASAN
Partner
Chartered Accountants



Sri Lakshmi Saraswathi Textiles (Arni) Limited

NOTES TO ACCOUNTS

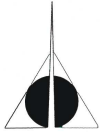
	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
1 Share Capital		
(a) Authorised :		
(i) 1,50,00,000 Equity Shares of Rs.10/- Each.	15,00,00,000	15,00,00,000
(ii) 50,00,000 Preference Shares of Rs.10/- Each	<u>5,00,00,000</u>	<u>5,00,00,000</u>
	20,00,00,000	20,00,00,000
(b) ISSUED, SUBSCRIBED AND FULLY PAID UP :		
33,32,750 Equity Shares of Rs.10/- Each Fully Paid-up	3,33,27,500	3,33,27,500

	As at 31-03-2015		As at 31-03-2014	
	No. of shares	Value Rs.	No. of shares	Value Rs.
	Reconciliation of the shares outstanding at the beginning and at end of the year	33,32,750	3,33,27,500	33,32,750

(d) Details of Shareholders holding more than 5% Shares of the Company

	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	% holding to Equity Capital	No. of Shares	% holding to Equity Capital
R. Srihari (BHUF)	0	0.00	296200	8.89
R. Srihari (SHUF)	0	0.00	260000	7.80
S. Balakrishna	784650	23.54	228450	6.85
R. Thirumalai	226003	6.78	226003	6.78
R. Padmanaban	223900	6.72	223900	6.72
R. Rajagopal	220800	6.63	220800	6.63
R. Padmini	210600	6.32	210600	6.32
Anil Kumar Goel	184100	5.52	184100	5.52
Shantha Srihari	170000	5.10	170000	5.10

	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
2 RESERVES AND SURPLUS		
(a) Securities Premium Reserve		
Balance at the beginning and at end of the year	4,43,41,790	4,43,41,790
(b) General Reserve		
Balance at the beginning of the year	16,03,36,065	16,03,36,065
Less: Depreciation on assets whose useful life expired as on 31.03.14 - Ref.Note 8	42,79,337	—
Balance at the end of the year	15,60,56,728	16,03,36,065
(c) Surplus in statement of Profit and Loss		
Balance of Profit and Loss from the previous year	(88,77,915)	(2,44,73,509)
Profit/(Loss) for the year	(221,73,507)	1,94,68,994
Less: Appropriations		
Proposed Dividend on Equity	0	33,32,750
Dividend distribution Tax	0	5,40,650
Sub Total	0	38,73,400
Balance of Profit and loss	(310,51,422)	(88,77,915)
Total	<u>16,93,47,096</u>	<u>19,57,99,940</u>



Sri Lakshmi Saraswathi Textiles (Arni) Limited

	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
NON-CURRENT LIABILITIES		
3 Long-Term Borrowings	0	0
Current Liabilities	0	0
4 Short-term borrowings		
(A) Loans repayable on demand (Secured)		
Loans from Banks :		
a) Indian Overseas Bank		
(i) Open Loan	2,33,33,955	2,12,56,121
(ii) Packing Credit	80,00,000	76,50,000
b) State Bank of India		
(i) Open Loan	2,37,36,618	2,05,16,346
(ii) Packing Credit	0	0
(B) Loans repayable on demand - Unsecured		
From other parties		
(a) Inter Corporate Deposits	50,00,000	55,00,000
(b) Deposits		
(i) Deposits from Consignment Agents	2,75,000	6,50,000
(ii) Security Deposits from Customer	50,00,000	50,00,000
(iii) Deposits from supplier of Power	86,14,960	62,00,000
(c) Bank Current Account	0	22,23,112
Total	7,39,60,533	6,89,95,579

Note on Security Created

The open loan, Packing Credit, Bills discounting **, and letter of Credit limits for working capital ** from Indian Overseas Bank, Esplanade Branch, Chennai - 600 108 and open Loan, Packing Credit and bills discounting** limits from State Bank of India, Leather and International Branch, Chennai - 600 010 are secured as under:

1. Primary Security:

Hypothecation on entire Current assets, both present and future, which include raw materials, stock in process, finished goods, consumables etc., book debts on first pari passu basis and bills discounting limits are additionally secured by documents of title to goods.

2. Collateral Security

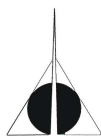
a) Equitable Mortgage on first pari passu basis of company's factory land and buildings in Arni Taluk, Tamilnadu, Wind Mill Land and Building in Radhapuram Taluk, Tamilnadu and Registered Office land and building in Chennai.

b) Hypothecation on first pari passu basis of all unsecured movable fixed assets.
and

3) Personal Guarantee

Personal Guarantee of Promoter Directors Sri Balakrishna S, Managing Director and Sri R.Padmanaban, Joint Managing Director.

** Details of Bills discounted but not realized and letters of credits issued not crystallized are disclosed under NOTE NO. 27.A.



Sri Lakshmi Saraswathi Textiles (Arni) Limited

	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
5 Trade Payables		
Creditors for supplies	1,29,87,763	4,96,28,094
6 Other Current Liabilities		
a. Current maturity of long term borrowings	0	0
b. Interest accrued and due on borrowings	9,13,550	7,10,227
c. Investor Education and Protection Fund (Appropriate amount will be transferred to "Investor Education and Protection Fund", if any, when due)		
Un-paid dividends (Dividend Warrants posted not encashed)	1,36,308	1,52,417
d. Advance from buyers and other Credits.	<u>29,30,445</u>	<u>11,74,996</u>
Total	<u>39,80,303</u>	<u>20,37,640</u>
	<u>1,69,68,066</u>	<u>5,38,88,846</u>
7 Short-term provisions		
(i) Provision for employee benefits	2,92,44,450	2,51,40,875
(ii) Provision for expenses	3,22,22,291	3,64,96,452
(iii) Provision for taxation	2,89,95,253	2,40,13,997
Less: Tax remittances pending assessment	<u>2,48,82,777</u>	<u>1,69,96,131</u>
Provision for Taxation (net)	41,12,476	70,17,866
(iv) Provision for:		
Proposed Dividend	0	33,32,750
Dividend Distribution tax	0	5,40,650
(v) Provision for TDS	6,31,193	4,19,955
(vi) Provision for CST & VAT	<u>14,42,834</u>	<u>10,41,014</u>
Total	<u>6,76,53,244</u>	<u>7,39,89,562</u>
NON-CURRENT ASSETS		
8. FIXED ASSETS		
Schedule enclosed		
9. Non-current Investments		
TRADE		
In Equity Instruments Fully Paid		
Unquoted		
(a) 100000 Equity shares of Rs.10/- each in M/s. MMS Steels and Powers Pvt. Ltd.	10,00,000	10,00,000
(b) 825496 Equity shares of Rs.10/- in Gamma Green Power Pvt. Ltd.	<u>86,14,960</u>	<u>62,00,000</u>
Total	<u>96,14,960</u>	<u>72,00,000</u>
10. Other Non Current Assets:		
MAT Credit Entitlement	1,10,75,327	1,09,86,058



Sri Lakshmi Saraswathi Textiles (Arni) Limited

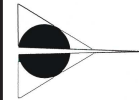
	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
CURRENT ASSETS		
11 Inventories		
(i) Raw materials :		
(a) Cotton	2,29,13,808	2,09,30,212
(b) Polyester Staple Fibre	<u>1,19,05,446</u>	<u>58,50,116</u>
	<u>3,48,19,254</u>	<u>2,67,80,328</u>
(ii) Stock - in - Process	1,44,82,111	2,24,21,166
(iii) Finished Goods :		
(a) Yarn	3,74,78,455	2,09,38,082
(b) Cotton waste	<u>9,18,507</u>	<u>13,23,450</u>
	<u>3,83,96,962</u>	<u>2,22,61,532</u>
(iv) Stores and Spares	42,55,626	49,96,852
Total	<u>9,19,53,953</u>	<u>7,64,59,878</u>
Mode of valuation of inventories disclosed in Note No.26		
12 Trade Receivables		
Unsecured - considered Good		
(a) Exceeding six months	13,42,658	3,25,27,699
(b) Other Debts	<u>2,37,19,195</u>	<u>4,55,73,249</u>
Total	<u>2,50,61,853</u>	<u>7,81,00,948</u>
13 Cash and Bank Balances		
Cash on hand	8,76,765	16,44,053
Bank balances		
In current account	6,99,616	4,20,759
In Deposit account	16,10,309	16,44,427
(Amount in deposit account offered as security margin for LCs issued)		
Unpaid Dividend Account	1,36,308	1,52,417
Total	<u>33,22,998</u>	<u>38,61,656</u>
14 Short-Term Loan and Advances		
Electricity Deposits	1,84,19,905	1,04,65,578
Telephone Deposits	79,009	79,009
ESI Security Deposits	3,03,850	3,03,850
Other Deposits	60,000	50,000
Others advances	<u>5,65,25,930</u>	<u>6,91,99,565</u>
Total	<u>7,53,88,694</u>	<u>8,00,98,002</u>
15 Other Current Assets		
Prepaid expenses	26,93,635	20,57,318
Total	<u>26,93,635</u>	<u>20,57,318</u>

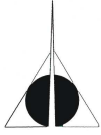
NOTE No.8

FIXED ASSET SCHEDULE - 2014-15 - AS PER COMPANIES ACT 2013

	COST				DEPRECIATION				W.D.V.		
	As on	Additions During the Year	Deductions During the Year	As on	As on	Depreciation on assets whose useful life had expired as on 31.03.14 (Note below)	Deduction during the year	Current Year Depreciation	As on	As on	As on
	01/04/2014			31/03/2015	01/04/2014				31/03/2015	31/03/2015	31/03/2014
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Land	3457575	—	—	3457575	—	—	—	—	—	3457575	3457575
Building	113112558	—	—	113112558	72773315	—	—	3576105	76349420	36763138	40339243
Furniture & Fixtures	14786514	418708	—	15205222	13009058	314782	—	648178	13972018	1233204	1777456
Plant and Machinery	728309191	1355353	103736647	625927897	609279243	5349717	97229194	14439920	531839686	94088211	119029948
Other Assets	1156422	131130	—	1287552	945710	121220	—	68524	1135454	152098	210712
Electrical Installation	31790725	243502	—	32034227	25839193	545327	—	1602463	27986983	4047244	5951532
Vehicles	13742758	831148	—	14573906	11473950	3551	—	1220014	12697515	1876391	2268808
Live Stock	83930	—	—	83930	—	—	—	—	—	83930	83930
Current Year Tangible	906439673	2979841	103736647	805682867	733320469	6334597	97229194	21555204	663981076	141701791	173119204
Previous Year Tangible	872087733	34351940	0	906439673	709046799	0	0	24303670	733320469	173119204	163070934
Intangible Assets:											
Computer Softwares	325029	1150000		1475029	140715			891086	1031801	443228	184314
Current Year Intangible Assets	325029	1150000		1475029	140715			891086	1031801	443228	184314
Previous Year Intangible Assets	0	325029	0	325029	0	0	0	140715	140715	184314	0

Note: As per Schedule II of the Companies Act, 2013, in respect of assets whose useful life had expired as on 31.03.2014, the entire W.D.V. of those assets amounting to Rs.63,34,597, written off in full by adjusting Rs.42,79,337 in the retained profit and Rs.20,55,260 in the Deferred Tax Liability





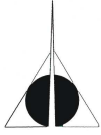
Sri Lakshmi Saraswathi Textiles (Arni) Limited

Notes to Accounts		As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
16	Revenue from Operations		
	Sale of Products		
	Yarn Sales	1,02,89,62,000	1,05,79,79,225
	Fabric Sales	11,33,24,271	19,08,13,628
	Waste Sales	84,67,588	81,85,646
	Total	<u>1,15,07,53,859</u>	<u>1,25,69,78,499</u>
17	Other Income		
	(i) Interest income	15,29,280	9,92,604
	(ii) Rent from Employees Quarters	52,908	52,358
	(iii) Miscellaneous Sales	4,18,508	3,39,839
	(iv) Export Incentive	17,24,662	18,64,389
	(v) Duty Draw Back Claim received	11,11,361	24,06,033
	(vi) Misc. Receipts	1,100	12,114
	(vii) Insurance claim Received	3,92,777	4,73,555
	(viii) Profit on Sale of Fixed Assets	34,88,617	0
	Total	<u>87,19,213</u>	<u>61,40,892</u>
18	Cost of materials consumed		
	Opening Stock		
	Cotton stock	2,09,30,212	1,81,69,414
	Viscose Staple Fibre	0	5,060
	Polyester Staple Fibre	58,50,116	55,90,586
		<u>2,67,80,328</u>	<u>2,37,65,060</u>
	ADD :- Purchases		
	Cotton	36,02,27,349	45,96,74,244
	Polyster Staple Fibre	35,16,96,131	31,92,32,839
		<u>71,19,23,480</u>	<u>77,89,07,083</u>
	Less :- Closing Stock		
	Cotton	2,29,13,808	2,09,30,212
	Viscose Staple Fibre	0	0
	Polyester Staple Fibre	1,19,05,446	58,50,116
		<u>3,48,19,254</u>	<u>2,67,80,328</u>
	Less :- Sales		
	Cotton & PSF	0	17,72,867
	Raw Material Consumed	70,38,84,554	77,41,18,948
	Packing Materials Consumed	1,74,24,719	1,70,96,655
	Cost of materials consumed	<u>72,13,09,273</u>	<u>79,12,15,603</u>
19	Purchase of Stock-in-Trade		
	Yarn purchase	1,11,95,135	5,25,300
20	Changes in inventories of finished goods		
	Closing Stock	3,83,96,962	2,22,61,532
	Opening Stock	2,22,61,532	5,40,16,888
	Net Total	<u>(1,61,35,430)</u>	<u>3,17,55,356</u>
21	Work-in-progress and stock-in-trade		
	Closing Stock	1,44,82,111	2,24,21,166
	Opening Stock	2,24,21,166	1,68,16,398
		<u>79,39,055</u>	<u>(56,04,768)</u>



Sri Lakshmi Saraswathi Textiles (Arni) Limited

		As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
22	Employees Benefits Expenses		
	(i) Salaries Wages and Bonus	9,61,13,493	8,50,07,988
	(ii) Contribution to Employees PF & Family Pension Fund	84,24,592	82,35,455
	(iii) Contribution to Gratuity Fund	37,56,412	17,49,332
	(iv) Workmen & Staff Welfare Expenses	45,02,033	42,76,847
	(v) Managerial Remuneration (Ref.Annex.I)	46,76,230	21,87,198
		<u>11,74,72,760</u>	<u>10,14,56,820</u>
23	Finance Expenses		
	(a) Interest on Term Loan from Banks	0	9,07,708
	(b) Interest on working capital borrowing from banks	59,28,697	91,54,560
	(c) Interest on other borrowings	32,95,223	12,54,720
	(d) Bank Charges	22,55,877	6,08,464
	(e) Foreign Exchange Rate Fluctuation	3,31,416	(29,31,011)
		<u>1,18,11,213</u>	<u>89,94,441</u>
24	Other Expenses		
	i) Power and fuel	18,19,95,808	18,17,18,535
	ii) Fabric Conversion Charges	1,20,60,673	1,90,47,016
	iii) Repairs & Maintenance		
	(a) Building	48,50,604	18,54,873
	(b) Machinery	3,44,67,714	2,86,98,461
	(c) Others	28,63,498	26,57,615
		<u>4,21,81,816</u>	<u>3,32,10,949</u>
	iv) Administrative Expenses :		
	(a) Insurance	14,70,258	14,65,401
	(b) Vehicle Maintenance	35,91,634	34,30,757
	(c) Rates, Renewal & Taxes	8,64,493	5,46,642
	(d) Other Administrative Expenses	1,22,88,596	1,06,22,527
		<u>1,82,14,981</u>	<u>1,60,65,327</u>
	v) Selling Expenses		
	(a) Commission & Brokerage on Yarn Sales	67,44,013	76,83,001
	(b) Godown Rent	27,000	60,000
	(c) Freight & Other selling expenses	2,00,64,981	1,58,95,228
		<u>2,68,35,994</u>	<u>2,36,38,229</u>
	Total	<u>28,12,89,272</u>	<u>27,36,80,056</u>
25	Exceptional items		
	Bad Debts Written-off	2,55,27,043	—
	Annx.I		
	Managerial Remuneration		
	(a) Salary and bonus	31,40,400	20,46,667
	(b) Contribution to PF	2,16,000	1,47,360
	(c) Personal Accident Policy	4,044	4,044
	(d) Medical Reimbursement	92,326	1,48,345
	(e) Provision for Gratuity	9,03,460	(2,23,218)
	(f) Directors Sitting Fees	320,000	64,000
		<u>46,76,230</u>	<u>21,87,198</u>



Sri Lakshmi Saraswathi Textiles (Arni) Limited

NOTE NO. 26

STATEMENT OF SHOWING SIGNIFICANT ACCOUNTING POLICIES.

1. Basis of preparation and presentation of financial statements

- i) The financial statements have been prepared under the historical cost concept and in accordance with generally accepted accounting polices, the mandatory Accounting Standards issued by the Institute of Chartered Accountants and notified under the Companies (Accounting Standards) Rules, 2006 and relevant provisions of Companies Act 2013, as adopted consistently by the company.
- ii) The company generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.
- iii) All inventories, raw material, process stock, stores and spares and finished goods are valued at cost or net realizable value whichever is lower.

2. Use of Estimates

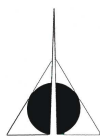
The preparation of financial statements is in accordance with generally accepted accounting principles and requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and disclosures of contingent liabilities, at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates in the future period.

3. Tangible fixed assets

- i) Tangible fixed assets are stated at cost of acquisition (net of CENVAT/ VAT wherever applicable) less accumulated depreciation/ amortization and impairment losses if any, except free hold land which is carried at cost less impairment losses if any. The cost comprises purchase prices, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Subsequent expenditure relating to an item of fixed asset is added to its book value only if it increases the future benefits from the asset beyond its previous assessed standard of performance. All other expenses on fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts are charged to the statement of profit and loss for the period as and when they occur.
- ii) Depreciation for plant and machinery has been provided on Straight line method and for all other assets Written down value method has been followed.
- iii) Gains or losses arising from disposal of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of such assets are recognized in the statement of profit and loss.

4. Intangible fixed assets

The cost of computer software that are installed are accounted at cost of acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any. Internally generated software is not capitalized and the expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.



Sri Lakshmi Saraswathi Textiles (Arni) Limited

5. Investments

All investments being long term and non trade are stated at cost less permanent diminution in value if any.

6. Inventories

- i) Inventories are valued at cost or net realizable value whichever is lower. Cost includes the cost incurred in bringing the inventories to their present location and condition.
- ii) Raw materials, stores and spares are valued at cost or net realizable value whichever is lower. Cost includes the cost incurred in bringing the inventories to their present location and condition. For cost calculation of raw materials as it is not ordinarily inter changeable specific identification method is used. For cost calculation of stores and spares weighted average method is used.
- iii) For valuation of finished goods / stock-in-process, cost includes material, direct labour, overheads (other than selling and administrative overheads) wherever applicable.

7. Revenue Recognition

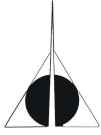
- i) Revenue is recognized to the extent that is probable that the economic benefits will flow to the company and the revenue can be reliably measured.
- ii) Sale of products is recognized when the significant risk and reward of ownership of the goods have been passed to the buyer. Sale value excludes excise duty, education cess, secondary and higher education cess, CST and VAT.
- iii) Dividend income, if any, is recognized when the company's right to receive dividend is established by the reporting date.

iv) Wind Mill Operation

The power generated at Wind Mill is fully consumed at mills and the maintenance expenses of the wind mills and cost of wheeling of power is charged to Statement of profit and loss.

8. Employee Benefits

- i) Short-term employee benefits viz., salaries and wages are recognized as expense at the undiscounted amount in the statement of profit and loss for the year in which the related service is rendered.
- ii) Defined contribution plan viz., contribution to provident fund is recognized as an expense in the statement of profit and loss for the year in which the employees have rendered services. The company contributes to provident fund administered by the Government on a monthly basis at 12% of employees basic salary. There are no other obligation other than the above defined contribution plan.
- iii) Defined Benefit Plan.



Sri Lakshmi Saraswathi Textiles (Arni) Limited

Gratuity:

- a) Company's liability towards gratuity in respect of employees who beneficially own shares in the company carrying more than 5% of the total voting power has been provided for on the basis of actuarial valuation and not funded.
- b) Company's liability towards gratuity in respect of all other employees is worked out on the basis of actuarial valuation and is normally funded.

Leave:

As per policy of the company, unavailed leave, casual leave/ earned leave cannot be carried forward or encashed and hence there is no additional cost. The company recognize the cost as expense as and when the employee avails paid leave.

9. Provision, Contingent Liability and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as result of past events and it is probable that there will be outflow of resources. Contingent liabilities not provided for, are disclosed in the accounts by way of Notes. Contingent Assets are not recognized.

10. Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction of qualifying assets are capitalized as part of the cost of those assets as per Accounting Standard 16. All other borrowing costs are charged to revenue.

11. Government Subsidy / Grant

Interest subsidy under the Technology Upgradation Fund Scheme (TUFs) is credited to the finance cost.

12. Foreign Currency Transactions

Foreign Currency Transactions are recorded at the rate of exchange prevailing on the date of the transaction. At the year end, all monetary assets and liabilities denominated in foreign currency are restated at the year end exchange rates. The premium / discount on forward contracts are amortized over the period of the contract. Exchange differences arising on actual payment/ realization and year end reinstatement referred to above are adjusted.

- i) In respect of fixed assets acquired outside the country to the related cost of fixed assets and
- ii) In all other cases in the statement of profit and loss.

13. Earning Per Share

Net profit after tax is divided by weighted average number of equity shares as stipulated in Accounting Standard 20.



Sri Lakshmi Saraswathi Textiles (Arni) Limited

14. Income Tax

The tax provision is considered as stipulated in Accounting Standard 22 and includes current and deferred tax liability. The company recognizes the accumulated deferred tax liability based on accumulated time difference using current tax rate. The company as a conservative measure, does not reckon deferred tax asset.

The company has considered credit entitlement of Minimum Alternate Tax (MAT) where it is reasonably certain that the credit will be available for set-off in accordance with the provision of the Income Tax Act, 1961.

15. Segment Reporting

As the company has only one business segment i.e., Textile and only one geographical segment, the segment reporting requirement as per Accounting Standard 17 is not applicable to the company

16. Impairment of Assets

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds recoverable amount.

NOTE NO. 27

OTHER DISCLOSURES AND ADDITIONAL INFORMATION AS PER REQUIREMENTS IN REVISED SCHEDULE III OF THE COMPANIES ACT. 2013.

A. OTHER DISCLOSURES:

- i) Contingent Liabilities and Commitments not provided for

Details	(Rs.in Lakhs)	
	As at 31.03.2015	As at 31.03.2014
a) Contingent Liabilities		
Contingent Liabilities not provided for in respect of		
1. Export Bills Discounted under irrevocable Letters of Credit issued by Foreign Bank	0.00	111.18
2. Disputed Income Tax Liabilities	46.08	75.96
3. Disputed Contribution to Employees State Insurance Corporation	4.15	4.15
b) Commitments		
1. Estimated amounts of contracts remaining to be executed on capital accounts not provided for	0.00	0.00
2. Other commitments:		
Liabilities on Letters of Credit issued for capital goods.	0.00	0.00
Liabilities on Letters of Credit issued for others.	0.00	0.00

- ii) Gratuity

The company has not funded for gratuity liability as per actuarial valuation for the last 5 years and the total amount to be funded is Rs.1,55,12,020.

- iii) In the absence of information from suppliers with regard to their registration with the specified authority, despite the company calling for such information the company is unable to furnish the information as required under the Companies Act, 1956 and Micro Small and Medium Enterprises Development Act, 2006.



Sri Lakshmi Saraswathi Textiles (Arni) Limited

iv) Details of Auditors' Remuneration:
(Included under Note No.24)

Details	2014-15 Rs.	2013-14 Rs.
Statutory Audit	1,01,124	67,416
Tax Audit	33,708	11,236
Certification work	2,248	4,496
Income Tax Representation	—	5,618
Cost Audit Fees	1,00,000	—
Internal Audit	1,79,776	—
Certification work – Internal Auditor	8,988	—
Total	4,25,844	88,766

- v) Confirmation of balances from Debtors and Creditors have not been received in certain cases.
- vi) Items of revenue / expense amounting to more than 1% of total value has been disclosed separately.
- vii) Previous year's figures have been re-grouped wherever necessary to conform to this year's classification.
- viii) As per Accounting Standard 15, Employees Benefit, the disclosure of employees benefits as defined in the Accounting standard are given below:

Details	2014-15 Rs.	2013-14 Rs.
a) Defined Contribution Plan Employers Contribution to Provident Fund	61,19,906	56,97,478
b) Details of the post retirement Gratuity Plan (funded)		
Defined benefit obligation at the beginning of the year	2,28,22,843	2,19,36,190
Benefit paid during the years	7,90,845	13,28,236
Income earned from the asset	4,43,830	4,65,558
Current years contribution	37,56,413	17,49,331
Defined benefit obligation at the end of the period	2,62,32,241	2,28,22,843

ix) Earning Per Share:

Details	2014-15 Rs.	2013-14 Rs.
Net Profit/ Loss after Tax (A)	-2,21,73,507	1,94,68,994
Adjusted weighted average number of equity shares (B)	33,32,750	33,32,750
Basic and diluted earning per share of Rs.10 each in Rs.(A)/(B)	-6.65	5.84
Reconciliation of weighted average number of equity shares		
No.of shares at the beginning of the year	33,32,750	33,32,750
No.of shares at the end of the year	33,32,750	33,32,750
Adjusted weighted average No.of equity shares	33,32,750	33,32,750



Sri Lakshmi Saraswathi Textiles (Arni) Limited

x) Related party transactions:

As per the Accounting Standard 18 – Related party transactions, the company's related party and the details of transactions the company had with them are given below:

I. Related Parties

a) Key Management Personal and relatives

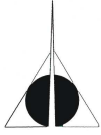
Name of the related Party	Nature of relationship
i) Sri Balakrishna S	Wholetime Director(During 2014-15)
ii) Sri R.Padmanaban	Technical Director (During 2014-15)
iii) Sri R.Thirumalai	Production Manager
iv) Sri R.Rajagopal	Administrative Manager
v) Sri Srish Jayender Balakrishna	Marketing Manager

b) Remuneration paid to key management personnel and relatives.

Name of the related Party	Remuneration paid during the year	
	2014-15 Rs.	2013-14 Rs.
i) Sri R.Srihari, Managing Director (Including gratuity paid)	—	17,77,773
ii) Sri Balakrishna S, Wholetime Director (excluding provision for gratuity)	21,06,788	12,14,710
iii) Sri R.Padmanaban, Technical Director (excluding provision for gratuity)	13,45,982	8,07,779
iv) Sri R.Thirumalai, Production Manager	9,98,790	1,65,027
v) Sri R.Rajagopal, Administrative Manager	3,21,600	—
vi) Sri Srish Jayender Balakrishna, Marketing Manager	3,21,600	—

xi) Deferred Tax Liability Net:

Details	2014-15 Rs.	2013-14 Rs.
Deferred tax liability at the beginning of the year	82,89,052	67,48,193
Add: Transfer from Statement of Profit and Loss	—	15,40,859
Less: Deferred Tax liability adjusted for Depreciation provided refer note below. Note No.8	-20,55,260	—
Balance	62,33,792	82,89,052
Less: Transferred to P&L account during 2014-15	-62,33,792	—
Closing Balance Deferred Tax liability	—	82,89,052



Sri Lakshmi Saraswathi Textiles (Arni) Limited

Breakup details:

Deferred Tax Liability (Net)	2014-15 Rs.	2013-14 Rs.
<u>Deferred Tax Liability</u>		
Tax Liability on difference between book depreciation and depreciation under the Income Tax Act 1961.	1,22,11,710	1,52,39,031
<u>Deferred Tax Assets</u>		
Tax effect on timing difference of certain expenses	(1,23,81,708)	(69,49,979)
Deferred Tax Liability / (assets)	(1,69,997)	82,89,052

The company does not reckon deferred tax asset.

B) ADDITIONAL INFORMATION AS REQUIRED IN REVISED SCHEDULE III OF THE COMPANIES ACT 2013.

	2014-15 Rs.	2013-14 Rs.
1. C.I.F.Value of Imports during the year		
(a) Raw Materials	84,48,849	0
(b) Components and spares	15,83,955	15,92,511
2. Expenditure in Foreign Currency		
(a) Interest	0	0
(b) Travels	93,673	3,50,001
(c) Selling Expenses	5,20,960	4,70,148
3. (a) Value of imported Raw Materials consumed	90,36,484	0
(b) Percentage of the above to total consumption	1.28	0
(c) Value of indigenous Raw materials consumed during the year	69,48,48,070	77,41,18,948
(d) Percentage of the above to total consumption	98.72	100
(e) Value of imported Stores and Spares consumed during the year	15,83,955	15,92,511
(f) Percentage of the above to total consumption	5	5
(g) Value of indigenous Stores and spares consumed during the year	3,18,49,567	3,15,59,164
(h) Percentage of the above to total consumption	95	95
4. Earnings in Foreign currency during the year		
(a) Export of Goods in FOB Value	3,92,06,996	7,33,65,796
(b) Others	Nil	Nil
5. (a) Amount remitted during the year in Foreign currency on account for dividend	Nil	Nil
(b) No. of Non-resident Shareholders	Nil	Nil

SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED

(CIN L17111TN1964PLC005183)

Registered Office: 16, Krishnama Road, Nungambakkam, Chennai 600 034.

Email: slst@vsnl.comWeb: www.slstindia.com

Phone: 044 28223132 / 28277344

PROXY FORM

Name of the member (s) :
Registered address:
E-mail ID:
Folio/ DP ID Client ID No.

I/ We being the member(s) of Shares of the above named Company hereby appoint:

- (1) Name:..... Address:.....
 Email ID:..... Signature..... or failing him;
- (2) Name:..... Address:.....
 Email ID:..... Signature..... or failing him;
- (3) Name:..... Address:.....
 Email ID:..... Signature..... or failing him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 51st Annual General Meeting of the Company, to be held on Wednesday, August 12, 2015 at 2.30 PM at Rani Seethai Hall, 603 Mount Road, Chennai-600 006 and at any adjournment thereof in respect of such resolutions as are indicated below:

Res. No.	Resolutions	Optional	
		For	Against
ORDINARY BUSINESS			
1.	Adoption of Financial Statements for the year ended 31 st March 2015.		
2.	Re-appointment of Mr.Balakrishna S, who retires by rotation.		
3.	Re-appointment of Mr.R.Padamanaban, who retires by rotation.		
4.	Appointment of M/s.S.Viswanathan, Chartered Accountants, as Auditor and fixing their remuneration.		
SPECIAL BUSINESS			
5.	Appointment of Sri Balakrishna. S, as Managing Director, for a period of 3 years w.e.f. 01.04.2015 and to approve his remuneration		
6.	Appointment of Sri R Padmanaban, as Joint Managing Director, for a period of 3 years w.e.f. 01.04.2015 and to approve his remuneration		

Signed this day of 2015

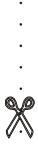
Signature of shareholder.....

Signature of Proxy holder(s)

Affix
 Re.0.15
 Revenue
 Stamp

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.
- For the Resolution, Explanatory Statement and Notes, please refer to the Notice of the 51st Annual General Meeting.
- It is optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or Against column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Please complete all details including details of member(s) in above box before submission.



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ATTENDANCE SLIP

51st ANNUAL GENERAL MEETING

2015

I/We hereby record my/our presence at the 51st Annual General Meeting of the Company at Rani Seethai Hall, 603 Mount Road, Chennai-600 006 on Wednesday, August 12, 2015 at 02.30 P.M

Member's Folio/DP ID-Client ID No.	Member's/ Proxy's name in Block Letters	Member's/ Proxy's signature

- Note:**
1. Please complete the Folio / DP ID-Client ID No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.
 2. Electronic copy of the Annual Report for 2014-15 and Notice of the Annual General Meeting (AGM) alongwith Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Company / Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
 3. Physical copy of the Annual Report for 2014-15 and Notice of the Annual General Meeting alongwith Attendance slip and Proxy Form is sent in the permitted mode(s) to all members whose email is not registered or have requested for a hard copy.

