
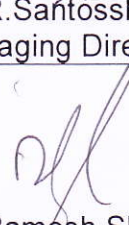




FORM A

(Pursuant to clause 31(a) of the Listing Agreement)

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

|   |  |  |
|---|--|--|
| 1 | Name of the Company                            | LAMBODHARA TEXTILES LIMITED  |
| 2 | Annual financial statements for the year ended | 31 <sup>st</sup> March 2015  |
| 3 | Type of Audit qualification                    | Un-qualified   |
| 4 | Frequency of qualification                     | Not Applicable   |
| 5 | To be signed by-                               |  |
|   | CEO/Managing Director                          | <br>Mr. R. Santossh<br>Managing Director  |
|   | CFO  | <br>Mr. Ramesh Shenoy.K.<br>Chief Financial Officer   |
|   | Auditor of the Company                         | for Mohan & Venkataraman<br>Chartered Accountants<br>FRN: 007321S<br><br><br>R. Mohan<br>Partner<br>Membership No.: 201229 |
|   | Audit Committee Chairman                       | <br>Mr. Deepak P Malani<br>Chairman of Audit Committee   |



# *Lambodhara Textiles Limited*



*21<sup>st</sup>*

*Annual Report*

**2014 - 2015**



## *Lambodhara Textiles Limited*

### BOARD OF DIRECTORS

|   |   |   |
|---|---|---|
| <b>Managing Director</b>                    | : | Sri. Santossh R.  |
| <b>Whole Time Directors</b>                 | : | Smt. Vimala R.<br>Smt. Giulia Bosco   |
| <b>Non-Executive Directors</b>              | : | Sri. Deepak Malani<br>Sri. Vastupal R. Mehta<br>Sri. M.S. Rajkumar<br>Sri. Baba Chandrasekhar. R  |
| <b>Bankers</b>                              | : | <b>State Bank of India</b><br>Specialised Commercial Branch<br>24, Stanes Road, Tirupur-2.<br>Phone : 0421-2207400<br><br><b>Bank of India</b><br>Main Branch, Oppanakara Street,<br>Coimbatore-1. Phone : 0422-2396772   |
| <b>Auditors</b>                             | : | <b>M/s. Mohan &amp; Venkataraman</b><br>Chartered Accountants<br>Shree Chinmayam, 152, Ramalingam Colony<br>SAHS College Post, Coimbatore - 641 043,  |
| <b>Registrar &amp; Share Transfer Agent</b> | : | <b>M/s. SKDC Consultants Limited</b><br>Kanapathy Towers, 3rd Floor,<br>1391/A-1, Sathy Road, Ganapathy,<br>Coimbatore-6.<br>Phone : 0422-6549995, 2539835 - 836<br>Fax : 0422-2539837<br>E-mail : <a href="mailto:info@skdc-consultants.com">info@skdc-consultants.com</a> |

### REGISTERED OFFICE

CIN: L17111TZ1994PLC004929  
3A, 3<sup>rd</sup> Floor, 'B Block' Pioneer Apartments,  
1075 – B, Avinashi Road, Coimbatore – 641018.  
Telefax : +91-422-2249038 & 4351083,  
Email : [info@lambodharatextiles.com](mailto:info@lambodharatextiles.com)  
Website Address : [www.lambodharatextiles.com](http://www.lambodharatextiles.com)

### WORKS

826, Thazhaiyuthu  
Palani Taluk  
Pin : 624 618  
Phone : 04252 - 252253



## *Lambodhara Textiles Limited*

### 21st ANNUAL GENERAL MEETING

**Date** : 9th September 2015  
**Day** : Wednesday  
**Time** : 10.00 a.m.  
**Venue** : Vibha, The Grand Regent,  
708, Avinashi Road, Coimbatore – 641 018

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**NOTICE TO SHAREHOLDERS**

Notice is hereby given that the Twenty First Annual General Meeting of the members of Lambodhara Textiles Limited will be held on Wednesday the 9<sup>th</sup> day of September 2015 at 10:00 a:m at Vibha, The Grand Regent, 708, Avinashi Road, Coimbatore – 641 018 to transact the following business

**AGENDA**

**Ordinary Business**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2015 including audited Balance Sheet as at 31<sup>st</sup> March, 2015 and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a Director in place of Mrs. Giulia Bosco (DIN 01898020) who retires by rotation and being eligible, offers herself for re-appointment.
4. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution

RESOLVED that pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, the reappointment of the statutory auditors of the Company Messrs. Mohan & Venkataraman, Chartered Accountants, (Firm Registration No. 007321S), Coimbatore, be and is hereby ratified for the financial year 2015-2016 at such remuneration, as may be determined by the Board of Directors of the Company.

**Special Business**

- 5 To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution.

RESOLVED that Mr. Baba Chandrasekhar Ramakrishnan (DIN 00125662) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 10<sup>th</sup> November 2014 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company.

- 6 To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution.

RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. C.S.Hanumantha Rao & Co, Cost Accountants, (Firm Registration No. 000216) appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial 2015-2016 on a remuneration of ₹ 35,000/- be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.



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

Resolved that pursuant to the provisions of Section 61(1)(d) and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and provisions of the Articles of Association and subject to the approvals, consents, permissions and sanctions, if any, required from any authority, consent of the members be and is hereby accorded to sub-divide each Equity Shares of the nominal value of ₹ 10/- each in the Capital of the Company into 2 (Two) Equity shares of ₹ 5/- each fully paid up with effect from the Record Date as may be fixed for the purpose.

Further Resolved that, upon sub-division of the equity shares as aforesaid, the existing share certificates in relation to the existing equity shares of the face value of ₹10/- each held in physical form shall be deemed to have been automatically cancelled and shall be of no effect on and from the Record Date and the Company may without requiring the surrender of the existing share certificate(s) directly issue and despatch the new share certificate(s) of the Company, in lieu of such existing issued share certificate(s) and in the case of equity shares held in the dematerialised form, the number of sub-divided equity shares be credited to the respective beneficiary accounts of the Shareholders with the Depository Participants, in lieu of the existing credit representing the Equity Shares of the Company before sub-division.

Further Resolved that the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and steps as may be necessary for obtaining such approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection to give effect to the aforesaid resolution.

- 8 To consider and if thought fit to pass with or without modification the following resolution as a Special Resolution.

Resolved that pursuant to the provisions of section 13 and 61 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, the existing clause V of the Memorandum of Association of the Company be and is hereby deleted and its place the following clause V shall be substituted.

V. The Authorised Share Capital of the Company is ₹ 5,00,00,000 (Rupees Five Crore) divided into 1,00,00,000 (one crore) equity shares of ₹ 5/- (Rupees five) each.

The Company shall have power, at any time and from time to time, to increase or reduce its capital. Any of the said shares and any new shares may, at any time and from time to time, be divided into shares of several classes in such manner as the Articles of Association of the company may prescribed and the shares of each class may confer such preferred or other special rights and privileges and impose such restrictions and conditions whether in regard to dividend, voting, return of capital or otherwise as will be prescribed in or under the Articles of Association.

Further Resolved that the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things, as may be considered necessary, desirable and expedient for giving effect to this resolution.

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



Resolved that pursuant to the provisions of section 14 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, the existing article 3 of the Articles of Association of the Company be and is hereby deleted and its place the following article 3 shall be substituted.

3. The Authorised Share Capital of the Company is ₹ 5,00,00,000 (Rupees Five Crore) divided into 1,00,00,000 (one Crore) equity shares of ₹ 5/- (Rupees Five) each.

Further Resolved that the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things, as may be considered necessary, desirable and expedient for giving effect to this resolution.

### **Statement Pursuant To Section 102 of The Companies Act 2013**

#### **Item No 5**

The Board of Directors upon the recommendation of the Nomination and Remuneration Committee, has appointed Mr. Baba Chandrasekhar Ramakrishnan as Additional Director of the Company with effect from 10<sup>th</sup> November, 2014. As per the provisions of Section 161(1) of the Act, Mr. Baba Chandrasekhar Ramakrishnan shall hold office as an Additional Director only up to the date of this Annual General Meeting of the Company, and is eligible for appointment as Director.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Baba Chandrasekhar Ramakrishnan for the office of Director of the Company.

Mr. Baba Chandrasekhar Ramakrishnan has given a declaration to the Board that he is not disqualified from being appointed as a Director in terms of Section 164 (2) of the Act and has given his consent to act as a Director. In the opinion of the Board, he fulfills the conditions specified in the Act and the Rules framed thereunder for his appointment.

The Board of Directors of your Company recommends the resolution in relation to appointment of Mr. Baba Chandrasekhar Ramakrishnan for the office of Director, for the approval by the shareholders of the Company.

In compliance with the provisions of Section 161 of the Act, the appointment of Mr. Baba Chandrasekhar Ramakrishnan as a Director is now being placed before the Members for their approval.

None of the Directors, Key Managerial Personnel (KMPs) or relatives of Directors and KMPs, except Mr. Baba Chandrasekhar Ramakrishnan is concerned or interested in the resolution at Item No. 5 of the Notice.

Disclosure under clause 49 of the Listing agreement with the Stock Exchange and SS-2 is set out in the annexure to the Explanatory Statement.

#### **Item No 6**

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. C.S.Hanumantha Rao & Co, as Cost Auditors of the Company to conduct the audit of the cost records of the Company relating to synthetic yarn for the financial year 31<sup>st</sup> March 2016 at a remuneration of ₹ 35,000/- .

In accordance with the provisions of Section 148 of the Act read with the Rules, the remuneration payable to the Cost Auditors has to be ratified by the Shareholders of the





Company. Accordingly the Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

None of the Directors / Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

#### **Item No.7, 8 & 9**

The equity shares of the Company are listed on National Stock Exchange of India Limited and Ahmedabad Stock Exchange Limited and also admitted for trading under the Indo-next platform of the BSE Limited. In order to improve the liquidity of company's shares in the stock market and broad basing of small investors, the Board of Directors of the Company, in its meeting held on 20<sup>th</sup> July 2015, have approved the sub-division of the nominal value of equity shares of the Company of ₹ 10/- each into smaller denomination of ₹ 5/- each, subject to the approval of the shareholders and such other authorities as may be necessary.

Accordingly, each equity shares of the nominal value of ₹ 10/- each existing on the record date, shall stand sub-divided into 2 equity shares of the nominal value of ₹ 5/- each.

The Record Date for the aforesaid sub-division will be fixed by the board of directors after the approval of the shareholders.

The proposed split of the face value of the equity shares of the Company of ₹ 10/- each into denomination of ₹ 5/- each fully paid up requires amendment to the capital clause of the Memorandum and Articles of Association of the Company. Accordingly clause V of the Memorandum of Association and Article 3 of the Articles of Association are proposed to amended as set out in item no. 8 and 9 respectively of this notice for reflecting the corresponding changes in the authorized share capital of the Company.

The Board recommends the Special Resolutions set out at Item No. 7, 8 & 9 of the Notice for approval by the shareholders.

None of the Directors / Key Managerial Personnel of the Company or their relatives are, concerned or interested in the resolutions except to the extent of their shareholding in the Company.

A copy of the Memorandum and Articles of Association of the Company along with the proposed amendments shall be open for inspection at the registered office of the Company during 10:00 a:m to 4:00 p:m on all working days upto the date of Annual General Meeting.

#### **Notes**

- 1. A member entitled to attend and vote at the Annual General Meeting (the "meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the company.**

**The instrument appointing the proxy should, however, be deposited at the registered office of the company not less than forty-eight hours before the commencement of the meeting. A proxy form for the Annual General Meeting is enclosed.**

**A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**





2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Members / Proxies should bring the attendance slips duly filled and signed for attending the meeting.
4. Details under Clause 49 of the Listing Agreement with the Stock Exchange(s) in respect of the Directors seeking appointment / re-appointment at the Annual General Meeting are furnished and forms a part of the Notice. The Directors have furnished the requisite consents/declarations for their appointment / re-appointment.
5. Pursuant to Section 123 of the Companies Act, 2013 dividend as recommended by the Board of Directors for the year ended 31<sup>st</sup> March 2015, if declared, at the ensuing Annual General Meeting is proposed to be paid on or before 21<sup>st</sup> September 2015.
6. The register of members and share transfer books of the company will remain closed from 3<sup>rd</sup> September 2015 to 9<sup>th</sup> September 2015 (both days inclusive).
7. Members holding shares in electronic form are hereby informed that bank particulars registered against their depository accounts will be used by the Company for payment of dividend. The Company or the Registrars cannot act on any request received directly from the members holding shares in electronic form for any such change in bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the Members. Members holding shares in physical form and desirous of either registering bank particulars already registered against their respective folios for payment of dividend are requested to write to the Registrars and Share Transfer Agents of the Company.
8. Members holding shares in physical form are requested to notify immediately any change in their address along with respective address proof and Bank particulars to the Company or its Registrar & Share Transfer Agent and in case their shares are held in dematerialized form, this information should be passed on directly to their respective Depository Participants and not to the Company/RTA without any delay.
9. Members desirous of receiving any information on the accounts or operations of the Company are requested to forward his/her queries to the Company at least seven working days prior to the meeting, so that the required information can be made available at the meeting.
10. Pursuant to Section 205A of the Companies Act, 1956, the Dividend which remained unencashed / unclaimed for a period of seven years from the date of transfer to the unpaid Dividend account is required to be transferred to the "Investor Education and Protection Fund" established by the Central Government. Members who have not encashed the Dividend warrant(s) so far, are requested to send their claim immediately to the Company / Registrar and Transfer Agent for issue of pay order / demand draft in lieu thereof.
11. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Registrar and Share Transfer Agent, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such members after making requisite changes thereon.
12. Members holding shares in Physical form are requested to convert their holdings to dematerialized form to eliminate all risks associated with Physical shares.



13. 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 their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in Physical form can submit their PAN to the Company or to M/s SKDC Consultants Limited, Kanapathy Towers, 3<sup>rd</sup> Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore – 641006.
14. The members are requested to forward their share transfer deed(s) and other communications directly to the Registrar and share transfer agent of the company M/s. SKDC Consultants Limited, Kanapathy Towers, 3<sup>rd</sup> Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore – 641006.
15. Electronic copy of the Annual Report for 31<sup>st</sup> March 2015, the Notice of the 21<sup>st</sup> Annual General Meeting of the Company and instructions for e-voting, along with the Attendance Slip and Proxy Form, are 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 is being sent in the permitted mode.
16. Voting through electronic means:

In compliance with the provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing agreement, the Company is pleased to provide members facility to exercise their votes for all the resolutions detailed in the Notice of the 21<sup>st</sup> Annual General Meeting scheduled to be held at 10:00 a.m, on Wednesday, the 9<sup>th</sup> September, 2015, by electronic means and the business may be transacted through remote e-voting. The Company has engaged the services of CDSL as the authorised agency to provide the remote e-voting facilities.

The Facility for voting, through polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting may exercise their vote through polling paper at the meeting.

The Members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.

**Instructions for Shareholders Voting Electronically are as under:**

- (i) The remote e-voting period begins at 09.00 AM on 06.09.2015 and ends on at 05.00 PM on 08.09.2015. During this period shareholders of the Company, holding shares either in physical form or in electronic form, as on the cut-off date of 02.09.2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a For CDSL: 16 digits beneficiary ID



- b For NSDL: 8 Character DP ID followed by 8 Digits Client ID
- c Members holding shares in Physical Form should enter Folio Number registered with the Company
- (v) Next enter the Image Verification as displayed and Click on Login
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and 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) Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number provided at the attendance slip enclosed herewith in the PAN field                                    |
| 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. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv). |

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Lambodhara Textiles Limited on which you choose to vote.
- (xii) 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.



- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take printout of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
  - ❖ Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - ❖ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - ❖ After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - ❖ The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - ❖ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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 [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

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 of 2<sup>nd</sup> September 2015.

Mr.M.D.Selvaraj FCS of MDS & Associates, Company Secretaries, Coimbatore has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall immediately after the conclusion of the Annual General Meeting first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman of the company.

The Results shall be declared within 3 days of the conclusion of the Annual General Meeting. The results declared along with the consolidated Scrutinizer’s Report shall



be placed on the Company's website [www.lambodharatextiles.com](http://www.lambodharatextiles.com) and on the web site of CDSL after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.lambodharatextiles.com](http://www.lambodharatextiles.com) and on the website of CDSL within three days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges where the Company's shares are listed.

By Order of the Board,

Place : Coimbatore

Date : 20.07.2015

(Sd/-) **SANTOSSH. R**

Managing Director

### **Appointment of Directors**

Pursuant to Clause 49 of the Listing Agreement and as per Secretarial Standard - 2 (SS-2) on "General Meetings", the particulars of appointment of Director & Director retiring by rotation and seeking reappointment at the Annual General Meeting, are given hereunder

| <b>Name</b>   | <b>Mr. Baba Chandrasekhar Ramakrishnan</b> | <b>Ms. Giulia Bosco</b>  |
|---|--|--|
| DIN   | 00125662                                   | 01898020   |
| Date of Birth   | 12/07/1948                                 | 18/02/1978   |
| Date of appointment on the Board                      | 10/11/2014                                 | 07/03/2008   |
| Inter-se relationship with other directors            | None                                       | Wife of Mr.R.Santossh, and Daughter in law of Mrs.R.Vimala.  |
| Qualification   | MS Chemical Engineering                    | PG Political Science & Eco.  |
| Expertise in area                                     | Textiles                                   | Textiles   |
| No. of shares held                                    | 100  | 232,000  |
| Board position held                                   | Non-Independent<br>Non Executive Director  | Whole Time Director  |
| Terms and conditions of appointment / re-appointment  | Liable to retire by rotation.              | Appointed as Whole Time Director for a period of five years w.e.f 01.10.2013 and liable to retire by rotation. |
| Remuneration  | -  | ₹ 8,40,000   |
| Number of Board meetings attended during the year     | 2  | 1  |
| Directorships held in other companies                 | -  | Strike Right Integrated Services Limited   |
| Chairman/ Membership in other Committees of the Board | -  | -  |

**DIRECTORS' REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting their twenty first Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31<sup>st</sup> 2015.

**FINANCIAL RESULTS**

Company's financial performance for the year under review alongwith previous year's figures are given hereunder:

| PARTICULARS  | 2014-2015   | 2013-2014   |
|--|-------------|-------------|
|  | (₹ in '000) | (₹ in '000) |
| Revenue from operations                                      | 1333018     | 1120911     |
| Other Income   | 4229        | 4847        |
| Operating Profit before Finance Costs,<br>Depreciation & Tax | 190622      | 158655      |
| Less: Depreciation   | 60477       | 54167       |
| Less : Finance Costs   | 70398       | 63325       |
| <b>Profit before Tax</b>                                     | 59747       | 41163       |
| Provision for Tax  | 12240       | 8268        |
| Deferred Tax   | (3970)      | (2491)      |
| <b>Net Profit for the year</b>                               | 51477       | 35387       |
| Add: Balance brought forward from previous year              | 112485      | 83112       |
| Profit available for appropriation                           | 163962      | 118498      |
| <b>Appropriation of Profits</b>                              |             |             |
| Transfer to General Reserve                                  | 1290        | 890         |
| Dividend and Dividend Tax                                    | 8380        | 5124        |
| Balance carried over to Balance Sheet                        | 154291      | 112485      |

**COMPANY PERFORMANCE**

The Company achieved a total turnover of ₹ 133.72 Crores as against a turnover of ₹ 112.57 crores in the previous year. The Company's profit before tax is ₹ 5.97 crores during the year, as compared to ₹ 4.11 crores in the previous year, an increase of 45.25% over the last year. The Company earned a net profit of ₹ 5.15 crores, as against a net profit of ₹ 3.54 crores in the previous year.

**BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR / STATE OF COMPANY'S AFFAIRS**

The Company has been sanctioned a Term Loan of ₹ 3.91 Crores for modernization project at a project cost of ₹ 4.89 Crores and is in the process of implementation. The said project will improve the productivity and value addition.

The Company is in the process of completion of construction of Commercial Complex with a rentable area of 28,000 sft. appx. The said Commercial Complex will be let out and the



Company is in the process of finding suitable tenants and is expected to fetch rental income during second half of Financial Year 2015-16.

### **RESERVES**

The Company proposes to transfer an amount of ₹ 12.90 Lakhs to the General Reserves. An amount of ₹ 418.07 Lakhs is proposed to be retained in the Statement of Profit and Loss

### **DIVIDEND**

Your Directors are pleased to recommend a Dividend of ₹ 1.50 per equity share for the year 2014-15. The proposed dividend, subject to approval of Shareholders in the ensuing Annual General Meeting of the Company, would result in appropriation of ₹ 81.94 Lakhs (including Corporate Dividend Tax of ₹ 13.86 Lakhs) out of the profits thus giving 15.92% payout from the net profit of the Company. The dividend would be payable to all Shareholders whose names appear in the Register of Members as on the Book Closure Date.

### **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

There is no amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder.

### **SHARE CAPITAL**

The paid up equity capital as on March 31, 2015 was ₹ 4,53,88,000. During the year under review, the Company has made a preferential allotment of 1,59,000 equity shares of ₹ 10/- each for cash to promoters in accordance with the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009 at ₹ 150/- aggregating to ₹ 2,38,50,000/-. The Company credited ₹ 2,22,60,000/- as premium on account of preferential allotment.

### **EXTRACT OF ANNUAL RETURN**

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in **Annexure No.1** and is attached to this Report.

### **NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS**

During the year the Board of Directors met five times. The details of the Board Meetings are provided in the Corporate Governance Report

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed;





- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the internal financial controls to be followed by the company were laid down and such internal financial controls were adequate and were operating effectively.
- (f) 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.

**DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT.**

There have been no frauds reported by the Auditors pursuant to Section 143(12) of the Companies Act, 2013.

**DECLARATION BY INDEPENDENT DIRECTORS**

All the Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

**NOMINATION AND REMUNERATION POLICY OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES**

In adherence of section 178(1) of the Companies Act, 2013, the Board of Directors of the Company approved a policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under section 178(3), based on the recommendations of the Nomination and Remuneration Committee.

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in *Annexure No.2*– and forms part of this Report.



## AUDITORS

### STATUTORY AUDITORS

M/s. Mohan & Venkataraman (Firm Registration No. 007321S), Chartered Accountants have been appointed as statutory auditors of the company at the last Annual General Meeting held on 11.09.2014 for a period of three years subject to ratification by members at every subsequent Annual General Meeting. Therefore, ratification of appointment of Statutory Auditors is being sought from the members of the Company at the ensuing AGM.

### COST AUDITORS:

Pursuant to the provisions of Section 141 read with Section 148 of the Companies Act, 2013 and Rules made thereunder and Cost Audit Order notified by the Ministry of Corporate Affairs dated 31<sup>st</sup> December, 2014, M/s. C.S.Hanumantha Rao & Co., Cost Accountants (Firm Regn. No. 000216) were appointed as the cost auditors of the Company for the year ending 31<sup>st</sup> March, 2016. Members are requested to consider the ratification of the remuneration payable to M/s. C.S.Hanumantha Rao & Co .

### SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed Mr.M.D.Selvaraj of MDS & Associates, Coimbatore to undertake the Secretarial Audit of the Company for the year ended 31<sup>st</sup> March, 2015. The Secretarial Audit Report is annexed as *Annexure 3*.

Regarding the abservation of the Secretarial Auditors on non-appointment of Company Secretary, the Directors wish to state that the Company is in the process of appointing a qualified Company Secretary.

The Auditors' Report for the financial year ended 31<sup>st</sup> March, 2015 do not contain any qualification, reservation, adverse remark or disclaimer.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

Particulars of the investments made by the Company as at 31<sup>st</sup> March, 2015 are given in the Notes forming part of the Financial Statements. During the Financial Year under review, the Company made an investment of ₹ 15 lakhs in 1,50,000 equity shares of Kamachi Sponge & Power Corporation Limited in order to enable the Company to purchase electricity from them under group captive arrangement for the period from Dec' 2014 to May'2015. The Company has not given any loans or guarantees or provided any security to any person or other bodies corporate under section 186 of the Companies Act, 2013.



### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

The particulars of every contract and arrangement entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 at arm's length transactions are disclosed in Form No. AOC -2 in **Annexure – 4** and form part of this Report.

### **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

### **CONVERSION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information pertaining to conservation of energy, technology absorption, Foreign Exchange Earnings and outgo as required under section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 is furnished in Annexure and is attached to this report.

### **RISK MANAGEMENT POLICY**

The Company has a structured risk management policy. The Risk management process is designed to safeguard the organisation from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are inventorised and integrated with the management process such that they receive the necessary consideration during decision making. It is dealt with in greater details in the management discussion and analysis section.

### **DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

Pursuant to the provision of Section 135 of the Companies Act, 2013 ("the Act") read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted a CSR Committee. Mr. R. Santossh is the Chairman of the Committee and Mrs. R. Vimala and Mr. M.S. Rajkumar are the other members of the Committee. The Board of Directors, based on the recommendations of the Committee, formulated a CSR Policy encompassing the Company's philosophy for describing its responsibility as a Corporate citizen, laying down the guidelines and mechanisms for undertaking socially relevant programmes for welfare and sustainable development of the community at large. CSR Policy is available on weblink

The amount required to be spent on CSR activities during the year under report in accordance with the provisions of Section 135 of the Act is ₹ 7.61 lakhs and the Company has spent ₹ 10.54 lakhs during the current financial year.



The requisite details on CSR activities pursuant to Section 135 of the Act and as per Annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014 are annexed as **Annexure 5** to this Report.

### **ANNUAL PERFORMANCE EVALUATION**

In accordance with the criteria suggested by The Nomination and Remuneration Committee, the Board of Directors evaluated the performance of the Board, having regard to various criteria such as Board composition, Board processes, Board dynamics etc. The Independent Directors, at their separate meetings, also evaluated the performance of non-independent directors and the Board as a whole based on various criteria. The performance of each independent Director was evaluated by the entire board of directors on various parameters like engagement, leadership, analysis, decision making, communication, governance etc. The Board and the Independent Directors were of the unanimous view that performance of the Board of Directors as a whole was satisfactory.

The performances of all the Committees were evaluated by the Board having regard to various criteria such as committee composition, committee, processes, committee dynamics etc. The Board was of the unanimous view that all the committees were performing their functions satisfactorily.

### **CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There was no change in the nature of business of the Company during the financial year ended 31<sup>st</sup> March, 2015.

### **DIRECTORS**

At the Annual General Meeting of the Company held on 11<sup>th</sup> September, 2014, the Members had approved the appointment of Mr. Vastupal Rajnikant Mehta, Mr. Deepak Padamshi Malani and Mr.M.S.Rajkumar as Independent Directors for a term of five years.

Pursuant to the provisions of section 152 of the Companies Act, 2013, Mrs. Giulia Bosco (holding DIN 01898020) is due to retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

The Board of Directors has appointed Mr. Baba Chandrasekhar Ramakrishnan as an Additional Director with effect from 10<sup>th</sup> November 2014. He will hold Office up to the ensuing Annual General Meeting, of the Company and being eligible, offers himself for reappointment. Notice under Section 160 of the Act, has been received by the Company from a Member, signifying his intention to propose the candidature of Mr Baba Chandrasekhar Ramakrishnan as a Director of the Company. Accordingly necessary resolution proposing the appointment of Mr. Baba Chandrasekhar Ramakrishnan as Director of the Company has been included in the Agenda of the Notice convening the Annual General Meeting for the approval of the members.



Mr.R.Santossh has been re-appointed as Managing Director by the Shareholders of the Company in the Annual General Meeting held on 11<sup>th</sup> September 2014 for a period of five years with effect from 26<sup>th</sup> September 2014.

The shareholders at the annual general meeting held on 11<sup>th</sup> September, 2014 appointed Mrs.R.Vimala as whole time director for a period of five years with effect from 1<sup>st</sup> October 2014.

### **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint venture or Associate Company.

### **FIXED DEPOSITS**

The Company has neither accepted nor renewed any deposits during the year under review. During the year, your Company repaid all the outstanding fixed deposits from public aggregating to ₹ 195 Lakhs. As at 31<sup>st</sup> March, 2015, there was no deposit remaining unpaid or unclaimed as at the end of the year.

### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE**

There is no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

In the opinion of the Board, the existing internal control framework is adequate and commensurate to the size and nature of the business of the Company.

### **PARTICULARS OF EMPLOYEES AND REMUNERATION**

The requisite details relating to ratio of remuneration, percentage increase in remuneration etc. as stipulated under Section 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as **Annexure 6** to this Report.

The disclosure referred to the Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 does not apply to the Company as there were no employees who are in receipt of remuneration in the aggregate at the rate of not less than ₹ 60,00,000/- if employed throughout the year or ₹ 5,00,000/- per month if employed for part of the year

### **AUDIT COMMITTEE**

The Audit Committee of the Board of Directors of the Company, comprises three Members, namely Mr.Deepak Padamshi Malani, Mr.Vastupal Rajinikant Mehta and Mr. M S Rajkumar, all of them being Independent Directors. Mr. Deepak Padamshi Malani, an Independent Director, is the Chairperson of the Audit Committee.



The Board accepted the recommendations of the Audit Committee whenever made by the Committee during the year.

#### **VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

#### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.**

The Company has been employing women employees in various cadres within the factory premises. The Company has in place an Anti - harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee has been setup to redress complaints received regularly. There was no complaint received from any employee during the financial year 2014-15 and hence no complaint is outstanding as on 31.03.2015 for redressal.

#### **MANAGEMENT DISCUSSION AND ANALYSIS AND CORPORATE GOVERNANCE**

The Management Discussion and Analysis Report and the Report on Corporate Governance, as required under Clause 49 of the Listing Agreement, forms part of the Annual Report.

#### **LISTING OF SHARES**

During the year under review, the Company has listed its shares on the National Stock Exchange of India Limited (NSE). NSE has been defined as the Designated Stock Exchange of the Company.

#### **ACKNOWLEDGEMENTS:**

The Board of Directors express their appreciation for the contribution made by the employees, customers and bankers for the support extended by them during the year under review.

For and on behalf of the Board

MEENAKSHI SUNDARAM RAJKUMAR  
CHAIRMAN  
(DIN : 06935422)

Place : Coimbatore

Date : 20.07.2015



**ANNEXURE FORMING PART OF THE DIRECTORS' REPORT  
FOR THE PERIOD April 2014 TO March 2015**

Under Section 134 (3) (m) of the Companies Act, 2013

**A. Conservation Of Energy**

- a) Steps taken or impact on conservation of energy.
1. Conservation by judicially switching off of equipments, lamps not required at the given time.
  2. Energy saver lighting
- Though every effort is being taken to reduce the cost of production by adopting suitable methods of energy conservation, quantification of such reduction is difficult.

- b) Steps taken for utilizing alternate source of energy

We have executed Power Purchase Agreement under Group Captive Power Consumer for supply of 60 lacs units p.a. generated from Wind Mill

- c) Capital investment on energy conservation equipments.

We have made a capital investment of ₹ 2.00 lacs on various energy conservation equipments.

**B. Technology Absorption**

**1. Research & Development**

- a) Specific Areas in which R & D work is carried out by the company:  
Improvement in the production process wherever necessary to increase the output of the products with a better quality.
- b) Benefits Derived as a result of above R & D:  
Continuous improvement in the production process including increase in line speed in various processors has increased output with better quality in view of the R & D efforts.
- c) Future Plan of Action:  
We are in for continuous improvement in manufacturing processors including automation wherever possible to exploit the existing product range to suit the customer needs. Introduce new products in line with updated technology available to suit the customer need.
- d) Expenditure on R & D: Nil.

**2. Technology Absorption, Adaption and Innovation**

The company has no activity relating to technology absorption.

**C. Foreign Exchange Earnings and Outgo :**

(₹ In '000)

| Particulars                       | 2014-15 | 2013-14 |
|-----------------------------------|---------|---------|
| (i) Expenditure on Foreign Travel | 117     | 115     |
| (ii) Foreign Exchange Earned      | 244068  | 200969  |

For and on behalf of the Board

Place : Coimbatore

Date : 20.07.2015

MEENAKSHI SUNDARAM RAJKUMAR  
CHAIRMAN  
(DIN : 06935422)





## FORM NO. MGT-9

## EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2015

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

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN L17111TZ1994PLC004929
- ii) Registration Date 17.03.1994
- iii) Name of the Company **LAMBODHARA TEXTILES LIMITED**
- iv) Category / Sub-Category of the Company Company Limited by Shares / Indian Non Government Company
- v) Address of the Registered office and contact details  
3A, B Block  
Pioneer Apartment  
1075 –B, Avinashi Road  
Coimbatore-641018  
Ph.No.:0422-2249038  
Fax No.:0422-2249038  
Email Id:info@lambodharatextiles.com
- vi) Whether listed Company Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any  
**SKDC CONSULTANTS LIMITED**  
Kanapathy Towers  
3<sup>RD</sup> Floor, 1391/A1, Sathy Road  
Ganapathy  
Coimbatore - 641006  
Ph. No.: 0422-6549995, 2539835,  
2539836  
Fax: 0422-2539837  
E-mail: [info@skdc-consultants.com](mailto:info@skdc-consultants.com)

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

| Sl. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|---------|--|---------------------------------|------------------------------------|
| 1       | Synthetic Yarn                                   | 13114                           | 100%                               |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

[No. of Companies for which information is being filled]

| Sl. No. | Name and address of the Company | CIN / GLN | Holding Subsidiary Associate | % of shares held | Applicable Section |
|---------|---------------------------------|-----------|------------------------------|------------------|--------------------|
| Nil     |                                 |           |                              |                  |                    |



## 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 [As on 01-April-2014] |          |         |                   | No. of Shares held at the end of the year [As on 31-March-2015] |          |         |                   | % Change during the year |
|---------------------------------------|---|----------|---------|-------------------|---|----------|---------|-------------------|--------------------------|
|                                       | Demat   | Physical | Total   | % of Total Shares | Demat   | Physical | Total   | % of Total Shares |                          |
| <b>A. Promoters</b>                   |   |          |         |                   |   |          |         |                   |                          |
| <b>(1) Indian</b>                     |   |          |         |                   |   |          |         |                   |                          |
| a) Individual/ HUF                    | 1507253   | -        | 1507253 | 34.41%            | 1666253   | -        | 1666253 | 36.71%            | 2.29%                    |
| b) Central Govt                       |   |          |         |                   |   |          |         |                   |                          |
| c) State Govt(s)                      |   |          |         |                   |   |          |         |                   |                          |
| d) Bodies Corp.                       | 1460300   | -        | 1460300 | 33.34%            | 1460300   | -        | 1460300 | 32.17%            | (1.16%)                  |
| e) Banks / FI                         |   |          |         |                   |   |          |         |                   |                          |
| f) Any other                          |   |          |         |                   |   |          |         |                   |                          |
| <b>Sub- Total (A)(1)</b>              | 2967553   | -        | 2967553 | 67.76%            | 3126553   | -        | 3126553 | 68.89%            | 1.12%                    |
| <b>(2) Foreign</b>                    |   |          |         |                   |   |          |         |                   |                          |
| a) NRIs- Individuals                  | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| b) Others- Individual                 | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| c) Bodies corporate                   | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| d) Banks/ FI                          | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| e) Any other...                       | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| <b>Sub- Total (A)(2)</b>              | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| <b>Total shareholding of promoter</b> |   |          |         |                   |   |          |         |                   |                          |
| <b>(A) = (A)(1)+(A)(2)</b>            | 2967553   | -        | 2967553 | 67.76%            | 3126553   | -        | 3126553 | 68.89%            | 1.12%                    |
| <b>B. Public Shareholding</b>         |   |          |         |                   |   |          |         |                   |                          |
| <b>1. Institutions</b>                |   |          |         |                   |   |          |         |                   |                          |
| a) Mutual Funds                       | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| b) Banks / FI                         | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| c) Central Govt                       | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| d) State Govt(s)                      | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| e) Venture Capital Funds              | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| f) Insurance Companies                | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| g) FIs                                | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| h) Foreign Venture Capital Funds      | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| i) Others (specify)                   | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| <b>Sub-total (B)(1):-</b>             | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |



## 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 [As on 01-April-2014] |               |                |                   | No. of Shares held at the end of the year [As on 31-March-2015] |               |                |                   | % Change during the year |
|---|---|---------------|----------------|-------------------|---|---------------|----------------|-------------------|--------------------------|
|   | Demat   | Physical      | Total          | % of Total Shares | Demat   | Physical      | Total          | % of Total Shares |                          |
| <b>2. Non-Institutions</b>  |   |               |                |                   |   |               |                |                   |                          |
| a) Bodies Corp.   |   |               |                |                   |   |               |                |                   |                          |
| i) Indian   | 382883  | 1900          | 384783         | 8.78%             | 103263  | 1900          | 105163         | 2.31%             | (6.47%)                  |
| ii) Overseas  | -   | -             | -              | -                 | -   | -             | -              | -                 | -                        |
| b) Individuals  | -   | -             | -              | -                 | -   | -             | -              | -                 | -                        |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh          | 210888  | 322400        | 533288         | 12.17%            | 191814  | 302300        | 494114         | 10.88%            | (1.29%)                  |
| ii) Individual share holders holding nominal share capital in excess of Rs 1 lakh | 350273  | -             | 350273         | 7.99%             | 386936  | -             | 386936         | 8.52%             | 0.52%                    |
| c) Others (specify)   |   |               |                |                   |   |               |                |                   |                          |
| Non Resident Indians  | 41565   | -             | 41565          | 0.94              | 50  | -             | 50             | 0.001             | (0.94)                   |
| Clearing Members  | 4963  | -             | 4963           | 0.113             | 344120  | -             | 344120         | 7.58              | 7.46                     |
| Hindu Undivided Families  | 97375   | -             | 97375          | 2.22              | 81864   | -             | 81864          | 1.80              | (0.41)                   |
| <b>Sub-total (B)(2):-</b>   | <b>1087947</b>  | <b>324300</b> | <b>1412247</b> | <b>32.24%</b>     | <b>1108047</b>  | <b>304200</b> | <b>1412247</b> | <b>31.11%</b>     | <b>(1.12%)</b>           |
| <b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>                               | <b>1087947</b>  | <b>324300</b> | <b>1412247</b> | <b>32.24%</b>     | <b>1108047</b>  | <b>304200</b> | <b>1412247</b> | <b>31.11%</b>     | <b>(1.12%)</b>           |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                            | <b>-</b>  | <b>-</b>      | <b>-</b>       | <b>-</b>          | <b>-</b>  | <b>-</b>      | <b>-</b>       | <b>-</b>          | <b>-</b>                 |
| <b>Grand Total (A+B+C)</b>  | <b>4055500</b>  | <b>324300</b> | <b>4379800</b> | <b>100</b>        | <b>4234600</b>  | <b>304200</b> | <b>4538800</b> | <b>100</b>        | <b>-</b>                 |



## ii) Shareholding of Promoter-

| S. No | Shareholder's Name                    | Shareholding at the beginning of the year |                                  |   | Shareholding at the end of the year |                                  |   | % change in shareholding during the year |
|-------|---------------------------------------|---|----------------------------------|---|-------------------------------------|----------------------------------|---|--|
|       |                                       | No. of Shares                             | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares | No. of Shares                       | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares |  |
| 1     | Kalam Balasundaram                    | 3000                                      | 0.06                             | -   | -                                   | -                                | -   | (0.06)                                   |
| 2     | Giulia Bosco                          | 200000                                    | 4.57                             | -   | 232000                              | 5.11                             | -   | 0.54                                     |
| 3     | R Santosh                             | 1283253                                   | 29.29                            | 40.91   | 1410253                             | 31.07                            | 37.22   | 1.77                                     |
| 4     | Vimala Radhakrishnan                  | 21000                                     | 0.48                             | -   | 24000                               | 0.53                             | -   | 0.05                                     |
| 5     | Strike Right Intergrated Services Ltd | 1460300                                   | 33.34                            | -   | 1460300                             | 32.17                            | -   | (1.16)                                   |
|       | <b>TOTAL</b>                          | 2967553                                   | 67.76                            | 11.99   | 3126553                             | 68.89                            | 11.57   | 0.71-                                    |

## iii) Change in Promoters' Shareholding

| S. No. |   | Shareholding at the beginning of the year |                                  | Cumulative Share holding during the year |                                  |
|--------|---|---|----------------------------------|--|----------------------------------|
|        |   | No. of shares                             | % of total shares of the company | No. of shares                            | % of total shares of the company |
| 1      | <b>STRIKE RIGHT INTEGRATED SERVICES LTD</b> | <b>1460300</b>                            | <b>33.34</b>                     | <b>1460300</b>                           | <b>32.17</b>                     |
| 2      | <b>KAMALAM BALASUNDARAM</b>                 |   |                                  |  |                                  |
|        | At the beginning of the year                | 3000                                      | 0.06                             | -  | -                                |
|        | Transmission of shares as on 16.01.2015     | -3000                                     | -0.06                            | 0  | 0.00                             |
|        | At the end of the year                      |   |                                  | -  | -                                |
| 3      | <b>GIULIA BOSCO</b>                         |   |                                  |  |                                  |
|        | At the beginning of the year                | 200000                                    | 4.56                             | -  | -                                |
|        | Allotment of shares as on 28.04.2014        | 32000                                     | 0.70                             | 232000                                   | 5.11                             |
|        | At the end of the year                      |   |                                  | <b>232000</b>                            | <b>5.11</b>                      |
| 4      | <b>VIMALA RADHAKRISHNAN</b>                 |   |                                  |  |                                  |
|        | At the beginning of the year                | 21000                                     | 0.47                             | -  | -                                |
|        | Transmission of shares as on 16.01.2015     | 3000                                      | 0.06                             | 24000                                    | 0.52                             |
|        | At the end of the year                      |   |                                  | <b>24000</b>                             | <b>0.53</b>                      |
| 5      | <b>R.SANTOSH</b>                            |   |                                  |  |                                  |
|        | At the beginning of the year                | 1283253                                   | 29.29                            | -  | -                                |
|        | Allotment of shares as on 28.04.2014        | 127000                                    | 2.80                             | 1410253                                  | 31.07                            |
|        | At the end of the year                      |   |                                  | <b>1410253</b>                           | <b>31.07</b>                     |



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

| S. No.                 | For Each of the Top 10 Shareholders                | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|------------------------|--|---|----------------------------------|---|----------------------------------|
|                        |  | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 1                      | <b>PUDUMJEE INVESTMENT &amp; FINANCE CO LTD ##</b> |   |                                  |   |                                  |
|                        | <b>At the beginning of the year</b>                | <b>276926</b>                             | <b>6.32</b>                      | -                                       | -                                |
|                        | Market Sale 13.02.2015                             | -17000                                    | -0.37                            | 259926                                  | 5.72                             |
|                        | Market Sale 20.02.2015                             | -70200                                    | -1.55                            | 189726                                  | 4.18                             |
|                        | Market Sale 27.02.2015                             | -126000                                   | -2.78                            | 63726                                   | 1.40                             |
|                        | Market Sale 06.03.2015                             | -41760                                    | -0.92                            | 21966                                   | 0.48                             |
|                        | Market Sale 13.03.2015                             | -21966                                    | -0.48                            | -                                       | -                                |
|                        | <b>At the end of the year</b>                      |   |                                  | -                                       | -                                |
| 2                      | <b>NARESHKUMAR KISHANLAL SARAF</b>                 |   |                                  |   |                                  |
|                        | <b>At the beginning of the year</b>                | <b>114811</b>                             | <b>2.62</b>                      | -                                       | -                                |
|                        | Market Purchase 16.05.2014                         | 300                                       | 0.01                             | 115111                                  | 2.53                             |
|                        | Market Sale 13.06.2014                             | -1600                                     | -0.04                            | 113511                                  | 2.50                             |
|                        | Market Purchase 30.09.2014                         | 72  | 0.00                             | 113583                                  | 2.50                             |
|                        | Market Purchase 14.11.2014                         | 36315                                     | 0.80                             | 149898                                  | 3.30                             |
|                        | Market Sale 14.11.2014                             | -36315                                    | -0.80                            | 113583                                  | 2.50                             |
|                        | Market Purchase 31.12.2014                         | 911                                       | 0.02                             | 114494                                  | 2.52                             |
|                        | Market Sale 20.02.2015                             | -21                                       | -0.00                            | 114473                                  | 2.52                             |
|                        | Market Sale 27.02.2015                             | -26                                       | -0.00                            | 114447                                  | 2.52                             |
|                        | Market Sale 06.03.2015                             | -2  | -0.00                            | 114445                                  | 2.52                             |
|                        | Market Sale 20.03.2015                             | -159                                      | -0.00                            | 114286                                  | 2.52                             |
|                        | Market Sale 27.03.2015                             | -330                                      | -0.01                            | 113956                                  | 2.51                             |
|                        | Market Sale 31.03.2015                             | -800                                      | -0.02                            | 113156                                  | 2.49                             |
|                        | <b>At the end of the year</b>                      |   |                                  | <b>113156</b>                           | <b>2.49</b>                      |
| 3                      | <b>SARWAN KUMAR DEVIDUTT SARAF ##</b>              |   |                                  |   |                                  |
|                        | <b>At the beginning of the year</b>                | <b>89953</b>                              | <b>2.05</b>                      | -                                       | -                                |
|                        | Market Sale 04.04.2014                             | -600                                      | -0.01                            | 89353                                   | 1.97                             |
|                        | Market Sale 02.05.2014                             | -23245                                    | -0.51                            | 66108                                   | 1.46                             |
|                        | Market Sale 09.05.2014                             | -27120                                    | -0.60                            | 38988                                   | 0.86                             |
|                        | Market Sale 16.05.2014                             | -4785                                     | -0.11                            | 34203                                   | 0.75                             |
|                        | Market Sale 23.05.2014                             | -4691                                     | -0.10                            | 29512                                   | 0.65                             |
|                        | Market Sale 30.05.2014                             | -200                                      | -0.00                            | 29312                                   | 0.65                             |
|                        | Market Sale 13.02.2015                             | -4100                                     | -0.09                            | 25212                                   | 0.55                             |
|                        | Market Purchase 20.02.2015                         | 400                                       | 0.00                             | 25612                                   | 0.56                             |
|                        | Market Purchase 27.02.2015                         | 3519                                      | 0.07                             | 29131                                   | 0.64                             |
|                        | Market Purchase 13.03.2015                         | 950                                       | 0.02                             | 30081                                   | 0.66                             |
|                        | Market Sale 20.03.2015                             | -10750                                    | -0.24                            | 19331                                   | 0.43                             |
| Market Sale 27.03.2015 | -19331   | -0.43                                     | -                                | -                                       |                                  |
|                        | <b>At the end of the year</b>                      |   |                                  | -                                       | -                                |



## iv) Shareholding Pattern of top ten Shareholders: (other than Directors, Promoters and Holders of GDRs and ADRs): (Contd.)

| S. No. | For Each of the Top 10 Shareholders   | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|--------|---------------------------------------|---|----------------------------------|---|----------------------------------|
|        |                                       | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 4      | <b>NIRMAL BANG SECURITIES PVT LTD</b> |   |                                  |   |                                  |
|        | <b>At the beginning of the year</b>   | <b>78268</b>                              | <b>1.79</b>                      | -                                       | -                                |
|        | Market Purchase 02.05.2014            | 19110                                     | 0.42                             | 97378                                   | 2.15                             |
|        | Market Purchase 09.05.2014            | 1284                                      | 0.03                             | 98662                                   | 2.17                             |
|        | Market Sale 16.05.2014                | -20394                                    | -0.45                            | 78266                                   | 1.72                             |
|        | Market Purchase 23.05.2014            | 1610                                      | 0.04                             | 79878                                   | 1.76                             |
|        | Market Sale 30.05.2014                | -1310                                     | -0.03                            | 78566                                   | 1.73                             |
|        | Market Sale 06.06.2014                | -300                                      | -0.01                            | 78268                                   | 1.72                             |
|        | Market Purchase 18.07.2014            | 463                                       | 0.01                             | 78731                                   | 1.73                             |
|        | Market Sale 25.07.2014                | -463                                      | -0.01                            | 78268                                   | 1.72                             |
|        | Market Purchase 06.03.2015            | 400                                       | 0.01                             | 78668                                   | 1.73                             |
|        | Market Sale 13.03.2015                | -400                                      | -0.01                            | 78268                                   | 1.72                             |
|        | <b>At the end of the year</b>         |   |                                  | <b>78268</b>                            | <b>1.72</b>                      |
| 5      | <b>SUNAINA NAREHKUMAR SARAF</b>       | <b>76315</b>                              | <b>1.74</b>                      | <b>76315</b>                            | <b>1.68</b>                      |
| 6      | <b>SARWANKUMAR DEVIDUTT SARF HUF</b>  |   |                                  |   |                                  |
|        | <b>At the beginning of the year</b>   | <b>43111</b>                              | <b>0.98</b>                      | -                                       | -                                |
|        | Market Purchase 02.05.2014            | 2430                                      | 0.05                             | 45541                                   | 1.00                             |
|        | Market Purchase 09.05.2014            | 2400                                      | 0.05                             | 47941                                   | 1.06                             |
|        | Market Purchase 16.05.2014            | 3675                                      | 0.08                             | 51616                                   | 1.14                             |
|        | Market Purchase 30.06.2014            | 399                                       | 0.01                             | 52015                                   | 1.15                             |
|        | Market Purchase 31.12.2014            | 800                                       | 0.02                             | 52815                                   | 1.16                             |
|        | <b>At the end of the year</b>         | -   | -                                | <b>52815</b>                            | <b>1.16</b>                      |
| 7      | <b>ARUN KUMAR JATIA ##</b>            |   |                                  |   |                                  |
|        | <b>At the beginning of the year</b>   | <b>41500</b>                              | <b>0.94</b>                      | -                                       | -                                |
|        | Market Sale 13.06.2014                | -41500                                    | -0.91                            | -                                       | -                                |
|        | <b>At the end of the year</b>         | -   | -                                | -                                       | -                                |
| 8      | <b>SANDEEP KUMAR VINOD SARAF ##</b>   |   |                                  |   |                                  |
|        | <b>At the beginning of the year</b>   | <b>29950</b>                              | <b>0.68</b>                      | -                                       | -                                |
|        | Market Sale 02.05.2014                | -6000                                     | -0.13                            | 23950                                   | 0.53                             |
|        | Market Sale 09.05.2014                | -21300                                    | -0.47                            | 2650                                    | 0.06                             |
|        | Market Sale 06.02.2015                | -1350                                     | -0.03                            | 1300                                    | 0.03                             |
|        | Market Sale 20.03.2015                | -1300                                     | -0.03                            | -                                       | -                                |
|        | <b>At the end of the year</b>         | -   | -                                | -                                       | -                                |



## iv) Shareholding Pattern of top ten Shareholders: (other than Directors, Promoters and Holders of GDRs and ADRs): (Contd.)

| S. No. | For Each of the Top 10 Shareholders  | Shareholding at the beginning of the year  |  | Cumulative Shareholding during the year   |  |
|--------|--|--|--|---|--|
|        |  | No. of shares  | % of total shares of the company   | No. of shares   | % of total shares of the company   |
| 9      | <b>SUNITA SARWAN SARAF</b><br><b>At the beginning of the year</b><br>Market Sale 23.05.2014<br>Market Purchase 12.09.2014<br>Market Purchase 19.09.2014<br>Market Purchase 30.09.2014<br>Market Purchase 14.11.2014<br>Market Purchase 05.12.2014<br><b>At the end of the year</b>   | <b>28244</b><br>-1398<br>3500<br>1152<br>55<br>784<br>200<br>-                         | <b>0.64</b><br>-0.03<br>0.08<br>0.03<br>0.00<br>0.02<br>0.00<br>-                      | -<br>26846<br>30346<br>31498<br>31553<br>32337<br>32537<br><b>32537</b>                           | -<br>0.59<br>0.67<br>0.69<br>0.70<br>0.71<br>0.72<br><b>0.72</b>                   |
| 10     | <b>VINODKUMAR DEVIDUTT SARAF HUF ##</b><br><b>At the beginning of the year</b><br>Market Sale 09.05.2014<br>Market Sale 06.02.2015<br>Market Sale 20.03.2015<br>Market Sale 27.03.2015<br><b>At the end of the year</b>  | <b>25940</b><br>-5900<br>-4341<br>-11399<br>-4300<br>-                                 | <b>0.59</b><br>-0.13<br>-0.10<br>-0.25<br>-0.09<br>-                                   | -<br>20040<br>15699<br>4300<br>-<br>-   | -<br>0.44<br>0.35<br>0.09<br>-<br>-  |
| 11     | <b>CHOICE EQUITY BROKING PVT. LTD **</b><br><b>At the beginning of the year</b><br>Market Purchase 10.10.2014<br>Market Sale 21.11.2014<br>Market Purchase 20.02.2015<br>Market Purchase 27.02.2015<br>Market Purchase 06.03.2015<br>Market Purchase 13.03.2015<br>Market Purchase 20.03.2015<br>Market Purchase 27.03.2015<br>Market Purchase 31.03.2015<br><b>At the end of the year</b> | -<br>5000<br>-5000<br>47423<br>148432<br>55145<br>29253<br>16877<br>38090<br>1870<br>- | -<br><b>0.11</b><br>-0.11<br>1.04<br>3.27<br>1.21<br>0.64<br>0.37<br>0.84<br>0.04<br>- | -<br>-<br>-<br>47423<br>195855<br>251000<br>280253<br>297130<br>335220<br>337090<br><b>337090</b> | -<br>-<br>-<br>1.04<br>4.32<br>5.53<br>6.17<br>6.55<br>7.39<br>7.42<br><b>7.42</b> |
| 12     | <b>AJAY KUMAR MAHABIR PRASAD HALAN**</b><br><b>At the beginning of the year</b><br>Market Purchase 09.05.2014<br>Market Purchase 16.05.2014<br>Market Purchase 23.05.2014<br>Market Purchase 30.05.2014<br>Market Purchase 06.06.2014<br><b>At the end of the year</b>   | -<br>68189<br>20394<br>18007<br>5610<br>300<br>-                                       | -<br>1.50<br>0.45<br>0.40<br>0.12<br>0.01<br>-   | -<br>68189<br>88583<br>106590<br>112200<br>112500<br><b>112500</b>                                | -<br>1.50<br>1.95<br>2.35<br>2.47<br>2.48<br><b>2.48</b>                           |





## iv) Shareholding Pattern of top ten Shareholders: (other than Directors, Promoters and Holders of GDRs and ADRs): (Contd.)

| S. No. | For Each of the Top 10 Shareholders   | Shareholding at the beginning of the year   |  | Cumulative Shareholding during the year   |  |
|--------|---|---|--|---|--|
|        |   | No. of shares   | % of total shares of the company   | No. of shares   | % of total shares of the company   |
| 13     | <b>ARUN KUMAR MAHABIR PRASAD JATIA**</b><br>At the beginning of the year<br>Market Purchase 13.06.2014<br>At the end of the year  | -<br>41500  | -<br>0.91  | -<br>41500<br><b>41500</b>  | -<br>0.91<br><b>0.91</b>   |
| 14     | <b>SUNITA SARWANKUMAR SARAF **</b><br>At the beginning of the year<br>Market Purchase 25.07.2014<br>Market Purchase 01.08.2014<br>Market Purchase 08.08.2014<br>Market Purchase 14.08.2014<br>At the end of the year  | -<br>2463<br>777<br>600<br>2030   | -<br>0.05<br>0.02<br>0.01<br>0.04  | -<br>2463<br>3240<br>3840<br>5870<br><b>5870</b>  | -<br>0.05<br>0.07<br>0.08<br>0.13<br><b>0.13</b>   |
| 15     | <b>MALIKA S</b>   | <b>11000</b>  | <b>0.24</b>  | <b>11000</b>  | <b>0.24</b>  |
| 16     | <b>MONARCH RESEARCH &amp; BROKERAGE PVT LTD</b><br>At the beginning of the year<br>Market Purchase 05.09.2014<br>Market Sale 07.11.2014<br>Market Sale 21.11.2014<br>Market Purchase 31.12.2014<br>Market Sale 02.01.2015<br>Market Purchase 09.01.2015<br>Market Sale 16.01.2015<br>Market Purchase 06.02.2015<br>Market Sale 13.02.2015<br>Market Sale 20.02.2015<br>Market Purchase 06.03.2015<br>Market Sale 13.03.2015<br>Market Purchase 20.03.2015<br>Market Sale 27.03.2015<br>At the end of the year | <b>10897</b><br>100<br>-1<br>-100<br>420<br>-445<br>350<br>-250<br>310<br>-216<br>-94<br>185<br>-285<br>301<br>-800 | <b>0.25</b><br>0.00<br>-0.0<br>-0.00<br>0.01<br>-0.01<br>0.00<br>-0.01<br>0.01<br>-0.00<br>-0.00<br>0.00<br>-0.01<br>0.01<br>-0.02 | -<br>10997<br>10996<br>10896<br>11316<br>10871<br>11221<br>10971<br>11281<br>11065<br>10971<br>11156<br>10871<br>11172<br>10372<br><b>10372</b> | -<br>0.24<br>0.24<br>0.24<br>0.25<br>0.24<br>0.25<br>0.24<br>0.25<br>0.24<br>0.24<br>0.24<br>0.25<br>0.24<br>0.25<br>0.23<br><b>0.23</b> |

\*\* Not in the list of Top 10 shareholders as on 31.03.2014. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2015.

## Ceased to be in the list of Top 10 shareholders as on 31.03.2015. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2014.



## v) Shareholding of Directors and Key Managerial Personnel:

| S. No. | For Each of the Directors and Key Managerial Personnel  | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|--------|---|---|----------------------------------|---|----------------------------------|
|        |   | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 1.     | <b>R.SANTOSH</b><br>At the beginning of the year<br>Allotment of shares as on 28.04.2014<br>At the end of the year    | 1283253<br>127000                         | 29.30<br>2.80                    | -<br>1410253<br>1410253                 | -<br>31.07<br>31.07              |
| 2      | <b>R.VIMALA</b><br>At the beginning of the year<br>Transmission of shares as on 16.01.2015<br>At the end of the year  | 21000<br>3000                             | 0.48<br>0.06                     | -<br>24000<br>24000                     | -<br>0.53<br>0.53                |
| 3      | <b>GIULIA BOSCO</b><br>At the beginning of the year<br>Allotment of shares as on 28.04.2014<br>At the end of the year | 200000<br>32000                           | 4.57<br>0.71                     | -<br>232000<br>232000                   | -<br>5.11<br>5.11                |
| 4      | <b>VASTUPAL RAJNIKANT METHA</b>   | -   | -                                | -                                       | -                                |
| 5      | <b>DEEPAK PADAMSHI MALANI</b>   | -   | -                                | -                                       | -                                |
| 6      | <b>MEENAKSHI SUNDARAM RAJKUMAR</b>  | -   | -                                | -                                       | -                                |
| 7      | <b>BABA CHANDRASEKHAR RAMAKRISHNAN</b>  | 100                                       | 0.00                             | 100                                     | 0.00                             |

## V. INDEBTEDNESS -

Indebtedness of the Company including interest outstanding/accrued but not due for payment  
In ₹(000)

|  | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                  |                 |          |                    |
| i) Principal Amount  | 569380                           | 54011           | 19500    | 642891             |
| ii) Interest due but not paid                              | -                                | -               | -        | -                  |
| iii) Interest accrued but not due                          | 3861                             | -               | -        | 3861               |
| <b>Total (i+ii+iii)</b>                                    | 573241                           | 54011           | 19500    | 646752             |
| <b>Change in Indebtedness during the financial year</b>    |                                  |                 |          |                    |
| ★ Addition   | -                                | 39387           | -        | 39387              |
| ★ Reduction  | (1752)                           | (27838)         | (19500)  | (49090)            |
| <b>Net Change</b>  | (1752)                           | (11549)         | (19500)  | (9703)             |
| <b>Indebtedness at the end of the financial year</b>       |                                  |                 |          |                    |
| i) Principal Amount  | 567534                           | 65560           | -        | 633094             |
| ii) Interest due but not paid                              | -                                | -               | -        | -                  |
| iii) Interest accrued but not due                          | 3955                             | -               | -        | 3955               |
| <b>Total (i+ii+iii)</b>                                    | 571489                           | 65560           | -        | 637049             |



## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## A. Remuneration to Managerial Director, Whole- Time Directors and/ or Manager :

In ₹

| S. No. | Particulars of Remuneration   | Name of MD/WTD/ Manager          |                                     |  | Total Amount |
|--------|---|----------------------------------|-------------------------------------|--|--------------|
|        |   | R. Santhosh<br>Managing Director | R. Vimala<br>Whole Time<br>Director | Bosco Giulia<br>Whole Time<br>Director |              |
| 1      | Gross salary  |                                  |                                     |  |              |
|        | (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 | 10,68,920                        | 3,00,000                            | 8,40,000                               | 22,08,920    |
|        | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | -                                | -                                   | 1,31,000                               | 1,31,000     |
|        | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961             | -                                | -                                   | -                                      | -            |
| 2      | Stock Option  | -                                | -                                   | -                                      | -            |
| 3      | Sweat Equity  | -                                | -                                   | -                                      | -            |
| 4      | Commission<br>- as % of profit<br>- others  | -<br>-                           | -<br>-                              | -<br>-                                 | -<br>-       |
| 5      | Others  |                                  |                                     |  |              |
|        | Total (A)   | 10,66,920                        | 3,00,000                            | 9,71,000                               | 23,39,920    |
|        | Ceiling as per the Act  | 5% of Net Profit                 |                                     |  |              |



**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (Contd.)**

**B. Remuneration to Other Directors**

| Sl. No. | Particulars of Remuneration                   | Name of Directors   |                       |                   |                       | Total Amount |
|---------|---|---------------------|-----------------------|-------------------|-----------------------|--------------|
|         |   | Mr. Deepak P Malani | Mr. Vasthupal R Metha | Mr. M.S. Rajkumar | Mr. Baba Chandrasekar |              |
| 1       | Independent Directors                         |                     |                       |                   |                       |              |
|         | • Fee for attending board committee meetings  | -                   | -                     | -                 | -                     | -            |
|         | • Commission                                  | -                   | -                     | -                 | -                     | -            |
|         | • Others, please specify                      | -                   | -                     | -                 | -                     | -            |
|         | Total (1)                                     | -                   | -                     | -                 | -                     | -            |
| 2       | Other Non-Executive Directors                 |                     |                       |                   |                       |              |
|         | • Fee for attending board committee meetings  | -                   | -                     | -                 | -                     | -            |
|         | • Commission                                  | -                   | -                     | -                 | -                     | -            |
|         | • Others, please specify                      | -                   | -                     | -                 | -                     | -            |
|         | Total (2)                                     | -                   | -                     | -                 | -                     | -            |
|         | Total (B)=(1+2)                               | -                   | -                     | -                 | -                     | -            |
|         | Total Managerial Remuneration                 | -                   | -                     | -                 | -                     | -            |
|         | Overall Ceiling as per the Act (Sitting Fees) | -                   | -                     | -                 | -                     | -            |
|         | Overall Ceiling as per the Act                | -                   | -                     | -                 | -                     | -            |



C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

| S. No. | Particulars of Remuneration  | Key Managerial Personnel |    |          |       |
|--------|--|--------------------------|----|----------|-------|
|        |  | CEO                      | CS | CFO      | Total |
| 1      | Gross salary<br>(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961<br>(b) Value of perquisites u/s 17(2) Income-tax Act, 1961<br>(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961 |                          |    | 6,00,000 |       |
| 2      | Stock Option   |                          |    |          |       |
| 3      | Sweat Equity   |                          |    |          |       |
| 4      | Commission<br>- as % of profit<br>others, specif   |                          |    |          |       |
| 5      | Others, please specify   |                          |    |          |       |
|        | Total  |                          |    |          |       |

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

| Type   | Section of the Companies Act | Brief Description | Details of Penalty / Punishment / compounding fees imposed | Authority [RD / NCLT / COURT] | Appeal made, if any (give details) |
|--|------------------------------|-------------------|--|-------------------------------|------------------------------------|
| A. COMPANY<br>Penalty<br>Punishment<br>Compounding                         |                              |                   |  |                               |                                    |
|  | NONE                         |                   |  |                               |                                    |
|  |                              |                   |  |                               |                                    |
| B. DIRECTORS<br>Penalty<br>Punishment<br>Compounding                       |                              |                   |  |                               |                                    |
|  | NONE                         |                   |  |                               |                                    |
|  |                              |                   |  |                               |                                    |
| C. OTHER<br>OFFICERS IN<br>DEFAULT<br>Penalty<br>Punishment<br>Compounding |                              |                   |  |                               |                                    |
|  | NONE                         |                   |  |                               |                                    |
|  |                              |                   |  |                               |                                    |

Place : Coimbatore

Date : 20.07.2015

For and on behalf of the Board

MEENAKSHI SUNDARAM RAJKUMAR  
CHAIRMAN  
(DIN : 06935422)



## **NOMINATION AND REMUNERATION POLICY OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES**

*(Approved by the Board of Directors in its Meeting held on 4<sup>th</sup> August 2014)*

Section 178 of the Companies Act, 2013 and the provisions of clause 49 of the Listing Agreement with Stock Exchanges require the Nomination and Remuneration Committee of the Board of Directors of every listed entity, among other classes of companies, to

- formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- formulate the criteria for evaluation of Independent Directors and the Board and carry out evaluation of every director's performance.

Accordingly, in adherence to the above said requirements, the Nomination and Remuneration Committee of the Board of Directors of the Company herein below recommends to the Board of Directors for its adoption the Nomination and Remuneration Policy for the directors, key managerial personnel and other employees of the Company.

In the formulation of this Policy, the Nomination and Remuneration Committee has also endeavored to ensure the guiding principles as prescribed under section 178(4) of the Companies Act, 2013 and the section on Responsibilities of Board under clause 49 of the Listing Agreement.

### **Criteria for Determining Qualifications, Positive Attributes and Independence of a Director:**

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178 (3) of the Act and Clause 49 of the Listing Agreement.

In accordance with the above criteria, a Director will be considered as an 'Independent Director' if he meets with the criteria for 'Independent Director' as laid down in the Act and Clause 49 of the Listing Agreement.

A transparent Board nomination process is in place that encourages diversity of thought, professional experience, knowledge, ethnic background, age and gender. It is also ensured that the Board has an appropriate blend of functional and industry expertise. While recommending the appointment of a Director, the Nomination and Remuneration Committee considers the manner in which the function and domain expertise of the individual will contribute to the overall performance of the Board.

In addition to the duties as prescribed under the Act, the Directors on the Board of the Company are also expected to ethical behavior, communication skills and soundness of judgment. Independent Directors are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Companies Act, 2013.



## **REMUNERATION POLICY**

The Company has adopted a Remuneration Policy for the Directors, Key Managerial Personnel and other employees, pursuant to the provisions of the Act and Clause 49 of the Listing Agreement.

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

The Remuneration to be paid to Managing Director / Whole-Time Directors 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.

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:

Presently the non-Executive / Independent Directors are not remunerated. The expenses incurred by the Directors for attending the Board or Committee Meetings or any other work are reimbursed.

### 3) Remuneration to Key Managerial Personnel and Senior Management:

The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

This Policy would be subject to the amendment in the Companies Act, 2013, rules and regulations, guidelines and the Listing Agreement as may be notified from time to time. Any such amendment shall automatically have the effect of amending this Policy.





**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH 2015**

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

To

The Members,

M/s.Lambodhara Textiles Limited

CIN: L17111TZ1994PLC004929

3A, B-Block, Pioneer Apartments

1075-B, Avinashi Road

Coimbatore – 641 018

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. **Lambodhara Textiles Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of M/s. **Lambodhara Textiles Limited'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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 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:

I 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<sup>st</sup> March, 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;
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

I have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with Ahmedabad Stock Exchange Limited and National Stock Exchange of India Limited.

I report that, during the year under review, the Company has complied with the provisions of the Acts, rules, regulations and guidelines mentioned above **except that the Company has not appointed a Company Secretary pursuant to section 203 of the Companies Act, 2013.**

I further report that, there were no actions/ events in pursuant of

- a) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings ;
  - b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; requiring compliance thereof by the Company during the financial year and the Secretarial Standards issued by The Institute of Company Secretaries of India were not applicable during the year.
- v) I further report that based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of quarterly compliance reports by Compliance Officer/CFO taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable general laws like labour laws, and environmental laws.
- vi) I further report, that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.



**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all 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.

All decisions at Board meetings and Committee meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that 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.

I further report that, during the audit period, the company has made preferential issue of shares to the promoters and the members have passed special resolutions under Section 180(1)(a) to create charge to secure the Borrowings of the Company and under Section 180(1)(c) of the Act empowering the Board of Directors to borrow moneys in excess of the aggregate of paid-up capital and free reserve provided that the amounts borrowed and outstanding at any point of time does not exceed Rs.150 crores apart from temporary loans obtained from the bankers in the ordinary course of business. Other than these, there were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs.

Place : Coimbatore

Date : 20.07.2015

M D Selvaraj  
MDS & Associates  
Company Secretaries  
FCS No.: 960  
C P No.: 411

*This report is to be read with our letter of even date which is annexed as Annexure A and forms and integral part of this report*



To  
The Members,  
M/s.Lambodhara Textiles Limited  
CIN: L17111TZ1994PLC004929  
3A, B-Block, Pioneer Apartments  
1075-B, Avinashi Road  
Coimbatore – 641 018

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulation, standards is the responsibility of management. My examination was limited to the verification of procedures on random 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.

Place : Coimbatore  
Date : 20.07.2015

M D Selvaraj  
MDS & Associates  
Company Secretaries  
FCS No.: 960  
C P No.: 411



**Form No. AOC-2**

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

Form for 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 arm's length transactions under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at arm's length basis**

None.

During the reporting period, all transactions were at arm's length basis.

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

- |     |  |   |
|-----|--|---|
| 1 a | Name of the related party<br>Nature of relationship        | Strike Right Integrated Services Limited<br>A Company in which Directors are interested |
| b.  | Nature of contracts /<br>arrangements / transactions       | Purchase of cotton,<br>man made fibre & yarn  |
| c.  | Duration of the contracts /<br>arrangements / transactions | Five years from 1st April 2014  |
| d.  | Salient terms of the contracts<br>or transactions          | Purchase of cotton,<br>man made fibre & yarn  |
| e.  | Date(s) of approval by the Board                           | 4th August 2014   |
| f.  | Amount paid as advances, if any.                           | Nil   |



**ANNEXURE B TO THE DIRECTORS' REPORT**

**ANNUAL REPORT ON CSR PURSUANT TO RULES 8 & 9 OF COMPANIES  
(CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014**

- |  |  |
|--|--|
| 1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or program | In adherence to section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors upon the recommendation of CSR Committee, in its meeting held on 10 <sup>th</sup> November 2014, has approved a CSR Policy of the Company.<br><br>The CSR activities of the Company cover certain thrust areas such as infrastructure facilities to schools and supporting education.<br><br>The CSR Policy is placed on the Company's website at <a href="http://www.lambodhartextiles.com">http:// www.lambodhartextiles.com</a> |
| 2. The composition of CSR committee  | Mr.R.Santossh<br><br>Mrs. R. Vimala<br><br>Mr. M.S. Rajkumar   |
| 3. Average net profit of the Company for last three financial years  | ₹ 380.54 Lakhs   |
| 4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)   | ₹ 7.61 Lakhs   |
| 5. Details of CSR spent during the Financial Year  |  |
| Total amount to be spent for the financial year  | As detailed below  |
| Amount unspent, if any   | Nil  |



Manner in which the amount spent during the financial year

|  |   |   |
|--|---|---|
| Sl. No.  | : | 1   |
| CSR project or activity defined  | : | Educational Aid                               |
| Sector in which the project is covered                                       | : | Literacy                                      |
| Projects or programs   |   |   |
| (1) Local area or other  | : | Udumalpet                                     |
| (2) Specify the state and district where projects or programs was undertaken | : | Tamilnadu                                     |
| Amount outlay (budget) project or program wise                               | : | ₹ 10.54 Lakhs                                 |
| Amount spent on the projects or program                                      | : |   |
| Sub-heads:   |   |   |
| (1) Direct expenditure on projects or programs                               | : | ₹ 10.54 Lakhs                                 |
| (2) Overheads  | : |   |
| Cumulative expenditure upto the reporting period                             | : | ₹ 10.54 Lakhs                                 |
| Amount spent: Direct or through implementing agency                          | : | Through R.V. Gurusamy Naidu Educational Trust |

6. In case the company has failed to spend the 2% of the average net profit of the last 3 Financial Years or any part thereof, the company shall provide the reason for not spending the amount in its board report. Company has spend the requisite amount

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company. The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Signing both on behalf of the  
Company and the Committee

R.Santossh

Managing Director and  
Chairman of CSR Committee

Place : Coimbatore

Date : 20.07.2015

**ANNEXURE - 6**

Details pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

| <b>Disclosure Requirement u/r 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014</b>   | <b>Particulars</b>  |                         |                 |
|--|---|-------------------------|-----------------|
| i Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year   | Executive Director  | Designation             | Ratio to median |
|  | Mr.R.Santossh   | Managing Director       | 10.16 :1        |
|  | Mrs.R.Vimala  | Whole Time Director     | 2.85 :1         |
|  | Mrs.Giulia Bosco  | Whole Time Director     | 9.23 :1         |
|  | None of the other Directors are paid any remuneration   |                         |                 |
| ii Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year | Executive Director  | Designation             | Ratio to median |
|  | Mr.R.Santossh   | Managing Director       | 2.83 :1         |
|  | Mrs.R.Vimala  | Whole Time Director     | -               |
|  | Mrs.Giulia Bosco  | Whole Time Director     | 2.60 :1         |
|  | Mr Ramesh Shenoy. K   | Chief Financial Officer | 1.84 :1         |
| iii Percentage increase in the median remuneration of employees in the financial year  | 6%  |                         |                 |
| iv Number of permanent employees on the rolls of company   | 250   |                         |                 |
| v Explanation on the relationship between average increase in remuneration and company performance   | Average increase in remuneration : 6%<br>Average increase in profit (before tax): 45.15%  |                         |                 |
| vi Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company   | The gross sales of the Company for the year 2014-15 was increased by 18.92% over the previous year.<br>Profit before tax during 2014-15 was higher by 45.15%<br><br>Net profit for the year recording a growth of 45.47% over the previous year |                         |                 |





The total remuneration of the key managerial personnel increased by 28.16%

vii 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 over 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.

Variations in the market capitalization

|                                      | As on<br>31.03.2015<br>₹ in lakhs | As on<br>31.03.2014<br>₹ In lakhs | % of<br>increase |
|--------------------------------------|-----------------------------------|-----------------------------------|------------------|
| Market Capitalization of the Company | 7697.80                           | 5080.56                           | 51.51%           |

Price earning ratio 14.92 14.36 3.90%  
The last public offer for the shares of the Company was in the year 1995, for 1,20,000 Equity Shares of ₹ 10/- each at par. The market quotation of the Equity Shares of the Company as on 31<sup>st</sup> March, 2015 was ₹ 169.60, representing an increase of 1596% over the period.

viii 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 in the salaries of employees other than the managerial personnel in the last financial year is 6%, as against an increase of 28.16% in the salary of the managerial personnel.

The increment given to each individual employee is based on the experience and performance

ix Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company

| Key Managerial Personnel                    | Remuneration | Performance of the Company (Growth in Profit before tax) |
|---|--------------|--|
| Mr.R.Santossh<br>Managing Director          | 1068920      | 45.15%   |
| Mrs.R.Vimala<br>Whole Time Director         | 300000       | 45.15%   |
| Mrs.Giulia Bosco<br>Whole Time Director     | 840000       | 45.15%   |
| K. Ramesh Shenoy<br>Chief Financial Officer | 600000       | 45.15%   |



- |     |   |  |
|-----|---|--|
| x   | Key parameters for any variable component of remuneration availed by the directors  | The Company does not pay any variable component of remuneration to the Directors.  |
| xi  | 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 | The highest paid Director is the Managing Director. No employee has received remuneration in excess of the Managing Director during the year                     |
| xii | Affirmation that the remuneration is as per the remuneration policy of the company  | It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company. |



## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Lambodhara Textiles Limited's philosophy on Corporate Governance is to ensure that its obligations are discharged in a fair and a transparent manner.

### 2. BOARD OF DIRECTORS

#### a. Composition of the Board :

As on 31st March 2015, the Company's Board comprised of 7 Directors. The Board of Directors of the Company consists of seven Directors which comprises of three Promoter Executive Directors, three Independent Non-Executive Directors and one Non-Independent Non-Executive Director. Chairman of the Board is an Independent Non-Executive Director. The company has two women directors. The members of the Board are well experienced. The day-to-day management affairs are managed by the Managing Director subject to the supervision, control and direction of the Board of Directors. The composition of the Company's Board is in conformity with Clause 49 of the Listing Agreement.

#### b. Category of Directors, Attendance, other Directorships and Committee membership:

The composition and attendance of Directors at the Board Meetings and the Annual General Meeting held during the financial period ended 31<sup>st</sup> March 2015 is as under:-

| Name of the Director        | Category                      | Attendance Particulars |          | No. of directorship in other public companies # | No. of Committee Positions held in other companies \$ |        |
|-----------------------------|-------------------------------|------------------------|----------|---|---|--------|
|                             |                               | Board Meeting          | Last AGM |   | Chairman  | Member |
| Mr. Santossh. R             | Managing Director-Promoter    | 5                      | Yes      | -   | -   | -      |
| Ms. Vimala. R               | Executive Director Promoter   | 5                      | Yes      | 1   | -   | -      |
| Ms. Giulia Bosco            | Executive Director-Promoter   | 1                      | Yes      | 1   | -   | -      |
| Mr. Deepak P Malani         | Non-Executive Independent     | 5                      | Yes      | -   | -   | -      |
| Mr. Vasthupal R Mehta       | Non-Executive Independent     | 5                      | -        | -   | -   | -      |
| Mr. M.S. Rajkumar*          | Non-Executive Independent     | 3                      | -        | -   | -   | -      |
| Mr. Baba Chandrasekhar. R** | Non-Executive Non Independent | 2                      | -        | -   | -   | -      |
| Mr. Girish. G Radia***      | Non-Executive Independent     | -                      | -        | -   | -   | -      |



# Excludes directorships in Private Companies and Foreign Companies

\$ Only Audit Committee and Stakeholders Relationship Committee are considered.

\* Appointed as an Additional Director on the Board of Directors on 4<sup>th</sup> August 2014

\*\* Appointed as an Additional Director on the Board of Directors on 10<sup>th</sup> November 2014

\*\*\*Resigned from the Board with effect from 4<sup>th</sup> August 2014

*Mr.R.Santosh, Ms.R.Vimala and Ms. Guilia Bosco are related inter-se*

### **Details of the Board meetings held during the financial year 2014-2015**

The Board met five times during the financial year on 28<sup>th</sup> April 2014, 29<sup>th</sup> May 2014, 4<sup>th</sup> August, 2014, 10<sup>th</sup> November 2014 and 13<sup>th</sup> February 2015 and the gap between the meetings did not exceed four months.

### **Independent Directors**

All Independent Directors of the Company have been appointed as per the provisions of the Companies Act, 2013. Formal letters of appointment have been issued to the Independent Directors. The company has also obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013. The terms and conditions of their appointment are disclosed on the Company's website.

### **Separate Meeting of the Independent Directors:**

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on 14<sup>th</sup> February, 2015, as required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Clause 49 of the Listing Agreement. All the Independent Directors were present at the meeting.

### **Familiarization Programme for Independent Directors**

The Company familiarizes its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. These include orientation programme as well as other initiatives to update the Directors on a continuing basis.

The Familiarisation programme for Independent Directors is disclosed on the Company's website.

### **Code of Conduct**

The Board has approved a Code of Conduct for All Directors and senior management of the Company, which incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 and the Code is posted on the Company's website.

All Board members and senior management personnel (as per Clause 49 of the Listing Agreement) have affirmed compliance with the applicable Code of Conduct. A declaration to this effect, signed by the Managing Director forms part of this Report.

The Directors have made disclosures to the Board confirming that there are no material financial and/ or commercial transactions between them and the Company that could have potential conflict of interest with the Company at large.



### 3. AUDIT COMMITTEE

As required under Section 177 of the Companies Act, 2013 read with the provisions of Clause 49 of the Listing Agreement(s), the Board has constituted an Audit Committee. Mr. Deepak Malani is the Chairman of the Committee. Mr. M.S Rajkumar and Mr. Vasthupal R Mehta are the other members. The terms of reference of the Audit Committee are as outlined in the Act, and the Listing Agreement(s). Besides having access to all the required information from within the Company, the Committee can obtain external professional advice whenever required. The Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors of the Company. It is authorized to select and establish accounting policies, review reports of the Statutory and Internal Auditors and meet with them to discuss their findings, suggestions, and other related matters. The Committee is empowered to recommend the appointment and remuneration payable to the Statutory Auditors.

During the financial year ended 31<sup>st</sup> March 2015, Four Audit Committee Meetings were held on 29<sup>th</sup> May 2014, 4<sup>th</sup> August 2014, 10<sup>th</sup> November 2014 and 13<sup>th</sup> February 2015. The necessary quorum was present at these meetings.

The composition of the Audit Committee and the details of meetings attended by the Members are as follows:

| Name of the Members   | Category                  | Designation | No. of Meetings |          |
|-----------------------|---------------------------|-------------|-----------------|----------|
|                       |                           |             | Held            | Attended |
| Mr. Deepak P Malani   | Non-Executive Independent | Chairman    | 4               | 4        |
| Mr. Vasthupal R Mehta | Non-Executive Independent | Member      | 4               | 4        |
| Mr. M.S. Rajkumar     | Non-Executive Independent | Member      | 4               | 2        |
| Mr. Girish G Radia*** | Non-Executive Independent | Member      | -               | -        |

\*\*\* Resigned from the board with effect from 4th August 2014

The Internal Auditor and the Statutory Auditors of the Company are permanent invitees to the meetings of the audit committee. The Minutes of the Audit Committee meetings were circulated to the Board, where it was discussed and taken note of. The Audit Committee considered and reviewed the accounts for the financial period ended 31<sup>st</sup> March 2015, before it was placed in the Board.

### 4. NOMINATION AND REMUNERATION COMMITTEE

As required under Section 178(1) of the Companies Act 2013, read with the provisions of Clause 49 of the Listing Agreement(s), the Board has constituted the Nomination and Remuneration Committee with the following Directors as its Members.

| Name of the Members   | Category                  | Designation | No. of Meetings |          |
|-----------------------|---------------------------|-------------|-----------------|----------|
|                       |                           |             | Held            | Attended |
| Mr. Deepak P Malani   | Non-Executive Independent | Chairman    | 2               | 2        |
| Mr. Vasthupal R Mehta | Non-Executive Independent | Member      | 2               | 2        |
| Mr. M.S. Rajkumar     | Non-Executive Independent | Member      | 2               | 1        |



The Committee is, inter alia, authorized to identify persons who are qualified to become Directors and who may be appointed in Senior Management, evaluation of Directors performance, formulating criteria for determining qualifications, positive attributes and independence of a director and recommending policy relating to the remuneration for the Directors, key managerial personnel.

During the year under review, the committee had met two times on 4<sup>th</sup> August 2014 and 10<sup>th</sup> November 2014.

**REMUNERATION POLICY:**

In accordance with the provisions of Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee recommended the remuneration policy relating to the remuneration for the Managing Director, Whole Time Directors, Key Managerial Personnel and other employees which was approved and adopted by the Board and the same is annexed as Annexure to the Directors' Report.

Details of Remuneration paid to the Managing Director and Whole Time Directors of the Company during the financial period ended 31<sup>st</sup> March 2015.

| Details of Remuneration  | Mr. R. Santossh<br>(Managing Director) | Ms. Giulia bosco<br>(Whole time Director) | Ms. Vimala R<br>(Whole time Director) |
|--|--|---|---------------------------------------|
| Salary   | 9.03 Lakhs                             | 8.40 Lakhs                                | 3.00 Lakhs                            |
| Perquisites & Allowances   | 1.66 Lakhs                             | 1.31 Lakhs                                | Nil                                   |
| Commission, Stock option, bonus, pension, performance linked incentives etc. | Nil                                    | Nil                                       | Nil                                   |
| Period of appointment<br>Severance fees                                      | 26.09.2015 to<br>25.09.2019            | 01.10.2013 to<br>30.09.2018               | 01.10.2014 to<br>30.09.2019           |

The Company does not pay Sitting fees to Non-Executive Directors for attending Board Meetings and other Committee Meetings.

The Company does not have any Employee Stock Option Scheme

**Shareholding of Non Executive Directors**

| Name of the Director                | No of Shares held<br>(as on 31.03.2015) |
|-------------------------------------|---|
| Mr. Deepak P. Malani                | Nil                                     |
| Mr. Vasthupal R. Metha              | Nil                                     |
| Mr. M.S. Rajkumar                   | Nil                                     |
| Mr. Baba Chandrasekhar Ramakrishnan | 100                                     |



## STAKEHOLDERS RELATIONSHIP COMMITTEE

In terms of Section 178 (5) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Shareholders and Investors Grievance Committee was renamed as Stakeholders Relationship Committee with the following Directors as its Members:

| Name of the Members   | Category                  | Designation | No. of Meetings |          |
|-----------------------|---------------------------|-------------|-----------------|----------|
|                       |                           |             | Held            | Attended |
| Mr. Deepak P Malani   | Non-Executive Independent | Chairman    | 7               | 7        |
| Mr. Vasthupal R Mehta | Non-Executive Independent | Member      | 7               | 7        |
| Mr. M.S. Rajkumar     | Non-Executive Independent | Member      | 7               | 7        |

During the year under review, the Committee met seven times to deliberate on various matters referred below.

The Stakeholders Relationship Committee of the Board is empowered to oversee the re-addressal of investors' complaints pertaining to share transfer, non-receipt of annual reports, dividend payments, issue of duplicate certificates, transfers and transmission of shares and other miscellaneous complaints. The committee also approved transfer, transmission, transposition, consolidation, split, name deletion and issue of duplicate share certificates.

In addition, the Committee looks into other issues including status of dematerialization / re-dematerialization of shares as well as systems and procedures followed to track investor complaints and suggest measures for improvement from time to time.

Mr. Ramesh Shenoy.K, Chief Financial Officer is the Compliance Officer of the Company. The minutes of the Stakeholders Relationship committee were placed before the board meeting for due ratification and approval.

At the beginning of the year, no complaint was pending. During the year ended 31<sup>st</sup> March, 2015, the Company has not received any complaints from the shareholders. No investor complaint was pending on 31<sup>st</sup> March 2015.

No request for transfer or dematerialization of shares was pending as on 31<sup>st</sup> March, 2015.

The Company has adopted the Code of Conduct for Prevention of Insider Trading, under the SEBI (Prohibition of Insider Trading) Regulations. The Code lays down guidelines for procedures to be followed and disclosures to be made while dealing with the shares of the Company.

## CORPORATE RESPONSIBILITY COMMITTEE

As required under section 135 of the Companies Act 2013, read with the Companies (Corporate Social Responsibility Policy) rule 2014, the Board has constituted the Corporate Responsibility Committee with following directors as its members.



| Name of the Members | Category                  | Designation | No. of Meetings |          |
|---------------------|---------------------------|-------------|-----------------|----------|
|                     |                           |             | Held            | Attended |
| Mr. R. Santossh     | Managing Director         | Chairman    | 2               | 2        |
| Mrs. R. Vimala      | Whole-Time-Director       | Member      | 2               | 2        |
| Mr. M.S. Rajkumar   | Non-Executive Independent | Member      | 2               | 2        |

Pursuant to the provision of Section 135 of the Companies Act, 2013 ("the Act") read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted a CSR Committee. Mr. R. Santossh is the Chairman of the Committee and Mrs. R. Vimala and Mr. M.S. Rajkumar are the other members of the Committee. The Board of Directors, based on the recommendations of the Committee, formulated a CSR Policy encompassing the Company's philosophy for describing its responsibility as a Corporate citizen, laying down the guidelines and mechanisms for undertaking socially relevant programmes for welfare and sustainable development of the community at large. CSR Policy is available on weblink

The amount required to be spent on CSR activities during the year under report in accordance with the provisions of Section 135 of the Act is ₹ 7.61 lakhs and the Company has spent ₹ 10.54 lakhs during the current financial year.

#### Management Discussion and Analysis Report:

The contents of the Management Discussion and Analysis Report have been included in the Directors' Report at the appropriate places and thus the said report forms part of the annual report.

#### GENERAL BODY MEETINGS

Location and time where the last three Annual General Meetings were held and details of the special resolutions passed at the last three Annual General Meetings held:

| Details of meeting               | Date of Meeting | Time of Meeting | Venue of meeting  | Special Resolution  |
|----------------------------------|-----------------|-----------------|---|---|
| Annual General Meeting 2011-2012 | 30.08.2012      | 10.30 A.M       | The Coimbatore Cosmopolitan Club, 200, Race Course, Coimbatore-641 018. | Revision in remuneration of Mrs. Giulia Bosco, Whole time Director  |
| Annual General Meeting 2012-2013 | 26.08.2013      | 12 Noon         | The Coimbatore Cosmopolitan Club, 200, Race Course, Coimbatore-641 018. | Revision in remuneration of Mrs. Giulia Bosco, Whole time Director  |
| Annual General Meeting 2013-2014 | 11.09.2014      | 11.00 AM        | Vibha, The Grand Regent 708, Avinashi Road Coimbatore-641018            | Re-appointment of Mrs. Giulia Bosco as Whole time Director for a period of five years from 01.10.2013<br>Commencement of business as enumerated |





| <b>Details of meeting</b>        | <b>Date of Meeting</b> | <b>Time of Meeting</b> | <b>Venue of meeting</b>  | <b>Special Resolution</b>  |
|----------------------------------|------------------------|------------------------|--|--|
| Annual General Meeting 2013-2014 | 11.09.2014             | 11.00 AM               | Vibha<br>The Grand Regent<br>708, Avinashi Road<br>Coimbatore-641018 | <p>in sub clause 7, 11 and 18 of the object clause III(C) of the Memorandum of Association</p> <p>Appointment of Mr. Vastupal Rajnikant Mehta and Mr. Deepak Padamshi Malani as Independent Directors for a period of five years.</p> <p>Re-appointment of Mr.R.Santossh as Managing Director for a period of five years from 26.09.2014</p> <p>Authorising Board of Directors to borrow upto ₹ 150 Crores pursuant to section 180(1)(c) of the Companies Act, 2013.</p> <p>Authorising Board of Directors pursuant to section 180(1)(a) of the Companies Act, 2013 to create mortgage on the assets of the Company.</p> <p>Amendment of the Articles of Association</p> <p>Variation of the terms of appointment of Mrs. GiuliaBosco, Whole time Director.</p> <p>Appointment of Mrs.R.Vimala as Whole Time Director for a period of five years with effect from 01.10.2014.</p> <p>Authorising Board of Directors to enter into transactions with related parties.</p> |



All resolutions moved at the last Annual General Meeting were passed by the requisite majority of shareholders.

No Special Resolutions were put through postal ballot last year and there is no proposal for this year.

In compliance with Clause 35B of the Listing Agreement and provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 the Company had offered e-voting facility to all its Members as an alternate mode to exercise their right to vote. For this purpose, the Company had entered into an agreement with Central Depository Services India Limited (CDSL) for facilitating e-voting.

The Company had pursuant to Clause 35B of the Listing Agreement provided to the shareholders the option to pass the resolutions at the Annual General Meeting through postal ballot.

The Company had appointed Mr. M.D.Selvaraj, Company Secretary, as Scrutinizer for conducting the postal ballot process (which includes e-voting) in fair and transparent manner.

An Extra Ordinary General meeting was held on 25<sup>th</sup> April 2014 and the shareholders by a special resolution have approved the preferential allotment of 1,59,000 equity shares of ₹ 10/- each at a premium of ₹ 140/- to promoters of the Company in accordance with the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

#### **DISCLOSURES:**

- (i) Disclosures on materially significant related party transactions that may have potential conflict with the interest of the company at large

Kindly refer to the notes forming part of accounts for the details of related party transactions. There is no materially significant Related Party Transaction that may have potential conflict with the interest of the Company at large.

The Company has formulated a Related Party Transactions Policy and the same is displayed on the Company's website.

- (ii) Details of non-compliance by the company, penalties, strictures imposed on the company by any Statutory Authorities, during the last three years

The Company has complied with all the requirements of the listing agreement of the stock exchange as well as regulations and guidelines of SEBI. No penalties have been levied or strictures have been passed by SEBI, Stock Exchange or any other statutory authority on matters relating to capital markets in the last three years.

- (iii) Whistle Blower Policy

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee



- (iv) Details of compliance with mandatory requirements and adoption of the non mandatory requirements of clause 49

The Company has complied with all the mandatory requirement of corporate governance norms as enumerated in clause 49 of the listing agreement with the stock exchanges.

The Company has not adopted any other non- mandatory requirements.

The Company has followed the Accounting Standards laid down by The Companies (Accounting Standards) Rules, 2006 in the preparation of its financial statements.

#### **CEO / CFO certification**

The CEO and the CFO of the Company have certified to the Board with regard to the compliance made by them in terms of Clause 49 (IX) of the Listing Agreement.

#### **MEANS OF COMMUNICATION:**

The quarterly and the half yearly results, published in the proforma prescribed by the Listing Agreement, are approved and taken on record by the Board of Directors of the Company and the approved results are forthwith sent to the Stock Exchanges where the Company's shares are listed and are also published in Business Line (English) and Daily Thanthi (Tamil). The financial results and the annual reports of the Company are uploaded in the Company's website: [www.lambodharatextiles.com](http://www.lambodharatextiles.com) and in the website : [www.bseindia.com](http://www.bseindia.com).

There were no specific presentations made to Institutional Investors or to analysts during the period ended 31<sup>st</sup> March 2015.

### **10. GENERAL SHAREHOLDER INFORMATION**

#### **(i) Twentieth Annual General Meeting**

|       |   |
|-------|---|
| Date  | : 9 <sup>th</sup> September 2015                                      |
| Time  | : 10.00 AM  |
| Venue | : Vibha, The Grand Regent<br>708, Avinashi Road, Coimbatore - 641 018 |

#### **(ii) Financial Calendar:**

|                        |  |
|------------------------|--|
| Year Ending            | : 31 <sup>st</sup> March 2016                    |
| First Quarter Results  | : 1 <sup>st</sup> week of August 2015            |
| Second Quarter Results | : 1 <sup>st</sup> week of November 2015          |
| Third Quarter Results  | : 1 <sup>st</sup> week of February 2016          |
| Annual Results         | : 4 <sup>th</sup> week of May 2016               |
| Dividend Payment Date  | : 21.09.2015                                     |
| Date of Book Closure   | : 03.09.2015 to 09.09.2015 (Both days inclusive) |

**Listing on Stock Exchanges** : National Stock Exchange of India Ltd  
Ahmedabad Stock Exchange Ltd,.

#### **Stock Code**

|                           |              |
|---------------------------|--------------|
| Stock Code - BSE IndoNext | : 590075     |
| Scrip ID - BSE IndoNext   | : LAMBODHARA |



**International Security Identification Number**

: INE112F01014

**Listing Fee**

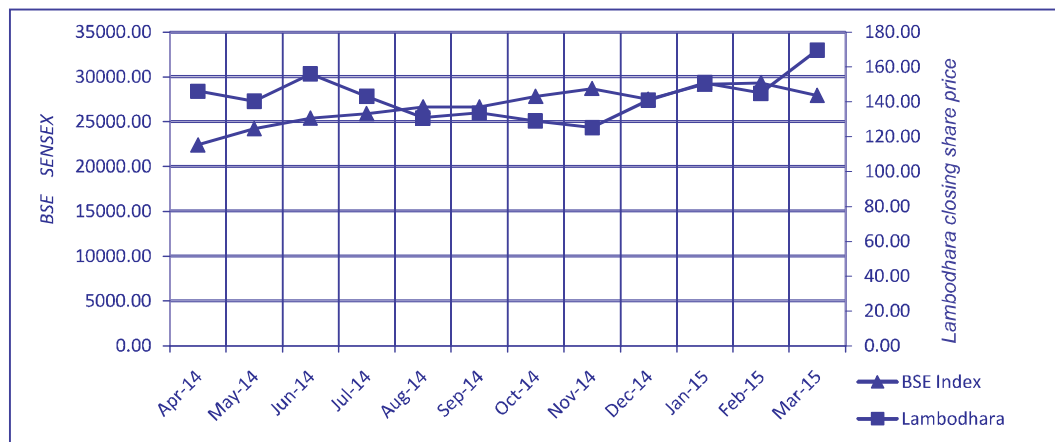
: Annual Listing Fees for the year 2015-16 were paid to National Stock Exchange of India Limited and Ahmedabad Stock Exchange Limited.

The Company's shares are traded in "BSE IndoNext" platform of BSE Limited.

**STOCK MARKET DATA :**

| Month  | BSE IndoNext |        |                        | National Stock Exchange of India |        |                        |
|--------|--------------|--------|------------------------|----------------------------------|--------|------------------------|
|        | High         | Low    | Volume of Share Traded | High                             | Low    | Volume of Share Traded |
| Apr-14 | 163.00       | 114.80 | 2,42,116               |                                  |        |                        |
| May-14 | 160.00       | 136.00 | 3,78,451               |                                  |        |                        |
| Jun-14 | 160.00       | 139.00 | 3,82,491               |                                  |        |                        |
| Jul-14 | 158.90       | 138.00 | 3,59,468               |                                  |        |                        |
| Aug-14 | 149.25       | 115.00 | 1,93,832               |                                  |        |                        |
| Sep-14 | 149.00       | 124.00 | 87,625                 |                                  |        |                        |
| Oct-14 | 149.00       | 122.00 | 61,338                 |                                  |        |                        |
| Nov-14 | 144.25       | 123.00 | 68,344                 |                                  |        |                        |
| Dec-14 | 152.50       | 126.10 | 2,70,927               |                                  |        |                        |
| Jan-15 | 174.70       | 139.00 | 2,75,549               |                                  |        |                        |
| Feb-15 | 178.90       | 135.00 | 3,40,353               | 183.70                           | 130.05 | 2,87,594               |
| Mar-15 | 173.90       | 139.00 | 1,79,789               | 175.00                           | 140.20 | 1,64,821               |

The performance of your Company's Stock relative to the BSE Sensitive Index (SENSEX) is in the chart given below





**Registrar & Share Transfer Agent: (For both physical & demat segments)**

M/s.SKDC Consultants Limited  
Kanapathy Towers, III Floor, 1391/A1, Sathy Road, Ganapathy, Coimbatore - 641 006  
Phone: +91 422 6549995, 2539835-836 Fax: +91 422 2539837  
Email: [info@skdc-consultants.com](mailto:info@skdc-consultants.com) Website:[www.skdc-consultants.com](http://www.skdc-consultants.com).

**Secretarial Audit**

A qualified Company Secretary carried out secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The secretarial audit report confirms that the total issued/ paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL & CDSL.

Pursuant to Clause 47 (c) of the Listing Agreement with the Stock Exchanges, certificates have been issued on a half-yearly basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.

**Share Transfer System**

The company’s shares being in compulsory dematerialised (demat) list are transferable through the depository system. Shares in physical form are processed by the registrar and share transfer agents, M/s.SKDC Consultants Limited, and approved by the stakeholders relationship committee of the Company. The share transfers are processed within a period of 15 days from the date of receipt of the transfer documents by M/ s.SKDC Consultants Limited, if the documents are complete in all respects. All requests for dematerialization of shares are processed and confirmed to the depositories, NSDL and CDSL, within 15 days. The stakeholders relationship committee generally meets whenever necessary for approving share transfers and other related activities.

Legal proceedings/ disputes on share transfer against the company : Nil

**Shareholding Pattern as on 31.03.2015**

| Shares held by                | No of Holders | No of Shares   | % of shareholding |
|-------------------------------|---------------|----------------|-------------------|
| Promoters and Promoters Group | 4             | 3126553        | 68.89             |
| Foreign                       | -             | -              | -                 |
| FII                           | -             | -              | -                 |
| Bodies Corporate              | 16            | 105163         | 2.32              |
| Public                        | 731           | 881050         | 19.41             |
| Non Resident Indians          | 1             | 50             | 0.00              |
| Clearing Member               | 15            | 344120         | 7.58              |
| Hindu Undivided Families      | 15            | 81864          | 1.80              |
| <b>Total</b>                  | <b>782</b>    | <b>4538800</b> | <b>100.00</b>     |



**Distribution of Shareholding as on 31.03.2015:**

| Shareholding range | No of Holders | % of share holders | No of Shares   | % of share holding |
|--------------------|---------------|--------------------|----------------|--------------------|
| 1 - 500            | 527           | 67.89              | 136261         | 3.00               |
| 501 - 1000         | 127           | 16.34              | 114102         | 2.51               |
| 1001 - 2000        | 73            | 9.34               | 126626         | 2.79               |
| 2001 - 3000        | 14            | 1.79               | 36989          | 0.81               |
| 3001 - 4000        | 4             | 0.51               | 13079          | 0.29               |
| 4001 - 5000        | 12            | 1.53               | 57680          | 1.27               |
| 5001 - 10000       | 9             | 1.15               | 62829          | 1.38               |
| 10001 and above    | 16            | 2.05               | 3991234        | 87.95              |
|                    | <b>782</b>    | <b>100.00</b>      | <b>4538800</b> | <b>100.00</b>      |

**Dematerialisation of shares and liquidity as on 31<sup>st</sup> March 2015:**

The Company has arrangement with National Securities Depository Ltd. (NSDL) as well as Central Depository Services (India) Limited (CDSL) for demat facility. The Company's shares being in compulsory dematerialised (demat) list are transferable through the depository system

| Particulars                            | No. of Holders | No. of Shares  | % of shareholding |
|--|----------------|----------------|-------------------|
| National Securities Depository Limited | 254            | 3086225        | 68.00             |
| Central Depository Services Limited    | 179            | 1148375        | 25.30             |
| Physical Form                          | 349            | 3,04200        | 6.70              |
| <b>Total</b>                           | <b>782</b>     | <b>4538800</b> | <b>100.00</b>     |

The Company's shares are regularly traded on NSE and BSE IndoNext.

**Outstanding GDRs/ADRs/Warrants or any Convertible Instruments and their likely impact on equity.**

There are no outstanding warrants or any convertible instruments. The Company has not issued GDR/ADR.

**Plant location:**

826, Thazhaiyuthu, Palani Taluk – 624 618.

Unit II – SKC House,

Vinayagar Kovil Street, Neikarapatti, Palani – 624 615.

Windmill Installed at:

SF No. 13/1(P) Koodankulam Village, Radhapuram Taluk, Tirunelveli District.

SF No. 1051/1, Kundadam Village, Dharapuram Taluk Tirupur District



**Address for Correspondence:**

**Address for Communication:**

For annual report, transfer of physical/ demat shares, dividend on shares, change of address & other query relating to shares of the Company and investors correspondence, may be addressed to:

M/s. SKDC Consultants Limited,

Kanapathy Towers, 3<sup>rd</sup> Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore – 641 006

Phone: +91 422 6549995, 2539835-836 Fax: +91 422 2539837

Email: [info@skdc-consultants.com](mailto:info@skdc-consultants.com) Website: [www.skdc-consultants.com](http://www.skdc-consultants.com).

**Contact address for Shareholder:**

Secretarial Department, Lambodhara Textiles Limited, CIN: L17111TZ1994PLC004929

3A, 3<sup>rd</sup> Floor, 'B Block' Pioneer Apartments, 1075 – B, Avinashi Road,  
Coimbatore – 641018.

Telefax : +91-422-2249038 & 4351083,

Email : [info@lambodharatextiles.com](mailto:info@lambodharatextiles.com) Website Address : [www.lambodharatextiles.com](http://www.lambodharatextiles.com)



### **Declaration for code of conduct**

I hereby affirm and state that all board members and senior management personnel of the company have given a declaration pursuant to clause 49(II) (E) of the Listing Agreement and I hereby affirm compliance with the said code of conduct for the financial year 2014-2015.

Place : Coimbatore  
Date : 20.07.2015

By Order of the Board,  
(Sd/-) **SANTOSSH. R**  
Managing Director

### **CERTIFICATE**

#### **To the members of M/s. Lambodhara Textiles Limited.**

We have examined the compliance of conditions of Corporate Governance by M/s.Lambodhara Textiles Limited, for the year ended on 31st March 2015 as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to review of the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the company as per the records maintained by the Investors' Relation Committee.

We further state that such compliance is either an assurance as to the future viability of the Company nor efficiency or effectiveness with which the management has conducted the affairs of the Company.

for **MOHAN & VENKATARAMAN**  
Chartered Accountants  
FRN : 007321S

(Sd/-) **R.MOHAN**  
Partner  
M.No.201229

Place : Coimbatore  
Date : 20.07.2015





## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF LAMBODHARA TEXTILES LIMITED

#### Report on the Financial Statements

We have audited the accompanying financial statements of **Lambodhara Textiles Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the 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 Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### 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 Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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 controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.



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

### **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, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act 2013 (hereinafter referred to as the "order"), we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  1. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 18 (2) to the financial statements;
  2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Mohan & Venkataraman**  
**Chartered Accountants**  
**FRN: 007321S**

(sd/-)

**R.Mohan**  
**Partner**

Place : Coimbatore

Date : 29.05.2015

Membership No.:201229



**ANNEXURE TO AUDITOR'S REPORT**

Referred to in our report of even date to the members of Lambodhara Textiles Limited.

- 1 (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.  
(b) Fixed Assets have been physically verified by the Management according to the regular programme of periodical verification in phased manner which in our opinion is reasonable having regard to the size of the Company and the nature of its Fixed Assets. The discrepancies noticed on such physical verification were not material.
- 2 (a) The Inventory of the Company at all its locations (except stocks lying with third parties and in transit, confirmation/subsequent receipt have been obtained in respect of such inventory) have been physically verified by the Management at reasonable intervals.  
(b) The procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.  
(c) The Company is maintaining proper records of inventory. The discrepancies noticed on such physical verification of inventory as compared to book records were not material.
3. The Company has not granted any loan secured or unsecured to parties listed in the register maintained under Section 189 of the companies Act, 2013 accordingly paragraph 3 (iii) of the order is not applicable.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control.
5. According to the information and explanations given to us, the company has not accepted any deposits accordingly, the provisions of clause (v) of para 3 of the order are not applicable to the company.
6. In our opinion and according to the information and explanations given to us, the requirement for maintenance of cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 specified by the Central Government of India under Section 148 of the Companies Act, 2013 are not applicable to the Company for the year under audit.
7. (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities during the year. There were no undisputed amounts payable in respect of the aforesaid statutory dues outstanding as at March 31, 2015 for a period of more than six months from the date they became payable.  
(b) In our opinion and according to the information and explanations given to us, there are no dues in respect of Wealth tax, Income tax, Sales tax, duty of customs, duty of excise, value added tax and cess that have not been deposited on account of any dispute except



| Nature of the Dues   | Amount   | Forum where dispute is pending |
|----------------------|----------|--------------------------------|
| ESI                  | ₹ 562780 | Employee Insurance Court.      |
| Income Tax- AY 11-12 | ₹ 46710  | CIT Appeals I, CBE             |
| Income Tax- AY 12-13 | ₹ 31450  | CIT Appeals I, CBE             |

(c) There is no amount as required to transfer under Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder pending as on the balance sheet date.

8. The Company does not have accumulated losses as at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
9. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
10. In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks and financial institutions.
11. In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained.
12. To the best of our knowledge and belief, and according to the information and explanations given to us, and considering the size and nature of the Company's operations, no fraud of material significance on the Company or no fraud by the Company has been noticed or reported during the year.

**For Mohan & Venkataraman  
Chartered Accountants**

**FRN: 007321S**

(sd/-)

**R.Mohan  
Partner**

Membership No.:201229

Place : Coimbatore

Date : 29.05.2015

BALANCE SHEET AS AT 31<sup>st</sup> March 2015

| Particulars                                  | Note No. | As at 31 <sup>st</sup> March 2015 | As at 31 <sup>st</sup> March 2014 |
|--|----------|-----------------------------------|-----------------------------------|
| <b>I EQUITY AND LIABILITIES</b>              |          | <b>₹ in '000</b>                  | <b>₹ in '000</b>                  |
| 1. SHARE HOLDERS FUNDS                       |          |                                   |                                   |
| a) Share Capital                             | 1        | 45,388                            | 43,798                            |
| b) Reserves and Surplus                      | 2        | 260,742                           | 195,385                           |
| c) Monies Received against Share Warrants    |          | -                                 | -                                 |
|  |          | <u>306,130</u>                    | <u>239,183</u>                    |
| 2. SHARE APPLICATION MONEY PENDING ALLOTMENT |          | -                                 | -                                 |
| 3. NON CURRENT LIABILITIES                   |          |                                   |                                   |
| a) Long-term borrowings                      | 3        | 379,210                           | 403,401                           |
| b) Deferred tax liabilities (net)            |          | 37,771                            | 41,741                            |
| c) Other Long term liabilities               |          | -                                 | -                                 |
| d) Long-term provisions                      | 4        | 3,791                             | 2,871                             |
|  |          | <u>420,772</u>                    | <u>448,013</u>                    |
| 4. CURRENT LIABILITIES                       |          |                                   |                                   |
| a) Short-term borrowings                     | 5        | 182,689                           | 174,325                           |
| b) Trade payables                            |          | 31,786                            | 17,698                            |
| c) Other current liabilities                 | 6        | 94,474                            | 91,133                            |
| d) Short-term provisions                     | 7        | 25,086                            | 16,837                            |
|  |          | <u>334,036</u>                    | <u>299,993</u>                    |
| <b>TOTAL</b>                                 |          | <b><u>1,060,938</u></b>           | <b><u>987,189</u></b>             |
| <b>II ASSETS</b>                             |          |                                   |                                   |
| 1. NON CURRENT ASSETS                        |          |                                   |                                   |
| a) Fixed assets                              | 8        |                                   |                                   |
| i) Tangible assets                           |          | 601,041                           | 620,105                           |
| ii) Intangible assets                        |          | -                                 | -                                 |
| iii) Capital work-in-progress                |          | 37,334                            | 16,555                            |
|  |          | <u>638,375</u>                    | <u>636,659</u>                    |
| b) Non-current investments                   | 9        | 2,700                             | 1,200                             |
| c) Long-term loans and advances              | 10       | 35,104                            | 27,965                            |
| d) Other non-current assets                  |          | -                                 | -                                 |
|  |          | <u>676,179</u>                    | <u>665,825</u>                    |
| 2. CURRENT ASSETS                            |          |                                   |                                   |
| a) Current investments                       |          | -                                 | -                                 |
| b) Inventories                               | 11       | 124,446                           | 108,793                           |
| c) Trade receivables                         | 12       | 160,296                           | 153,560                           |
| d) Cash and cash equivalents                 | 13       | 14,662                            | 6,480                             |
| e) Short-term loans and advances             | 14       | 70,689                            | 38,813                            |
| f) Other current assets                      | 15       | 14,666                            | 13,718                            |
|  |          | <u>384,759</u>                    | <u>321,364</u>                    |
| <b>TOTAL</b>                                 |          | <b><u>1,060,938</u></b>           | <b><u>987,189</u></b>             |

Significant Accounting Policies and Notes on accounts form part of these financials 25

Vide Our Report of even date for **MOHAN & VENKATARAMAN** Chartered Accountants FRN : 007321S

(Sd/-) **R.MOHAN**  
Partner  
M.No.201229  
Place : Coimbatore  
Date : 29.05.2015

(Sd/-) **Ramesh Shenoy. K**  
Chief Financial Officer

(Sd/-) **SANTOSSH. R**  
Managing Director  
DIN : 00790493

(Sd/-) **VIMALA. R**  
Whole-Time-Director  
DIN : 00813706

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> March 2015**

| Particulars  | Note No. | As at<br>31 <sup>st</sup> March 2015 | As at<br>31 <sup>st</sup> March 2014 |
|--|----------|--------------------------------------|--------------------------------------|
|  |          | <b>₹ in '000</b>                     | <b>₹ in '000</b>                     |
| I. REVENUE FROM OPERATIONS                                   | 16       | 1,333,018                            | 1,120,911                            |
| II. OTHER INCOME   | 17       | 4,229                                | 4,847                                |
| <b>III. TOTAL REVENUE (I+II)</b>                             |          | <b><u>1,337,247</u></b>              | <b><u>1,125,758</u></b>              |
| IV. EXPENSES   |          |                                      |                                      |
| Cost of Material Consumed                                    | 18       | 832,432                              | 720,496                              |
| Purchase of Stock in Trade                                   | 19       | -                                    | -                                    |
| Changes in inventories of finished goods,                    |          |                                      |                                      |
| Work in progress and Stock in Trade                          | 20       | 13,929                               | (2,851)                              |
| Employee Benefits Expenses                                   | 21       | 46,908                               | 40,069                               |
| Finance Costs  | 22       | 70,398                               | 63,325                               |
| Depreciation and amortisation expenses                       |          | 60,477                               | 54,167                               |
| Other Expenses   | 23       | 252,303                              | 209,388                              |
| <b>Total Expenses</b>  |          | <b><u>1,276,446</u></b>              | <b><u>1,084,594</u></b>              |
| V. PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX |          | <b>60,801</b>                        | <b>41,163</b>                        |
| VI. CORPORATE SOCIAL RESPONSIBILITY EXPENSES                 |          | 1,054                                | -                                    |
| VII. TAX EXPENSE   |          |                                      |                                      |
| Current Tax  |          | 12,240                               | 8,268                                |
| Deferred Tax   | 24       | (3,970)                              | (2,491)                              |
| VIII PROFIT OR (LOSS) FOR THE YEAR (V) - (VI)                |          | 51,477                               | 35,387                               |
| IX. EARNINGS PER SHARE                                       |          | 11.37                                | 8.08                                 |

Significant Accounting Policies and Notes on accounts form part of these financials 25

Vide Our Report of even date for **MOHAN & VENKATARAMAN** Chartered Accountants  
FRN : 007321S

(Sd/-) **R.MOHAN**  
Partner  
M.No.201229  
Place : Coimbatore  
Date : 29.05.2015

(Sd/-) **Ramesh Shenoy. K**  
Chief Financial Officer

(Sd/-) **SANTOSSH. R**  
Managing Director  
DIN : 00790493

(Sd/-) **VIMALA. R**  
Whole-Time-Director  
DIN : 00813706



## NOTES TO THE FINANCIAL STATEMENTS

## NOTE 1 - SHARE CAPITAL

| Particulars  | As at 31 <sup>st</sup> March 2015<br>₹ in '000 | As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|--|--|--|
| <b>a) Authorised</b>   |  |  |
| 5000000 Equity shares (P.Y. 5000000) of ₹ 10 each with voting rights | 50000  | 50000  |
| <b>b) Issued</b>   |  |  |
| 4538800 Equity shares (P.Y. 4379800) of ₹ 10 each with voting rights | 45388  | 43798  |
| <b>c) Subscribed and fully paid up</b>                               |  |  |
| 4538800 Equity shares (P.Y. 4379800) of ₹ 10 each with voting rights | 45388  | 43798  |
| <b>Total</b>   | <b>45388</b>                                   | <b>43798</b>                                   |

## Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

| Particulars  | As at 31 <sup>st</sup> March 2015<br>No. of Shares | As at 31 <sup>st</sup> March 2014<br>No. of Shares |
|--|--|--|
| Shares outstanding at the beginning of the year        | 4379800  | 4379800  |
| Add : Allotment of Equity shares on preferential basis | 159,000  | -  |
| Shares outstanding at the end of the year              | 4538800  | 4379800  |

## Details of Share Holders Holding more than 5% shares

| Class of Shares /<br>Name of Shareholder  | As at 31 <sup>st</sup> March 2015 |              | As at 31 <sup>st</sup> March 2014 |              |
|---|-----------------------------------|--------------|-----------------------------------|--------------|
|   | No. of<br>Shares                  | %<br>holding | No. of<br>Shares                  | %<br>holding |
| The company has only one class of equity shares having at par value of ₹ 10 per share. Each share holder is eligible for one vote per share |                                   |              |                                   |              |
| Giulia Bosco  | 232,000                           | 5.11         | 200,000                           | 4.57         |
| Pudumjee Investment & Finance Co Limited  | -                                 | -            | 279,926                           | 6.32         |
| Choice Equity Broking Private Limited   | 337,090                           | 7.43         | -                                 | -            |
| Shri. Santosh. R  | 1,410,253                         | 31.07        | 1,283,253                         | 29.30        |
| Strike Right Integrated Services Limited  | 1,460,300                         | 32.17        | 1,460,300                         | 33.34        |

## NOTE 2 - RESERVES AND SURPLUS

| Particulars                           | As at 31 <sup>st</sup> March 2015<br>₹ in '000 | As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|---------------------------------------|--|--|
| <b>(a) Securities Premium Reserve</b> |  |  |
| As per last balance sheet             | -  | -  |
| Add: On issue of shares               | 22,260   | -  |
| Closing balance                       | <b>22,260</b>                                  | -  |
| <b>(a) Revaluation reserve</b>        |  |  |
| As per last balance sheet             | 76901  | 76901  |
| Closing balance                       | <b>76901</b>                                   | <b>76901</b>                                   |



| Particulars   | As at 31 <sup>st</sup> March 2015<br>₹ in '000 | As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|---|--|--|
| <b>(b) Other reserve</b>  |  |  |
| <b>General reserve</b>  |  |  |
| Opening balance   | 6,000  | 5,110  |
| Add: Additions during the year  | 1,290  | 890  |
| Less: Utilised / transferred during the year  | -  | -  |
| Closing balance   | <u>7,290</u>                                   | <u>6,000</u>                                   |
| <b>c) Surplus in Statement of Profit and Loss</b>                                     |  |  |
| Opening balance   | 112,484  | 83,112   |
| Add: Profit (loss) for the year   | 51,477   | 35,387   |
| Transfer to General reserve   | 1,290  | 890  |
| Difference Dividend and Dividend Tax paid   | 186  | -  |
| Proposed Dividend on Equity Shares<br>(Dividend Per Share ₹ 1.50 (Previous Year ₹ 1)) | 6,808  | 4380   |
| Tax on Dividend   | 1,386  | 744  |
| Closing balance   | <u>154,291</u>                                 | <u>112,485</u>                                 |
| <b>Total</b>  | <u>260,742</u>                                 | <u>195,385</u>                                 |

**NOTE 3 - LONG TERM BORROWINGS**

| Particulars                                       | As at 31 <sup>st</sup> March 2015<br>₹ in '000 | As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|---|--|--|
| <b>a) Secured</b>                                 |  |  |
| Term Loans from banks                             | 310,424  | 325,630  |
| Long term maturities of finance lease obligations | 3,227  | 4,261  |
| <b>b) Unsecured</b>                               |  |  |
| Deposits  | -  | 19500  |
| Loans and advances from related parties           | 65,559   | 54011  |
| <b>Total</b>                                      | <u>379,210</u>                                 | <u>403,401</u>                                 |

**Bank borrowings of term loan and working capital**

- 3.1. TUFS Term loan - I from State Bank of India is secured by First charge on entire assets created out of the term loan, Factory Land and building. Total outstanding as on 31.03.2015 is (₹ '000) 43750 (Previous year (₹ '000) 66600). Term Loan - I is payable in 91 installments commencing from April 2009. Last installment is due in October 2016.
- 3.2. TUFS Term loan - II from State Bank of India is secured by First charge on entire assets created out of the term loan including Windmill land. Total outstanding as on 31.03.2015 is (₹ '000) 90400 (Previous year (₹ '000) Rs.95200). Term Loan - II is payable in 109 installments commencing from October 2011. Last installment is due in October 2020
- 3.3. TUFS Term loan - III from State Bank of India is secured by First charge on entire assets created out of the term loan. Total outstanding as on 31.03.2015 is (₹ '000) 32711 (Previous year (₹ '000) ₹ 41950). Term Loan - III is payable in 72 installments commencing from October 2012. Last installment is due in September 2018.
- 3.4. Term loan - IV from State Bank of India is secured by first charge on entire assets created out of the term loan. Total outstanding as on 31.03.2015 is (₹ '000) 74043 (Previous year (₹ '000) ₹ 87618). Term Loan - IV is payable in 84 installments commencing from October 2013. Last installment is due in September 2020.
- 3.5. Term loan - V from State Bank of India is secured by first charge on entire assets created out of the term loan. Total outstanding as on 31.03.2015 is (₹ '000) 23715 (Previous year (₹ '000) ₹ 27437). Term Loan - V is payable in 72 installments commencing from April 2014. Last installment is due in March 2020.





- 3.6 Term loan - VI from State Bank of India is secured by first charge on the land and proposed commercial-building at Coimbatore. Total outstanding as on 31.03.2015 is (₹ '000) 27942 (Previous year (₹ '000) Rs.Nil. Term Loan - VI is payable in 72 installments commencing from April 2016. Last installment is due in March 2022.
- 3.7. Term loan - I from Bank of India is secured by First charge on Windmill and Windmill Land. Total outstanding as on 31.03.2015 is (₹ '000) 53250 (Previous year (₹ '000) Rs. 60954). Term Loan is payable in 108 installments commencing from March 2013. Last installment is due in Feb 2022.
- 3.8 Term loan - II from Bank of India is secured by first charge on entire assets created out of the term loan. Total outstanding as on 31.03.2015 is (₹ '000) 25500 (Previous year (₹ '000) Rs.1313. Term Loan - II is payable in 84 monthly installments commencing from April 2015, last installment is due on March 2022.
- 3.9. Term loan - III from Bank of India is secured by Residential apartment purchased out of term loan. Total outstanding as on 31.03.2015 is (₹ '000) 7155 (Previous year (₹ '000) RS. 7490. Term Loan is payable in 137 installments commencing from April 2014. Last installment is due in Aug 2025.
- 3.10. Two directors have given personal guarantee and one of them had given personal assets as security for the loan from State Bank of India and no Guarantee commission has been paid to any directors in this connection. Three directors have given personal guarantee and one of them had given personal assets as security for the loan from Bank of India and no Guarantee Commission has been paid to any directors in this connection. Details of pledge of shares held by directors for availing loan facilities for the company: The Managing director has pledged 5.62 lakh shares of the company held by him as collateral security for the loan sanctioned by State Bank of India and 5.25 lakh shares of the company held by him as collateral security for the loan sanctioned by Bank of India. Strikeright Integrated Services Limited has given Corporate Guarantee for State Bank of India loan and no Guarantee Commission has been paid. One of the director has given personal guarantee for the Residential property loan from Bank of India and no Guarantee Commission has been paid to the director in this connection.
- 3.11. Installments falling due in respect of all the above Loans upto 31.03.2016 have been grouped under "Current maturities of long-term debt" (Refer Note 6 (a))

**NOTE 4 - LONG TERM PROVISIONS**

| Particulars                           | As at 31 <sup>st</sup> March 2015<br>₹ in '000 | As at 31 <sup>st</sup> March 2014<br>in ₹ '000 |
|---------------------------------------|--|--|
| (a) Provision for employee benefits   |  |  |
| (i) Provision for gratuity (Unfunded) | 3,791  | 2,871  |
| <b>Total</b>                          | <b>3,791</b>                                   | <b>2,871</b>                                   |

**NOTE 5 - SHORT TERM BORROWINGS**

| Particulars                  | As at 31 <sup>st</sup> March 2015<br>₹ in '000 | As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|------------------------------|--|--|
| a) Loans repayable on demand |  |  |
| From banks (Secured)         |  |  |
| Foreign currency Loans       | -  | -  |
| Other Loans                  | 182,689  | 174,325  |
| <b>Total</b>                 | <b>182,689</b>                                 | <b>174,325</b>                                 |

1. Working capital facilities from State Bank of India is secured by first charge on entire current assets such as raw materials, SIP, finished goods, consumables, spares, stores and receivables and other current assets of the company on paripassu basis with other working capital lenders.
2. Bank of India has sanctioned working capital facilities against paripassu charge on the Inventories and book debts.



**NOTE 6 - OTHER CURRENT LIABILITIES**

| Particulars  | As at 31 <sup>st</sup> March 2015<br>₹ in '000 | As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|--|--|--|
| a) Current maturities of long-term debt                      | 68,041   | 62,935   |
| b) Current maturities of finance lease obligations           | 3152   | 2,229  |
| c) Interest accrued but not due on borrowings                | 3,955  | 3,861  |
| d) Interest accrued and due on borrowings                    | -  | -  |
| e) Unpaid dividends  | 526  | 425  |
| f) Other payables  |  |  |
| i) Duties and taxes  | 2523   | 3,191  |
| ii) Advances from customers                                  | 3910   | 6,046  |
| iii) Credit balance in Scheduled Banks<br>(Current accounts) | -  | -  |
| iv) Others   |  |  |
| Interest received in advance                                 | -  | 873  |
| Creditors for capital goods                                  | 1811   | 11,574   |
| Outstanding Expenses   | 10,555   | 4747   |
| <b>Total</b>   | <b>94,474</b>                                  | <b>91133</b>                                   |

There is no amount due and outstanding to be credited to the Investor Education and Protection Fund as at 31st March, 2015

**NOTE 7 - SHORT TERM PROVISIONS**

| Particulars                        | As at 31 <sup>st</sup> March 2015<br>₹ in '000 | As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|------------------------------------|--|--|
| a) Provision for employee benefits |  |  |
| i) Gratuity (Unfunded)             | 204  | 163  |
| ii) Others                         | 4,444  | 3290   |
| b) Others                          |  |  |
| i) Provision for taxation          | 13,630   | 9004   |
| ii) Provision for Dividend         | 6,808  | 4380   |
| <b>Total</b>                       | <b>25,086</b>                                  | <b>16,837</b>                                  |



₹ in '000

| <b>NOTE 8 - FIXED ASSETS</b> |                     |               |                    |                          |                    |                    |                |                    |                    |                    |  |
|------------------------------|---------------------|---------------|--------------------|--------------------------|--------------------|--------------------|----------------|--------------------|--------------------|--------------------|--|
| NAME OF THE ASSET            | GROSS BLOCK         |               |                    | DEPRECIATION             |                    |                    | NET BLOCK      |                    |                    |                    |  |
|                              | AS ON<br>01.04.2014 | ADDITIONS     | SALE /<br>TRANSFER | COST AS AT<br>31.03.2015 | UPTO<br>31.03.2014 | DURING<br>THE YEAR | WITH-<br>DRAWN | UPTO<br>31.03.2015 | UPTO<br>31.03.2015 | UPTO<br>31.03.2014 |  |
| 01. LAND                     | 88,162              | -             | -                  | 88,162                   | -                  | -                  | -              | 88,162             | 88,162             | 88,162             |  |
| 02. BUILDING                 | 107,034             | 2,803         | -                  | 109,837                  | 19,930             | 3,288              | -              | 23,218             | 86,619             | 87,103             |  |
| 03. WIND MILL                | 154,693             | -             | -                  | 154,693                  | 19,936             | 6,493              | -              | 26,428             | 128,265            | 134,757            |  |
| 04. PLANT AND MACHINERY      | 449,676             | 38,898        | 28,866             | 459,707                  | 160,829            | 46,240             | 24,449         | 182,620            | 277,087            | 288,847            |  |
| 05. FURNITURE AND FIXTURES   | 5,122               | 51            | -                  | 5,172                    | 1,182              | 604                | -              | 1,786              | 3,387              | 3,940              |  |
| 06. OFFICE EQUIPMENT         | 5,532               | 351           | -                  | 5,883                    | 2,049              | 1,343              | -              | 3,392              | 2,490              | 3,483              |  |
| 07. VEHICLES                 | 17,909              | 4,066         | 737                | 21,238                   | 4,096              | 2,510              | 398            | 6,208              | 15,030             | 13,813             |  |
| <b>TOTAL OF FIXED ASSETS</b> | <b>828,128</b>      | <b>46,168</b> | <b>29,603</b>      | <b>844,693</b>           | <b>208,022</b>     | <b>60,477</b>      | <b>24,847</b>  | <b>243,652</b>     | <b>601,041</b>     | <b>620,105</b>     |  |
| <b>PREVIOUS YEAR</b>         | <b>756,076</b>      | <b>88,350</b> | <b>16,299</b>      | <b>828,128</b>           | <b>165,025</b>     | <b>54,167</b>      | <b>11,170</b>  | <b>208,022</b>     | <b>620,105</b>     | <b>591,052</b>     |  |
| <b>WORK IN PROGRESS</b>      |                     |               |                    |                          |                    |                    |                |                    |                    |                    |  |
| 01. BUILDING - WIP           | 2286                | 518           | 2803               | -                        |                    |                    |                |                    |                    |                    |  |
| 02 BUILDING - WIP PEELAMEDU  | 13955               | 23379         | -                  | 37334                    |                    |                    |                |                    |                    |                    |  |
| 03 PLANT & MACHINERY - WIP   | 315                 | 36831         | 37146              | -                        |                    |                    |                |                    |                    |                    |  |
| <b>TOTAL</b>                 | <b>16555</b>        | <b>60728</b>  | <b>39949</b>       | <b>37334</b>             |                    |                    |                |                    |                    |                    |  |
| <b>PREVIOUS YEAR</b>         | <b>47454</b>        | <b>40294</b>  | <b>71193</b>       | <b>16555</b>             |                    |                    |                |                    |                    |                    |  |



**NOTE 9 - NON CURRENT INVESTMENTS**

| Particulars  | As at 31 <sup>st</sup> March 2015<br>₹ in '000 | As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|--|--|--|
| a) Trade investments   |  |  |
| In Equity Shares - Unquoted, fully paid<br>120000 shares in Mytrah Vayu (Manjira)<br>Private Limited (P.Y 120000 shares)   | 1200   | 1200   |
| In Equity Shares - Unquoted, fully paid<br>150000 shares in Kamachi Sponge &<br>Power Corporation Limited (P.Y Nil shares) | 1500   | -  |
| b) Other investments   | -  | -  |
| <b>Total</b>   | <b>2700</b>                                    | <b>1200</b>                                    |
| Aggregate amount of unquoted investments.  | <b>2700</b>                                    | <b>1200</b>                                    |

**NOTE 10 - LONG TERM LOANS & ADVANCES**

| Particulars  | As at 31 <sup>st</sup> March 2015<br>₹ in '000 | As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|--|--|--|
| a) Capital advances                                      |  |  |
| Advance for Capital goods<br>(Unsecured considered good) | 13317  | 11347  |
| b) Security Deposits                                     |  |  |
| Security Deposits<br>(Unsecured considered good)         | 21787  | 14991  |
| c) Loans and advances to related parties                 | -  | -  |
| d) Other loans & advances                                |  |  |
| Prepaid expenses - AMC<br>(Unsecured considered good)    | -  | 1627   |
| <b>Total</b>   | <b>35104</b>                                   | <b>27965</b>                                   |

**NOTE 11 - INVENTORIES**

| Particulars          | As at 31 <sup>st</sup> March 2015<br>₹ in '000 | As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|----------------------|--|--|
| a) Raw materials     |  |  |
| Yarn                 | 996  | 2127   |
| Fibre                | 71715  | 39642  |
| Cotton               | 696  | 640  |
| b) Work-in-progress  | 20208  | 15958  |
| c) Finished goods    |  |  |
| Yarn                 | 29490  | 47805  |
| Stock in Transit     | -  | -  |
| d) Stock in Trade    | -  | -  |
| e) Stores and spares | 874  | 2291   |
| f) Others            |  |  |
| i) Stock of waste    | 466  | 330  |
| <b>Total</b>         | <b>124446</b>                                  | <b>108793</b>                                  |

Mode of valuation: Refer Note 25-I (D) in Significant Accounting Policies

**NOTE 12 - TRADE RECEIVABLES**

| Particulars   | As at 31 <sup>st</sup> March 2015<br>₹ in '000 | As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|---|--|--|
| Trade receivables outstanding for a period exceeding six months from the date they were due for payment |  |  |
| Unsecured & considered good   | 11800  | 14696  |
| Other Trade receivables   |  |  |
| Unsecured & considered good   | 148495   | 138864   |
| <b>Total</b>  | <b>160296</b>                                  | <b>153560</b>                                  |

**NOTE 13 - CASH AND CASH EQUIVALENTS**

| Particulars   | As at 31 <sup>st</sup> March 2015<br>₹ in '000 | As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|---|--|--|
| a) Cash and Cash Equivalents  |  |  |
| i) Balances with banks  |  |  |
| Current Accounts  | 198  | 273  |
| Fixed deposit balance   | 10000  | -  |
| ii) Cash on hand  | 3774   | 4536   |
| b) Other bank balances  |  |  |
| i) Unpaid dividend  | 526  | 425  |
| ii) Balances with banks to the extent held as margin money (Margin money for bank guarantee) (Maturity after 12 months) | 164  | 1246   |
| (Margin money for Letter of credit) (Maturity before 12 months)   | -  | -  |
| <b>Total</b>  | <b>14662</b>                                   | <b>6480</b>                                    |

**NOTE 14 - SHORT TERM LOANS AND ADVANCES**

| Particulars  | As at 31 <sup>st</sup> March 2015<br>₹ in '000 | As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|--|--|--|
| Unsecured, considered good   |  |  |
| a) Loans and advances to related parties                           | -  | -  |
| b) others  |  |  |
| Advance recoverable in cash or in kind or for value to be received |  |  |
| i) For Material purchase   | 40465  | 12018  |
| ii) For Expenses / others  | 5764   | 7514   |
| iii) For Duties & Taxes  | 18024  | 15790  |
| iv) Prepaid Expenses   | 6436   | 3490   |
| <b>Total</b>   | <b>70689</b>                                   | <b>38813</b>                                   |

**NOTE 15 - OTHER CURRENT ASSETS**

| Particulars                                   | As at 31 <sup>st</sup> March 2015<br>₹ in '000 | As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|---|--|--|
| i) Interest accrued on deposits               | 16   | 224  |
| ii) Export Duty receivable                    | 7301   | 5503   |
| iii) Interest receivable on Trade receivables | 94   | -  |
| iv) Interest subsidy receivable from banks    | 7179   | 7908   |
| v) Windmill Energy income receivable          | 75   | 84   |
| <b>Total</b>                                  | <b>14666</b>                                   | <b>13718</b>                                   |

**NOTE 16 - REVENUE FROM OPERATIONS**

| Particulars  | For the year ended<br>31 <sup>st</sup> March 2015<br>₹ in '000 | For the year ended<br>As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|--|--|--|
| a) Sale of products (Refer Note (i) below)           | 1292269  | 1091224  |
| b) Sale of services                                  | -  | -  |
| c) Other operating revenues                          |  |  |
| i) Wind mill - Electricity captive consumption value | 24159  | 15895  |
| ii) Sales of waste and scrap                         | 5118   | 2720   |
| iii) Duty drawback                                   | 6646   | 6710   |
| iv) Other incentives from government                 | 4825   | 4362   |
| <b>Total</b>   | <b>1333018</b>   | <b>1120911</b>   |

**Note (i) Sale of products**

|                |                |                |
|----------------|----------------|----------------|
| Finished goods |                |                |
| Yarn           | 1292269        | 1088974        |
| Cloth          | -              | 2250           |
| Traded goods   |                |                |
| Yarn           | -              | -              |
| Cotton         | -              | -              |
| <b>Total</b>   | <b>1292269</b> | <b>1091224</b> |

**NOTE 17 - OTHER INCOME**

| Particulars  | For the year ended<br>31 <sup>st</sup> March 2015<br>₹ in '000 | For the year ended<br>As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|--|--|--|
| a) Interest income   | 2853   | 2740   |
| b) Other non-operating income (net of expenses directly attributable to such income) |  |  |
| i) Exchange Fluctuation Gain   | 148  | -  |
| ii) Profit on Sale of Assets   | 448  | 1440   |
| iii) Other income  | 780  | 667  |
| <b>Total</b>   | <b>4229</b>  | <b>4847</b>  |

**NOTE 18 - COST OF MATERIALS CONSUMED**

| Particulars   | For the year ended<br>31 <sup>st</sup> March 2015<br>₹ in '000 | For the year ended<br>As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|---|--|--|
| Opening stock   | 42409  | 53688  |
| Add: Purchases  | 853025   | 707083   |
| Freight on raw materials                              | 10405  | 3960   |
|   | 905839   | 764730   |
| Less: Sales of Fibre and Cotton                       | -  | 1825   |
| Less: Closing stock                                   | 73408  | 42409  |
| <b>Cost of material consumed (Refer note 1 below)</b> | <b>832432</b>  | <b>720496</b>  |

**Note - 1****Details of Raw material consumed**

|            |               |               |
|------------|---------------|---------------|
| Imported   | 198920        | 11419         |
| Indigenous | 623107        | 705118        |
|            | <b>822027</b> | <b>716537</b> |

**Details of Raw material consumed**

|              |               |               |
|--------------|---------------|---------------|
| Yarn         | 19238         | 14901         |
| Fibre        | 719793        | 686171        |
| Cotton       | 82995         | 15464         |
| <b>Total</b> | <b>822027</b> | <b>716537</b> |

**NOTE 19 - PURCHASE OF STOCK IN TRADE**

| Particulars     | For the year ended<br>31 <sup>st</sup> March 2015<br>₹ in '000 | For the year ended<br>As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|-----------------|--|--|
| Cotton Purchase | -  | -  |
| Yarn Purchase   | -  | -  |
| <b>Total</b>    | <b>-</b>   | <b>-</b>   |

**NOTE 20 - CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE**

| Particulars                       | For the year ended<br>31 <sup>st</sup> March 2015<br>₹ in '000 | For the year ended<br>As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|-----------------------------------|--|--|
| <b>Opening stock</b>              |  |  |
| Finished goods                    | 47805  | 43263  |
| Finished goods - Stock in Transit | -  | 3089   |
| Work-in-progress                  | 15958  | 14414  |
| Waste                             | 330  | 476  |
| Stock in Trade                    | -  | -  |
|                                   | <b>64093</b>   | <b>61242</b>   |
| <b>Closing stock</b>              |  |  |
| Finished goods                    | 29490  | 47805  |
| Finished goods - Stock in Transit | -  | -  |
| Work-in-progress                  | 20208  | 15958  |
| Waste                             | 466  | 330  |
| Stock in Trade                    | -  | -  |
|                                   | <b>50164</b>   | <b>64093</b>   |
| <b>Net (increase) / decrease</b>  | <b>13929</b>   | <b>(2851)</b>  |

**NOTE 21 - EMPLOYEE BENEFITS EXPENSES**

| Particulars                                       | For the year ended<br>31 <sup>st</sup> March 2015<br>₹ in '000 | For the year ended<br>As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|---|--|--|
| a) Salaries, Wages, Bonus etc.                    | 33589  | 30149  |
| b) Managerial Remuneration                        | 2209   | 1754   |
| c) Contribution to Provident fund and other funds | 2474   | 2208   |
| d) Gratuity as per actuarial valuations           | 1245   | 1384   |
| e) Staff welfare expenses                         | 7392   | 4576   |
| <b>Total</b>                                      | <b>46908</b>   | <b>40069</b>   |

**NOTE 22 - FINANCE COST**

| Particulars  | For the year ended<br>31 <sup>st</sup> March 2015<br>₹ in '000 | For the year ended<br>As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|--|--|--|
| a) Interest expense  | 66353  | 63480  |
| b) Other borrowing costs   | 2683   | 2298   |
| c) Net (gain) / loss on foreign currency<br>transactions and translation<br>(considered as finance cost) | 1362   | (2453)   |
| <b>Total</b>   | <b>70398</b>   | <b>63325</b>   |

**NOTE 23 - OTHER EXPENSES**

| Particulars  | For the year ended<br>31 <sup>st</sup> March 2015<br>₹ in '000 | For the year ended<br>As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|--|--|--|
| <b>Manufacturing expenses</b>                          |  |  |
| Consumption of stores and spares<br>(Refer Note below) | 33344  | 27307  |
| Power and fuel   | 125859   | 127980   |
| Conversion charges                                     | 35572  | 680  |
| Repairs to Buildings                                   | 1787   | 389  |
| Repairs to Machinery                                   | 1593   | 1247   |
|  | 198154   | 157603   |
| <b>Selling and Distribution Expenses</b>               |  |  |
| Freight and forwarding                                 | 24495  | 20462  |
| Insurance ECGC   | 932  | 616  |
| Sales commission                                       | 5869   | 5121   |
| Consignment Expenses                                   | 440  | 103  |
| Business promotion                                     | 1770   | 1051   |
| Advertisement  | 342  | 376  |
|  | 33847  | 27729  |



**NOTE 23 - OTHER EXPENSES (CONTD.)**

| Particulars  | For the year ended<br>31 <sup>st</sup> March 2015<br>₹ in '000 | For the year ended<br>As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|--|--|--|
| <b>Establishment Expenses</b>  |  |  |
| Rent   | 220  | 216  |
| Repairs and maintenance - Others   | 7469   | 6230   |
| Insurance  | 1139   | 1157   |
| Rates and taxes, excluding taxes on income   | 7660   | 2933   |
| Postage and Telephone  | 816  | 699  |
| Travelling and conveyance  | 835  | 1554   |
| Printing and stationery  | 253  | 230  |
| Audit Fees and Expenses  | 318  | 241  |
| Subscription   | 70   | 27   |
| Professional & Consultancy   | 1505   | 1569   |
| Net loss on foreign currency transactions and translation (other than considered as finance cost) (1914) |  | 7853   |
| Loss on sale of fixed assets   | 1389   | 1058   |
| Prior period items (net)   | -  | -  |
| Miscellaneous expenses   | 543  | 288  |
| <b>Total</b>   | <b>20302</b>   | <b>24057</b>   |
|  | <b>252303</b>  | <b>209388</b>  |

**Note - Consumption of Stores and Spares**

| Particulars  | For the year ended<br>31 <sup>st</sup> March 2015<br>₹ in '000 | For the year ended<br>As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|--------------|--|--|
| Indigenous   | 32765  | 27016  |
| Imported     | 579  | 291  |
| <b>Total</b> | <b>33344</b>   | <b>27307</b>   |

**Note 24 - DEFERRED TAX**

| Particulars            | For the year ended<br>31 <sup>st</sup> March 2015<br>₹ in '000 | For the year ended<br>As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|------------------------|--|--|
| Mat Credit Entitlement | (48)   | (8236)   |
| Deferred Tax           | (3922)   | 5745   |
| <b>Total</b>           | <b>(3970)</b>  | <b>(2491)</b>  |



## NOTES ON ACCOUNTS

### NOTE - 25

#### **I. SIGNIFICANT ACCOUNTING POLICIES**

- 1.1 The Financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention except for certain categories of fixed assets that are carried at re-valued amounts.
- 1.2 All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the schedule III to the 2013 Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current - noncurrent classification of assets and liabilities.
- 1.3 Use of estimates

The preparation of the financial statements, in conformity with the generally accepted accounting principles, requires management to make estimates and assumptions that are considered in the reported amounts of assets including decline in carrying value of investments and liabilities on the date of the financial statements, disclosure of contingent liabilities and reported amounts of revenues and expenses for the year. Estimates are based on historical experience, where applicable and other assumptions that management believes are reasonable under the circumstances. Actual results could vary from these estimates and any such differences are dealt with in the period in which the results are known / materialize.

#### **2. Tangible and Intangible Assets**

##### **2.1 Tangible Fixed Assets**

Tangible fixed assets are carried at the cost of acquisition or construction, less accumulated depreciation/accumulated impairment. The cost of fixed assets comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Expenses directly attributable to new manufacturing facility during its construction period are capitalized. Know-how related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant tangible asset heads. Profit or Loss on disposal of tangible assets is recognised in the Statement of Profit and Loss.

##### **2.2 Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Following initial recognition, intangible assets are carried at cost less



accumulated amortization and accumulated impairment loss, if any. Profit or Loss on disposal of intangible assets is recognised in the Statement of Profit and Loss.

### 2.3 Capital Work in Progress & Capital Advances

Cost of Assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Long Term Loans & Advances.

### 2.4 Depreciation and Amortisation

Depreciation on tangible fixed assets is provided using the Straight Line Method based on the useful life of the assets as provided in Schedule II of the Companies Act 2013 and is charged to the Statement of Profit and Loss. In respect of Individual assets costing less than Rs.5,000/- the policy of the Company is to charge depreciation at 95% of the cost on Prorata basis to the period of use, considering the useful life of assets as less than 1 year.

### 2.5 Impairment

At Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the Company's assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

An assessment is also done at each Balance Sheet date whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. The carrying amount of the fixed asset is increased to the revised estimate of its recoverable amount but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss is recognised in the Statement of Profit and Loss for the year.

After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the fixed asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on straight line basis over its remaining useful life.

## 3. Revenue recognition

3.1 Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, the Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Sales are recognised net of trade discounts, rebates, sales taxes and excise duties (on goods manufactured and outsourced).

3.2 Income from export incentives such as duty drawback and premium on sale of import licenses, and lease license fee are recognised on accrual basis.

3.3 Income from services rendered is recognised based on agreements/ arrangements with the customers as the service is performed using the proportionate completion method



when no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service and is recognised net of service tax, as applicable.

- 3.4 Interest on investments is recognized on a time proportion basis taking into account the amounts invested and the rate of interest.
- 3.5 Dividend income on investments is recognized when the right to receive dividend is established.

#### **4. Inventory valuation**

Inventories are valued as follows:

- 4.1 Raw materials, materials in process, finished goods and Goods for Trade are valued at Cost or Net Realizable Value, whichever is lower.
- 4.2 Stores, Spares, Etc., are valued, either at Cost or at Cost less amounts written off.
- 4.3 Goods in transit are valued at cost to date.
- 4.4 'Cost' comprises all cost of purchase, costs of conversion and other costs incurred in bringing the inventory to their present location and condition. Cost formula used is 'First in First Out' as applicable.
- 4.5 Surplus / obsolete / slow moving inventories are adequately provided for.

#### **5 Investments**

- 5.1 Current investments are carried at lower of cost and quoted / fair value, computed category-wise.
- 5.2 Long term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

#### **6. Foreign currency Transactions**

- 6.1 Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the statement of profit and loss.
- 6.2 Foreign currency monetary assets and liabilities (other than those covered by forward contracts) as on the balance sheet date are revalued in the accounts on the basis of exchange rates prevailing at the balance sheet date and exchange difference arising there from is charged to statement Profit & Loss Account.
- 6.3 In the case of transactions covered by forward contracts, the difference between the contract rate and the exchange rate prevailing on the date of transaction is charged to profit & loss Account, proportionately over the contract period. Exchange differences on such contracts are recognized in the statement of Profit & Loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expenses for the year.
- 6.4 Gains and losses on all other derivatives (including forward contracts not designated as Cash flow hedge) are recognised in the Statement of Profit and Loss in the period it



arises. Premium or discount on forward contracts is amortized over the life of the contract.

## **7. Trade receivables**

Trade receivables are stated after writing off debts considered as bad.

## **8. Employee benefits**

8.1 Provident fund is accounted on accrual basis with contribution to recognized funds.

8.2 Leave encashment benefit are paid annually as per the policy of the company.

8.3 Gratuity liability has been provided in the books of accounts as per the actuarial valuation certificate provided by Consulting Actuary.

8.4 Termination benefits

Expenditure on termination benefits is recognised in the Statement of Profit and Loss in the period of incurrence.

## **9. Research and Development**

9.1 Research and Development expenditure of a revenue nature is expensed out under the respective heads of account in the year in which it is incurred.

9.2 Fixed assets utilized for research and development are capitalized and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.

## **10. Income taxes**

10.1 Income tax expenses comprise current and deferred taxes. Current tax is determined on income for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws and after considering credit for Minimum Alternate Tax (MAT) available under the said Act. MAT paid in accordance with the tax laws which gives future economic benefits in the form of adjustments to future tax liability, is considered as an asset if there is convincing evidence that the future economic benefit associated with it will flow to the Company resulting in payment of normal income tax.

10.2 Deferred tax is recognised on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversing in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date.

Deferred tax assets are recognised for timing differences other than unabsorbed depreciation and carry forward losses only to the extent that there is a reasonable certainty that there will be sufficient future taxable income to realise the assets. Deferred tax asset pertaining to unabsorbed depreciation and carry forward of losses are recognised only to the extent there is a virtual certainty of its realisation.

## **11. Provisions and Contingencies**

The Company creates a provision when there exists a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made



when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

## **12. Earnings Per Share**

The Basic and Diluted Earnings Per Share (“EPS”) is computed by dividing the profit after tax for the year by weighted average number of equity shares outstanding during the year.

## **13. Operating lease**

Operating lease payments are recognized as expenditure in the statement of profit & loss Account on a straight line basis, which is representative of the time pattern of benefits received from the use of assets taken on lease.

## **14. Proposed Dividend**

Dividend recommended by the Board of Directors is provided for in the accounts, pending approval at the Annual General Meeting.

## **15. Borrowing Cost**

15.1 Borrowing costs that are directly attributable to the acquisition / construction of a qualifying asset are capitalized as part of the cost of that asset till the time it is ready to put to use.

15.2 All other Borrowing costs are recognized as expenditure during the period in which these are incurred.

## **16. Cash Flow Statement :**

16.1 The cash Flow statement is prepared by the indirect method set out in Accounting Standard 3 on cash flow statement and presents cash flows by operating, investing and financing activities of the Company.

16.2 Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks and other short term highly liquid investments where the original maturity is three months or less.

## **17. Government Grants**

The company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with and the grants will be received. Grants relating to specific fixed assets are shown as deduction from the gross value of the assets. Grants related to revenue is recognized as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate. The capital grants towards promoters contribution is recognized as capital reserve.



## II. OTHER NOTES

1. Estimated value of contract remaining to be executed on Capital Account is (₹ '000) 56307 (Previous Year (₹ '000) 51588).

| 2. Details of contingent liabilities   | 31.03.2015              | 31.03.2014               |
|--|-------------------------|--------------------------|
| i. Employees' State Insurance Corporation demand, Appeal before the Employee Insurance Court.                                  | 563                     | 563                      |
| ii. Dispute on outstanding balance against the lease finance and hire purchase, the case is before the High court of Karnataka | 1234                    | 1234                     |
| iii. Cross Subsidy surcharge to TNGDCL   | 3952                    | 2239                     |
| iv. Appeal filed with Income tax Department (Assessment Year 2011-12)  | 47                      | Nil                      |
| vi. Appeal filed with Income tax Department (Assessment Year 2012-13)  | 31                      | Nil                      |
| 3. Disclosure in respect of derivative instruments:  |                         |                          |
| (a) Derivative instruments outstanding and receivables   | Nil                     | Nil                      |
| (b) Foreign currency exposures that are not hedged by derivative instruments   |                         |                          |
| i. Cash and bank balance   | USD 37<br>INR 2         | USD 47<br>INR 3          |
| ii. Loans taken Principal  | USD 867180<br>INR 54278 | USD 1238422<br>INR 74429 |
| iii. Export debtors  | USD 247754<br>INR 15507 | USD 250949<br>INR 15057  |
| iv. Advance from Export debtors  | USD 58266<br>INR 3647   | USD 96897<br>INR 5824    |
| v. Import Creditors  | USD 324034<br>INR 20282 | USD Nil<br>INR Nil       |
| vi. Advance to Import creditors  | EURO 5000<br>INR 338    | EURO Nil<br>INR Nil      |

4. Borrowing cost of (₹ '000) 580 on State Bank of India Term loan is capitalized towards Building, Plant & machineries and other capital work-in-progress during the year.



|    |                              |            |            |
|----|------------------------------|------------|------------|
| 5. | Segment reporting            |            |            |
|    | <b>Segment Reporting</b>     | 31.03.2015 | 31.03.2014 |
|    | <b>Segment Revenue</b>       |            |            |
|    | Yarn Manufacturing           | 1,313,088  | 1,109,732  |
|    | Wind Mills                   | 24,159     | 16,026     |
|    | Real Estate                  | -          | -          |
|    | Total                        | 1,337,247  | 1,125,758  |
|    | <b>Segment Expenditure</b>   |            |            |
|    | Yarn Manufacturing           | 1,252,270  | 1,059,136  |
|    | Wind Mills                   | 24,176     | 25,458     |
|    | Real Estate                  | -          | -          |
|    | Total                        | 1,276,446  | 1,084,594  |
|    | <b>Segment Profit / Loss</b> |            |            |
|    | Yarn Manufacturing           | 60,818     | 50,596     |
|    | Wind Mills                   | -17        | -9432      |
|    | Real Estate                  | -          | -          |
|    | Total                        | 60,801     | 41,164     |
|    | <b>Segment Assets</b>        |            |            |
|    | Yarn Manufacturing           | 803,958    | 743,955    |
|    | Wind Mills                   | 133,292    | 141,417    |
|    | Real Estate                  | 123,688    | 101,817    |
|    | Total                        | 1,060,938  | 987,189    |
|    | <b>Segment Liabilities</b>   |            |            |
|    | Yarn Manufacturing           | 626,101    | 639,290    |
|    | Wind Mills                   | 100,452    | 108,707    |
|    | Real Estate                  | 28255      | -          |
|    | Total                        | 754,808    | 748,006    |

6. During the year 2008-09, the real estate land which was a stock in trade with a value of (₹ '000) 6399 was converted into fixed asset. The same was revalued for a value of (₹ '000) 83300 resulting in a revaluation reserve of (₹ '000) 76901.





7. In accordance with the revised Accounting Standard – 15 details are given below which is certified by the actuary and relied upon by the auditors and the company has provided the liability in accounts, to meet its liability from internal generation.

| <b>I. PRINCIPAL ACTUARIAL ASSUMPTIONS</b><br>[Expressed as weighted averages]  | 31 03 2015   | 31 03 2014   |
|--|--------------|--------------|
| Discount Rate  | <b>7.80%</b> | <b>9.10%</b> |
| Salary escalation rate   | <b>6.00%</b> | <b>6.00%</b> |
| Attrition rate   | <b>5.00%</b> | <b>5.00%</b> |
| Expected rate of return on Plan Assets   | <b>0.00%</b> | <b>0.00%</b> |
| In the following tables, all amounts are in Rupees, unless otherwise stated  |              |              |
| <b>II. CHANGES IN THE PRESENT VALUE OF THE OBLIGATION (PVO) - RECONCILIATION OF OPENING AND CLOSING BALANCES: ₹ ('000)</b> |              |              |
| <b>PVO as at the beginning of the period</b>   | <b>3,033</b> | 1,740        |
| Interest Cost  | <b>263</b>   | 139          |
| Current service cost   | <b>579</b>   | 386          |
| Past service cost - (non vested benefits)  | -            | -            |
| Past service cost - (vested benefits)  | -            | -            |
| Benefits paid  | <b>-283</b>  | -90          |
| Actuarial loss/(gain) on obligation<br>(balancing figure)  | <b>403</b>   | 858          |
| <b>PVO as at the end of the period</b>   | <b>3,995</b> | 3,033        |
| <b>III. CHANGES IN THE FAIR VALUE OF PLAN ASSETS - RECONCILIATION OF OPENING AND CLOSING BALANCES:</b>                     |              |              |
| <b>Fair value of plan assets as at the beginning of the period</b>   | -            | -            |
| Expected return on plan assets   | -            | -            |
| Contributions  | <b>283</b>   | 90           |
| Benefits paid  | <b>-283</b>  | -90          |
| Actuarial gain/(loss) on plan assets<br>[balancing figure]   | -            | -            |
| <b>Fair value of plan assets as at the end of the period</b>   | -            | -            |
| <b>IV. ACTUAL RETURN ON PLAN ASSETS</b>  |              |              |
| <b>Expected return on plan assets</b>  | -            | -            |
| <b>Actuarial gain (loss) on plan assets</b>  | -            | -            |
| <b>Actual return on plan assets</b>  | -            | -            |
| <b>V. ACTUARIAL GAIN / LOSS RECOGNIZED</b>   |              |              |
| Actuarial gain / (loss) for the period - Obligation  | <b>-403</b>  | -858         |
| Actuarial gain / (loss) for the period- Plan Assets  | -            | -            |
| Total (gain) / loss for the period   | <b>403</b>   | 858          |
| <b>Actuarial (gain) / loss recognized in the period</b>  | <b>403</b>   | 858          |
| Unrecognized actuarial (gain) / loss<br>at the end of the year   | -            | -            |



| <b>VI. AMOUNTS RECOGNISED IN THE BALANCE SHEET AND RELATED ANALYSES</b> |              |       |
|---|--------------|-------|
| Present value of the obligation   | <b>3,995</b> | 3,033 |
| Fair value of plan assets   | -            | -     |
| Difference  | <b>3,995</b> | 3,033 |
| Unrecognised transitional liability                                     | -            | -     |
| Unrecognised past service cost - non vested benefits                    | -            | -     |
| <b>Liability recognized in the balance sheet</b>                        | <b>3,995</b> | 3,033 |
| <b>VII. EXPENSES RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS:</b>    |              |       |
| Current service cost  | <b>579</b>   | 386   |
| Interest Cost   | <b>263</b>   | 139   |
| Expected return on plan assets  | -            | -     |
| Net actuarial (gain)/loss recognised in the year                        | <b>403</b>   | 858   |
| Transitional Liability recognised in the year                           | -            | -     |
| Past service cost - non-vested benefits                                 | -            | -     |
| Past service cost - vested benefits                                     | -            | -     |
| <b>Expenses recognized in the statement of profit and loss</b>          | <b>1,245</b> | 1,383 |
| <b>VIII.MOVEMENTS IN THE LIABILITY RECOGNIZED IN THE BALANCE SHEET</b>  |              |       |
| Opening net liability   | <b>3,033</b> | 1,740 |
| Expense as above  | <b>1,245</b> | 1,384 |
| Contribution paid   | <b>-283</b>  | -90   |
| <b>Closing net liability</b>  | <b>3,995</b> | 3,034 |

8. Related party disclosures for the year ended 31st March 2015.

a) The following loans have been taken during the year from related parties:

|   | Opening Balance | Amount Received | Amount Repaid | Closing Balance (₹ '000) |
|---|-----------------|-----------------|---------------|--------------------------|
| Mr. Santossh. R<br>Managing Director    | 49111           | 14154           | 23038         | 40227                    |
| Ms. Giulia Bosco<br>Whole time Director | 4900            | 232             | 4800          | 332                      |
| Mr. Baba Chandrasekhar<br>Director      | Nil             | 25000           | Nil           | 25000                    |

b) Remuneration paid to Managing Director, Mr. Santossh. R is (₹ '000) 1069 (Previous Year (₹ '000) 914).

c) Remuneration paid to Whole time Director, Ms. Giulia Bosco is (₹ '000) 840 (Previous Year (₹ '000) 840).



Cash value of perquisites to Whole time Director, Ms. Giulia Bosco is (₹ '000) 131 (Previous year (₹ '000) 131)

- d) Remuneration paid to Whole time Director, Mrs. Vimala. R is (₹000) 300 (Previous Year (₹ '000) Nil).
- e) i. Polyester and Viscose purchase from Strike right Integrated Services Limited., during the year for (₹ '000) 190821 (previous year (₹ '000) 151592)
- ii. Interest received from Strike right Integrated Services Limited., during the year for ('000) 1472 (previous year ('000) Nil)
- iii. During the year ('000) 199957 is paid as advance against purchase and ('000) 199957 is received back from Strike right Intergrated Services Limited. (Previous year ('000) Nil)

Company in which two whole time director and one Key Management person of Lambodhara Textiles Limited are directors.

- f) i. During the year conversion charges of ('000) 35259 is paid to V.R. Textiles Limited. (Previous year ('000) Nil).
- iii. During the year ('000) 355 is paid to V.R. Textiles Limited towards reimbursement of Expenses. (Previous year ('000) Nil)

One of the relative of Managing director is a director in V.R.Textiles Limited.

- g) During the year ('000) 600 is paid as salary to one Key Management person Mr. Ramesh Shenoy (CFO) (Previous year ('540)

|  |            |            |
|--|------------|------------|
| 9. Earnings Per share                              | 31.03.2015 | 31.03.2014 |
| (a) Profits after Tax (₹ '000)                     | 51477      | 35387      |
| (b) Weighted Average No. of Shares                 | 45,27,038  | 43,79,800  |
| (c) Face Value per share ₹                         | 10         | 10         |
| (d) Earnings per share- Basic & Diluted (₹)        | 11.37      | 8.08       |
| 10. VALUE OF IMPORTS ON CIF BASIS                  | (₹ '000)   | (₹ '000)   |
| a) Raw Material                                    | 178637     | 7250       |
| b) Stores & Spare Parts                            | 480        | 291        |
| 11. EXPENDITURE IN FOREIGN CURRENCY                |            |            |
| On foreign travel                                  | 117        | 115        |
| On Import of raw materials & stores                | 179117     | 7541       |
| Advance for Capital goods                          | 338        | Nil        |
| 12. EARNINGS IN FOREIGN CURRENCY<br>(Export sales) | 244068     | 200969     |



13. MANAGERIAL REMUNERATION:

|   |     |     |
|---|-----|-----|
| Paid to Mr. Santossh. R, Managing Director    |     |     |
| Salary  | 903 | 780 |
| Allowance                                     | 151 | 120 |
| Club payments                                 | 15  | 14  |
| Paid to Mrs. Vimala. R, Whole time Director   |     |     |
| Salary  | 300 | Nil |
| Paid to Ms. Giulia Bosco, Whole time Director |     |     |
| Salary  | 840 | 840 |
| Perquisite                                    | 131 | 131 |

14. Break up of Audit Fees

|                               |     |     |
|-------------------------------|-----|-----|
| For Audit                     | 191 | 155 |
| For Certification             | 59  | 47  |
| For Taxation services         | 62  | 33  |
| For reimbursement of expenses | 6   | 6   |

15. In the opinion of the Board, Current Assets, Loans and Advances will fetch the amount stated, if realised in the normal course of the business.

16. There are no Micro and Small Enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at 31st March 2015. This information as required to be disclosed under the MSMED Act 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

17. Previous year's figures have been regrouped wherever considered necessary.

Vide Our Report of even date  
for **MOHAN & VENKATARAMAN**  
Chartered Accountants  
FRN : 007321S

(Sd/-) **R.MOHAN**  
Partner  
M.No.201229

Place : Coimbatore  
Date : 29.05.2015

(Sd/-) **SANTOSSH.R**  
Managing Director  
DIN : 00790493

(Sd/-) **Ramesh Shenoy. K**  
Chief Financial Officer

(Sd/-) **VIMALA.R**  
Whole-Time-Director  
DIN : 00813706



## CASH FLOW STATEMENT

| Particulars   | As at 31 <sup>st</sup> March 2015<br>₹ in '000 | As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|---|--|--|
| <b>A. Cash flow from operating activities</b>                   |  |  |
| Net Profit / (Loss) before extraordinary items and tax          | 60801  | 41164  |
| Adjustments for:  |  |  |
| Corporate Social Responsibility payment                         | -1054  | -  |
| Depreciation and amortisation                                   | 60477  | 54167  |
| (Profit) / loss on sale / write off of assets                   | 941  | -381   |
| Interest payments   | 70304  | 63197  |
| Interest income   | -3060  | 127607   |
|   | -2740  | 114244   |
| <b>Operating profit / (loss) before working capital changes</b> | <b>188407</b>                                  | <b>155407</b>                                  |
| Changes in working capital:                                     |  |  |
| Adjustments for (increase) / decrease in operating assets:      |  |  |
| Inventories   | -15653   | 8158   |
| Trade and other receivables                                     | -35878   | -35904   |
| Trade Payable & Other liabilities                               | 5156   | -46374   |
|   | -176   | -27921   |
|   | <b>142033</b>                                  | <b>127486</b>                                  |
| Direct taxes paid   | -11041   | -7745  |
| Interest paid   | -70304   | -63197   |
| <b>Cash Flow before Extra Ordinary items</b>                    | <b>60689</b>                                   | <b>56542</b>                                   |
| Extra Ordinary item   | -  | -  |
| Preliminary Exp / Deferred revenue                              | -  | -  |
| <b>Net cash flow from operating activities</b>                  | <b>60689</b>                                   | <b>56542</b>                                   |
| <b>B. Cash flow from investing activities</b>                   |  |  |
| Capital expenditure on fixed assets                             | -66949   | -58710   |
| Sale of fixed assets  | 3816   | 6769   |
| Trade investments   | -1500  | -1200  |
| Interest received   | 3060   | 2819   |
| <b>Net cash flow from investing activities</b>                  | <b>-61574</b>                                  | <b>-50323</b>                                  |



| Particulars   | As at 31 <sup>st</sup> March 2015<br>₹ in '000 | As at 31 <sup>st</sup> March 2014<br>₹ in '000 |
|---|--|--|
| <b>C. Cash flow from financing activities</b>                 |  |  |
| Proceeds from issue of share capital                          | 23850  | -  |
| Proceeds from borrowings                                      | -18161   | -10713   |
| Dividend paid (including dividend distribution tax)           | -5210  | -5091  |
| <b>Net cash flow from financing activities</b>                | <b>480</b>                                     | <b>-15805</b>                                  |
| <b>Net increase / (decrease) in Cash and cash equivalents</b> | <b>-406</b>                                    | <b>-9585</b>                                   |
| <b>Opening Balance of Cash and Cash equivalents</b>           | <b>-167621</b>                                 | <b>-158037</b>                                 |
| <b>Closing Balance of Cash and Cash equivalents</b>           |  |  |
| Cash and Bank Balance   | 14662  | 6703   |
| Cash Credit Account   | - 182689                                       | -174325  |
|   | <b>-168027</b>                                 | <b>-167621</b>                                 |
|   | <b>-406</b>                                    | <b>-9585</b>                                   |

Vide Our Report of even date  
for **MOHAN & VENKATARAMAN**  
Chartered Accountants  
FRN : 007321S

(Sd/-) **R.MOHAN**  
Partner  
M.No.201229

Place : Coimbatore  
Date : 29.05.2015

(Sd/-) **Ramesh Shenoy. K**  
Chief Financial Officer

(Sd/-) **SANTOSSH.R**  
Managing Director  
DIN : 00790493

(Sd/-) **VIMALA.R**  
Whole-Time-Director  
DIN : 00813706