



# Lambodhara Textiles Limited

GSTIN: 33AAACL3524B1Z9

Regd. Office : 3 A, 3<sup>rd</sup> Floor, B Block, Pioneer Apartments, 1075 B, Avinashi Road, Coimbatore - 641 018, India  
Telefax : +91 422 2249038 & 4351083. E-mail : info@lambodharatextiles.com www.lambodharatextiles.com  
TIN # 33521781162 CST # 268405 / 19.05.94 I.E. Code # 3201006181 CIN : L17111TZ1994PLC004929

27<sup>th</sup> September, 2017

Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (E)  
Mumbai - 400 05 I

Listing Department  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street.  
Mumbai - 400 001

Sir/Madam

**Sub: Submission of Annual report for the Financial Year 2016-2017**

**Ref: Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Symbol : LAMBODHARA

Series : EQ

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the 23<sup>rd</sup> Annual report of the Company for the financial year 2016-2017 as approved and adopted at the 23<sup>rd</sup> Annual General Meeting held on 22.09.2017.

Kindly take the above information on record.

Thanking you

Yours Faithfully

for Lambodhara Textiles Limited

Priyadarshini.V

Company Secretary &  
Compliance Officer



Encl: a.a

# *Lambodhara Textiles Limited*



**23**

*rd*

*Annual Report*

2016 - 2017



## *Lambodhara Textiles Limited*

### BOARD OF DIRECTORS

<b>Managing Director</b>	:	Sri. Santossh R.
<b>Whole Time Directors</b>	:	Smt. Vimala R. Smt. Giulia Bosco
<b>Non-Executive Directors</b>	:	Sri. Deepak Malani Sri. Vastupal R. Mehta Sri. M.S. Rajkumar Sri. Baba Chandrasekhar. R
<b>Bankers</b>	:	<b>State Bank of India</b> Specialised Commercial Branch 24, Stanes Road, Tirupur-2. Phone : 0421-2207400  <b>Bank of India</b> Main Branch, Oppanakara Street, Coimbatore-1. Phone : 0422-2396772
<b>Auditors</b>	:	<b>M/s. Mohan &amp; Venkataraman</b> Chartered Accountants Shree Chinmayam, 152, Ramalingam Colony SAHS College Post, Coimbatore - 641 043,
<b>Registrar &amp; Share Transfer Agent</b>	:	<b>M/s. S.K.D.C. Consultants Limited</b> Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore-6. Phone : 0422-4958995, 2539835 - 836 Fax : 0422-2539837 E-mail : info@skdc-consultants.com

### 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

### 23rd ANNUAL GENERAL MEETING

**Date** : 22nd September 2017  
**Day** : Friday  
**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 Third Annual General Meeting of the members of Lambodhara Textiles Limited will be held on Friday the 22<sup>nd</sup> day of September 2017 at 10.00 AM at Vibha, The Grand Regent, 708, Avinashi Road, Coimbatore - 641 018 to transact the following business.

**AGENDA**

**Ordinary Business**

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2017 including Audited Balance Sheet as at 31<sup>st</sup> March, 2017 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 for the year ended 31<sup>st</sup> March, 2017.
3. To appoint a Director in place of Mr.Baba Chandrasekar Ramakrishnan (DIN: 00125662), Non-Executive-Non-Independent Director who retires by rotation in accordance with Section 152 of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution.

RESOLVED THAT pursuant to the provisions of Section 139,142(1) and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as may be applicable and pursuant to the recommendations of the Audit Committee, M/s Jain & Mohan, Chartered Accountants (Firm Registration No: 006896S) be appointed as Statutory Auditors of the Company in place of retiring Auditors M/s Mohan & Venkataraman, Chartered Accountants (Firm Registration No: 007321S), for a period of five years from the conclusion of this Annual General Meeting subject to ratification at every Annual General Meeting, on such remuneration as may be determined by the Board of Directors of the Company in consultation with the auditors.

**Special Business**

5. To consider and if thought fit to pass the following resolution as an Ordinary Resolution.

RESOLVED THAT pursuant to the provisions of Section 148(3) 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 year 2017-2018 on a remuneration of ₹ 35,000/- (Rupees Thirty Five Thousand only) 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.

6. To consider and if thought fit to pass the following resolution as an Ordinary Resolution.

RESOLVED THAT pursuant to the provisions of Section 197 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013 (including any statutory modifications or re-enactment thereof and any rules made thereunder for the time being in force) and in partial modification of the resolution passed by the shareholders in their Annual General Meeting held on 11<sup>th</sup> September, 2014, approval of the members be and is hereby accorded for payment of revised remuneration to Mr. Radhakrishnan Santossh, Managing Director (DIN: 00790493) with effect from 1st July 2017 for the remainder of the tenure of his appointment on the terms and conditions as mentioned herein below.

- I. SALARY : ₹ 1,35,000/- per month

Perquisites, allowances and other terms and conditions of appointment remains the same as per the resolution passed at the Annual General Meeting held on 11<sup>th</sup> September, 2014.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the above salary and perquisites shall be treated as minimum remuneration.

7. To consider and if thought fit to pass the following resolution as an Ordinary Resolution.

RESOLVED THAT pursuant to the provisions of the Section 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof and any rules made thereunder for the time being in force) and in partial modification of the resolution passed by the shareholders in their Annual General Meeting held on 26<sup>th</sup> August, 2013, approval of the members be and is hereby accorded for payment of revised remuneration to Mrs. Bosco Giulia, Whole-Time-Director (DIN: 01898020) with effect from 1<sup>st</sup> July 2017 for the remainder of the tenure of her appointment on the terms and conditions as mentioned herein below.

- I. SALARY : ₹ 1,00,000/- per month

Perquisites, allowances and other terms and conditions of appointment remains the same as per the resolution passed at the Annual General Meeting held on 26<sup>th</sup> August, 2013.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the above salary and perquisites shall be treated as minimum remuneration.

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



**Item No 5**

The Board of Directors of the Company, 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 CETA heading Nos. 5205, 5509 & 5510 for the financial year 31<sup>st</sup> March 2018 at a remuneration of ₹ 35,000/- (Rupees Thirty Five Thousand only).

In accordance with the provisions of Section 148(3) 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. 5 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. 5 of the Notice.

**Item No 6**

The members of the Company at the 20<sup>th</sup> Annual General Meeting held on 11<sup>th</sup> September 2014 had approved the re-appointment and terms of remuneration of Mr.Radhakrishnan Santossh, (DIN: 00790493) as a Managing Director of the Company for a period of five years with effect from 26<sup>th</sup> September 2014 .

Taking into consideration his present remuneration compared with the remuneration being drawn by Directors holding similar position in Textile industry and based on the recommendation of Nomination and Remuneration Committee and subject to the approval of the members of the Company, the Board of Directors at their meeting held on 29<sup>th</sup> May, 2017 revised the remuneration of Mr.Radhakrishnan Santossh from the existing salary of ₹ 85,000/- (Rupees Eighty Five Thousand only) per month to ₹ 1,35,000/- (Rupees One Lakh Thirty Five Thousand only) per month with effect from 1<sup>st</sup> July, 2017. The Audit Committee at their meeting held on 29<sup>th</sup> May, 2017 has approved the revised remuneration. All other terms and conditions relating to his appointment and remuneration as approved earlier by the members remain unchanged.

The proposed revised remuneration as stated at item No. 6 is within the limits prescribed under Section 197 read with Schedule V, of the Companies Act 2013. Your Directors recommend the said resolution for your approval by way of an ordinary resolution.

Mr.R.Santossh, Mrs. Bosco Giulia and Mrs.Vimala Radhakrishnan are interested in this resolution. None of the other Directors, Key Managerial Personnel's or their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No. 6 of the Notice.



**Item No 7**

The members of the Company at the 19<sup>th</sup> Annual General Meeting held on 26<sup>th</sup> August 2013 had approved the re-appointment and terms of remuneration of Mrs.Bosco Giulia, (DIN: 01898020) as a Whole Time Director of the Company for a period of five years with effect from 1<sup>st</sup> October, 2013.

Taking into consideration her present remuneration compared with the remuneration being drawn by Directors holding similar position in Textile industry and based on the recommendation of Nomination and Remuneration Committee and subject to the approval of the members of the Company, the Board of Directors at their meeting held on 29<sup>th</sup> May, 2017 revised the remuneration of Mrs.Bosco Giulia from the existing salary of ₹ 70,000/- (Rupees Seventy Thousand only) per month to ₹ 1,00,000/- (Rupees One Lakh only) per month with effect from 1<sup>st</sup> July, 2017. The Audit Committee at their meeting held on 29<sup>th</sup> May, 2017 has approved the revised remuneration. All other terms and conditions relating to her appointment and remuneration as approved earlier by the members remain unchanged.

The proposed revised remuneration as stated at item No. 7 is within the limits prescribed under Section 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013. Your Directors recommend the said resolution for your approval by way of an ordinary resolution.

Mrs.Bosco Giulia, Mr.R.Santossh and Mrs.Vimala Radhakrishnan are interested in this resolution. None of the other Directors, Key Managerial Personnel's or their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No. 7 of the Notice.

**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/herself 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 in number 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 pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company**





a certified copy of the Board Resolution together with their specimen signatures 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. Information of the Director proposed to be re-appointed at the forthcoming Annual General Meeting as required by Regulation 36 (3) of the Listing Regulations and SS-2 is provided in the annexure to the Notice. The Director has furnished the requisite declaration for his reappointment.
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 2017, if declared, at the ensuing Annual General Meeting is proposed to be paid on Tuesday, 26<sup>th</sup> September, 2017.
6. The register of members and share transfer books of the company will remain closed from Saturday, 16<sup>th</sup> September, 2017 to Friday, 22<sup>nd</sup> September, 2017 (both days inclusive) for the purpose of determining the names of members eligible for final dividend on Equity Shares, if declared.
7. In terms of provisions of Section 139 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules 2014, the term of the existing Statutory Auditors M/s. Mohan & Venkataraman, Chartered Accountants (Firm Registration Number: 007321S), is upto the date of the forthcoming AGM. In order to comply with the provisions of Section 139 of the Companies Act, 2013, Board of Directors of the Company on the recommendation of the Audit Committee, at their meeting held on 29<sup>th</sup> May, 2017, subject to the approval of the Members of the Company at the forthcoming AGM, appointed M/s. Jain & Mohan, Chartered Accountants (Firm Registration Number: 006896S), as Statutory Auditors of the Company to hold office for a term of 5 (five) years from the conclusion of forthcoming AGM upto the conclusion of the 28<sup>th</sup> Annual General Meeting of the Company, subject to ratification of such appointment by the Members at every Annual General Meeting. As required under Section 139 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, M/s. Jain & Mohan, have confirmed and issued a certificate that their appointment, if made as aforesaid, will be in accordance with the limits specified under the Act and they meet the criteria for appointment as specified under Section 141 of the Act.

Their appointment as Statutory Auditors, if approved, by the members of the Company, will take effect from the conclusion of this Annual General Meeting.

8. 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 Registrar and Share Transfer Agent 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 Registrar and Share Transfer Agent of the Company.

9. 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.
10. 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.
11. Pursuant to Section 125 (c) of the Companies Act, 2013, the Dividend which remained un-encashed / 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 Share Transfer Agent for issue of pay order / demand draft in lieu thereof.

Pursuant to the provisions of Section 124 of the Companies Act, 2013 and Investor Education and Protection Fund Authority Rules, 2016 (IEPF Rules), all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to an IEPF Demat account (in the name of the Company) within 30 (thirty) days of such shares becoming due for transfer to the Fund.

Members are requested to contact Registrar and Share Transfer Agent of the Company for claiming the dividend for the aforesaid years. The details of the unclaimed dividends are available on the Company's website at [www.lambodharatextiles.com](http://www.lambodharatextiles.com) and Ministry of Corporate Affairs at [www.mca.gov.in](http://www.mca.gov.in).

12. 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.
13. Members holding shares in Physical form are requested to convert their holdings to dematerialized form to eliminate all risks associated with Physical shares.
14. As per the provisions of Section 72 of the Companies Act, 2013, facility for making nomination is available for the Members in respect of the shares held by them. Members



holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he may submit the same in Form No. SH-14. Members can obtain the nomination forms from the Registrar and ShareTransfer Agent of the Company. Members holding shares in physical form are requested to submit the forms to the Company's Registrar and Share Transfer Agent. Members holding shares in electronic form may obtain nomination forms from their respective Depository Participant.

15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit 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 the Registrar and Share Transfer Agent of the company, M/s S.K.D.C. Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore - 641006.
16. The members are requested to forward their share transfer form(s) and other communications directly to the Registrar and Share Transfer Agent of the company, M/s. S.K.D.C. Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore - 641006.
17. Electronic copy of the Annual Report for 31<sup>st</sup> March 2017, the Notice of the 23<sup>rd</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.
18. Members are requested to register / update their E-mail address in respect of shares held in Demat form with their respective Depository Participants and in respect of shares held in Physical form with M/s. S.K.D.C. Consultants Limited (RTA).
19. Members may also note that the Notice of the 23<sup>rd</sup> Annual General meeting and the Annual Report for the financial year 2016-17 will be available at the Company's website [www.lambodharatextiles.com](http://www.lambodharatextiles.com)
20. Incase of joint holders attending the meeting only such joint holder who is higher in the order of names will be entitled to vote.
21. The route map of the venue of the Meeting is given in the Proxy & Attendance Slip.
22. Voting through electronic means:



Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 (including any statutory modification(s), clarifications, exemptions or reenactments thereof for the time being in force), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS - 2), the Company is providing to its Members with the facility to cast their vote electronically from a place other than venue of the AGM ("remote e-voting") using an electronic voting system provided by CDSL as an alternative, for all members of the Company to enable them to cast their votes electronically, on all the business items set forth in the Notice of AGM and the business may be transacted through such remote e-voting. The instructions to e-voting explain the process and manner for generating/ receiving the password, and for casting of vote(s) in a secure manner. However, the Members are requested to take note of the following items

- i. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of AGM Notice and holding shares as of the cut-off date, i.e. Friday 15<sup>th</sup> day of September 2017, may refer to this Notice of the AGM of the Company, posted on Company's website [www.lambodharatextiles.com](http://www.lambodharatextiles.com) for detailed procedure with regard to remote e-voting. Any person who ceases to be the member of the Company as on the cut-off date and is in receipt of this Notice, shall treat this Notice for information purpose only.
- ii. In terms of provisions of Section 107 of the Companies Act, 2013, since the Company is providing the facility of remote e-voting to the Members, there shall be no voting by show of hands at the AGM. The Company is also offering facility for voting by way of polling papers at the AGM for the Members attending the meeting who have not cast their vote by remote e-voting.
- iii. If a Member cast votes by both modes i.e. remote e-voting and polling papers at the AGM, then voting done through remote e-voting shall prevail and polling paper shall be treated as invalid.

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

- (i) The remote e-voting period begins on Tuesday, 19<sup>th</sup> day of September, 2017 (9.00 A.M. IST) and ends on Thursday, 21<sup>st</sup> day of September, 2017 (5.00 P.M. IST). During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday 15<sup>th</sup> day of September, 2017 may cast their votes electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)



- (iv) Click on Shareholders
- (v) 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
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) 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.
- (viii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>· Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li><li>· In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul>
Dividend Bank Details Or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"><li>• If both 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 (v).</li></ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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.

- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Lambodhara Textiles Limited on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) 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 linked in the login 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.

(xxi) 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).

23. The remote e-voting period commences on Tuesday, 19<sup>th</sup> day of September, 2017 at 9:00 A.M. and ends on Thursday, 21<sup>st</sup> day of September, 2017, at 5.00 P.M. During this period, the Members of the Company holding shares in physical form or in dematerialized form, as on the cut-off date being Friday, 15<sup>th</sup> day of September 2017, may cast their vote by electronic means in the manner and process set out hereinabove. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have casted their vote electronically shall not vote by way of poll, if held at the Meeting.
24. The Company has appointed Mr. M.D.Selvaraj, FCS of MDS & Associates, Company Secretaries in Practice, as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
25. The Scrutinizer shall, immediately after the conclusion of AGM, count the votes cast at the AGM and thereafter, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, not later than 48 hours after the conclusion of the AGM to the Chairman or a person authorized by him. The Chairman, or any other person authorised by the Chairman, shall declare the result of the voting forthwith.
26. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company ([www.lambodharatextiles.com](http://www.lambodharatextiles.com)) and CDSL's website and the communication will be sent to the BSE Limited and the National Stock Exchange of India Limited.



Statement as required under Section II of Part II of Schedule V to the Companies Act, 2013

I. General Information:

1. Nature of Industry : Textiles
2. Date of commencement of Commercial Production : The Company started its commercial production in the year 1994.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not Applicable
4. Financial Performance based on given indicators

₹ In lakhs

Particulars	2016-2017	2015-2016
Total Revenue	13,104.73	11,913.02
Profit Before Tax	919.59	661.98
Profit After Tax	694.61	449.74
E.P.S	7.65	4.95
Rate of Dividend	20.00%	15.00%

5. Foreign Investments or Collaborations, if any : Nil

II. Information about the appointee

Name of appointee	Mr.Radhakrishnan Santossh	Mrs.Bosco Giulia
Background details	Mr.Radhakrishnan Santossh aged 49 years holds a degree in MBA (Finance). He has over 23 years of experience in the field of Textile industry.	Mrs.Bosco Giulia aged 39 years holds post graduate degree in Economics. She has over 12 years of experience in the field of Textile industry.
Past Remuneration	₹ 12.15 Lakhs	₹ 9.71 Lakhs
Recognition or Awards	Nil	Nil
Job Profile and suitability	Mr R.Santossh is a Promoter - Director since 1994 and overall in-charge of the affairs of the Company. Looking at his rich experience and responsibilities shouldered	Mrs.Bosco Giulia is a promoter director since 2008. She is also responsible for planning and execution of new projects and overall charge for ensuring quality assurance and quality control.





	by him, it is in the interest of the Company to avail his business expertise	
Remuneration Proposed	As mentioned in item no. 6 of the AGM Notice annexed herewith	As mentioned in item no. 7 of the AGM Notice annexed herewith
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Considering the size of the Company, the industry benchmarks, experience and the responsibilities shouldered by him, the proposed remuneration payable to Mr. R.Santossh is commensurate with the remuneration paid to similar persons in other companies.	Considering the size of the Company, the industry benchmarks, experience of and the responsibilities shouldered by her, the proposed remuneration payable to Mrs. Bosco Giulia is commensurate with the remuneration paid to similar persons in other companies.
Pecuniary relationship directly or indirectly with the Company or relationship with Managerial Personnel, if any	Does not have any pecuniary relationship with the Company except remuneration drawn as Managing Director and as a member to the extent of his shareholding in the Company. He is related to Mrs.R.Vimala and Mrs.Bosco Giulia, Whole Time Directors of the Company.	a) Mrs.Giulia Bosco has leased a vehicle to the Company and she is receiving rent for the same. b) Remuneration drawn as Whole Time Director and as a member to the extent of her shareholding in the Company. She is related to Mr.R.Santossh, Managing Director of the Company.

### III. Other information

- Reason of loss or inadequate profits : Not applicable as the company made adequate profits
- Steps taken or proposed to be taken for improvement : Not Applicable
- Expected increase in productivity and profits in measurable terms : Not Applicable



#### IV. Disclosures

The following disclosures shall be mentioned in the Board of Directors' report under the heading "Corporate Governance", if any, attached to the financial statement.

- (i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc. of all the directors

Disclosed in Corporate Governance Report attached

- (ii) Details of fixed component and performance linked incentives along with the performance criteria: Disclosed

- (iii) Service contracts, notice period, severance fees: Disclosed

- (iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable

The Company has not issued any Stock option

Details of Director seeking re-appointment at the forthcoming Twenty Third Annual General Meeting (in pursuance of Regulation 36 (3) of the Listing Obligations and Disclosure Requirements, Regulations, 2015 and SS-2).

<b>Name</b>	<b>Baba Chandrasekhar Ramakrishnan</b>
Director Identification Number (DIN)	00125662
Date of Birth	12.07.1948
Age	70 years
Nationality	Indian
Date of first appointment on the Board	10.11.2014
Relationship with other Directors, Manager and KMP	NIL
Qualification	MS Chemical Engineering
Experience	20 years of experience in Textile Industry
No. of shares held in the Company	200
Directorship held in other Companies as on 31.03.2017	NIL
Chairman/ Membership in other Committees of the Board	NIL
Number of Board meetings attended during the year	6 / 6
Remuneration last drawn and sought to be paid	NIL
Terms and conditions of re-appointment	Liable to retire by rotation
Board position held	Non-Executive Non-Independent Director

By Order of the Board,

Place : Coimbatore

Date : 29.05.2017

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

Managing Director

(DIN 00790493)

**DIRECTORS' REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting their Twenty Third Annual Report on the business and operations of the Company and the financial statements for the year ended 31<sup>st</sup> March, 2017.

**FINANCIAL HIGHLIGHTS**

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

PARTICULARS	31.03.2017	31.03.2016
	(₹ in '000)	(₹ in '000)
Revenue from operations	12,99,346	11,87,863
Other Income	11,127	3,440
Operating Profit before Finance Costs,		
Depreciation & Tax	1,80,223	1,80,915
Less: Depreciation	60,808	59,816
Less : Finance Costs	27,456	54,901
Profit before Tax	91,959	66,198
Provision for Tax	19,239	14,092
Deferred Tax	3,258	7,132
Net Profit for the year	69,461	44,974
Add: Balance brought forward from previous year	1,89,946	1,54,291
Profit available for appropriation	2,59,407	1,99,265
<b>Appropriation of Profits</b>		
Transfer to General Reserve	1,737	1,125
Proposed Dividend	9,078	6,808
Corporate Dividend Tax	1,848	1,386
Balance carried over to Balance Sheet	2,46,744	1,89,946

**COMPANY PERFORMANCE**

The Company achieved a total turnover of ₹ 131.04 Crores as against a turnover of ₹ 119.13 crores in the previous year. The Company's profit before tax is ₹ 9.19 crores during the year, as compared to ₹ 6.62 crores in the previous year, an increase of 38.82% over the last year. The Company earned a net profit of ₹ 6.94 crores, as against a net profit of ₹ 4.49 crores in the previous year.

**STATE OF COMPANY'S AFFAIRS:**

The company has a commercial complex with ground and four floors with a tenable area of 28,000 square feet. During the financial year 2015-2016 the company has rented two floors and during the financial year 2016-17 the company has rented one more floor and the company is in the process to rent the remaining one.



During the financial year the company has procured power from third parties under captive consumption and this will help us to reduce the energy cost.

The company has entered into conversion agreements with other spinning mills and this will enhance the spinning capacity of the company.

### **RESERVES**

The Company proposes to transfer an amount of ₹ 17.37 Lakhs to the General Reserves. An amount of ₹ 2467.44 Lakhs is proposed to be retained in the Statement of Profit and Loss.

### **DIVIDEND**

Your Directors are pleased to recommend a dividend of ₹ 1/- per equity share (20%) of face value of ₹ 5/- each (Previous year ₹ 0.75/- per equity share (15%) of face value of ₹ 5/- each). If the dividend, as recommended above, is declared by the Members at the Annual General Meeting, the total outflow towards dividend on Equity Shares for the year would be ₹ 109.26 Lakhs (including dividend tax) (Previous Year ₹ 81.94 Lakhs).

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

There is no unclaimed dividend required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made thereunder.

### **SHARE CAPITAL**

The paid up Equity Share Capital as on 31<sup>st</sup> March, 2017 was ₹ 4,53,88,000/-. During the year under review, the Company has not issued any shares.

### **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 - 1** and is attached to this Report.

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

Details of the composition of the Board and its Committees namely Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and of the Meetings held and attendance of the Directors at such Meetings, are provided in the Corporate Governance Report which forms a part of this 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;
- (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; and
- (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.**

During the period under review, no incident of frauds was reported by the Statutory Auditors pursuant to Section 143(12) of the Companies Act, 2013.

#### **DECLARATION BY INDEPENDENT DIRECTORS**

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of The Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members. The details of this policy are furnished in **Annexure - 2** and forms part of this report and can also be accessed on the Company's website at [www.lambodharatextiles.com](http://www.lambodharatextiles.com).

#### **AUDITORS**

##### **STATUTORY AUDITORS**

M/s. Mohan & Venkataraman (Firm Registration No. 007321S), Chartered Accountants, the existing Statutory Auditors of the Company will be completing their term as Statutory Auditors on conclusion of 23<sup>rd</sup> Annual General Meeting convened on 22<sup>nd</sup> September, 2017. The Board place on record their appreciation for the services rendered by M/s. Mohan & Venkataraman Chartered Accountants as Statutory Auditors of the Company. The Company is required to rotate the Statutory Auditors on completion of their term as per provisions of The Companies Act, 2013. Accordingly in terms of provisions of The Companies Act, 2013 and The



Companies (Audit and Auditors) Rules, 2014, the Audit Committee has recommended and the Board of Directors have proposed the appointment of M/s. Jain & Mohan, Chartered Accountants having Firm Registration No. 006896S, as Statutory Auditors of the Company for a period of five consecutive years from the conclusion of 23<sup>rd</sup> Annual General Meeting till the conclusion of 28<sup>th</sup> Annual General Meeting, subject to ratification of the appointment by the Members at every Annual General Meeting held after this Annual General Meeting for approval of the Members.

M/s. Jain & Mohan, Chartered Accountants having Firm Registration No. 006896S has given consent to act as Statutory Auditors of the Company confirming that their appointment if made, would be in accordance with the provisions of the Companies Act, 2013 and have also confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI, as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Your Directors recommend their appointment as Statutory Auditors of the Company for a period of five years from the conclusion of the ensuing Annual General Meeting subject to the approval of shareholders.

#### **COST AUDITORS:**

As per the requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company has been carrying out audit of cost records.

The Board of Directors, on the recommendation of Audit Committee, has appointed M/s. C.S.Hanumantha Rao & Co., Cost Accountants (Firm Regn. No. 000216) as Cost Auditor to audit the cost accounts of the Company for the financial year 2017-2018. As required under section 148(2) of the Companies Act, 2013, a resolution seeking member's approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting for their ratification.

#### **SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr.M.D.Selvaraj, FCS of MDS & Associate Practicing Company Secretary carried out the Secretarial Audit of the Company for the year ended 31<sup>st</sup> March, 2017. The Secretarial Audit Report is annexed as **Annexure - 3**.

The Auditors' Report for the financial year ended 31<sup>st</sup> March, 2017 does 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, 2017 are given in the Notes forming part of the Financial Statements. During the Financial Year under review, the Company made an investment of ₹ 4.65 Lakhs in 42,300 equity shares of M/s. OPG Power



Generation Private Limited in order to enable the Company to purchase electricity from them under group captive arrangement. 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:**

All Related Party Transactions that were entered into during the financial year were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The particulars of contracts and arrangement with related parties referred in section 188(1) of the Companies Act, 2013 in prescribed Form AOC-2 is appended as **Annexure - 4** to the Directors 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.

#### **CONSERVATION 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. The Company has laid down procedures to inform the Audit Committee as well as the Board of Directors about risk assessment and management procedures and status. These procedures are periodically reviewed to ensure that the executive management monitors and controls risks.

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

As a part of its initiative under the "Corporate Social Responsibility" (CSR) drive, the Company has undertaken projects in the area of promoting education. These projects are in accordance with Schedule VII of the Companies Act, 2013 and the Company's CSR policy.



The Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as **Annexure - 5** and forms an integral part of this Report. The CSR Policy may be accessed on the Company's website at [www.lambodharatextiles.com](http://www.lambodharatextiles.com).

Detailed composition of the CSR Committee, number of meetings held during the year under review and other related details are set out in the Corporate Governance Report which forms a part of this Report.

The Company was required to spend ₹ 11.32 Lakhs on CSR activities during the Financial Year 2016-17, being 2% of the average net profits of the three immediately preceding financial years and the Company has spent ₹ 11.53 lakhs during the current financial year.

### **ANNUAL PERFORMANCE EVALUATION**

In accordance with the evaluation criteria and procedure 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, degree of fulfillment of key responsibilities, effectiveness of meetings, 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, 2017.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Pursuant to the provisions of section 152 of the Companies Act, 2013, Mr.R.Baba Chandrasekar Ramakrishnan (holding DIN 00125662) is due to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The members are requested to consider his re-appointment.

During the period of this report Ms.Priyadarshini.V, Company Secretary has been appointed as Company Secretary of the Company at the Board Meeting held on 12<sup>th</sup> September, 2016, upon recommendation made by the Nomination and Remuneration Committee, is to be considered as Key Managerial Personnel under Section 203 of the Companies Act, 2013, with immediate effect.





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

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

## **FIXED DEPOSITS**

The Company has not accepted any deposit within the meaning of Chapter V of the Companies Act, 2013 and the Rules framed there under and there are no outstanding fixed deposit from the public as on 31<sup>st</sup> March 2017.

## **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**

The Company has in place an adequate system of internal controls. It has documented policies and procedures covering all financial and operating functions and processes. These have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, protecting assets from unauthorized use or losses and compliance with regulations.

## **INTERNAL FINANCIAL CONTROL**

The company has a proper and adequate Internal Financial Control System, to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and transactions are authorized, recorded and reported correctly.

Internal Financial Controls is exercised through documented policies, guidelines and procedures. It is supplemented by an extensive program of internal audit conducted by an external internal auditor appointed by the Board. The audit observation and corrective action, if any, taken there on are periodically reviewed by the Audit Committee to ensure the effectiveness of the Internal Financial Control System.

## **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 Part A of **Annexure - 6** to this Report.

Particular of employees as per Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as Part B of **Annexure - 6** to this Report.

## **AUDIT COMMITTEE**

The composition of Audit Committee has been detailed in the Corporate Governance Report, forming part of this Annual Report.



The Board accepted the recommendations of the Audit Committee whenever made by the Committee during the year, and the disclosure referred to the Rule 5(3) of the Companies (Appointment and remuneration of managerial Personnel) Rules, 2014 is annexed as Annexure - 6 to this report.

#### **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 in place a policy against Sexual Harassment at work place in line with 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 during the financial year 2016-17, nor any complaint remains outstanding for redressal as on 31<sup>st</sup> March 2017.

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

The Management Discussion and Analysis Report and the Report on Corporate Governance, as required under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of the Annual Report.

#### **LISTING OF SHARES**

Equity shares of the Company was continued to be listed on National Stock Exchange of India Limited (NSE).

#### **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.

Place : Coimbatore

Date : 29.05.2017

For and on behalf of the Board  
**Meenakshi Sundaram Rajkumar**  
Chairman  
(DIN : 06935422)



**ANNEXURE FORMING PART OF THE DIRECTORS' REPORT**

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

**A. Conservation Of Energy**

- a) Steps taken or impact on conservation of energy.
1. The Company is continuing with energy saving measures initiated earlier like conservation by judiciously switching off of equipments, lamps not required at the given time.
  2. 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**

1. The Company has installed 2.75 MW of wind energy capacity and this would meet 30 % requirement of electrical consumption.
2. The Company have executed Power Purchase Agreement under Group Captive Consumer for supply of an additional 92.72 lakhs units p.a.

**c) Capital investment on energy conservation equipments**

We have made a Capital investment of ₹ 6.86 lakhs towards 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 :**

Particulars	₹ In '000	
	2016-17	2015-16
(i) Expenditure on Foreign Travel	289	164
(ii) Import of Rawmaterial, trading goods and stores	95421	30111
(iii) Foreign Exchange Earned	224161	211776

For and on behalf of the Board  
**Meenakshi Sundaram Rajkumar**  
Chairman  
(DIN : 06935422)

Place : Coimbatore

Date : 29.05.2017



## FORM NO. MGT-9

**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended on 31.03.2017**

[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 : <a href="mailto:info@lambodharatextiles.com">info@lambodharatextiles.com</a> Website: <a href="http://www.lambodharatextiles.com">www.lambodharatextiles.com</a>
vi)	Whether listed Company	Yes
vii)	Name, Address and Contact details of Registrar and Share Transfer Agent, if any	S.K.D.C. CONSULTANTS LIMITED Kanapathy Towers 3 <sup>rd</sup> Floor, 1391/A1, Sathy Road Ganapathy Coimbatore - 641006 Ph. No.: 0422-4958995, 2539835, 2539836 Fax: 0422-2539837 E-mail: <a href="mailto:info@skdc-consultants.com">info@skdc-consultants.com</a> Website: <a href="http://www.skdc-consultants.com">www.skdc-consultants.com</a>

**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	52051130	94.80%

**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 01-04-2016]				No. of Shares held at the end of the year [As on 31-03-2017]				% 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	3294506	-	3294506	36.29	3294506	-	3294506	36.29	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	2920600	-	2920600	32.17	2920600	-	2920600	32.17	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub- Total (A)(1)</b>	6215106	-	6215106	68.46	6215106	-	6215106	68.46	-
<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 promoters (A) = (A)(1)+(A)(2)</b>	6215106	-	6215106	68.46	6215106	-	6215106	68.46	-
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	17321	-	17321	0.19	7445	-	7445	0.08	(0.11)
b) Banks / FI	1293	-	1293	0.01	5778	-	5778	0.06	0.05
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>	18614	-	18614	0.21	13223	-	13223	0.15	(0.06)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) Contd****i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-04-2016]				No. of Shares held at the end of the year [As on 31-03-2017]				% 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	427132	3800	430932	4.75	250891	3800	254691	2.81	(1.94.)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	785420	413200	1198620	13.20	1808058	354800	2162858	23.83	10.62
ii) Individual share holders holding nominal share capital in excess of ₹ 1 lakh	426668	-	426668	4.70	227941	-	227941	2.5	(2.19)
c) Others (specify)									
Non Resident Indians	13522	-	13522	0.15	29926	-	29926	0.33	0.18
Clearing Members	637966	-	637966	7.03	103468	-	103468	1.14	(5.89)
Hindu Undivided Families	136172	-	136172	1.50	70387	-	70387	0.78	(0.73)
<b>Sub-total (B)(2):-</b>	<b>2426880</b>	<b>417000</b>	<b>2843880</b>	<b>31.33</b>	<b>2490671</b>	<b>358600</b>	<b>2849271</b>	<b>31.39</b>	<b>0.06</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>2445494</b>	<b>417000</b>	<b>2862494</b>	<b>31.53</b>	<b>2503894</b>	<b>358600</b>	<b>2862494</b>	<b>31.53</b>	<b>-</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>8660600</b>	<b>417000</b>	<b>9077600</b>	<b>100.00</b>	<b>8719000</b>	<b>358600</b>	<b>9077600</b>	<b>100.00</b>	<b>-</b>



ii) Shareholding of Promoters

S. No	Shareholder's Name	Shareholding at the beginning of the year (01.04.2016)			Shareholding at the end of the year (31.03.2017)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	R Santossh	2782506	30.65	37.74	2782506	30.65	37.74	-
2	Vimala Radhakrishnan	48000	0.53	-	48000	0.53	-	-
3	Giulia Bosco	464000	5.11	-	464000	5.11	-	-
4	Strike Right Intergrated Services Ltd	2920600	32.17	6.85	2920600	32.17	6.85	-
	<b>TOTAL</b>	6215106	68.47	20.11	6215106	68.47	20.11	-

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

S. No.	Shareholder's Name	Shareholding at the beginning of the year (1.04.2016)		Cumulative Share holding during the year [01.04.2016 to 31.03.2017]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	6215106	68.46	6215106	68.46
2	Increase/Decrease in Shareholding during the year	There is no Change in Promoters Holding			
3	At the end of the year	6215106	68.46	6215106	68.46



## 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 (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>NARESH KUMAR SARAF</b>				
	<b>At the beginning of the year</b>	<b>198768</b>	<b>2.19</b>	-	-
	Market Sale 20.05.2016	-35450	-0.39	163318	1.79
	Market Sale 03.06.2016	-3000	-0.03	160318	1.77
	Market Sale 10.06.2016	-2000	-0.02	158318	1.74
	Market Sale 24.06.2016	-5050	-0.05	153268	1.68
	Market Sale 29.07.2016	-500	-0.00	152768	1.68
	Market Sale 03.03.2017	-370	-0.00	152398	1.68
	Market Sale 17.03.2017	-2300	-0.02	150098	1.65
	Market Sale 24.03.2017	-620	-0.00	149478	1.65
	Market Sale 31.03.2017	-100	-0.00	149378	1.65
	<b>At the end of the year</b>	-	-	<b>149378</b>	<b>1.65</b>
2	<b>CHOICE EQUITY BROKING PRIVATE LIMITED</b>				
	<b>At the beginning of the year</b>	<b>190691</b>	<b>2.10</b>	-	-
	Market Sale 08.04.2016	-173147	-1.91	17544	0.19
	Market Sale 15.04.2016	-11813	-0.13	5731	0.06
	Market Sale 22.04.2016	-4000	-0.04	1731	0.02
	Market Purchase 29.04.2016	39	0.00	1770	0.02
	Market Sale 06.05.2016	-364	-0.00	1406	0.02
	Market Purchase 13.05.2016	944	0.01	2350	0.03
	Market Sale 20.05.2016	-50	-0.00	2300	0.03
	Market Sale 03.06.2016	-766	-0.01	1534	0.02
	Market Sale 10.06.2016	-34	-0.00	1500	0.02
	Market Sale 24.06.2016	-500	-0.00	1000	0.01
	Market Sale 30.06.2016	-100	0.00	900	0.01
	Market Purchase 08.07.2016	400	0.00	1300	0.01
	Market Sale 15.07.2016	-400	-0.00	900	0.01
	Market Sale 29.07.2016	-900	-0.01	-	-
	Market Purchase 26.08.2016	732	0.01	732	0.01
	Market Purchase 02.09.2016	68	0.00	800	0.01
	Market Sale 16.09.2016	-500	-0.00	300	0.00
	Market Purchase 23.09.2016	200	0.00	500	0.00
	Market Sale 02.12.2016	-500	-0.00	-	-
	Market Purchase 13.01.2017	100	0.00	100	0.00
	Market Purchase 20.01.2017	1262	0.01	1362	0.01
	Market Purchase 03.02.2017	595	0.01	1957	0.02
	Market Sale 10.02.2017	-562	-0.01	1395	0.01
	Market Purchase 10.03.2017	100	-0.00	1495	0.01
	Market Purchase 17.03.2017	100	0.00	1595	0.02





## 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 (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Market Sale 24.03.2017	-1280	-0.01	315	0.00
	Market Sale 31.03.2017	-20	-0.00	295	0.00
	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>295</b>	<b>0.00</b>
3	<b>CHOICE INTERNATIONAL LIMITED##</b>				
	<b>At the beginning of the year</b>	<b>139558</b>	<b>1.54</b>	<b>-</b>	<b>-</b>
	Market Sale 08.04.2016	-65000	-0.71	74558	0.82
	Market Sale 15.04.2016	-74558	-0.82	-	-
	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
4	<b>AJAY KUMAR MAHABIR PRASAD HALAN##</b>				
	<b>At the beginning of the year</b>	<b>129100</b>	<b>1.42</b>	<b>-</b>	<b>-</b>
	Market Sale 08.04.2016	-129100	-1.42	-	-
	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
5	<b>SARWANKUMAR DEVIDUTT SARAF##</b>				
	<b>At the beginning of the year</b>	<b>110000</b>	<b>1.21</b>	<b>-</b>	<b>-</b>
	Market Sale 08.04.2016	-81537	-0.90	28463	0.31
	Market Sale 15.04.2016	-28463	-0.31	-	-
	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
6	<b>STEEL CITY SECURITIES LIMITED</b>				
	<b>At the beginning of the year</b>	<b>72164</b>	<b>0.79</b>	<b>-</b>	<b>-</b>
	Market Sale 08.04.2016	-32796	-0.36	39368	0.43
	Market Purchase 15.04.2016	6040	0.07	45408	0.50
	Market Purchase 22.04.2016	10395	0.11	55803	0.61
	Market Purchase 29.04.2016	285	0.00	56088	0.62
	Market Sale 06.05.2016	-19397	-0.21	36691	0.40
	Market Sale 13.05.2016	-179	0.00	36512	0.40
	Market Sale 20.05.2016	-657	-0.01	35855	0.39
	Market Sale 27.05.2016	-993	-0.01	34862	0.38
	Market Purchase 03.06.2016	9524	0.10	44386	0.49
	Market Purchase 10.06.2016	11668	0.13	56054	0.62
	Market Sale 17.06.2016	-390	0.00	55664	0.61
	Market Purchase 24.06.2016	10086	0.11	65750	0.72
	Market Purchase 30.06.2016	545	0.01	66295	0.73
	Market Sale 01.07.2016	-150	0.00	66145	0.73
	Market Sale 08.07.2016	-1480	-0.02	64665	0.71
	Market Sale 15.07.2016	-770	-0.01	63895	0.70
	Market Sale 22.07.2016	-95	0.00	63800	0.70



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 (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Market Purchase 29.07.2016	10655	0.12	74455	0.82
	Market Sale 05.08.2016	-3228	-0.04	71227	0.78
	Market Sale 12.08.2016	-198	0.00	71029	0.78
	Market Sale 19.08.2016	-4160	-0.05	66869	0.74
	Market Sale 26.08.2016	-461	-0.01	66408	0.73
	Market Purchase 02.09.2016	17106	0.19	83514	0.92
	Market Purchase 09.09.2016	1270	0.01	84784	0.93
	Market Purchase 16.09.2016	1065	0.01	85849	0.95
	Market Sale 23.09.2016	-325	0.00	85524	0.94
	Market Purchase 30.09.2016	365	0.00	85889	0.95
	Market Purchase 07.10.2016	410	0.00	86299	0.95
	Market Sale 14.10.2016	-930	-0.01	85369	0.94
	Market Purchase 21.10.2016	50	0.00	85419	0.94
	Market Sale 28.10.2016	-935	-0.01	84484	0.93
	Market Sale 04.11.2016	-1476	-0.02	83008	0.91
	Market Sale 11.11.2016	-1685	-0.02	81323	0.90
	Market Purchase 18.11.2016	35	0.00	81358	0.90
	Market Sale 25.11.2016	-4171	-0.05	77187	0.85
	Market Sale 02.12.2016	-19246	-0.21	57941	0.64
	Market Sale 09.12.2016	-82	0.00	57859	0.64
	Market Sale 16.12.2016	-2	0.00	57857	0.64
	Market Sale 23.12.2016	-9309	-0.10	48548	0.53
	Market Purchase 30.12.2016	56	0.00	48604	0.54
	Market Sale 06.01.2017	-9638	-0.11	38966	0.43
	Market Sale 13.01.2017	-2932	-0.03	36034	0.40
	Market Sale 20.01.2017	-100	0.00	35934	0.40
	Market Purchase 27.01.2017	25	0.00	35959	0.40
	Market Sale 03.02.2017	-1188	-0.01	34771	0.38
	Market Sale 10.02.2017	-23899	-0.26	10872	0.12
	Market Sale 17.02.2017	-340	0.00	10532	0.12
	Market Sale 24.02.2017	-1084	-0.01	9448	0.10
	Market Purchase 03.03.2017	97	0.00	9545	0.11
	Market Sale 10.03.2017	-7105	-0.08	2440	0.03
	Market Purchase 17.03.2017	273	0.00	2713	0.03
	Market Sale 24.03.2017	-177	0.00	2536	0.03
	Market Sale 31.03.2017	-63	0.00	2473	0.03
	<b>At the end of the year</b>	-	-	<b>2473</b>	<b>0.03</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 (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
7	<b>SUNITA SARWANKUMAR SARAF##</b>				
	<b>At the beginning of the year</b>	<b>58800</b>	<b>0.65</b>	-	-
	Market Sale 08.04.2016	-52800	-0.58	6000	0.07
	Market Sale 15.04.2016	-6000	-0.07	-	-
	<b>At the end of the year</b>	-	-	-	-
8	<b>SHAREKHAN LIMITED</b>				
	<b>At the beginning of the year</b>	<b>58653</b>	<b>0.65</b>	-	-
	Market Sale 08.04.2016	-33067	-0.36	25586	0.28
	Market Purchase 15.04.2016	2100	0.02	27686	0.30
	Market Sale 22.04.2016	-6490	-0.07	21196	0.23
	Market Sale 29.04.2016	-3192	-0.04	18004	0.20
	Market Purchase 06.05.2016	2228	0.02	20232	0.22
	Market Sale 13.05.2016	-661	-0.01	19571	0.22
	Market Purchase 20.05.2016	2434	0.03	22005	0.24
	Market Sale 27.05.2016	-3594	-0.04	18411	0.20
	Market Purchase 03.06.2016	974	0.01	19385	0.21
	Market Purchase 10.06.2016	550	0.01	19935	0.22
	Market Sale 17.06.2016	-2371	-0.03	17564	0.19
	Market Sale 24.06.2016	-1490	-0.02	16074	0.18
	Market Sale 30.06.2016	-826	-0.01	15248	0.17
	Market Purchase 01.07.2016	90	0.00	15338	0.17
	Market Sale 08.07.2016	-869	-0.01	14469	0.16
	Market Purchase 15.07.2016	282	0.00	14751	0.16
	Market Sale 22.07.2016	-1245	-0.01	13506	0.15
	Market Purchase 29.07.2016	616	0.01	14122	0.16
	Market Purchase 05.08.2016	2129	0.02	16251	0.18
	Market Purchase 12.08.2016	2980	0.03	19231	0.21
	Market Purchase 19.08.2016	1924	0.02	21155	0.23
	Market Sale 26.08.2016	-2259	-0.02	18896	0.21
	Market Purchase 02.09.2016	4040	0.04	22936	0.25
	Market Purchase 09.09.2016	12691	0.14	35627	0.39
	Market Sale 16.09.2016	-18260	-0.20	17367	0.19
	Market Purchase 23.09.2016	254	0.00	17621	0.19
	Market Sale 30.09.2016	-1295	-0.01	16326	0.18
	Market Sale 07.10.2016	-1863	-0.02	14463	0.16
	Market Sale 14.10.2016	-120	0.00	14343	0.16
	Market Purchase 21.10.2016	164	0.00	14507	0.16
	Market Purchase 28.10.2016	2672	0.03	17179	0.19



## 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 (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Market Purchase 04.11.2016	667	0.01	17846	0.20
	Market Purchase 11.11.2016	4365	0.05	22211	0.24
	Market Sale 18.11.2016	-2716	-0.03	19495	0.21
	Market Purchase 25.11.2016	7190	0.08	26685	0.29
	Market Sale 02.12.2016	-4942	-0.05	21743	0.24
	Market Purchase 09.12.2016	367	0.00	22110	0.24
	Market Sale 16.12.2016	-1608	-0.02	20502	0.23
	Market Sale 23.12.2016	-1366	-0.02	19136	0.21
	Market Purchase 30.12.2016	185	0.00	19321	0.21
	Market Purchase 06.01.2017	23	0.00	19344	0.21
	Market Purchase 13.01.2017	3182	0.04	22526	0.25
	Market Purchase 20.01.2017	419	0.00	22945	0.25
	Market Purchase 27.01.2017	2406	0.03	25351	0.28
	Market Purchase 03.02.2017	2846	0.03	28197	0.31
	Market Purchase 10.02.2017	5148	0.06	33345	0.37
	Market Sale 17.02.2017	-1777	-0.02	31568	0.35
	Market Purchase 24.02.2017	1672	0.02	33240	0.37
	Market Purchase 03.03.2017	3651	0.04	36891	0.41
	Market Purchase 10.03.2017	1674	0.02	38565	0.42
	Market Purchase 17.03.2017	4181	0.05	42746	0.47
	Market Sale 24.03.2017	-9747	-0.11	32999	0.36
	Market Sale 31.03.2017	-5569	-0.06	27430	0.30
	<b>At the end of the year</b>	-	-	<b>27430</b>	<b>0.30</b>
9	<b>SUNAINA NARESHKUMAR SARAF##</b>				
	<b>At the beginning of the year</b>	<b>40000</b>	<b>0.44</b>	-	-
	Market Sale 08.04.2016	-40000	-0.44	-	-
	<b>At the end of the year</b>	-	-	-	-
10	<b>GEOJIT BNP PARIBAS FINANCIAL SERVICES LTD</b>				
	<b>At the beginning of the year</b>	<b>32605</b>	<b>0.36</b>	-	-
	Market Purchase 08.04.2016	10761	0.12	43366	0.48
	Market Sale 15.04.2016	-7377	-0.08	35989	0.40
	Market Sale 22.04.2016	-22357	-0.25	13632	0.15
	Market Sale 29.04.2016	-6864	-0.08	6768	0.07
	Market Sale 06.05.2016	-31	0.00	6737	0.07
	Market Purchase 13.05.2016	433	0.00	7170	0.08
	Market Sale 20.05.2016	-4147	-0.05	3023	0.03



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 (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Market Purchase 27.05.2016	568	0.01	3591	0.04
	Market Purchase 03.06.2016	10477	0.12	14068	0.15
	Market Sale 10.06.2016	-10350	-0.11	3718	0.04
	Market Sale 17.06.2016	-1660	-0.02	2058	0.02
	Market Purchase 24.06.2016	1532	0.02	3590	0.04
	Market Sale 24.06.2016	-419	0.00	3171	0.03
	Market Purchase 01.07.2016	1459	0.02	4630	0.05
	Market Purchase 08.07.2016	289	0.00	4919	0.05
	Market Sale 15.07.2016	-1156	-0.01	3763	0.04
	Market Sale 22.07.2016	-1502	-0.02	2261	0.02
	Market Sale 29.07.2016	-588	-0.01	1673	0.02
	Market Sale 05.08.2016	-285	0.00	1388	0.02
	Market Purchase 12.08.2016	2393	0.03	3781	0.04
	Market Purchase 19.08.2016	1700	0.02	5481	0.06
	Market Sale 26.08.2016	-1693	-0.02	3788	0.04
	Market Sale 02.09.2016	-586	-0.01	3202	0.04
	Market Purchase 09.09.2016	8452	0.09	11654	0.13
	Market Sale 16.09.2016	-8340	-0.09	3314	0.04
	Market Sale 23.09.2016	-2627	-0.03	687	0.01
	Market Purchase 30.09.2016	3043	0.03	3730	0.04
	Market Sale 07.10.2016	-3131	-0.03	599	0.01
	Market Sale 21.10.2016	-94	0.00	505	0.01
	Market Purchase 28.10.2016	1239	0.01	1744	0.02
	Market Purchase 04.11.2016	193	0.00	1937	0.02
	Market Sale 11.11.2016	-98	0.00	1839	0.02
	Market Purchase 18.11.16	1336	0.01	3175	0.03
	Market Sale 25.11.2016	-1170	-0.01	2005	0.021
	Market Purchase 02.12.2016	8456	0.09	10461	0.12
	Market Sale 09.12.2016	-9238	-0.10	1223	0.01
	Market Sale 16.12.2016	-250	0.00	973	0.01
	Market Sale 23.12.2016	-827	-0.01	146	0.00
	Market Purchase 30.12.2016	1069	0.01	1215	0.01
	Market Purchase 06.01.2017	104	0.00	1319	0.01
	Market Purchase 13.01.2017	531	0.01	1850	0.02
	Market Sale 20.01.2017	-1220	-0.01	630	0.01
	Market Sale 27.01.2017	-180	0.00	450	0.00
	Market Sale 03.02.2017	-366	0.00	84	0.00
	Market Purchase 10.02.2017	11587	0.13	11671	0.13
	Market Sale 17.02.2017	-10572	-0.12	1099	0.01



## 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 (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Market Purchase 24.02.2017	344	0.00	1443	0.02
	Market Sale 03.03.2017	-970	-0.01	473	0.01
	Market Sale 10.03.2017	-283	0.00	190	0.00
	Market Purchase 17.03.2017	214	0.00	404	0.00
	Market Purchase 24.03.2017	937	0.01	1341	0.01
	Market Purchase 31.03.2017	270	0.00	1611	0.02
	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>1611</b>	<b>0.02</b>
11	<b>NRL FINANCIAL SERVICES PRIVATE LIMITED</b>				
	<b>At the beginning of the year</b>	<b>23000</b>	<b>0.25</b>	<b>-</b>	<b>-</b>
	Market Purchase 08.04.2016	3500	0.04	26500	0.29
	Market Purchase 15.04.2016	12841	0.14	39341	0.43
	Market Purchase 22.04.2016	3737	0.04	43078	0.47
	Market Purchase 29.04.2016	5000	0.06	48078	0.53
	Market Purchase 06.05.2016	869	0.01	48947	0.54
	Market Purchase 13.05.2016	1000	0.01	49947	0.55
	Market Purchase 20.05.2016	1000	0.01	50947	0.56
	Market Purchase 27.05.2016	1000	0.01	51947	0.57
	Market Sale 03.06.2016	-5947	-0.07	46000	0.51
	Market Purchase 10.06.2016	3000	0.03	49000	0.54
	Market Sale 24.06.2016	-3000	-0.03	46000	0.51
	Market Purchase 29.07.2016	200	0.00	46200	0.51
	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>46200</b>	<b>0.51</b>
12	<b>AANME MATHEW</b>				
	<b>At the beginning of the year</b>	<b>3000</b>	<b>0.03</b>	<b>-</b>	<b>-</b>
	Market Purchase 15.04.2016	23	0.00	3023	0.03
	Market Sale 13.05.2016	-275	-0.00	2748	0.03
	Market Sale 15.07.2016	-185	-0.00	2563	0.02
	Market Purchase 02.12.2016	11563	0.13	14126	0.16
	Market Purchase 09.12.2016	3437	0.04	17563	0.19
	Market Purchase 10.02.2017	11264	0.12	28827	0.32
	Market Purchase 17.02.2017	3736	0.04	32563	0.36
	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>32563</b>	<b>0.36</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 (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
13	<b>IL AND FS SECURITIES SERVICES LIMITED</b>				
	<b>At the beginning of the year</b>	<b>13502</b>	<b>0.15</b>	-	-
	Market Sale 08.04.2016	-10690	-0.12	2812	0.03
	Market Purchase 15.04.2016	3790	0.04	6602	0.07
	Market Purchase 22.04.2016	1405	0.02	8007	0.09
	Market Purchase 29.04.2016	1788	0.02	9795	0.11
	Market Sale 06.05.2016	-3787	-0.04	6008	0.07
	Market Purchase 13.05.2016	949	0.01	6957	0.08
	Market Purchase 20.05.2016	21450	0.24	28407	0.31
	Market Sale 27.05.2016	-19981	-0.22	8426	0.09
	Market Purchase 03.06.2016	3540	0.04	11966	0.13
	Market Sale 10.06.2016	-1790	-0.02	10176	0.11
	Market Sale 17.06.2016	-2660	-0.03	7516	0.08
	Market Purchase 24.06.2016	428	0.00	7944	0.09
	Market Purchase 30.06.2016	1469	0.02	9413	0.10
	Market Purchase 08.07.2016	4815	0.05	14228	0.16
	Market Sale 15.07.2016	7668	0.08	21896	0.24
	Market Sale 22.07.2016	-2123	-0.02	19773	0.22
	Market Sale 29.07.2016	-439	0.00	19334	0.21
	Market Sale 05.08.2016	-4	0.00	19330	0.21
	Market Purchase 12.08.2016	3580	0.04	22910	0.25
	Market Sale 19.08.2016	-1560	-0.02	21350	0.24
	Market Purchase 26.08.2016	12	0.00	21362	0.24
	Market Purchase 02.09.2016	2340	0.03	23702	0.26
	Market Sale 09.09.2016	-230	0.00	23472	0.26
	Market Sale 16.09.2016	-2115	-0.02	21357	0.24
	Market Sale 23.09.2016	-24	0.00	21333	0.24
	Market Purchase 30.09.2016	535	0.01	21868	0.24
	Market Sale 07.10.2016	-863	-0.01	21005	0.23
	Market Sale 14.10.2016	-224	0.00	20781	0.23
	Market Sale 21.10.2016	-1027	-0.01	19754	0.22
	Market Purchase 28.10.2016	3348	0.04	23102	0.25
	Market Purchase 04.11.2016	2800	0.03	25902	0.29
	Market Sale 11.11.2016	-88	0.00	25814	0.28
	Market Sale 18.11.2016	-250	0.00	25564	0.28
	Market Sale 25.11.2016	-1510	-0.02	24054	0.26
	Market Sale 02.12.2016	-1250	-0.01	22804	0.25
	Market Purchase 09.12.2016	152	0.00	22956	0.25
	Market Sale 16.12.2016	-900	-0.01	22056	0.24



## 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 (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Market Sale 23.12.2016	-4800	-0.05	17256	0.19
	Market Purchase 30.12.2016	5500	0.06	22756	0.25
	Market Sale 06.01.2017	-1	0.00	22755	0.25
	Market Sale 13.01.2017	-100	0.00	22655	0.25
	Market Purchase 20.01.2017	1619	0.02	24274	0.27
	Market Purchase 27.01.2017	521	0.01	24795	0.27
	Market Sale 03.02.2017	-302	0.00	24493	0.27
	Market Purchase 10.02.2017	1330	0.01	25823	0.28
	Market Sale 17.02.2017	-130	0.00	25693	0.28
	Market Sale 24.02.2017	-575	-0.01	25118	0.28
	Market Purchase 10.03.2017	310	0.00	25428	0.28
	Market Purchase 17.03.2017	2175	0.02	27603	0.30
	Market Sale 24.03.2017	-1800	-0.02	25803	0.28
	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>25803</b>	<b>0.28</b>
14	<b>AKSHAY SANJAY SAPKAL***</b>				
	<b>At the beginning of the year</b>	-	-	-	-
	Market Purchase 22.04.2016	25000	0.28	-	-
	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>25000</b>	<b>0.28</b>
15	<b>KARVY STOCK BROKING LTD</b>				
	<b>At the beginning of the year</b>	31811	0.35	-	-
	Market Purchase 08.04.2016	564	0.01	32375	0.36
	Market Purchase 15.04.2016	9892	0.11	42267	0.47
	Market Sale 22.04.2016	-797	-0.01	41470	0.46
	Market Purchase 29.04.2016	526	0.01	41996	0.46
	Market Sale 06.05.2016	-19472	-0.21	22524	0.25
	Market Purchase 13.05.2016	6456	0.07	28980	0.32
	Market Sale 20.05.2016	-3992	-0.04	24988	0.28
	Market Purchase 27.05.2016	1757	0.02	26745	0.29
	Market Sale 03.06.2016	-6058	-0.07	20687	0.23
	Market Sale 10.06.2016	-5741	-0.06	14946	0.16
	Market Sale 17.06.2016	-1682	-0.02	13264	0.15
	Market Sale 24.06.2016	-2904	-0.03	10360	0.11
	Market Purchase 30.06.2016	4079	0.04	14439	0.16
	Market Sale 01.07.2016	-15	0.00	14424	0.16
	Market Sale 08.07.2016	-578	-0.01	13846	0.15
	Market Sale 15.07.2016	-3285	-0.04	10561	0.12
	Market Sale 22.07.2016	-3811	-0.04	6750	0.07





**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 (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Market Purchase 29.07.2016	849	0.01	7599	0.08
	Market Sale 05.08.2016	-881	-0.01	6718	0.07
	Market Sale 12.08.2016	-1429	-0.02	5289	0.06
	Market Purchase 19.08.2016	1789	0.02	7078	0.08
	Market Purchase 26.08.2016	2033	0.02	9111	0.10
	Market Sale 02.09.2016	-2272	-0.03	6839	0.08
	Market Sale 09.09.2016	-597	-0.01	6242	0.07
	Market Sale 16.09.2016	-1524	-0.02	4718	0.05
	Market Purchase 23.09.2016	1206	0.01	5924	0.07
	Market Purchase 30.09.2016	2018	0.02	7942	0.09
	Market Sale 07.10.2016	-25	0.00	7917	0.09
	Market Purchase 14.10.2016	418	0.00	8335	0.09
	Market Sale 21.10.2016	-72	0.00	8263	0.09
	Market Purchase 28.10.2016	7162	0.08	15425	0.17
	Market Purchase 04.11.2016	1036	0.01	16461	0.18
	Market Purchase 11.11.2016	803	0.01	17264	0.19
	Market Sale 18.11.2016	-186	0.00	17078	0.19
	Market Purchase 25.11.2016	321	0.00	17399	0.19
	Market Sale 02.12.2016	-242	0.00	17157	0.19
	Market Purchase 09.12.2016	483	0.01	17640	0.19
	Market Purchase 16.12.2016	1304	0.01	18944	0.21
	Market Purchase 23.12.2016	811	0.01	19755	0.22
	Market Sale 30.12.2016	-718	-0.01	19037	0.21
	Market Purchase 06.01.2017	475	0.01	19512	0.21
	Market Sale 13.01.2017	-509	-0.01	19003	0.21
	Market Sale 20.01.2017	-385	0.00	18618	0.21
	Market Sale 27.01.2017	-71	0.00	18547	0.20
	Market Purchase 03.02.2017	735	0.01	19282	0.21
	Market Sale 10.02.2017	-1576	-0.02	17706	0.20
	Market Sale 17.02.2017	-999	-0.01	16707	0.18
	Market Sale 24.02.2017	-183	0.00	16524	0.18
	Market Sale 03.03.2017	-153	0.00	16371	0.18
	Market Sale 10.03.2017	-772	-0.01	15599	0.17
	Market Purchase 17.03.2017	1547	0.02	17146	0.19
	Market Purchase 24.03.2017	229	0.00	17375	0.19
	Market Purchase 31.03.2017	4464	0.05	21839	0.24
	<b>At the end of the year</b>	-	-	<b>21839</b>	<b>0.24</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 (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
16	<b>DAMODHARAN SESHADRI</b>				
	<b>At the beginning of the year</b>	<b>6138</b>	<b>0.07</b>	-	-
	Market Sale 08.04.2016	-5138	-0.06	1000	0.01
	Market Purchase 15.04.2016	5760	0.06	6760	0.07
	Market Purchase 22.04.2016	6240	0.07	13000	0.14
	Market Purchase 06.05.2016	5000	0.06	18000	0.20
	Market Purchase 30.06.2016	741	0.00	18741	0.21
	Market Purchase 15.07.2016	1259	0.01	20000	0.22
	Market Purchase 02.09.2016	1000	0.01	21000	0.23
	<b>At the end of the year</b>	-	-	<b>21000</b>	<b>0.23</b>
17	<b>DHIRENDRA R SHUKLA HUF***</b>				
	<b>At the beginning of the year</b>	-	-	-	-
	Market Purchase 29.04.2016	15000	0.17	-	-
	Market Purchase 20.05.2016	5500	0.06	20500	0.23
	Market Sale 03.06.2016	-2500	-0.03	18000	0.20
	Market Sale 10.06.2016	-300	-0.00	17700	0.20
	Market Purchase 22.07.2016	1000	0.01	18700	0.21
	<b>At the end of the year</b>	-	-	<b>18700</b>	<b>0.21</b>
18	<b>RAJESWARI MUTHUSWAMY***</b>				
	<b>At the beginning of the year</b>	-	-	-	-
	Market Purchase 09.09.2016	758	0.00	-	-
	Market Sale 16.09.2016	-758	-0.00	-	-
	Market Purchase 23.09.2016	16722	0.18	16722	0.18
	<b>At the end of the year</b>	-	-	<b>16722</b>	<b>0.18</b>

\*\*\* Not in the list of Top 10 shareholders as on 31.03.2016. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2017.

## Ceased to be in the list of Top 10 shareholders as on 31.03.2017. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2016.



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

S. No.	Shareholding of each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>R.SANTOSSH</b> (Managing Director)				
	<b>At the beginning of the year</b>	<b>2782506</b>	<b>30.65</b>	<b>2782506</b>	<b>30.65</b>
	Increase/Decrease in Shareholding during the year	-	-	-	-
	<b>At the end of the year</b>	<b>2782506</b>	<b>30.65</b>	<b>2782506</b>	<b>30.65</b>
2	<b>R.VIMALA</b> (Whole-Time Director)				
	<b>At the beginning of the year</b>	<b>48000</b>	<b>0.53</b>	<b>48000</b>	<b>0.53</b>
	Increase/Decrease in Shareholding during the year	-	-	-	-
	<b>At the end of the year</b>	<b>48000</b>	<b>0.53</b>	<b>48000</b>	<b>0.53</b>
3	<b>GIULIA BOSCO</b> (Whole-Time Director)				
	<b>At the beginning of the year</b>	<b>464000</b>	<b>5.11</b>	<b>464000</b>	<b>5.11</b>
	Increase/Decrease in Shareholding during the year	-	-	-	-
	<b>At the end of the year</b>	<b>464000</b>	<b>5.11</b>	<b>464000</b>	<b>5.11</b>
4	<b>VASTUPAL RAJNIKANT METHA</b> (Independent Director)	-	-	-	-
5	<b>DEEPAK PADAMSHI MALANI</b> (Independent Director)	-	-	-	-
6	<b>MEENAKSHI SUNDARAM RAJKUMAR</b> (Independent Director)	-	-	-	-
7	<b>BABA CHANDRASEKHAR RAMAKRISHNAN</b> (Non-Executive Non-Independent Director)				
	<b>At the beginning of the year</b>	<b>200</b>	<b>0.00</b>	<b>200</b>	<b>0.00</b>
	Increase/Decrease in Shareholding during the year	-	-	-	-
	<b>At the end of the year</b>	<b>200</b>	<b>0.00</b>	<b>200</b>	<b>0.00</b>
8	<b>PRIYADARSHINI VELUCHAMY</b> (Company Secretary)	-	-	-	-
9	<b>RAMESH K SHENOY</b> (Chief Financial Officer)	-	-	-	-



**V. INDEBTEDNESS -**

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

In ₹ Lakhs

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	4267.31	615.40	-	4882.71
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	15.11	-	-	15.11
<b>Total (i+ii+iii)</b>	<b>4282.42</b>	<b>615.40</b>	<b>-</b>	<b>4897.82</b>
<b>Change in Indebtedness during the financial year</b>				
★ Addition	28005.70	-	-	28005.70
★ Reduction	27582.75	5.36	-	27588.11
<b>Net Change</b>	<b>422.95</b>	<b>-5.36</b>	<b>-</b>	<b>417.59</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	4693.64	610.04	-	5303.68
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	11.73	2.98	-	14.71
<b>Total (i+ii+iii)</b>	<b>4705.37</b>	<b>613.02</b>	<b>-</b>	<b>5318.39</b>



**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Santosh. R Managing Director	R. Vimala Whole-Time Director	Giulia Bosco Whole-Time Director	
1	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	12,00,000	6,00,000	8,40,000	26,40,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	15,034	-	1,31,000	1,46,034
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others specify	-	-	-	-
5	Others please specify	-	-	-	-
	Total (A)	12,15,034	6,00,000	9,71,000	27,86,034
Ceiling as per the Act- ₹ 96,34,743					



**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 Ramakrishnan	
1	Independent Directors					NOT APPLICABLE
	• Fee for attending board committee meetings					
	• Commission					
	• Others, please specify					
	Total (1)					
2	Other Non-Executive Directors					
	• Fee for attending board committee meetings					
	• Commission					
	• Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					



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

S. No.	Particulars of Remuneration	Key Managerial Personnel		
		Ms.Priyadarshini Veluchamy Company Secretary (Appointed on 12.09.2016)	Mr.Ramesh K Shenoy Chief Financial officer	Total
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	1,50,000	7,00,000	8,50,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	others, specify	-	-	-
5	Others, please specify	-	-	-
	Total	1,50,000	7,00,000	8,50,000

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)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

NIL

For and on behalf of the Board  
**Meenakshi Sundaram Rajkumar**

Chairman

(DIN : 06935422)

Place : Coimbatore

Date : 29.05.2017



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

This remuneration policy has been prepared pursuant to the provisions of Section 178 (3) of The Companies Act, 2013 ("Act") and Clause 49 (IV) (B) (1) of the Equity Listing Agreement ("Listing Agreement"). While formulating this policy, the Nomination and Remuneration Committee ("NRC") has considered the factors laid down under Section 178 (4) of the Act. Objective of this Committee are as follows;

- a) to guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- b) to evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- c) to recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

**Key principles governing this remuneration policy are as follows:**

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

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

**2) Remuneration to Non- Executive / Independent Directors:**

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of The Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling / limits as provided under the Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.





- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
  - d) Any remuneration paid to Non-Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above, if the following conditions are satisfied:
    - i) The Services are rendered by such Director in his capacity as the professional; and
    - ii) In the opinion of the Committee, the Director possesses the requisite qualification for the practice of that profession.
- 3) Remuneration to Key Managerial Personnel and Senior Management:
- a) The remuneration 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.
  - b) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option / Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.
  - c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to Pension Fund, Pension Schemes, etc., as decided from time to time.
  - d) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

### **Policy implementation**

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.



**Form No. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2017**

[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,

LAMBODHARA TEXTILES LIMITED

(CIN: L17111TZ1994PLC004929)

3A, B-Block, Pioneer Apartments,

1075-B, Avinashi Road,

Coimbatore-641018

Tamil Nadu, India

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 31<sup>st</sup> March, 2017, 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, 2017 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Companies Act, 1956 and the rules made thereunder (to the extent applicable);
- iii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iv. The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- v. The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-



- a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ;
- d. 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;

I have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards with respect to Board Meetings (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI);
- b. The Listing Agreement entered into by the Company with The National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, and Standards etc., mentioned above.

I further report that, during the year under review, there were no actions/ events in pursuance of the following Rules/Regulations requiring compliance thereof by the Company:

- a. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- c. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

I further report that based on the information provided by the Company, its officers and authorized representatives; there are no laws specifically applicable to the Company.

I further report that having regard to the compliance system prevailing in the Company and on the review of quarterly compliance reports taken on record by the Board of Directors and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the labour and environmental laws as applicable.



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 has been subject to review by statutory financial auditor 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, Independent Directors and Woman Directors. There were no changes in the composition of the Board of Directors during the period under review.

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 all applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were no instances of:

- Public / Rights / Preferential issue of shares / debentures / sweat equity
- Redemption / buy-back of securities
- Major decision taken by the members in pursuant to section 180 of the Companies Act, 2013
- Merger / amalgamation / reconstruction etc
- Foreign technical collaborations

Place : Coimbatore

Date : 29.05.2017

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 an 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 – 641018,  
Tamilnadu, India.

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 the 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 : 29.05.2017

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**

i)	a. Name of the related party Nature of relationship	Strike Right Integrated Services Limited. Lambodhara Textiles Limited is an Associate Company for Strike Right integrated Services Limited, Strike Right integrated Services Limited is a Promoter of Lambodhara Textiles Limited Mrs.Giulia Bosco, Whole-Time Director and Mr.Ramesh K Shenoy, Chief Financial Officer are holding directorship in Strike Right Integrated Services Limited.
	b. Nature of contracts / arrangements / transactions	Purchase of cotton, man made fibre, yarn and sale of man made fibre and natural fibre
	c. Duration of the contracts / arrangements / transactions	Five years with effect from 1 <sup>st</sup> October 2016
	d. Salient terms of the contracts or transactions	All transactions will be made as per the prevailing market price
	e. Date(s) of approval by the Board	27.05.2016
	f. Amount paid as advances, if any.	Nil

For and on behalf of the Board

**Meenakshi Sundaram Rajkumar**

Chairman

(DIN : 06935422)

Place : Coimbatore

Date : 29.05.2017



**ANNEXURE TO THE DIRECTORS' REPORT**

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

<p>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</p>	<p>Pursuant to section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors have constituted a CSR Committee. The Board also framed a CSR Policy in compliance with the provisions of section 135 of The Companies Act, 2013. The said policy is placed on the web site of the Company at <a href="http://www.lambodharatextiles.com">www.lambodharatextiles.com</a></p> <p>The CSR activities of the Company cover certain trust areas such as promoting education.</p>								
<p>2. The composition of CSR committee</p>	<table border="1"> <thead> <tr> <th data-bbox="696 833 943 906">Name</th> <th data-bbox="950 833 1245 906">Designation in CSR Committee</th> </tr> </thead> <tbody> <tr> <td data-bbox="696 915 943 951">Mr.Santossh. R</td> <td data-bbox="950 915 1245 951">Chairman</td> </tr> <tr> <td data-bbox="696 960 943 997">Mrs.R.Vimala</td> <td data-bbox="950 960 1245 997">Member</td> </tr> <tr> <td data-bbox="696 1006 943 1042">Mr.M.S.Rajkumar</td> <td data-bbox="950 1006 1245 1042">Member</td> </tr> </tbody> </table>	Name	Designation in CSR Committee	Mr.Santossh. R	Chairman	Mrs.R.Vimala	Member	Mr.M.S.Rajkumar	Member
Name	Designation in CSR Committee								
Mr.Santossh. R	Chairman								
Mrs.R.Vimala	Member								
Mr.M.S.Rajkumar	Member								
<p>3. Average net profit of the Company made during the three immediately preceding Financial Years</p>	<p>₹ 566.07 Lakhs</p>								
<p>4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)</p>	<p>₹ 11.32 Lakhs</p>								
<p>5. Details of CSR spent during the Financial Year</p> <p>a Total amount to be spent for the financial year</p> <p>b) Amount unspent, if any</p>	<p>₹ 11.32 Lakhs</p> <p>Nil</p>								



C) Manner in which the amount spent during the financial year as detailed below:

S. No	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount Spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads;	Cumulative expenditure up to the reporting period	Amount Spent Direct or through implementation agency
1	Promoting Education	Education	Tamilnadu Udumalpet	₹ 11.53 lakhs	₹ 11.53 lakhs	₹ 32.69 lakhs	Implementing agency 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.	The Company has spent 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.

Place : Coimbatore  
Date : 29.05.2017

**Meenakshi Sundaram Rajkumar**  
Chairman  
(DIN : 06935422)

**Santosh. R**  
Managing Director and  
Chairman of CSR Committee  
(DIN : 00790493)





## ANNEXURE TO DIRECTORS REPORT

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

Disclosure Requirement u/r 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	Particulars		
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. Santossh. R	Managing Director	9.79:1
	Mrs.R.Vimala	Whole-Time Director	4.89:1
	Mrs.Giulia Bosco	Whole-Time Director	6.85:1
	Not paid any remuneration to other Non-Executive Directors		
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 / KMP	Designation	Ratio to median
	Mr. Santossh. R	Managing Director	N A*
	Mrs.R.Vimala	Whole-Time Director	N A*
	Mrs.Giulia Bosco	Whole-Time Director	N A*
	Mr Ramesh K Shenoy	Chief Financial Officer	N A*
	Ms. V Priyadarshini	Company Secretary	N A**
<p>* There is no increase in remuneration for the reporting period</p> <p>** Ms.V.Priyadarshini - Appointed as Company Secretary w.e.f 12.09.2016</p>			
iii Percentage increase in the median remuneration of employees in the financial year	5%		



iv	Number of permanent employees on the rolls of company	439
v	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	<p>The percentage increase in the salaries of employees other than the managerial personnel in the last financial year is 3.28%.</p> <p>There were no changes in the remuneration of Managerial Personnels.</p> <p>The increment given to each individual employee is based on the experience and performance</p>
vi	Affirmation that the remuneration is as per the remuneration policy of the company	Yes



**ANNEXURE 6**

**PART b**

b) Details pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 Particulars of Top Ten Employees in terms of Remuneration drawn:

Sl. No	Name & Age in Years	Designation	Gross Remuneration Paid (in ₹)	Qualification & Experience in years	Date of commencement of employment ( )	Previous Employment
1	Santosh.R (49 years)	Managing Director	12,15,034	MBA (Finance) (23 years)	05.10.1994	-
2	R.Vimala (70 years)	Whole-Time Director	6,00,000	B.Sc (22 years)	23.08.1995	-
3	Giulia Bosco (39 years)	Whole-Time Director	9,71,000	PG in Political Science & Economics (12 years)	07.03.2008	Sanmarco Texmac Private Limited
4	Balu K N (55 years)	Factory Manager	669000	MA (32 years)	08.09.1997	-
5	Ramesh Shenoy.K (49 years)	Chief Financial Officer	700000	B.Com (26 years)	01.08.2007	NEPC Textiles Ltd
6	Saravanan.G (50 years)	Office Executive	399000	M.Com (28 years)	01.10.2007	NEPC Textiles Ltd
7	Damodharan P (51 years)	Administrative Officer	367578	B.Sc, B.Ed. (23 years)	01.09.2004	Rajratana Mills
8	Manoharan.T.G (47 years)	Office Executive	327000	B.Com (23 years)	01.10.2007	NEPC Textiles Ltd
9	Rajkumar R (45 years)	Personnel Officer	308512	M.B.A (H.R),B.ED (23 years)	02.07.2010	Rajratana Mills
10	Muthukumar P (33 years)	Production Incharge	307275	+2 (16 years)	01.08.2009	Marudur Arasi Mills.

\* There are no employees who are in receipt of remuneration in the aggregate of not less than ₹ 1,02,00,000/- if employee throughout the year or ₹ 8,50,000/- per month if employed part of the year. Hence, the disclosure of the same is not applicable.

\* No employee of the company is holding by himself/herself or with his family 2% or more of the company's shares.

\* All employees are permanent in nature.

For and on behalf of the Board

**Meenakshi Sundaram Rajkumar**  
Chairman

Place : Coimbatore

Date : 29.05.2017

(DIN : 06935422)



**Annexure**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**a) INDUSTRY STRUCTURE AND DEVELOPMENTS :**

Textile industries play a very important role in the development of the Indian economy with respect to GDP, Export promotion, employment, etc. It is the one of the oldest manufacturing industry in India. It is the second largest industry after agriculture which provides skilled and unskilled employment.

**b) OPPORTUNITIES & THREATS :**

Your Company is mainly focusing on customized fancy yarn in niche segment and has extended its entry into specialty fibre fancy yarn. Your Company is exporting to most of the countries around the world and exploring new market with new product variants.

The economy world over is still sluggish may have an impact in the performance of textile industry in general.

**c) SEGMENT-WISE PERFORMANCE :**

The main business of your Company is Textiles. The Company has two wind mills of 2.75 MW capacity. The electricity generated from the said WEG is used for captive consumption and takes care of 30% of power requirement at present level of operation. The Company has also a Commercial Complex exclusively for rentals at prime locale with a super built-up area of 28,000 sq. ft. with Ground and four floors. The Company has rented 3 floors and expected to rent the remaining one floor.

**d) OUTLOOK :**

The Indian government has come up with a number of export promotion policies for the textiles sector.

**e) RISKS AND CONCERNS :**

The Company has a risk management process designed to safeguard the organisation from various risks through adequate and timely actions.

Your Company is exposed to all the risks associated with this business in terms of market conditions, timing, inflation, long term economic conditions, etc.

**f) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :**

The company has an Internal Control System commensurate with the size and the nature of its business.

**g) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE :**

Your Company has achieved a Profit before Tax of ₹ 931.12 lakhs from operations on a turnover of ₹12,993.46 lakhs for the year ended 31<sup>st</sup> March 2017.

**h) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT :**

During the year under review, industrial relations at our plant locations remained harmonious. Your Company emphasizes on the safety of people working in its premises. Structured safety meetings were held and safety programs were organized for them throughout the year.



## REPORT ON CORPORATE GOVERNANCE

[In compliance with Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

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

The Company believes in and practices good corporate governance. The Company's philosophy of Code of Corporate Governance is aimed at assisting the top management in the efficient conduct of its business and fulfilling its obligations towards the Government, its shareholders, employees and other stakeholders.

In ensuring strict adherence to the Corporate Governance Code, the Company believes in Integrity, Accountability, Transparency, Confidentiality, Control and Social Responsibility.

### 2. BOARD OF DIRECTORS

#### a. Composition of the Board :

The composition of the Board ensures a judicious mix of Executive, Non-Executive and Independent Directors.

The Board 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 Board Comprises of two Women Directors. The members of the Board are well experienced. The composition of the Company's Board is in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

The names and categories of Directors, their attendance at the Board Meetings held during the year and at the last Annual General Meeting, as also the number of Directorships and Committee positions held by them in other public limited Companies are given below

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	6	Yes	-	-	-
Mrs. Vimala. R	Executive Director Promoter	6	Yes	-	-	-
Mrs. Giulia Bosco	Executive Director-Promoter	6	Yes	1	-	-
Mr. Deepak P Malani	Non-Executive-Independent	6	Yes	-	-	-
Mr. Vasthupal R Mehta	Non-Executive-Independent	6	Yes	-	-	-
Mr. M.S. Rajkumar	Non-Executive-Independent	6	-	-	-	-
Mr. Baba Chandrasekhar. R	Non-Executive-Non-Independent	6	-	-	-	-



# Excludes directorships in Private Companies and Foreign Companies

\$ Only Audit Committee and Stakeholders Relationship Committee has been considered for Committee Positions.

Mr.R.Santosh is the son of Mrs.R.Vimala and husband of Mrs. Guilia Bosco

As per the disclosures received from the Directors, none of the Directors serve as member of Committees of other bodies corporate.

### **Details of the Board meetings held during the financial year 2016-2017**

Six Board meetings were held during the year and the date on which the Board meetings were held are as follows:

Sl. No.	Date of Board Meeting	No of Directors Attended
1	27-05-2016	7
2	12-08-2016	7
3	12.09.2016	7
4	11.11.2016	7
5	19.12.2016	7
6	10.02.2017	7

The information as required under Part A of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is made available to the Board. The Board also reviews the declarations made by the Managing Director and Chief Financial Officer regarding compliance with all applicable laws, on a quarterly basis.

### **Shareholding of Non-Executive Directors**

Name of the Director	No of Shares held (as on 31.03.2017)
Mr. Deepak Padmashi Malani	Nil
Mr. Vasthupal Rajinikant Metha	Nil
Mr. Meenakshi Sundaram Rajkumar	Nil
Mr. Baba Chandrasekhar Ramakrishnan	200

### **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 10<sup>th</sup> February 2017, as required under Schedule IV to The Companies Act, 2013 (Code for Independent Directors) and Regulation 25 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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 at the following web link: [www.lambodharatextiles.com](http://www.lambodharatextiles.com)

### **3. AUDIT COMMITTEE**

The Board has constituted a well-qualified Audit Committee in compliance with Section 177 of the Companies Act, 2013 read with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the members of the Committee are Independent Directors including Chairman. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc.

#### **Terms of Reference:-**

The role, powers and functions of the committee are as per Section 177 of the Companies Act, 2013 and the guidelines set out in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of this committee are as required by SEBI - under Regulation 18 read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Besides having access to all the required information from within the company, the committee can obtain external professional advice whenever required. The Committee acts a link between the statutory and internal auditors and the Board of Directors of the Company.

#### **Composition and Attendance**

During the financial year ended 31<sup>st</sup> March 2017, Four Audit Committee Meetings were held on 27<sup>th</sup> May 2016, 12<sup>th</sup> August 2016, 11<sup>th</sup> November 2016 and 10<sup>th</sup> February 2017. 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 & Designation	Category	No. of Meetings	
		Held	Attended
Mr. Deepak P Malani - Chairman	Non-Executive-Independent	4	4
Mr. Vasthupal R Mehta - Member	Non-Executive-Independent	4	4
Mr. M.S. Rajkumar - Member	Non-Executive-Independent	4	4

The meetings of the Audit Committee are usually attended by the Managing Director, the Company Secretary, the Chief Financial Officer, Internal Auditor and a representative of the Statutory Auditors. The Minutes of the Audit Committee meetings were circulated to the Board, where it was discussed and taken note of.

The quarterly financial results were reviewed by the Committee before submission to the Board. Independent sessions were held with the Statutory and the Internal Auditors to



assess the effectiveness of the audit processes. On quarterly basis, the Committee continues to review whistle-blower complaints, litigations, related party transactions and mitigating controls put in place thereof.

The Chairman of the Audit Committee, Mr. Deepak P Malani was present at the Annual General Meeting of the Company held on 15<sup>th</sup> September, 2016.

#### 4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is constituted in compliance with the requirements of Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 178 of The Companies Act, 2013.

##### Terms of Reference:-

The terms of reference of this committee has been mandated with the same as specified in Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also with the requirement of Section 178 of The Companies Act, 2013.

##### Composition and Attendance during the year

The composition of the Committee and the details of Meetings attended by the Directors during the year are given below

Name of the Members & Designation	Category	No. of Meetings attended during the year
Mr. Deepak P Malani - Chairman	Non-Executive-Independent	2
Mr. Vasthupal R Mehta - Member	Non-Executive-Independent	2
Mr. M.S. Rajkumar - Member	Non-Executive-Independent	2

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 on 12<sup>th</sup> September, 2016 and 10<sup>th</sup> February, 2017.

The Chairman of the Nomination and Remuneration Committee, Mr. Deepak Padmashi Malani was present at the Annual General Meeting of the Company held on 15<sup>th</sup> September, 2016.

##### Performance Evaluation

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 Regulation 19 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.





The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors, who also reviewed the performance of the Board as a whole. The Nomination and Remuneration Committee also reviewed the performance of the Board, its Committees and of the Directors.

Directors were evaluated on aspects such as attendance and contribution/suggestion for effective functioning of the Board/ Committee. The Chairman was also evaluated on key aspects of his role, including encouraging active engagement by all Board members. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

## 5. REMUNERATION OF DIRECTORS

Details of Remuneration paid to the Managing Director and Whole Time Directors of the Company during the financial year ended 31<sup>st</sup> March 2017.

Details of Remuneration	Mr. Santossh. R (Managing Director)	Mrs. Giulia bosco (Whole-Time Director)	Mrs. Vimala R (Whole-Time Director)
Term of Appointment	For a period of five years from 26 <sup>th</sup> September 2014 to 25 <sup>th</sup> September 2019	For a period of five years from 1 <sup>st</sup> October 2013 to 30 <sup>th</sup> September 2018	For a period of five years from 1 <sup>st</sup> October 2014 to 30 <sup>th</sup> September 2019
Salary	12,00,000	8,40,000	6,00,000
Perquisites & Allowances	15,034	1,31,000	-
Commission, Stock option, bonus, pension, performance linked incentives etc.	-	-	-
Notice period and Severance fees	-	-	-

Non-Executive Directors don't have any pecuniary relationship or transactions with the Company.

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

Presently, the Company does not have a stock options scheme for its Directors.

The Company does not pay any remuneration to its Non-Executive Directors including Independent Directors.



## 6. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee was constituted in compliance with the provisions of Section 178 of The Companies Act, 2013 read with Regulation 20 and Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The composition of the above committee and attendance as under

Name of the Members & Designation	Category	No. of Meetings	
		Held	Attended
Mr. Deepak P Malani - Chairman	Non-Executive-Independent	10	10
Mr. Vasthupal R Mehta - Member	Non-Executive-Independent	10	10
Mr. M.S. Rajkumar - Member	Non-Executive-Independent	10	10

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

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, 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.

Ms.Priyadarshini.V, Company Secretary is Compliance Officer of the Company. The minutes of the Investors Relations 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, 2017 no investor complaints were received nor resolved. No investor complaint was pending as on 31<sup>st</sup> March, 2017.

No request for transfer or dematerialization of shares was pending as on 31<sup>st</sup> March, 2017.

Pursuant to Regulation 40(9) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate on half-yearly basis from a Practicing Company Secretary confirming that all certificates have been issued within thirty days of the date of lodgement for transfer or any other purpose and the same has been submitted to the Stock Exchanges within stipulated time.

The Company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders' ("the Code") in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015.



The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

**Corporate Social Responsibility Committee (CSR Committee)**

In compliance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted the Corporate Social Responsibility Committee.

The Committee comprises Sri. Santossh. R, Smt.R.Vimala and Sri.M.S.Rajkumar as members.

The CSR Committee met two times during the year on 06<sup>th</sup> January 2017 and 13<sup>th</sup> February 2017. The necessary quorum was present for all Meetings. The attendance record of the members at the meeting was as follows.

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

The Committee evaluates and recommend the CSR proposals to the Board for approval. The Company formulated CSR Policy, which is uploaded on the website of the Company viz. [www.lambodharatextiles.com](http://www.lambodharatextiles.com)

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 ₹11.32 lakhs and the company has spent ₹11.53 lakhs during the current financial year.

**Management Discussion and Analysis Report:**

Management Discussion and Analysis Report covering matters in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year under review is given as separate annexure in this Annual Report

**7. GENERAL BODY MEETINGS**

The last three Annual General Meeting (AGM) of the Company were held as under:

Year	Date	Time	Venue of meeting
2013-2014	11.09.2014	11.00 AM	Vibha, The Grand Regent 708, Avinashi Road, Coimbatore-641018
2014-2015	09.09.2015	10.00 AM	Vibha, The Grand Regent 708, Avinashi Road, Coimbatore-641018
2015-2016	15.09.2016	11.00 AM	Vibha, The Grand Regent 708, Avinashi Road, Coimbatore-641018



The following are the special resolutions passed at the last three Annual General Meeting

Date of AGM	Summary of Special Resolution passed
11.09.2014	<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 Rs.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.Giulia Bosco, 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>
09.09.2015	<p>Sub-divide each Equity Shares of nominal value of ₹10/- each into two equity shares of ₹ 5/- each fully paid up.</p> <p>Amendment to clause V of the Memorandum of Association (Capital Clause) due to sub-division of the face value of the equity shares.</p> <p>Amendment to Article 3 of the Articles of Association (Capital Clause) due to sub-division of the face value of the equity shares.</p>
15.09.2016	<p>Continuation of the employment of Mrs.Vimala Radhakrishnan (DIN: 00813706) Whole- Time Director after attaining the age of seventy years.</p>

During the year no Extra Ordinary General Meeting was held.

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

#### **8. MEANS OF COMMUNICATION:**

The quarterly and annual results are published in accordance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board approved results are forthwith sent to the National Stock Exchange of India Limited and BSE Limited and also could get published in Business Line (English) and Daily Thanthi (Tamil). Quarterly and Annual financial results and Annual Reports are also available at Company's website viz., [www.lambodharatextiles.com](http://www.lambodharatextiles.com) and at the website of Stock Exchanges viz., [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com)

Whenever any important developments the company release new releases and are displayed on the company's website [www.lambodharatextiles.com](http://www.lambodharatextiles.com) and also forwarded a copy of the same to the Stock Exchanges. There were no specific presentations made to Institutional Investors or to analysts during the period ended 31<sup>st</sup> March 2017.



## 9. GENERAL SHAREHOLDER INFORMATION

### a. 23rd Annual General Meeting

Date : 22<sup>nd</sup> September 2017

Time : 10.00 AM

Venue : Vibha, The Grand Regent, 708, Avinashi Road, Coimbatore - 641 018

**b. Financial Year :** The Company follows April to March as its financial year. The results for every quarter beginning from 1<sup>st</sup> April 2016 are declared within the time line as per the listing regulations.

**c. Dividend payment date :** Dividend, when declared, will be payable on 26<sup>th</sup> September, 2017 to those members whose names are registered as such in the Register of Members of the Company as on 16<sup>th</sup> September, 2017 and to the Beneficiary holders as per the beneficiary list as on 15<sup>th</sup> September, 2017 provided by the NSDL and CDSL

**d. Listing on Stock Exchange:** The Company's equity shares are listed on the National Stock Exchange of India Limited (NSE), Exchange Plaza, 5th Floor, C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400051 and are traded in "BSE Indonext" platform of BSE Limited, P.J.Towers, Dalal Street, Fort, Mumbai - 400001.

Annual Listing Fees for the year 2017-18 was paid to National Stock Exchange of India Limited. Custodial Fees to Depositories for the year 2017-18 were paid to National Securities Depository Limited and Central Depository Services (India) Limited.

### e. Stock Code / Symbol

NSE : LAMBODHARA

BSE Indonext : 590075

ISIN Number for NSDL & CDSL : INE112F01022

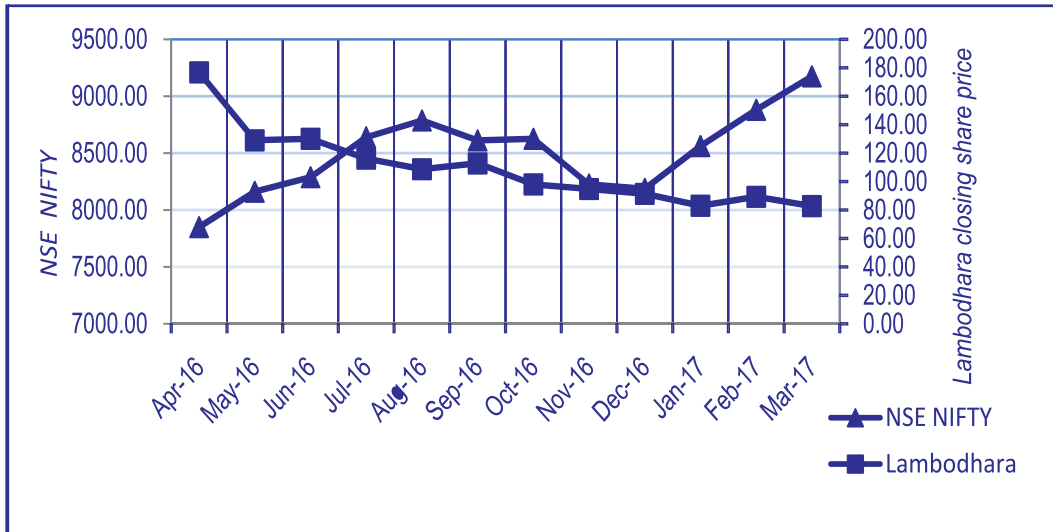
**f. Market Price Data :** The monthly high and low price of shares traded on the National Stock Exchange of India Limited and BSE-Indonext are as follows;

Month	National Stock Exchange of India			BSE Indonext		
	High	Low	Volume of Share Traded	High	Low	Volume of Share Traded
Apr-16	176.80	122.20	11992940	176.70	122.30	2723260
May-16	129.00	105.00	1704001	128.70	104.85	729203
Jun-16	130.05	103.35	4193323	130.00	104.20	910939
Jul-16	116.10	103.55	1274297	116.10	90.60	320474
Aug-16	108.70	91.25	1392710	110.00	91.00	272640
Sep-16	112.80	91.95	1910117	113.20	92.60	324834
Oct-16	98.00	87.60	318076	99.00	92.00	80830
Nov-16	94.80	60.60	1352742	95.95	61.00	321956
Dec-16	91.35	67.25	801809	91.00	67.05	208657
Jan-17	83.00	67.50	429029	82.30	69.55	109194
Feb-17	89.30	75.00	943918	89.35	75.80	229693
Mar-17	82.75	74.00	347375	82.50	74.00	103027

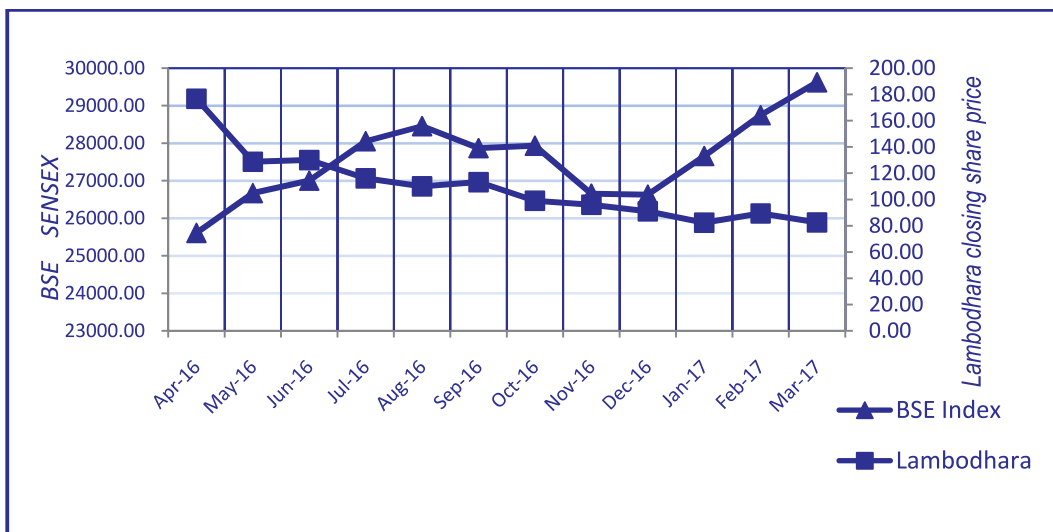


g. Performance of Company's Stock Price vis-à-vis NSE Nifty

The performance of your Company's Stock relative to the NSE Nifty is in the chart given below



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





- h. The securities of the Company have never been suspended from trading.  
 i. **Registrar & Share Transfer Agent: (For both physical & demat segments)**

M/s. S.K.D.C. Consultants Limited

Kanapathy Towers, III Floor, 1391/A1, Sathy Road, Ganapathy, Coimbatore - 641 006

Phone: +91 422 4958995 Fax: +91 422 2539837

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

**j. 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.S.K.D.C. 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.S.K.D.C. 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.

**k. Distribution of Shareholding as on 31.03.2017:**

Shareholding range	No of Holders	% of share holders	No of Shares	% of share holding
1 - 500	5427	82.69	682795	7.52
501 - 1000	633	9.65	528502	5.82
1001 - 2000	293	4.47	462056	5.10
2001 - 3000	72	1.10	188356	2.08
3001 - 4000	62	0.94	224295	2.47
4001 - 5000	19	0.29	87317	0.96
5001 - 10000	34	0.52	240943	2.65
10001 and above	22	0.34	6663336	73.40
<b>Total</b>	<b>6562</b>	<b>100.00</b>	<b>9077600</b>	<b>100.00</b>

**Shareholding Pattern as on 31.03.2017**

Shares held by	No of Holders	No of Shares	% of shareholding
Promoters and Promoters Group	4	62,15,106	68.47
Mutual Funds	1	7,445	0.08
Financial Institutions / Banks	1	5,778	0.06
Bodies Corporate	123	2,54,691	2.81
Public	6137	23,90,799	26.34
Non-Resident Indians:Non-Repartition	10	1,436	0.02
Non-Resident Indians:Repartition	51	28,490	0.31
Clearing Members	132	1,03,468	1.14
Hindu Undivided Families	103	70,387	0.78
<b>Total</b>	<b>6562</b>	<b>90,77,600</b>	<b>100.00</b>



**I. Dematerialisation of shares and liquidity**

As on 31<sup>st</sup> March, 2017 96.05% of the equity shares have been dematerialised. 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. Considering the advantages of demat trading, shareholders are requested to consider dematerialization of their shares so as to avoid inconvenience in future.

Particulars	No. of Holders	No. of Shares	% of shareholding
National Securities Depository Limited	3533	70,01,477	77.13
Central Depository Services Limited	2807	17,17,523	18.92
Physical Form	224	3,58,600	3.95
<b>Total</b>	<b>6564</b>	<b>90,77,600</b>	<b>100.00</b>

**m. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments**

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

**n. Commodity price risk or foreign exchange risk and hedging activities**

The Company is an exporter, hence forex risks are naturally hedged.

**o. 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.

Commercial Complex at : 1334, Avinashi Road, Peelamedu, Coimbatore - 641004.

**p. Address for Correspondence:**

**Registrar and Share Transfer Agent**

M/s. S.K.D.C. Consultants Limited,

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

Phone: +91 422 4958995 Fax: +91 422 2539837

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

**Registered Office of the Company**

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,





## 10. DISCLOSURES:

### (a) Related party Transactions

During the year there were no materially significant transactions with the related parties that may have potential conflict with the interests of the Company at large.

Related party transactions have been disclosed in notes to the financial statements. Omnibus approval was obtained for transactions which were repetitive in nature. Transactions entered into pursuant to omnibus approval were placed before the Audit Committee for its review during the year.

The Company has a Related Party Transaction Policy in place, which has been posted on the website of the Company [www.lambodharatextiles.com](http://www.lambodharatextiles.com).

### (b) Details of non-compliance by the company, penalties, and 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.

### (c) Vigil mechanism and Whistle Blower Policy

The Company has Whistle Blower Policy for establishing a vigil mechanism to report genuine concerns regarding unethical behavior, mismanagement, 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. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy of the Company has been posted on the website of the Company.

### (d) Details of compliance with mandatory requirements and adoption of the non mandatory Requirements.

All the mandatory requirements have been complied with as stated in this report on Corporate Governance. There is no non-compliance with any requirement of corporate governance report of sub-paras (2) to (10) of the Corporate Governance report as given in Schedule V(C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has also followed the non-mandatory requirement of Reporting of internal auditors to Audit Committee as recommended under Regulation 27(1) read with Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### (e) Material Subsidiaries: The Company does not have any subsidiaries as defined under Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### (f) Disclosure of Commodity price risks and commodity hedging activities

The Company has price review mechanism to protect against material movement in



price of raw materials.

### **Disclosure of Accounting Treatment**

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

### **Risk Management**

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

11. There has been no instance of non-compliance of any requirement of Corporate Governance Report.

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub - regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **Certificate from CEO/CFO**

The CEO and CFO certification of the financial statements for the year has been submitted to the Board of Directors, in its meeting held on 29<sup>th</sup> May, 2017 as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **Code of Conduct**

The Board has laid down a Code of Conduct for all Board members and senior management which is posted on the website of the Company. All Board members and senior management personnel have affirmed the compliance with the Code of Conduct. A declaration to this effect signed by the Managing Director, forms part of this Annual report. Code of conduct of Board of Directors and Senior Management Personnel are available in Company's website: [www.lambodharatextiles.com](http://www.lambodharatextiles.com)

The Directors and Senior Management of the Company 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.  
For and on behalf of the Board

**Meenakshi Sundaram Rajkumar**

Chairman

Place : Coimbatore

Date : 29.05.2017

(DIN : 06935422)

### **Declaration for Code of Conduct**

I, Santossh. R, Managing Director of Lambodhara Textiles Limited, declare that all the members of the Board of Directors and Senior Management have, for the year ended 31<sup>st</sup> March, 2017 affirmed compliance with the Code of Conduct laid down by the Board of Directors and Senior Management in terms of Regulation 26(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

By Order of the Board,

Place : Coimbatore

Date : 29.05.2017

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

Managing Director

(DIN : 00790493)



## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

### **The Members of Lambodhara Textiles Limited**

We have examined the compliance of conditions of Corporate Governance by Lambodhara Textiles Limited ('the Company'), for the year ended 31<sup>st</sup> March 2017, as per regulations 17-27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and other Assurance and Related services engagements.

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 specified in Regulations 17-27, clauses (b) to (i) of sub regulation (2) of regulation 46 and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable.

We state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on use

This Certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

for **MOHAN & VENKATARAMAN**

Chartered Accountants

FRN : 007321S

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

Partner

M.No.201229

Place : Coimbatore

Date : 29.05.2017



## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF LAMBODHARA TEXTILES LIMITED

#### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Lambodhara Textiles Limited ('the Company'), which comprise the balance sheet as at 31<sup>st</sup> March 2017, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation 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 relevant rules issued thereunder. 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 standalone 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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



## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2017 and its profit and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;
  - (e) on the basis of the written representations received from the Directors as on 31<sup>st</sup> March 2017 taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March 2017 from being appointed as a Director in terms of Section 164 (2) of the Act;
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company 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;
    - ii. the Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
    - iii. there are no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company as at the year end.
    - iv. the Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 Refer Note 18 (16) to the financial statements and these are in accordance with the books of accounts maintained by the Company.

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

(sd/-)

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

Membership No.:201229

Place : Coimbatore

Date : 29.05.2017



## ANNEXURE A TO THE AUDITOR'S REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year (except stock lying with third parties and in transit, confirmation / subsequent receipt has been obtained in respect of such inventory) and no material discrepancies were noted on physical verification.
- (iii) The Company has not granted any loans to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public.
- (vi) The company has maintained the cost records prescribed by the Central Government under Section 148 (1) of the Act, however, we have not made detailed examination of such records.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.  
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31<sup>st</sup> March 2017 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 income tax, sales tax, service tax, duty of customs, duty of excise, value added tax 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 13-14	₹ Nil	CIR, Appeals I, CBE
Income Tax- AY 14-15	₹ 12750	ITO, Corporate Ward-2, CBE
TNVAT – 2007 - 2014	₹ 5567554	CTO, Enforcement

- (viii) The Company has not defaulted in repayment of loans or borrowings from any financial institution, banks, government or debenture holders during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year and the term loans received during the year were applied for the purposes for which the loans were obtained.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

(sd/-)

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

Membership No.:201229

Place : Coimbatore

Date : 29.05.2017



## **ANNEXURE - B TO THE AUDITOR'S REPORT**

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

We have audited the internal financial controls over financial reporting of Lambodhara Textiles Limited ("the Company") as of 31<sup>st</sup> March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of





financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and Directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Mohan & Venkataraman  
Chartered Accountants**

**FRN: 007321S**

(sd/-)

**R.Mohan**

**Partner**

Membership No.:201229

Place : Coimbatore

Date : 29.05.2017

**BALANCE SHEET AS AT 31<sup>st</sup> March 2017**

Particulars	Note No.	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
<b>I EQUITY AND LIABILITIES</b>		<b>₹ in lakhs</b>	<b>₹ in lakhs</b>
1. SHARE HOLDERS FUNDS			
(a) Share Capital	1	453.88	453.88
(b) Reserves and Surplus	2	3,560.57	2,975.22
(c) Monies Received against Share Warrants		-	-
		<u>4,014.45</u>	<u>3,429.10</u>
2. SHARE APPLICATION MONEY			
PENDING ALLOTMENT		-	-
3. NON CURRENT LIABILITIES			
(a) Long-term borrowings	3	3,240.10	3,811.22
(b) Deferred tax liabilities (net)		481.61	449.03
(c) Other Long term liabilities		52.30	35.80
(d) Long-term provisions	4	51.23	43.62
		<u>3,825.25</u>	<u>4,339.67</u>
4. CURRENT LIABILITIES			
(a) Short-term borrowings	5	1,240.35	589.63
(b) Trade payables	6	300.60	303.11
(c) Other current liabilities	7	959.02	636.39
(d) Short-term provisions	8	391.37	293.82
		<u>2,891.34</u>	<u>1,822.94</u>
<b>TOTAL</b>		<b><u>10,731.04</u></b>	<b><u>9,591.70</u></b>
<b>II ASSETS</b>			
1. NON CURRENT ASSETS			
(a) Fixed assets	9		
(i) Tangible assets		6,576.43	6,540.07
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	288.02
		<u>6,576.43</u>	<u>6,828.09</u>
(b) Non-current investments	10	6.86	20.21
(c) Long-term loans and advances	11	264.51	236.23
(d) Other non-current assets		-	-
		<u>6,847.81</u>	<u>7,084.53</u>
2. CURRENT ASSETS			
(a) Current investments		-	-
(b) Inventories	12	1,758.87	868.43
(c) Trade receivables	13	1,220.56	1,054.93
(d) Cash and cash equivalents	14	133.98	164.95
(e) Short-term loans and advances	15	698.10	340.75
(f) Other current assets	16	71.72	78.11
		<u>3,883.23</u>	<u>2,507.18</u>
<b>TOTAL</b>		<b><u>10,731.04</u></b>	<b><u>9,591.70</u></b>
Significant Accounting Policies and Notes on accounts form part of these financials	26		

Vide Our Report of even date for **Mohan & Venkataraman** Chartered Accountants  
FRN : 007321S

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

Place : Coimbatore  
Date : 29.05.2017

(Sd/-) **Meenakshi Sundaram Rajkumar**  
Chairman  
(DIN : 06935422)

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

(Sd/-) **Priyadarshini. V**  
Company Secretary

(Sd/-) **Santosh. 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 2017**

Particulars	Note No.	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
		<b>₹ in Lakhs</b>	<b>₹ in Lakhs</b>
I. REVENUE FROM OPERATIONS	17	12,993.46	11,878.63
II. OTHER INCOME	18	111.27	34.40
<b>III. TOTAL REVENUE (I+II)</b>		<b>13,104.73</b>	<b>11,913.02</b>
IV. EXPENSES			
Cost of Material Consumed	19	7,898.20	6,996.30
Purchase of Stock in Trade	20	166.76	52.10
Changes in inventories of finished goods,			
Work-in-Progress and Stock-in-Trade	21	(236.45)	51.03
Employee Benefits Expenses	22	746.07	586.48
Finance Costs	23	274.56	549.01
Depreciation and amortisation expenses		608.08	598.16
Other Expenses	24	2,716.39	2,407.33
<b>Total Expenses</b>		<b>12,173.61</b>	<b>11,240.42</b>
V. PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX		<b>931.12</b>	<b>672.60</b>
VI. CORPORATE SOCIAL RESPONSIBILITY EXPENSES		11.53	10.62
VII. TAX EXPENSE			
Current Tax		192.39	140.92
Deferred Tax	25	32.58	71.32
VIII. PROFIT OR (LOSS) FOR THE YEAR (V) - (VI)		694.61	449.74
IX. EARNINGS PER SHARE		7.65	4.95

Significant Accounting Policies and Notes on accounts form part of these financials 26

Vide Our Report of even date for **Mohan & Venkataraman** Chartered Accountants  
FRN : 007321S

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

Partner

M.No.201229

Place : Coimbatore

Date : 29.05.2017

(Sd/-) **Meenakshi Sundaram Rajkumar**  
Chairman  
(DIN : 06935422)

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

(Sd/-) **Priyadarshini. V**  
Company Secretary

(Sd/-) **Santosh. 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 2017 ₹ in Lakhs	As at 31 <sup>st</sup> March 2016 ₹ in Lakhs
<b>a) Authorised</b>		
10000000 Equity shares (P.Y.10000000@₹5) of ₹ 5 each with voting rights	500.00	500.00
<b>b) Issued</b>		
9077600 Equity shares (P.Y. 9077600 @₹5) of ₹ 5 each with voting rights	453.88	453.88
<b>c) Subscribed and fully paid up</b>		
9077600 Equity shares (P.Y. 9077600@₹5) of ₹ 5 each with voting rights	453.88	453.88
<b>Total</b>	<b>453.88</b>	<b>453.88</b>

During previous year each equity shares of the nominal value of ₹ 10/- each existing is sub divided into 2 equity shares on the nominal value of Rs. 5/- each with effect from 15<sup>th</sup> October 2015.

**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 2017 No. of Shares	As at 31 <sup>st</sup> March 2016 No. of Shares
Shares outstanding at the beginning of the year	9,077,600	4,538,800
Add : Face value split during the previous year (From ₹ 10 to ₹ 5)	-	4,538,800
Shares outstanding at the end of the year	9,077,600	9,077,600

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

Class of Shares / Name of Shareholder	As at 31 <sup>st</sup> March 2017		As at 31 <sup>st</sup> March 2016	
	No. of Shares	% holding	No. of Shares	% holding
The company has only one class of equity shares having at par value of ₹ 5 per share. Each share holder is eligible for one vote per share				
Giulia Bosco	464,000	5.11	464,000	5.11
Shri. Santossh. R	2,782,506	30.65	2,782,506	30.65
Strike Right Integrated Services Limited	2,920,600	32.17	2,920,600	32.17

**NOTE 2 - RESERVES AND SURPLUS**

Particulars	As at 31 <sup>st</sup> March 2017 ₹ in Lakhs	As at 31 <sup>st</sup> March 2016 ₹ in Lakhs
<b>(a) Securities Premium Reserve</b>		
As per last balance sheet	222.60	222.60
Add: On issue of shares	-	-
Closing balance	<u>222.60</u>	<u>222.60</u>
<b>(a) Revaluation reserve</b>		
As per last balance sheet	769.01	769.01
Closing balance	<u>769.01</u>	<u>769.01</u>
<b>(b) Other reserve</b>		
<b>General reserve</b>		
Opening balance	84.15	72.90
Add: Additions during the year	17.37	11.25
Less: Utilised / transferred during the year	-	-
Closing balance	<u>101.52</u>	<u>84.15</u>
<b>c) Surplus in Statement of Profit and Loss</b>		
Opening balance	1,899.46	1,542.91
Add: Profit (loss) for the year	694.61	449.74
Transfer to General reserve	17.37	11.25
Proposed Dividend on Equity Shares (Dividend Per Share ₹ 1/- (Previous Year ₹ 0.75))	90.78	68.08
Tax on Dividend	18.48	13.86
Closing balance	<u>2,467.44</u>	<u>1,899.46</u>
<b>Total</b>	<u>3,560.57</u>	<u>2,975.22</u>

**NOTE 3 - LONG TERM BORROWINGS**

Particulars	As at 31 <sup>st</sup> March 2017 ₹ in Lakhs	As at 31 <sup>st</sup> March 2016 ₹ in Lakhs
<b>a) Secured</b>		
Term Loans from banks		
Foreign currency Loans	2,190.75	1,788.29
Other Loans	392.63	1,400.08
Long term maturities of finance lease obligations	46.68	7.46
<b>b) Unsecured</b>		
Deposits	-	-
Loans and advances from related parties	610.04	615.40
<b>Total</b>	<u>3,240.10</u>	<u>3,811.22</u>

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

3.1. FCNRR Term loan - I from State Bank of India is secured by First charge on entire assets created out of the term loan. Total outstanding as on 31.03.2017 is ₹ 676.26 lakhs (Previous year ₹ 877.80 lakhs) Term Loan - I is payable in 36 installments commencing from November 2016. Last installment is due in October 2019.



- 3.2 Term Loan - II from State Bank of India is secured by first charge on entire assets created out of the term loan. Total outstanding as on 31.03.2017 is ₹ 470.43 lakhs (Previous year ₹ 605.43 lakhs). Term Loan - II is payable in 84 installments commencing from October 2013. Last installment is due in September 2020.
- 3.3 FCNBR 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 31.03.2017 is ₹ 1018.90 lakhs (Previous year ₹ 1049.94 lakhs). Term Loan - III is payable in 31 installments commencing from April 2017. Last installment is due in October 2019.
- 3.4 FCNBR Term Loan - I from Bank of India is secured by First charge on Windmill and Windmill Land. Total outstanding as on 31.03.2017 is ₹ 365.07 lakhs (Previous year ₹ 455.46 lakhs). Term Loan is payable in 108 installments commencing from March 2013. Last installment is due in February 2022.
- 3.5 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 31.03.2017 is ₹ 172.65 lakhs (Previous year ₹ 215.53 lakhs). Term Loan - II is payable in 84 monthly installments commencing from April 2015. Last installment is due in March 2022.
- 3.6 Term loan - III from Bank of India is secured by Residential apartment purchased out of term loan. Total outstanding as on 31.03.2017 is ₹ 62.48 (Previous year ₹ 67.30 lakhs). Term Loan - III is payable in 137 installments commencing from April 2014. Last installment is due in August 2025.
- 3.7. Term loan - IV from Bank of India is secured first charge on entire assets created out of term loan. Total outstanding as on 31.03.2017 is ₹ 298.67 (Previous year ₹ 374.71 lakhs) Term Loan - IV is payable in 72 installments commencing from January 2016. Last installment is due in December 2022.
- 3.8. 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 11.24 lakhs shares of the company held by him as collateral security for the loan sanctioned by State Bank of India and 10.5 lakhs shares of the company held by him as collateral security for the loan sanctioned by Bank of India. sStrikeright Intergrated 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.
- 3.9. Installments falling due in respect of all the above Loans upto 31.03.2017 have been grouped under "Current maturities of long-term debt" (Refer Note 7 (a))

#### **NOTE 4 - LONG TERM PROVISIONS**

Particulars	As at 31 <sup>st</sup> March 2017 ₹ in Lakhs	As at 31 <sup>st</sup> March 2016 ₹ in Lakhs
(a) Provision for employee benefits		
(i) Provision for gratuity (Unfunded)	51.23	43.62
<b>Total</b>	<b>51.23</b>	<b>43.62</b>

**NOTE 5 - SHORT TERM BORROWINGS**

Particulars	As at 31 <sup>st</sup> March 2017 ₹ in Lakhs	As at 31 <sup>st</sup> March 2016 ₹ in Lakhs
a) Loans repayable on demand		
From banks (Secured)		
Foreign currency Loans	475.76	1.63
Other Loans	764.59	587.99
<b>Total</b>	<b>1,240.35</b>	<b>589.63</b>

- 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.
- Bank of India has sanctioned working capital facilities against paripassu charge on the Inventories and book debts.

**NOTE 6 - TRADE PAYABLE**

Particulars	As at 31 <sup>st</sup> March 2017 ₹ in Lakhs	As at 31 <sup>st</sup> March 2016 ₹ in Lakhs
Total outstanding dues of Micro enterprises & Small enterprises	-	-
Total outstanding dues other than Micro enterprises & Small enterprises	300.60	303.11
<b>Total</b>	<b>300.60</b>	<b>303.11</b>

There are no Micro and Small Enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at 31<sup>st</sup> March 2017. 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.

**NOTE 7 - OTHER CURRENT LIABILITIES**

Particulars	As at 31 <sup>st</sup> March 2017 ₹ in Lakhs	As at 31 <sup>st</sup> March 2016 ₹ in Lakhs
(a) Current maturities of long-term debt	788.31	457.83
(b) Current maturities of finance lease obligations	34.91	24.02
(c) Interest accrued but not due on borrowings	14.71	15.11
(d) Interest accrued and due on borrowings	-	-
(e) Unpaid dividends *	7.73	6.42
(f) Other payables		
i) Duties and taxes	16.38	17.04
ii) Advances from customers	21.87	10.63
iii) Credit balance in Scheduled Banks (Current accounts)	-	-
iv) Others		
Creditors for capital goods	7.38	15.08
Outstanding Expenses	67.72	90.25
<b>Total</b>	<b>959.02</b>	<b>636.39</b>

\*There is no amount due and outstanding to be credited to the Investor Education and Protection Fund as at 31<sup>st</sup> March, 2017

**NOTE 8 - SHORT TERM PROVISIONS**

Particulars	As at 31 <sup>st</sup> March 2017 ₹ in Lakhs	As at 31 <sup>st</sup> March 2016 ₹ in Lakhs
a) Provision for employee benefits		
i) Gratuity (Unfunded)	2.53	2.29
ii) Others	86.64	68.67
b) Others		
i) Provision for taxation	211.41	154.78
ii) Provision for Dividend	90.78	68.08
<b>Total</b>	<b>391.37</b>	<b>293.82</b>



**NOTE 9 - FIXED ASSETS** ₹ in Lakhs

NAME OF THE ASSET	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	AS ON 01.04.2016	ADDI- TIONS	SALE / TRANSFER	COST AS AT 31.03.2017	UPTO 31.03.2016	During the year 2016-17	WITH- DRAWN	UPTO 31.03.2017	UPTO 31.03.2017	UPTO 31.03.2016
01. LAND	927.51	0.00	0.00	927.51	0.00	0.00	0.00	0.00	927.51	927.51
02. BUILDING	1749.66	365.29	0.00	2114.94	268.17	46.52	0.00	314.69	1800.26	1481.49
03. WIND MILL	1546.93	0.00	0.00	1546.93	329.21	64.94	0.00	394.15	1152.78	1217.72
04. PLANT AND MACHINERY	4977.92	216.32	57.87	5136.37	2239.48	456.03	42.81	2652.69	2483.68	2738.45
05. FURNITURE AND FIXTURES	52.82	0.55	0.00	53.37	23.25	5.75	0.00	29.00	24.37	29.57
06. OFFICE EQUIPMENT	61.12	4.85	0.24	65.72	42.87	7.68	0.23	50.32	15.40	18.25
07. VEHICLES	212.38	97.69	42.28	267.79	85.29	27.17	17.11	95.36	172.43	127.09
<b>TOTAL OF FIXED ASSETS</b>	<b>9528.34</b>	<b>684.69</b>	<b>100.39</b>	<b>10112.64</b>	<b>2988.27</b>	<b>608.08</b>	<b>60.15</b>	<b>3536.21</b>	<b>6576.43</b>	<b>6540.07</b>
<b>PREVIOUS YEAR</b>	<b>8446.93</b>	<b>1135.58</b>	<b>54.17</b>	<b>9528.34</b>	<b>2436.52</b>	<b>598.16</b>	<b>46.42</b>	<b>2988.27</b>	<b>6540.07</b>	<b>6010.41</b>
<b>WORK IN PROGRESS</b>										
<b>GROSS BLOCK</b>										
	<b>AS ON 31.03.2016</b>	<b>ADDITIONS</b>	<b>SALE / TRANSFER</b>	<b>COST AS AT 31.03.2017</b>						
01. BUILDING - WIP	288.02	77.27	365.29	0.00						
<b>TOTAL</b>	<b>288.02</b>	<b>77.27</b>	<b>365.29</b>	<b>0.00</b>						
<b>PREVIOUS YEAR</b>	<b>373.34</b>	<b>998.11</b>	<b>1083.43</b>	<b>288.02</b>						



**NOTE 10 - NON CURRENT INVESTMENTS**

Particulars	As at 31 <sup>st</sup> March 2017 ₹ in Lakhs	As at 31 <sup>st</sup> March 2016 ₹ in Lakhs
a) Trade investments		
In Equity Shares - Unquoted, fully paid (Nil) shares in Mytrah Vayu (Manjira) Private Limited (P.Y 180000 shares)	-	18.00
In Equity Shares - Unquoted, fully paid 6500 shares in OPG Energy Private Limited (P.Y. 6500 shares)	2.21	2.21
In Equity Shares - Unquoted, fully paid 42300 shares in OPG Power Generation Private Limited (P.Y. Nil shares)	4.65	-
b) Other investments	-	-
<b>Total</b>	<b>6.86</b>	<b>20.21</b>
Aggregate amount of unquoted investments.	<b>6.86</b>	<b>20.21</b>

**NOTE 11 - LONG TERM LOANS & ADVANCES**

Particulars	As at 31 <sup>st</sup> March 2017 ₹ in Lakhs	As at 31 <sup>st</sup> March 2016 ₹ in Lakhs
a) Capital advances		
Advance for Capital goods (Unsecured considered good)	82.77	43.65
b) Security Deposits		
Security Deposits (Unsecured considered good)	181.74	192.58
c) Loans and advances to related parties	-	-
d) Other loans & advances	-	-
<b>Total</b>	<b>264.51</b>	<b>236.23</b>

**NOTE 12 - INVENTORIES**

Particulars	As at 31 <sup>st</sup> March 2017 ₹ in Lakhs	As at 31 <sup>st</sup> March 2016 ₹ in Lakhs
a) Raw materials		
Yarn	9.08	0.89
Fibre	1,035.25	406.74
Fibre - Stock in Transit	11.96	-
Cotton	5.46	1.73
b) Work-in-progress	199.58	154.49
c) Finished goods		
Yarn	482.03	291.67
Stock in Transit	-	-
d) Stock in Trade	-	-
e) Stores and spares	10.05	8.46
f) Others		
i) Stock of waste	5.46	4.45
<b>Total</b>	<b>1,758.87</b>	<b>868.43</b>

**Mode of valuation: Refer Note 26 (4) in Significant Accounting Policies**

**NOTE 13 - TRADE RECEIVABLES**

Particulars	As at 31 <sup>st</sup> March 2017 ₹ in Lakhs	As at 31 <sup>st</sup> March 2016 ₹ in Lakhs
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured & considered good	-	132.04
Other Trade receivables		
Unsecured & considered good	1,220.56	922.89
<b>Total</b>	<b>1,220.56</b>	<b>1,054.93</b>

**NOTE 14 - CASH AND CASH EQUIVALENTS**

Particulars	As at 31 <sup>st</sup> March 2017 ₹ in Lakhs	As at 31 <sup>st</sup> March 2016 ₹ in Lakhs
a) Cash and Cash Equivalents		
i) Balances with banks		
Current Accounts	20.21	14.24
Fixed deposit balance	95.00	100.00
ii) Cash on hand	1.73	34.98
b) Other bank balances		
i) Unpaid dividend	7.73	6.42
ii) Balances with banks to the extent held as margin money (Margin money for bank guarantee) (Maturity after 12 months)	-	-
(Margin money for Letter of credit) (Maturity before 12 months)	9.32	9.32
<b>Total</b>	<b>133.98</b>	<b>164.95</b>

**NOTE 15 - SHORT TERM LOANS AND ADVANCES**

Particulars	As at 31 <sup>st</sup> March 2017 ₹ in Lakhs	As at 31 <sup>st</sup> March 2016 ₹ in Lakhs
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	386.16	50.50
ii) For Expenses / others	46.92	48.70
iii) For Duties & Taxes	207.05	188.25
iv) Prepaid Expenses	57.97	53.30
<b>Total</b>	<b>698.10</b>	<b>340.75</b>

**NOTE 16 - OTHER CURRENT ASSETS**

Particulars	As at 31 <sup>st</sup> March 2017 ₹ in Lakhs	As at 31 <sup>st</sup> March 2016 ₹ in Lakhs
i) Interest accrued on deposits	3.45	0.13
ii) Export Duty receivable	34.91	11.99
iii) Interest receivable on Trade receivables	2.09	-
iv) Interest and Interest subsidy receivable from banks	25.52	65.39
v) Windmill Energy income receivable	5.76	0.61
<b>Total</b>	<b>71.72</b>	<b>78.11</b>

**NOTE 17 - REVENUE FROM OPERATIONS**

Particulars	For the year ended 31 <sup>st</sup> March 2017 ₹ in Lakhs	For the year ended 31 <sup>st</sup> March 2016 ₹ in Lakhs
a) Sale of products (Refer Note (i) below)	12,421.97	11,528.42
b) Sale of services	-	-
c) Other operating revenues		
i) Wind mill - Electricity captive consumption value	371.87	209.23
ii) Sales of waste and scrap	25.57	29.19
iii) Duty drawback	140.35	93.35
iv) Other incentives from government	34.57	19.49
d) Less : Excise duty	0.86	1.05
<b>Total</b>	<b>12,993.46</b>	<b>11,878.63</b>

**Note (i) Sale of products**

Finished goods		
Yarn	12,256.12	11,473.07
Traded goods		
Yarn	165.85	55.36
<b>Total</b>	<b>12,421.97</b>	<b>11,528.42</b>

**NOTE 18 - OTHER INCOME**

Particulars	For the year ended 31 <sup>st</sup> March 2017 ₹ in Lakhs	For the year ended 31 <sup>st</sup> March 2016 ₹ in Lakhs
a) Interest income	26.63	13.58
b) Other non-operating income (net of expenses directly attributable to such income)		
i) Exchange Fluctuation Gain	-	-
ii) Profit on Sale of Assets	0.38	1.97
iii) Rental income	78.78	14.48
iv) Other income	5.49	4.36
<b>Total</b>	<b>111.27</b>	<b>34.40</b>



**NOTE 19 - COST OF MATERIALS CONSUMED**

Particulars	For the year ended 31 <sup>st</sup> March 2017 ₹ in Lakhs	For the year ended 31 <sup>st</sup> March 2016 ₹ in Lakhs
Opening stock	409.36	734.08
Add: Purchases	8579.23	6614.78
Freight on raw materials	62.30	56.80
	<u>9050.88</u>	<u>7405.65</u>
Less: Sales of Fibre and Cotton	90.92	-
Less: Closing stock	1061.76	409.36
<b>Cost of material consumed (Refer note 1 below)</b>	<b><u>7898.20</u></b>	<b><u>6996.30</u></b>

**Note - 1**

**Details of Raw material consumed**

Imported	712.80	317.99
Indigenous	7,123.11	6621.51
	<u>7,835.90</u>	<u>6,939.50</u>

**Details of Raw material consumed**

Yarn	178.02	177.91
Fibre	7,612.15	6714.94
Cotton	45.73	46.64
<b>Total</b>	<b><u>7,835.90</u></b>	<b><u>6,939.50</u></b>

**NOTE 20 - PURCHASES OF STOCK IN TRADE**

Particulars	For the year ended 31 <sup>st</sup> March 2017 ₹ in Lakhs	For the year ended 31 <sup>st</sup> March 2016 ₹ in Lakhs
Yarn Purchase	166.76	52.10
<b>Total</b>	<b><u>166.76</u></b>	<b><u>52.10</u></b>

**NOTE 21 - CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE**

Particulars	For the year ended 31 <sup>st</sup> March 2017 ₹ in Lakhs	For the year ended 31 <sup>st</sup> March 2016 ₹ in Lakhs
<b>Opening stock</b>		
Finished goods	291.67	294.90
Finished goods - Stock in Transit	-	-
Work-in-progress	154.49	202.08
Waste	4.45	4.66
Stock in Trade	-	-
	<u>450.61</u>	<u>501.64</u>
<b>Closing stock</b>		
Finished goods	482.03	291.67
Finished goods - Stock in Transit	-	-
Work-in-progress	199.58	154.49
Waste	5.46	4.45
Stock in Trade	-	-
	<u>687.06</u>	<u>450.61</u>
<b>Net (increase) / decrease</b>	<b><u>(236.45)</u></b>	<b><u>51.03</u></b>

**NOTE 22 - EMPLOYEE BENEFITS EXPENSES**

Particulars	For the year ended 31 <sup>st</sup> March 2017 ₹ in Lakhs	For the year ended 31 <sup>st</sup> March 2016 ₹ in Lakhs
a) Salaries, Wages, Bonus etc.	605.36	448.06
b) Managerial Remuneration	26.55	26.55
c) Contribution to Provident fund and other funds	25.82	26.03
d) Gratuity as per actuarial valuations	8.59	6.61
e) Staff welfare expenses	79.75	79.24
<b>Total</b>	<b>746.07</b>	<b>586.48</b>

**NOTE 23 - FINANCE COST**

Particulars	For the year ended 31 <sup>st</sup> March 2017 ₹ in Lakhs	For the year ended 31 <sup>st</sup> March 2016 ₹ in Lakhs
a) Interest expense	339.17	457.59
b) Other borrowing costs	30.24	35.54
c) Net (gain) / loss on foreign currency transactions and translation (considered as finance cost)	(94.85)	55.89
<b>Total</b>	<b>274.56</b>	<b>549.01</b>

**NOTE 24 - OTHER EXPENSES**

Particulars	For the year ended 31 <sup>st</sup> March 2017 ₹ in Lakhs	For the year ended 31 <sup>st</sup> March 2016 ₹ in Lakhs
<b>Manufacturing expenses</b>		
Consumption of stores and spares (Refer Note below)	344.92	334.73
Power and fuel	1,252.58	1,318.22
Conversion charges	413.57	4.80
Repairs to Buildings	31.63	33.27
Repairs to Machinery	17.81	24.47
	2,060.51	1,715.50
<b>Selling and Distribution Expenses</b>		
Freight and forwarding	218.47	204.94
Insurance ECGC	4.65	5.26
Sales commission	83.02	101.64
Consignment Expenses	6.11	4.90
Business promotion	12.50	6.16
Discount allowed	46.99	25.97
Advertisement	2.58	3.18
	37,432	352.06



**NOTE 24 - OTHER EXPENSES (CONTD.)**

Particulars	For the year ended 31 <sup>st</sup> March 2017 ₹ in Lakhs	For the year ended 31 <sup>st</sup> March 2016 ₹ in Lakhs
<b>Establishment Expenses</b>		
Rent	5.17	3.11
Repairs and maintenance - Others	145.75	139.55
Insurance	10.99	10.56
Rates and taxes, excluding taxes on income	27.32	33.51
Postage and Telephone	9.11	8.14
Travelling and conveyance	30.73	15.24
Printing and stationery	3.07	2.28
Audit Fees and Expenses	6.91	4.71
Subscription	0.39	1.13
Professional & Consultancy	14.83	15.91
Net loss on foreign currency transactions and translation (other than considered as finance cost)	16.37	4.64
Loss on sale of fixed assets	6.18	2.34
Prior period items (net)	-	5.37
Bad debts written off	-	88.58
Miscellaneous expenses	4.75	4.71
<b>Total</b>	<b>281.57</b>	<b>339.78</b>

**Note - Consumption of Stores and Spares**

Particulars	For the year ended 31 <sup>st</sup> March 2017 ₹ in Lakhs	For the year ended 31 <sup>st</sup> March 2016 ₹ in Lakhs
Indigenous	344.92	332.56
Imported	-	2.17
<b>Total</b>	<b>344.92</b>	<b>334.73</b>

**Note 25 - DEFERRED TAX**

Particulars	For the year ended 31 <sup>st</sup> March 2017 ₹ in Lakhs	For the year ended 31 <sup>st</sup> March 2016 ₹ in Lakhs
Mat Credit Entitlement	86.75	111.38
Deferred Tax	(54.17)	(40.06)
<b>Total</b>	<b>32.58</b>	<b>71.32</b>



## NOTES ON ACCOUNTS

### NOTE - 26

#### 1. 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 relevant rules issued thereunder 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 non-current 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 ₹ 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 and not funded by the company.

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.



## 18. OTHER NOTES

1. Estimated value of contract remaining to be executed on Capital Account is (₹ Nil)  
(Previous Year ₹ 66.11 Lakhs).

2. Details of contingent liabilities	31.03.2017 ₹ in Lakhs	31.03.2016 ₹ in Lakhs
i. Employees' State Insurance Corporation demand, Appeal before the Employee Insurance Court.	5.63	5.63
ii. Dispute on outstanding balance against the lease finance and hire purchase, the case is before the High court of Karnataka	12.34	12.34
iii. Cross Subsidy surcharge to TNGDCL	39.52	39.52
iv. Appeal filed with Income tax Department (Assessment Year 2011-12)	Nil	0.47
v. Appeal filed with Income tax Department (Assessment Year 2012-13)	Nil	0.31
vi. Rectification petition filed with IT Department (Assessment year 2014-15)	0.13	Nil
vii. Demand by DCTO, Enforcement Group	55.68	55.68
viii. Dispute with TNEB on Payment of tax on self generated units	6.90	6.74
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 28748 INR 18.64	USD 19799 INR 13.13
ii. Loans taken Principal	USD 900926 INR 584.15 EURO 3833808 INR 2654.82	USD 2908639 INR 1929.38 USD - INR -
iii. Export debtors	USD 348894 INR 226.22	USD 142859 INR 94.76
iv. Advance from Export debtors	USD 11030 INR 7.15	USD 15069 INR 9.99
v. Advance to Import Creditors	USD 62287 INR 40.39 USD 5308 INR 3.43	USD 33262 INR 22.06 USD Nil INR Nil

4. Borrowing cost of ₹ 2.57 lakhs (Previous year ₹ 37.84 lakhs) on Term loan is capitalized towards Plant & machineries during the year.



5. Segment reporting

<b>Segment Reporting</b>	31.03.2017 ₹ in Lakhs	31.03.2016 ₹ in Lakhs
<b>Segment Revenue</b>		
Yarn Manufacturing	12653.87	11689.31
Wind Mills	371.87	209.23
Real Estate	78.99	14.48
Total	13104.73	11913.02
<b>Segment Expenditure</b>		
Yarn Manufacturing	11939.28	10968.92
Wind Mills	184.95	245.65
Real Estate	49.39	25.85
Total	12173.61	11240.42
<b>Segment Profit / Loss</b>		
Yarn Manufacturing	714.59	720.39
Wind Mills	186.92	-36.42
Real Estate	29.61	-11.37
Total	931.12	672.60
<b>Segment Assets</b>		
Yarn Manufacturing	7982.23	6815.96
Wind Mills	1245.24	1268.25
Real Estate	1503.56	1507.50
Total	10731.04	9591.70
<b>Segment Liabilities</b>		
Yarn Manufacturing	5580.75	4867.65
Wind Mills	740.36	892.59
Real Estate	395.48	402.37
Total	6716.59	6162.61



6. 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> [Expressed as weighted averages]	31 03 2017	31 03 2016
Discount Rate	<b>7.10%</b>	<b>7.90%</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: ₹ in lakhs</b>		
PVO as at the beginning of the period	<b>45.90</b>	<b>39.95</b>
Interest Cost	<b>3.60</b>	3.09
Current service cost	<b>7.65</b>	7.40
Past service cost - (non vested benefits)	-	-
Past service cost - (vested benefits)	-	-
Benefits paid	<b>-0.72</b>	-0.66
Actuarial loss/(gain) on obligation (balancing figure)	<b>-2.66</b>	-3.88
<b>(PVO as at the end of the period)</b>	<b>53.77</b>	<b>45.90</b>
<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>0.72</b>	0.66
Benefits paid	<b>-0.72</b>	-0.66
Actuarial gain/(loss) on plan assets [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>2.66</b>	3.88
Actuarial gain / (loss) for the period- Plan Assets	-	-
Total (gain) / loss for the period	<b>-2.66</b>	-3.88
Actuarial (gain) / loss recognized in the period	<b>-2.66</b>	-3.88
Unrecognized actuarial (gain) / loss at the end of the year	-	-



<b>VI. AMOUNTS RECOGNISED IN THE BALANCE SHEET AND RELATED ANALYSES</b>		
Present value of the obligation	<b>53.77</b>	45.90
Fair value of plan assets	-	-
Difference	<b>53.77</b>	45.90
Unrecognised transitional liability	-	-
Unrecognised past service cost - non vested benefits	-	-
<b>Liability recognized in the balance sheet</b>	<b>53.77</b>	45.90
<b>VII. EXPENSES RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS:</b>		
Current service cost	<b>7.65</b>	7.40
Interest Cost	<b>3.60</b>	3.09
Expected return on plan assets	-	-
Net actuarial (gain)/loss recognised in the year	<b>-2.66</b>	-3.88
Transitional Liability recognised in the year	-	-
Past service cost - non-vested benefits	-	-
Past service cost - vested benefits	-	-
Expenses recognized in the statement of profit and loss	<b>8.59</b>	6.61
<b>VIII. MOVEMENTS IN THE LIABILITY RECOGNIZED IN THE BALANCE SHEET</b>		
Opening net liability	<b>45.90</b>	39.95
Expense as above	<b>8.59</b>	6.61
Contribution paid	<b>-0.72</b>	-0.66
Closing net liability	<b>53.77</b>	45.90

7. Related party disclosures for the year ended 31<sup>st</sup> March 2017.

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

	Opening Balance	Amount Received	Amount Repaid	Closing Balance
	(₹ in Lakhs)			
Mr. Santossh. R Managing Director	310.71	85.71	140.41	256.01
Ms. Giulia Bosco Whole-Time Director	4.33	26.68	770	23.31
Mr. Baba Chandrasekhar Director	300.00	80.00	50.00	330.00
Mrs. Vimala. R Whole-Time Director	0.36	0.36	Nil	0.72

b) Remuneration paid to Managing Director, Mr. Santossh.R is ₹ 12.15 lakhs (Previous Year ₹ 12.15 lakhs).



- c) Remuneration paid to Whole-Time Director, Mrs. Giulia Bosco is ₹ 8.40 lakhs (Previous Year ₹ 8.40 lakhs).

Cash value of perquisites to Whole-Time Director, Mrs. Giulia Bosco is ₹ 1.31 lakhs (Previous year ₹ 1.31 lakhs)

- d) Remuneration paid to Whole-Time Director, Mrs. Vimala. R is ₹ 6.00 lakhs (Previous Year ₹ 6.00 lakhs).
- e) Interest paid to Director Mr. Baba Chandrasekar is ₹ 40.15 lakhs (Previous year ₹ 30.64 lakhs)
- f) Polyester and Viscose purchase from Strikeright Integrated Services Limited., during the year for ₹ 4183.47 lakhs (previous year ₹ 2677.96 lakhs)

Strikeright Integrated Services Limited is a Company in which one Whole-Time Director and one Key Management Person of Lambodhara Textiles Limited are Directors.

- g) i. During the year conversion charges of ₹ Nil is paid to V.R. Textiles Limited. (Previous year ₹ 0.09 lakhs).
- ii. During the year ₹ Nil is paid to V.R. Textiles Private Limited towards reimbursement of Expenses. (Previous year ₹ 0.06 lakhs)

V.R.Textiles Private Limited is related party to the Director of the company under shareholding clause.

- h) During the year ₹ 7.11 is paid as salary to one Key Management Person Mr. Ramesh K Shenoy (CFO) (Previous year ₹ 7.00 lakhs)
- i) During the year lease rent on vehicle paid to Whole-Time Director, Mrs.Giulia Bosco is ₹ 1.20 lakhs (Previous Year ₹ Nil).

8. Earnings Per share	31.03.2017	31.03.2016
(a) Profits after Tax (₹ in lakhs)	694.61	449.74
(b) Weighted Average No. of Shares	90,77,600	90,77,600
(c) Face Value per share ₹	5	5
(d) Earnings per share- Basic & Diluted (₹)	7.65	4.95
9. VALUE OF IMPORTS ON CIF BASIS	(₹ lakhs)	(₹ lakhs)
a) Raw Material	873.72	292.20
b) Trading Goods	80.49	Nil
c) Stores & Spare Parts	Nil	1.91
d) Machinery	140.00	165.41
10. EXPENDITURE IN FOREIGN CURRENCY		
On foreign travel	2.89	1.64
On Import of raw materials, Trading Goods & Stores	954.21	301.11
11. EARNINGS IN FOREIGN CURRENCY	2241.61	2117.76
(Export sales)		





12. MANAGERIAL REMUNERATION:

Paid to Mr. Santossh. R, Managing Director

Salary	10.20	10.20
Allowance	1.80	1.80
Club payments	0.15	0.15

Paid to Mrs. Vimala. R, Whole-Time Director

Salary	6.00	6.00
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Paid to Mrs. Giulia Bosco, Whole-Time Director

Salary	8.40	8.40
Perquisite	1.31	1.31

13. Break up of Audit Fees

For Audit	3.87	2.90
For Certification	0.96	0.43
For Taxation services	1.95	1.25
For reimbursement of expenses	0.13	0.13

14. 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.

15. The Other long term liabilities represents rent deposit received from parties on lease of properties.

16. Details of Specified Bank Notes (SBN) held and transacted during the period 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016.

₹ in Lakhs

Particulars	SBNs	Other Denominations Notes	Total
Closing Cash in hand as on 08.11.2016	0.705	32.261	32.966
(+) Permitted receipts	0.000	8.060	8.060
(-) Permitted payments	0.000	15.916	15.916
(-) Amount deposited in Banks	0.705	0.00	0.705
Closing cash in hand as on 30.12.2016	Nil	24.405	24.405



17. CORPORATE SOCIAL RESPONSIBILITY	(₹ in Lakhs)	
(CSR) EXPENSE	31.03.2017	31.03.2016
Prescribed CSR expenditure as per Section 135 of the Companies Act, 2013	11.32	10.61
Details of CSR spent during the financial year		
(a) Total amount planned to be spent during the year	11.53	10.62
(b) Actual spent during the year	11.53	10.62
(c) Amount unspent (a-b) (to be spent in subsequent year)	-	-
(1) Unspent CSR expenditure of the previous year included in the current year	-	-
(2) Amount paid for		
- acquisition/ construction of assets	-	-
- other purposes	11.53	10.62

18. 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 : 29.05.2017

(Sd/-) **Meenakshi Sundaram Rajkumar**  
Chairman  
(DIN : 06935422)

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

(Sd/-) **Priyadarshini. V**  
Company Secretary

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

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



## CASH FLOW STATEMENT

Particulars	As at 31 <sup>st</sup> March 2017 ₹ in Lakhs	As at 31 <sup>st</sup> March 2016 ₹ in Lakhs
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before extraordinary items and tax	931.12	672.60
Adjustments for:		
Corporate Social Responsibility payment	-11.53	-10.62
Depreciation and amortisation	608.08	598.16
(Profit) / loss on sale / write off of assets	5.81	0.37
Interest payments	274.96	573.45
Interest income	-23.31	854.01
		-13.62
		1147.75
<b>Operating profit / (loss) before working capital changes</b>	<b>1785.12</b>	<b>1820.36</b>
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	-890.44	376.02
Trade and other receivables	-544.87	929.05
Trade Payable & Other liabilities	94.11	-1341.20
		130.02
		1435.10
	<b>443.92</b>	<b>3255.46</b>
Direct taxes paid	-187.39	-112.18
Interest paid	-274.96	-573.45
<b>Cash Flow before Extra Ordinary items</b>	<b>-18.43</b>	<b>2569.82</b>
Extra Ordinary item	0.00	0.00
Preliminary Exp / Deferred revenue	0.00	0.00
<b>Net cash flow from operating activities</b>	<b>-18.43</b>	<b>2569.82</b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on fixed assets	-396.67	-1050.26
Sale of fixed assets	34.44	7.38
Sale of Trade investments	18.00	15.00
Trade investments	-4.65	-8.21
Interest received	23.31	13.62
<b>Net cash flow from investing activities</b>	<b>-325.57</b>	<b>-1022.48</b>



Particulars	As at 31 <sup>st</sup> March 2017 ₹ in Lakhs	As at 31 <sup>st</sup> March 2016 ₹ in Lakhs
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of share capital	0.00	0.00
Proceeds from borrowings	-229.75	-210.96
Dividend paid (including dividend distribution tax)	-107.94	-80.78
<b>Net cash flow from financing activities</b>	<b>-337.70</b>	<b>-291.75</b>
<b>Net increase / (decrease) in Cash and cash equivalents</b>	<b>-681.70</b>	<b>1255.60</b>
<b>Opening Balance of Cash and Cash equivalents</b>	<b>-424.68</b>	<b>-1680.27</b>
<b>Closing Balance of Cash and Cash equivalents</b>		
Cash and Bank Balance	133.98	164.95
Cash Credit Account	-1240.35	-589.63
	<b>-1106.38</b>	<b>-424.68</b>
	<b>-681.70</b>	<b>1255.60</b>

Vide Our Report of even date for **Mohan & Venkataraman** Chartered Accountants FRN : 007321S

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

Partner

M.No.201229

Place : Coimbatore

Date : 29.05.2017

(Sd/-) **Meenakshi Sundaram Rajkumar**  
Chairman  
(DIN : 06935422)

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

(Sd/-) **Priyadarshini. V**  
Company Secretary

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

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





