



# Lambodhara Textiles Limited

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](mailto:info@lambodharatextiles.com) [www.lambodharatextiles.com](http://www.lambodharatextiles.com)  
GSTIN : 33AAACL3524B1Z9 I.E. Code # 3201006181 CIN : L17111TZ1994PLC004929

27.08.2019

To

The Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex,  
Bandra(E), Mumbai - 400 051

Sir/Madam,

**Sub: Annual Report for the year 2018-19.**

**Symbol: LAMBODHARA**

**Series: EQ**

Pursuant to Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we attach herewith soft copy of the Annual Report of the Company for the year 2018-19 for your records.

This is for your kind information.

Thanking you,

Yours faithfully  
for Lambodhara Textiles Limited

Ramesh Shenoy Kalyanpur  
Whole-Time Director cum  
Chief Financial Officer  
DIN: 06392237



Cc:

The Listing Department  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai 400 001

*Lambodhara  
Textiles Limited*



**25** *th*  
*Annual Report*  
2018 - 2019



# Lambodhara Textiles Limited

## BOARD OF DIRECTORS

<b>Whole Time Directors</b>	:	Smt. Giulia Bosco Mr. Narayanasamy Balu Mr. Ramesh Shenoy Kalyanpur
<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> Commercial Branch No 1087/A-F, Avinashi Road Coimbatore-641 018 <b>Bank of India</b> Main Branch, Oppanakara Street, Coimbatore-641 001 <b>The Karur Vysya Bank Limited</b> Main Branch, Oppanakara Street Coimbatore-641 001
<b>Auditors</b>	:	<b>Jain &amp; Mohan</b> Chartered Accountants Sarada Building 1st Floor 410, Raja Street , Coimbatore-641 001
<b>Secretarial Auditors</b>	:	<b>M.D. Selvaraj</b> MDS & Associates Company Secretary in Practice Coimbatore
<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, '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*

### **25<sup>th</sup> ANNUAL GENERAL MEETING**

**Date** : 26<sup>th</sup> September 2019  
**Day** : Thursday  
**Time** : 10.30 a.m.  
**Venue** : Varsha, The Grand Regent,  
708, Avinashi Road, Coimbatore – 641 018

<b>Contents</b>	<b>Page No.</b>
Notice to Shareholders	2
Directors' Report	21
Auditors' Report	88
Balance Sheet	99
Statement of Profit and Loss	101
Cash Flow Statement	102
Notes to the Financial Statements	105
Notes Annexed to Statement of Profit and Loss	115
Notes on Accounts	118



**LAMBODHARA TEXTILES LIMITED**

CIN:L17111TZ1994PLC004929

Registered Office :3 A, B Block, Pioneer Apartments, 1075 B, Avinashi Road,  
Coimbatore - 641 018

Tel.: 0422-2249038, email: info@lambodharatextiles.com

**NOTICE TO SHAREHOLDERS**

Notice is hereby given that the Twenty Fifth Annual General Meeting of the members of Lambodhara Textiles Limited will be held on Thursday the 26<sup>th</sup> day of September 2019 at 10.30 A.M. at Varsha, The Grand Regent, 708, Avinashi Road, Coimbatore - 641 018 to transact the following business.

**AGENDA**

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Annual Financial Statements of the Company including Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statements of changes in Equity for the financial year ended March 31, 2019, the Balance Sheet as at that date, the Reports of the Board of Directors and the Auditors thereon.
2. To declare a dividend on Equity Shares for the financial year ended 31<sup>st</sup> March, 2019.
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.

**SPECIAL BUSINESS**

4. Appointment of Sri. Akkalnaicker Veluchamy (DIN: 08499764) as an Independent Director and in this regard to consider and if thought fit, to pass the following resolution as a Special Resolution :

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and 160 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI Listing Regulations) as amended and as per the recommendations of the Nomination and Remuneration Committee, Sri. Akkalnaicker Veluchamy (DIN: 08499764), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 14<sup>th</sup> August 2019 and who holds office until the date of the Annual General meeting in terms of section 161 of the Companies Act, 2013 and who has given



his consent for appointment as an Independent Director of the Company and has also submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, to hold office for a term of five consecutive years, with effect from 14<sup>th</sup> August, 2019 and is not liable to retire by rotation."

"RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the consent of the members of the Company be and is hereby accorded to continue the directorship of Sri. Akkalnaicker Veluchamy (DIN: 08499764) who will attain the age of 75 (seventy five) years on May 15, 2020, as an Independent Director of the Company till the expiry of his term of office."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

5. Re-appointment of Sri. Deepak Padamshi Malani (DIN: 02400928) as an Independent Director and in this regard to consider and if thought fit, to pass the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 as amended by the Companies (Amendment) Act, 2017 (the Act), The Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (SEBI Listing Regulations) and as per the recommendations of the Nomination and Remuneration Committee and Board of Directors, Sri. Deepak Padmashi Malani (DIN: 02400928), whose present term of office as an Independent Director expires on 10<sup>th</sup> September, 2019, who has given his consent for the re-appointment and has submitted a declaration that he meets the criteria for independence under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company, for a second term of five consecutive years with effect from 11<sup>th</sup> September, 2019 and is not liable to retire by rotation."

6. Re-appointment of Sri. Vastupal Rajnikant Mehta (DIN: 02368358) as an Independent Director and in this regard to consider and if thought fit, to pass the following resolution as a Special Resolution:



**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 as amended by the Companies (Amendment) Act, 2017 (the Act), The Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (SEBI Listing Regulations) and as per the recommendations of the Nomination and Remuneration Committee and Board of Directors, Sri.Vastupal Rajnikant Mehta (DIN: 02368358), whose present term of office as an Independent Director expires on 10<sup>th</sup> September, 2019, who has given his consent for the re-appointment and has submitted a declaration that he meets the criteria for independence under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company, for a second term of five consecutive years with effect from 11<sup>th</sup> September, 2019 and is not liable to retire by rotation."

7. Re-appointment of Sri. Meenakshi Sundaram Rajkumar (DIN: 06935422) as an Independent Director and in this regard to consider and if thought fit, to pass the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 as amended by the Companies (Amendment) Act, 2017 (the Act), The Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (SEBI Listing Regulations) and as per the recommendations of the Nomination and Remuneration Committee and Board of Directors, Sri.Meenakshi Sundaram Rajkumar (DIN: 06935422), whose present term of office as an Independent Director expires on 10<sup>th</sup> September, 2019, who has given his consent for the re-appointment and has submitted a declaration that he meets the criteria for independence under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company, for a second term of five consecutive years with effect from 11<sup>th</sup> September, 2019 and is not liable to retire by rotation."

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of The Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the appointment of M/s. C.S.Hanumantha Rao & Co, Cost Accountants, (Firm Registration No. 000216) by the Board of Directors of the



company on the recommendation of the Audit Committee, to conduct the audit of cost record of the Company for the financial year 2019-20, on a remuneration of ₹ 35,000/- (Rupees Thirty Five thousand only) exclusive of taxes as applicable and reimbursement of conveyance on actual basis as incurred by them in connection with the aforesaid audit fixed by the Board of Directors 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.

**Notes**

1. The Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Businesses under Item No. 4 to 8 of the accompanying Notice is annexed hereto.
2. **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.**

**A person can act as a proxy on behalf of members not exceeding fifty (50) in number and holding in the aggregate not more than ten percent (10%) of the total share capital of the company carrying voting rights. A member holding more than ten percent (10%) 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.**

**Proxies in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than forty-eight (48) hours before the commencement of the meeting. Proxy submitted on behalf of the Companies, Societies, etc., must be supported by an appropriate resolution/ authority, as applicable. A proxy form for the Annual General Meeting is enclosed.**

3. 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.
4. Members / Proxies should bring the attendance slips duly filled and signed for attending the meeting.
5. Information of the Director proposed to be appointed or 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 Directors has furnished the requisite declaration for their appointment or re-appointment.





6. Dividend as recommended by the Board of Directors, if declared at the Annual General Meeting will be paid within 30 days from the date of declaration, to those members whose names appear on the Register of Members in respect of shares held in physical form as well as in respect of shares held in electronic form as per the details received from the depositories for this purpose as at the close of the business hours on 19<sup>th</sup> September 2019.
7. The Register of Directors and Key Managerial Personal and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
8. The Register of Members and share transfer books of the Company will remain closed from Friday, 20<sup>th</sup> September, 2019 to Thursday, 26<sup>th</sup> September, 2019 (both days inclusive) as per Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 91 of the Companies Act, 2013.
9. Members may note that M/s. Jain & Mohan., Chartered Accountants, (FRN: 006896S), the Statutory Auditors of the Company were appointed by the Shareholders at the 23<sup>rd</sup> Annual General Meeting (AGM) held on 22<sup>nd</sup> September, 2017, to hold office for a period of 5 years till the conclusion of AGM to be held during the year 2022, subject to ratification by the shareholders at every AGM. However, the Ministry of Corporate Affairs vide notification dated 7<sup>th</sup> May 2018 amended Section 139 of the Companies Act, 2013 by omitting the requirement of seeking ratification of the members for appointment of statutory auditors at every AGM. Accordingly, the original resolution appointing the Statutory Auditors passed by the Shareholders at the 23<sup>rd</sup> AGM held on 22<sup>nd</sup> September, 2017 was amended vide resolution approved by the Shareholders at their 24<sup>th</sup> AGM held on 20<sup>th</sup> September, 2018 to remove the requirement for ratification of the appointment of auditors by the shareholders at every AGM. Hence, no resolution is being proposed for ratification of appointment of Statutory Auditors at this Annual General Meeting.
10. 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 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 Registrars and Share Transfer Agents of the Company.
11. 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.

12. 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.
13. Pursuant to Section 125(c) of the Companies Act, 2013, the Dividend which remained unencashed / unclaimed for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the "Investor Education and Protection Fund" established by the Central Government. Members who have not encashed the Dividend warrant(s) so far, are requested to send their claim immediately to the Company / Registrar and Transfer Agent for issue of pay order / demand draft in lieu thereof.

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 account within 30 (thirty) days of such shares becoming due for transfer to the Fund.

In the event Members do not claim dividend(s) that have remained unpaid/unclaimed for the Financial Year ended 31st March, 2012, as aforesaid, all the shares in respect of such unpaid/unclaimed dividend(s) would have to be transferred to the IEPF Authority.

Members are requested to contact Registrar and 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). The shareholders whose unclaimed or unpaid dividend has been transferred to the 'Investor Education and Protection Fund', may claim the same from IEPF authority by filing Form IEPF-5 along with requisite documents.

14. 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.
15. Securities and Exchange Board of India has mandated that the transfer of securities held in physical form, except in case of transmission or transposition, shall not be processed by the listed entities / Registrars and Share Transfer Agents with effect from 1<sup>st</sup> April 2019. Therefore, members holding share(s) in physical form are requested to immediately dematerialize their shareholding in the Company. Necessary prior intimation in this regard was provided to the shareholders.



16. Pursuant to the provisions of Section 72 of the Companies Act, 2013, members may file nomination forms in respect of their physical shareholdings. Any member willing to avail this facility may submit to the company's registrar & share transfer agent in the prescribed statutory form. Should any assistance be desired, members should get in touch with the company's registrar & share transfer agent.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in Physical form can submit their PAN to the Company or to M/s SKDC Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore - 641006.
18. Members holding shares in electronic form may please note that as per the regulations of National Security Depository Services (NSDL) and Central Depository Services (India) Limited (CDSL), the Company is obliged to print the details on the dividend warrants as furnished by these Depositories to the Company and the Company cannot entertain any request for deletion/change of Bank details already printed on dividend warrants as per the information received from the concerned depositories. In this regard, Members should contact their Depository Participants (DP) and furnish particulars of any changes desired by them.
19. Electronic copy of the Annual Report for 31st March 2019, the Notice of the 25th 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 Participant(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.
20. Member's may also note that the notice of the 25th Annual General Meeting and the Annual Report 2018-19 will be available on the Company's website, [www.lambodharatextiles.com](http://www.lambodharatextiles.com). The physical copies of the aforesaid documents will also be available at Company's registered office for inspection during normal business hours on any working day.
21. Members are requested to register/update their email address in respect of shares held in dematerialized form with their respective depository participants and in respect of shares held in physical form with M/s S.K.D.C. Consultants Limited.
22. In case of joint holders attending the meeting only such joint holder who is higher in the order of names will be entitled to vote.
23. The route map of the venue of the Meeting is given in the Notice.



24. 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 despatch of AGM Notice and holding shares as of the cut-off date, i.e. Thursday, 19<sup>th</sup> September 2019, 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 Monday, the 23<sup>rd</sup> day of September, 2019 at 9.00 a.m and ends on Wednesday, the 25<sup>th</sup> day of September, 2019 at 5.00 p.m. During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday 19<sup>th</sup> September 2019 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 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).

25. The remote e-voting period commences on Monday, the 23<sup>rd</sup> day of September, 2019 at 9.00 a.m and ends on Wednesday, the 25<sup>th</sup> day of September, 2019 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 Thursday, 19<sup>th</sup> September, 2019, 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.
26. 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.
27. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" or "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
28. 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 authorized by the Chairman, shall declare the result of the voting forthwith.



29. 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.

By Order of the Board  
For Lambodhara Textile Limited

Place : Coimbatore

Date : 14.08.2019

**Bosco Giulia**  
Whole-Time Director  
(DIN:01898020)

#### **STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013**

##### **Item No: 4**

The Board of Directors of the Company, pursuant to the recommendations of the Nomination and Remuneration Committee, has appointed Sri. Akkalnaicker Veluchamy (DIN: 08499764) on 14<sup>th</sup> August, 2019, as an Additional Director (Independent and Non-Executive) on the Board of Directors of the Company, in terms of Section 161 of the Companies Act, 2013.

Sri. Akkalnaicker Veluchamy holds office up to the date of this Annual General Meeting pursuant to Section 161 of the Companies Act, 2013. The Company has received notice in writing from a Member under Section 160 of the Act, proposing his candidature for the office of Independent Director of the Company.

Brief profile of Sri. Akkalnaicker Veluchamy and his other directorships has been included in this Notice.

The Company has received a declaration from Sri. Akkalnaicker Veluchamy stating that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). In the opinion of the Board, he fulfill the conditions for appointment as an Independent Director and he is independent of the Management. Sri. Akkalnaicker Veluchamy will not be paid any remuneration.

A copy of the draft letter for appointment of the Independent Director setting out the terms and conditions of his appointment is available for inspection by the Members at the Registered Office of the Company during the office hours on all working days other than on Saturdays and Sundays till the date of the Annual General Meeting.

During his tenure of appointment, he shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

The Board of Directors considers it in the interest of the Company to appoint Sri.Akkalnaicker Veluchamy as an Independent Director of the Company for a period of 5 consecutive years with effect from 14<sup>th</sup> August, 2019.





As per Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, ("Amendment Regulations, 2018"), inter alia, provides that "no listed Company shall appoint a person or continue the directorship of any person as a Non Executive Director who has attained the age of 75 (seventy five) years unless it is approved by the members by passing a special resolution to that effect". Accordingly, Sri. Akkalnaicker Veluchamy will attain the age of 75 years on May 15, 2020 and hence, continuation of his directorship beyond the age of 75 years requires the approval of members by way of a special resolution.

The board considered that his vast and rich experience would be of immense benefit to the Company and it is desirable to avail his services as Independent Director of the Company.

None of the Directors and Key Managerial Personnel of the Company or their relatives, except Sri. Akkalnaicker Veluchamy, is in any way, interested or concerned, financially or otherwise, in this resolution.

The Board recommends the resolution set forth in item No. 4 of the notice for approval of the members.

**Item No: 5, 6 & 7**

As per the provisions of Sections 149, 152, 160 & Schedule IV of the Companies Act, 2013 read with the relevant Rules thereunder as amended, the Company had appointed Sri. Deepak Padamshi Malani, Sri. Vastupal Rajnikant Mehta and Sri. Meenakshi Sundaram Rajkumar as Independent Directors as per the requirements of the Companies Act, 2013 at the Annual General Meeting held on 11<sup>th</sup> September 2014 to hold office upto 10<sup>th</sup> September, 2019 for a first term of five consecutive years.

As per Section 149(10) of the Companies Act, 2013 ('the Act'), an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company but shall be eligible for reappointment on passing a Special Resolution by the Company for another term of upto five consecutive years.

All the above named persons have consented to their re-appointment and confirmed that they do not suffer from any disqualifications which stand in the way of their re-appointment as Independent Directors.

The performance evaluation of the Independent Directors was conducted by the entire Board of Directors (excluding the Director being evaluated) on the basis of a structured questionnaire which was prepared after taking into consideration inputs received from the Directors covering various aspects of the Board's functioning viz. adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

Accordingly, based on the performance evaluation of the Independent Directors, the Nomination & Remuneration Committee and the Board of Directors of the Company at their Meetings held on May 29, 2019, respectively have recommended the re-appointment of the aforesaid persons as Independent Directors for a second term of five consecutive years commencing from the dates on which their present appointments with the Company expire.

During their tenure of appointment, they shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.



The Appointee Independent Directors are not disqualified from being appointed as Directors in terms of Section 164 of the Act and not debarred from holding the office of Director by virtue of any Securities Exchange Board of India ('SEBI') order or any other such authority. The Company has received their consent to act as Independent Directors along with declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under sub-section 6 of Section 149 of the Act and as per Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations). In the opinion of the Board, they fulfill the conditions for re-appointment as Independent Directors and they are independent of the Management.

The brief profile of all the Appointee Independent Directors is mentioned under "Profile of Directors" forming part of this Notice and details of the remuneration paid/payable to them are as provided in the Corporate Governance Report forming part of the annual report for the year 2018-2019.

The Company has also received notices from a Member under Section 160 of the Companies Act, 2013 (the Act) proposing their re-appointment as Independent Directors for the second term of 5 consecutive years.

A copy of the draft letter for re-appointment of the Independent Directors setting out the terms and conditions of their re-appointment is available for inspection by the Members at the Registered Office of the Company during the office hours on all working days other than on Saturdays and Sundays till the date of the Annual General Meeting.

The Board recommends the Special Resolutions as set out in Item Nos. 5, 6 and 7 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives other than the concerned Independent Directors are in any way deemed to be concerned or interested, financially or otherwise, in the Resolutions as set out in Item Nos. 5, 6 and 7 of the Notice.

**Item No: 8**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. C.S.Hanumantha Rao & Co, Cost Accountants, (Firm Registration No. 000216) as Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2019-2020. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing ordinary resolution as set out in Item No.8 of the notice for ratification of remuneration payable to the Cost Auditors for conducting the cost audit of the Company, for the financial year ending March 31, 2020.



None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested in the proposed Ordinary Resolution as set out at Item No.8 of the Notice.

The Board recommends the Ordinary Resolution as set out at Item No.8 of the Notice for approval by the members.

**Details of Directors seeking appointment / re-appointment at the forthcoming twenty fifth Annual General Meeting (Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards 2 - Clause 1.2.5 issued by ICSI).**

Name	Baba Chandrasekhar Ramakrishnan
Director Identification Number	00125662
Date of Birth	12.07.1948
Nationality	Indian
Date of first appointment on the Board	10.11.2014
Relationship with other Directors, Manager and KMP	-
Qualification	MS Chemical Engineering
Expertise in functional area	Textiles
No. of shares held in the Company	400
List of companies in which Directorship held as on 31.03.2019	-
Chairman/ Member of the Committees of the Board of the companies on which he is a Director as on 31.03.2019	-
Number of Board meetings attended during the year	9
Remuneration last drawn and sought to be paid	-
Terms and conditions of re-appointment	Liable to retire by rotation
Board position held	Non-Executive Non-Independent Director



Name	Akkalnaicker Veluchamy
Director Identification Number	08499764
Date of Birth	15/05/1945
Nationality	Indian
Date of first appointment on the Board	14/08/2019
Brief Profile / Experience	Mr. Akkalnaicker Veluchamy aged 74 years has vast knowledge and experience in the business of spinning of yarn.
Inter-se relationship with other Directors and Key Managerial Personnel	Nil
Qualification	M A., B.Ed., B P.Ed.,
Expertise in functional area	Has been a guiding force for the past 10 years in the spinning business.
No. of shares held in the Company	Nil
List of other companies in which Directorship held as on 31.03.2019	Nil
Chairman/ Member of the Committees of the Board of the companies on which he is a Director as on 31.03.2019	-
Number of Board meetings attended during the year	Not Applicable
Remuneration last drawn and sought to be paid	-
Terms and conditions of re-appointment	Appointed as an Independent Director for a term of 5 years with effect from 14 <sup>th</sup> August, 2019
Board position held	Non Executive Independent Director



Name	Deepak Padamshi Malani
Director Identification Number	02400928
Date of Birth	20/11/1950
Nationality	Indian
Date of first appointment on the Board	15/11/1995
Brief Profile	Mr.Deepak Padamshi Malani aged 70 years has vast knowledge and experience in fibre trading in textile Industry.
Inter-se relationship with other Directors and Key Managerial Personnel	Nil
Qualification	Graduate
Expertise in functional area	Vast knowledge in Textile Business
No. of shares held in the Company	Nil
List of other companies in which Directorship held as on 31.03.2019	-
Chairman/ Member of the Committees of the Board of the companies on which he is a Director as on 31.03.2019	-
Number of Board meetings attended during the year	9
Remuneration last drawn and sought to be paid	-
Terms and conditions of re-appointment	Appointed as an Independent Director for a second term of 5 years with effect from 11 <sup>th</sup> September, 2019
Board position held	Non-Executive Independent Director



Name	Vastupal Rajnikant Mehta
Director Identification Number	02368358
Date of Birth	04/06/1951
Nationality	Indian
Date of first appointment on the Board	15/11/1995
Brief Profile	Mr.Vastupal Rajnikant Mehta aged 69 years is experienced in trading, operations and management in Textile Industry.
Inter-se relationship with other Directors and Key Managerial Personnel	Nil
Qualification	Graduate
Expertise in functional area	Has been in Textile Business for the past 33 years
No. of shares held in the Company	Nil
List of other companies in which Directorship held as on 31.03.2019	Nil
Chairman/ Member of the Committees of the Board of the companies on which he is a Director as on 31.03.2019	-
Number of Board meetings attended during the year	9
Remuneration last drawn and sought to be paid	Nil
Terms and conditions of re-appointment	Appointed as an Independent Director for a second term of 5 years with effect from 11 <sup>th</sup> September, 2019
Board position held	Non-Executive Independent Director



Name	Meenakshi Sundaram Rajkumar
Reason	Re-Appointment
Director Identification Number	06935422
Date of Birth	02/02/1965
Nationality	Indian
Date of first appointment on the Board	04/08/2014
Brief Profile	Mr. Meenakshi Sundaram Rajkumar aged 54 years is experienced in trading, operations and management in Textile Industry.
Inter-se relationship with other Directors and Key Managerial Personnel	Nil
Qualification	Graduate
Expertise in functional area	Has been in Textile Business for the past 33 years
No. of shares held in the Company	Nil
List of other companies in which Directorship held as on 31.03.2019	Nil
Chairman/ Member of the Committees of the Board of the companies on which he is a Director as on 31.03.2019	-
Number of Board meetings attended during the year	9
Remuneration last drawn and sought to be paid	Nil
Terms and conditions of re-appointment	Appointed as an Independent Director for a second term of 5 years with effect from 11 <sup>th</sup> September, 2019
Board position held	Non Executive Independent Director

By Order of the Board  
For Lambodhara Textiles Limited

**Bosco Giulia**

Whole-Time Director

(DIN:01898020)

Place : Coimbatore

Date : 14.08.2019

**DIRECTORS' REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting their twenty fifth Annual Report on the business and operations of the Company and the financial statements for the year ended 31<sup>st</sup> March 2019.

**FINANCIAL HIGHLIGHTS**

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

PARTICULARS	31.03.2019	31.03.2018
	(₹ in '000)	(₹ in '000)
Revenue from operations	17,48,050	16,67,333
Other Income	10,232	6,268
Operating Profit before Finance Costs,		
Depreciation & Tax	1,80,538	2,10,342
Less: Depreciation	61,908	60,170
Less : Finance Costs	22,706	66,339
Profit before Tax	95,924	83,833
Provision for Tax	231,00	20,124
Deferred Tax	(2,902)	4,199
Net Profit for the year	75,726	59,510
Other comprehensive income	1,032	(433)
Total comprehensive income for the year	76,758	59,078
Add: Balance brought forward from previous year	3,06,592	2,58,439
Profit available for appropriation	3,83,350	3,17,517
<b>Appropriation of Profits</b>		
Transfer to General Reserve	1,477	-
Proposed Dividend	9,578	9,078
Corporate Dividend Tax	1,969	1,848
Balance carried over to balance sheet	3,70,326	3,06,591

**COMPANY PERFORMANCE**

The Company achieved a total turnover of ₹ 174.80 crores as against a turnover of ₹ 166.73 crores in the previous year. The Company's profit before tax is ₹ 9.59 crores during the year, as compared to ₹ 8.38 crores in the previous year, increase of 14.44% over the last year. The Company earned a net profit of ₹ 7.57 crores, as against a net profit of ₹ 5.95 crores in the previous year.





## **STATE OF COMPANY'S AFFAIRS**

During the financial year the company has entered into an agreement with M/s.Watsun Infrabuild Private Limited for purchase of power and has utilized 75.33 lacs units at a rate of ₹ 5.08 per unit and this will help us to reduce the energy cost.

To enhance the spinning capacity, the company has entered into conversion agreement with M/s New Modern Spinning Textiles for conversion of fiber into yarn of 4,608 spindles.

## **RESERVES**

The Company has transferred an amount of ₹ 14.77 Lakhs to the General Reserve out of the amount available for appropriations and the remaining amount of ₹ 3,703.26 Lakhs has been retained in the Profit and Loss Account.

## **DIVIDEND**

Your Directors are pleased to recommend a dividend of ₹1/- per equity share (20%) of face value of ₹ 5/- each (Previous year ₹ 1/- per equity share (20%) 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 ₹ 115.47 Lakhs (including dividend tax) (Previous Year ₹ 115.46 Lakhs)

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

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

## **SHARE CAPITAL**

The paid up Equity Share Capital as on 31<sup>st</sup> March, 2019 was ₹ 4,78,88,000/-.

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.



## **STATEMENT ON COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS**

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively. The Company has duly complied with Secretarial Standards issued by Institute of Company Secretaries of India on meeting of the Board of Directors (SS-1) and General Meetings (SS-2).

## **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 Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Based on the confirmation / disclosures received from the Directors and on evaluation of the relationships disclosed, the following Non-Executive Directors are Independent:



Sri. Deepak Padamshi Malani, Sri. Vasthupal Rajinikant Mehta and Sri. Meenakshi Sundaram Rajkumar.

### **FAMILIARIZATION PROGRAMMES**

In compliance with the requirements of the Listing Regulations, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their roles, rights and responsibilities as Independent Directors, the working of the Company, nature of the industry in which the Company operates, business model and so on. The same is also available on the Company website at [www.lambodharatextiles.com](http://www.lambodharatextiles.com).

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

The Company pursuant to the provisions of Section 178 of the Companies Act, 2013 and in terms of Regulation 19(4) of the SEBI Listing Regulations has formulated a policy on Nomination and Remuneration for its Directors, Key Managerial Personnel and senior management which inter-alia provides the diversity of the Board and provides the mechanism for performance evolution of the Directors. 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 <https://www.lambodharatextiles.com/files/POLICY%20ON%20NOMINATION%20AND%20REMUNERATION.pdf> .

### **AUDITORS**

#### **STATUTORY AUDITORS**

M/s. Jain & Mohan, Chartered Accountants, Coimbatore were appointed as statutory auditors for a period of 5 consecutive years at the 23<sup>rd</sup> annual general meeting of the Company held on 22<sup>nd</sup> September, 2017 subject to ratification by the shareholders at every annual general meeting. Consequent to the amendments made in the provisions of Section 139 of the Companies Act, 2013, the members, at their 24<sup>th</sup> Annual General Meeting, has approved to continue the appointment of M/s. Jain & Mohan, Chartered Accountants, Coimbatore as statutory auditors for a period of 5 consecutive years till the conclusion of the 28<sup>th</sup> Annual General Meeting to be held in the year 2022 without ratification. Hence, no resolution for ratification of appointment of statutory auditors is included in the Notice convening the 25<sup>th</sup> Annual General Meeting. The Company has received a certificate from the statutory auditors to the effect that their appointment would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

#### **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 2019-2020. 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 & Associates, Practicing Company Secretary carried out the Secretarial Audit of the Company for the year ended 31st March, 2019. The Secretarial Audit Report is annexed as **Annexure - 3**.

The Auditors' Report for the financial year ended 31<sup>st</sup> March, 2019 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 31st March, 2019 are given in the Notes forming part of the Financial Statements. During the Financial Year under review, the Company made an investment of Rs.29.46 lakhs in 2,94,570 equity shares of M/s.Watsun Infrabuild 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 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-5** 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 - 6** and forms an integral part of this Report. The CSR Policy may be accessed on the Company's website at <https://www.lambodharatextiles.com/files/CSR%20Policy.pdf>.

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 Rs. 16.34 Lakhs on CSR activities during the Financial Year 2018-19, being 2% of the average net profits of the three immediately preceding financial years and the Company has spent Rs. 16.87 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, 2019.

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

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

##### **Appointment of Whole-time Directors:**

During the year under review, the Board of Directors had approved the appointment of Mr. Ramesh Shenoy Kalyanpur (DIN: 06392237) as Additional Director and Whole-Time Director cum Chief Financial Officer and Mr. Narayanasamy Balu (holding DIN: 08173046) as Additional Director and Whole-Time Director of the Company with effect from 11<sup>th</sup> July, 2018 and had obtained the approval of the members at the Annual General Meeting held on 20<sup>th</sup> September, 2018 in accordance with Section 196(4) of the Companies Act, 2013.

##### **Resignation of Managing Director and Whole Time Director:**

Further, Mr.R.Santossh (holding DIN: 00790493) Managing Director of the Company and Mrs. Vimala Radhakrishnan (holding DIN: 00813706) Whole-time Director of the Company had resigned from the board w.e.f. 11<sup>th</sup> July, 2018 due to health issues and age factor respectively. The Board places on record its appreciation for the invaluable contributions made by them during their tenure as Managing Director and Whole-time Director of the Company.

##### **Re-appointment of Whole Time Director:**

Further, the Board of Directors had approved the re-appointment of Mrs. Bosco Giulia (DIN: 01898020) as the Whole-time Director of the Company for a further period of 5 years with effect from 28<sup>th</sup> September, 2018 and had obtained the approval of the members at the Annual General Meeting held on 20<sup>th</sup> September, 2018 in accordance with Section 196(4) of the Companies Act, 2013.

##### **Re-appointment of Independent Directors:**

Sri. Deepak Padamshi Malani (DIN: 02400928), Sri. Vasthupal Rajinikant Mehta (DIN: 02368358) and Sri. Meenakshi Sundaram Rajkumar (DIN: 06935422) were appointed as Independent Directors of the Company pursuant to Section 149 of the Companies Act, 2013 for the first term of 5 years and will hold office upto 10<sup>th</sup> September, 2019. Considering their knowledge, expertise and experience in their respective fields and the substantial contribution



made by these Directors during their tenure as an Independent Director since their appointment, the Nomination & Remuneration Committee and the Board has recommended the re-appointment of these Directors as Independent Directors on the Board of the Company, to hold office for the second term of five consecutive years commencing from 11<sup>th</sup> September, 2019 upto 10<sup>th</sup> September, 2024 subject to the approval of the members by way of passing a Special Resolution at the ensuing Annual General Meeting.

The Company has received declaration from all these Directors that they continue to fulfill the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 as well as Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including statutory re-enactment thereof for the time being in force).

In terms of the provisions of Section 160(1) of the Companies Act, 2013, the Company has received Notice from a Member signifying his intention to propose the candidature for the reappointment of Sri. Deepak Padamshi Malani, Sri. Vasthupal Rajinikant Mehta and Sri. Meenakshi Sundaram Rajkumar for the office of Independent Directors.

The Board of Directors recommends the re-appointment of the Independent Directors, by way of Special Resolution(s).

**Director liable to retirement by rotation:**

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Baba Chandrasekar Ramakrishnan (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.

**Key Managerial Personnel**

Key Managerial Personnel of the Company as required pursuant to Section 2(51) and 203 of the Companies Act, 2013 are Mrs. Bosco Giulia and Mr. Narayanasamy Balu, Whole-time Directors, Mr. Ramesh Shenoy Kalyanpur, Whole-time Director cum Chief Financial Officer and Mrs. Priyadarshini. V, Company Secretary.

**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, 2019.

**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 thereon 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 **Annexure - 7** to this Report.

The disclosure referred to the Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 does not apply to the Company as there were no employees who are in receipt of remuneration in the aggregate at the rate of not less than ₹ 1,02,00,000/- if employed throughout the year or ₹ 8,50,000/- per month if employed for part of the year

## **AUDIT COMMITTEE**

Audit Committee of the Company meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The details of the composition of the Audit Committee as required under the provisions of Section 177(8) of the Companies Act, 2013 are given in the Corporate Governance Report which forms part of this annual report. During the year under review, the Board has accepted all the recommendations of the Audit Committee.

## **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 Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee has been setup to redress complaints received regularly. There was no complaint received from any employee during the financial year 2018-19, not any complaint remains outstanding for redressal as on 31st March 2019

**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.

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

Place : Coimbatore

Date : 29.05.2019



## FORM NO. MGT-9

**EXTRACT OF ANNUAL RETURN  
as on the financial year ended on 31.03.2019**

[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 :info@lambodharatextiles.com Website: www.lambodharatextiles.com
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: info@skdc-consultants.com Website: www.skdc-consultants.com

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

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Synthetic Yarn	13114	97.79%

**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 01-04-2018]				No. of Shares held at the end of the year [As on 31-03-2019]				% 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	34.40	3318284	-	3318284	34.65%	0.25
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	3420600	-	3420600	35.71	3420600	-	3420600	35.71 %	-
e) Banks / FI									
f) Any other									
<b>Sub- Total (A)(1)</b>	<b>6715106</b>	<b>-</b>	<b>6715106</b>	<b>70.11</b>	<b>6738884</b>	<b>-</b>	<b>6738884</b>	<b>70.36%</b>	<b>0.25</b>
<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>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of promoter (A) = (A)(1)+(A)(2)</b>	<b>6715106</b>	<b>-</b>	<b>6715106</b>	<b>70.11</b>	<b>6738884</b>	<b>-</b>	<b>6738884</b>	<b>70.36%</b>	<b>0.25</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds/UTI	-	-	-	-	-	-	-	-	-
b) Venture Capital Funds	-	-	-	-	-	-	-	-	-
c) Alternate Investment Funds	-	-	-	-	-	-	-	-	-
d) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
e) Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-
f) Banks / FI	8225		8225	0.08	10		10	0.00	-0.08
g) Insurance Companies	-	-	-	-	-	-	-	-	-
h) Provident Funds / Pension funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>8225</b>		<b>8225</b>	<b>0.08</b>	<b>10</b>		<b>10</b>	<b>0.00</b>	<b>-0.08</b>



**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 01-04-2018]				No. of Shares held at the end of the year [As on 31-03-2019]				% 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	267544	3800	271344	2.83	132517	3800	136317	1.42%	-1.41
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual share holders holding nominal share capital upto Rs. 1 lakh	1802675	329600	2132275	22.26	1952507	178200	2130707	22.25%	-0.01
ii) Individual share holders holding nominal share capital in excess of Rs 1 lakh	99263	-	99263	1.04	193006	-	193006	2.02%	0.97
c) Others (specify)									
Non Resident Indians	87631	-	87631	0.92	95847	-	95847	1.00%	0.08
Clearing Members	110521	-	110521	1.15	55238	-	55238	0.58%	-0.57
Hindu Undivided Families	145835	-	145835	1.52	115691	-	115691	1.21%	-0.31
Trusts	7400	-	7400	0.08	10002	-	10002	0.10%	0.02
Inv.Education and Protection Fund Auth.					101898	-	101898	1.06%	1.06
<b>Sub-total (B)(2):-</b>	<b>2520869</b>	<b>333400</b>	<b>2854269</b>	<b>29.80</b>	<b>2656706</b>	<b>182000</b>	<b>2838706</b>	<b>29.64%</b>	<b>-0.17</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>2529094</b>	<b>333400</b>	<b>2862494</b>	<b>29.89%</b>	<b>2656716</b>	<b>182000</b>	<b>2838716</b>	<b>29.64%</b>	<b>-0.25</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>9244200</b>	<b>333400</b>	<b>9577600</b>	<b>100.00</b>	<b>9395600</b>	<b>182000</b>	<b>9577600</b>	<b>100.00</b>	<b>0.00</b>



## ii) Shareholding of Promoters

S. No	Shareholder's Name	Shareholding at the beginning of the year (01.04.2018)			Shareholding at the end of the year (31.03.2019)			% 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	<b>Promoter:</b> R Santossh	2782506	29.05	100.00	2782506	29.05	100.00	-
	<b>Promoter Group:</b>							
2	Vimala Radhakrishnan	48000	0.50	-	-	-	-	(0.50)
3	Giulia Bosco	464000	4.84	-	535778	5.59	-	0.75
4	Strike Right Intergrated Services Ltd	3420600	35.71	5.85%	3420600	35.71	5.85	-
	<b>TOTAL</b>	6715106	70.11	44.42	6738884	70.36	44.26	0.25

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

S. No.	Shareholder's Name	Shareholding at the beginning of the year (1.04.2018)		Cumulative Share holding during the year [01.04.2018 to 31.03.2019]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	GIULIA BOSCO				
	At the beginning of the year	464000	4.84	-	-
	Transfer of shares as on 26.10.2018	48000	0.50	512000	5.34
	Market Purchase 22.02.2019	23778	0.25	535778	5.59
	At the end of the year	-	-	535778	5.59
2	VIMALA RADHAKRISHNAN				
	At the beginning of the year	48000	0.50	-	-
	Transfer of shares as on 26.10.2018	(48000)	(0.50)	0	0
	At the end of the year	-	-	0	0



## 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 (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>AJAY RAJARAM LONDHE ***</b>				
	<b>At the beginning of the year</b>	<b>0</b>	<b>0.00</b>	-	-
	Market Purchase 04.05.2018	600	0.01	600	0.01
	Market Purchase 01.06.2018	21	0.00	621	0.01
	Market Purchase 08.06.2018	2750	0.03	3371	0.04
	Market Purchase 20.07.2018	500	0.01	3871	0.04
	Market Purchase 17.08.2018	9156	0.07	13027	0.14
	Market Purchase 21.09.2018	200	0.00	13227	0.14
	Market Purchase 28.09.2018	200	0.00	13427	0.14
	Market Purchase 05.10.2018	6330	0.09	19757	0.21
	Market Purchase 12.10.2018	450	0.00	20207	0.21
	Market Purchase 19.10.2018	482	0.01	20689	0.22
	Market Purchase 26.10.2018	200	0.00	20889	0.22
	Market Purchase 09.11.2018	1000	0.01	21889	0.23
	Market Purchase 16.11.2018	500	0.01	22389	0.23
	Market Purchase 23.11.2018	8426	0.09	30815	0.32
	Market Purchase 30.11.2018	2300	0.02	33115	0.35
	Market Purchase 07.12.2018	600	0.01	33715	0.35
	Market Purchase 14.12.2018	4894	0.05	38609	0.40
	Market Purchase 21.12.2018	3750	0.04	42359	0.44
	Market Purchase 28.12.2018	1300	0.01	43659	0.46
	Market Purchase 04.01.2019	2000	0.02	45659	0.48
	Market Purchase 11.01.2019	11648	0.12	57307	0.60
	Market Purchase 18.01.2019	6485	0.07	63792	0.67
	Market Purchase 15.02.2019	241	0.00	64033	0.67
	Market Purchase 01.03.2019	200	0.00	64233	0.67
	Market Purchase 31.03.2019	0	0.00	64233	0.67
	<b>At the end of the year</b>	-	-	<b>64233</b>	<b>0.67</b>
2	<b>NARESHKUMAR SARAF</b>				
	<b>At the beginning of the year</b>	<b>0</b>	<b>0.00</b>		
	Market Purchase 31.08.2018	68178	0.71	68178	0.71
	Market Sale 26.10.2018	-4349	-0.05	63829	0.67
	Market Sale 02.11.2018	-100	0.00	63729	0.67
	Market Sale 09.11.2018	-769	-0.01	62960	0.66
	Market Sale 16.11.2018	-7450	-0.08	55510	0.58
	Market Sale 23.11.2018	-2000	0.02	53510	0.56
	Market Sale 15.02.2019	-300	0.00	53210	0.56
	Market Sale 15.03.2019	-8000	-0.08	45210	0.47
	<b>At the end of the year</b>	-	-	<b>45210</b>	<b>0.47</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 (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	<b>AANME MATHEW</b> At the beginning of the year At the end of the year	32563 -	0.34 -	- 32563	- 0.34
4	<b>ROY AMALRAJ ***</b> At the beginning of the year Market Purchase 28.09.2018 Market Purchase 05.10.2018 Market Purchase 12.10.2018 At the end of the year	0 22000 3167 4833 -	0.00 0.23 0.03 0.05 -	22000 25167 30000 30000	0.23 0.26 0.31 0.31
5	<b>SUNILKUMAR RAMJIBHAI CHOVIATIA</b> At the beginning of the year At the end of the year	27401 -	0.00 -	- 27401	- 0.29
6	<b>SHAREKHAN LIMITED</b> At the beginning of the year Market Purchase 06.04.2018 Market Sale 06.04.2018 Market Purchase 13.04.2018 Market Sale 13.04.2018 Market Purchase 20.04.2018 Market Sale 20.04.2018 Market Purchase 27.04.2018 Market Sale 27.04.2018 Market Purchase 04.05.2018 Market Sale 04.05.2018 Market Purchase 11.05.2018 Market Sale 11.05.2018 Market Sale 18.05.2018 Market Sale 25.05.2018 Market Sale 01.06.2018 Market Purchase 01.06.2018 Market Purchase 08.06.2018 Market Sale 08.06.2018 Market Sale 15.06.2018 Market Purchase 15.06.2018 Market Sale 22.06.2018 Market Purchase 22.06.2018	13712 11953 -2865 13800 -1050 100 -244 9205 -113 350 -3610 1133 -859 -7310 -2664 -1332 2555 1195 -2200 -149 464 -25 307	0.14 0.12 -0.04 0.14 -0.01 0.00 0.00 0.10 0.00 0.00 -0.03 0.01 -0.01 -0.08 -0.02 -0.01 0.02 0.01 -0.02 0.00 0.00 0.00 0.00 0.00	- 22410 19145 32945 31895 31995 31751 40956 40843 41193 37583 38716 37857 30547 27883 26551 29106 30301 28101 27952 28416 28391 28698	- 0.23 0.20 0.34 0.33 0.33 0.33 0.43 0.43 0.43 0.39 0.40 0.39 0.32 0.29 0.28 0.30 0.32 0.29 0.29 0.30 0.30 0.30



**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 (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Market Sale 30.06.2018	-3444	-0.04	25254	0.26
	Market Purchase 30.06.2018	2426	0.02	27680	0.29
	Market Sale 06.07.2018	-4864	-0.04	22816	0.24
	Market Sale 13.07.2018	-1278	-0.01	21538	0.22
	Market Purchase 20.07.2018	1188	0.02	22726	0.24
	Market Sale 27.07.2018	-670	-0.01	22056	0.23
	Market Sale 03.08.2018	-1385	-0.02	20671	0.22
	Market Purchase 03.08.2018	796	0.01	21467	0.22
	Market Sale 10.08.2018	-5	0.00	21462	0.22
	Market Purchase 10.08.2018	117	0.00	21579	0.23
	Market Sale 17.08.2018	-140	0.00	21439	0.22
	Market Purchase 17.08.2018	434	0.00	21873	0.23
	Market Purchase 24.08.2018	200	0.00	22073	0.23
	Market Sale 24.08.2018	-673	0.01	21400	0.22
	Market Sale 31.08.2018	-3312	-0.03	18088	0.19
	Market Purchase 31.08.2018	4868	0.05	22956	0.24
	Market Purchase 07.09.2018	1302	0.01	24258	0.25
	Market Sale 07.09.2018	-5611	-0.06	18647	0.19
	Market Sale 14.09.2018	-879	-0.01	17768	0.18
	Market Purchase 14.09.2018	2103	0.02	19871	0.21
	Market Sale 21.09.2018	-1483	0.01	18388	0.19
	Market Sale 28.09.2018	-3778	-0.03	14610	0.15
	Market Purchase 05.10.2018	695	0.01	15305	0.16
	Market Sale 05.10.2018	-36	0.00	15269	0.16
	Market Purchase 12.10.2018	233	0.00	15502	0.16
	Market Sale 12.10.2018	-240	0.00	15262	0.16
	Market Purchase 19.10.2018	288	0.00	15550	0.16
	Market Sale 26.10.2018	-572	0.00	14978	0.16
	Market Purchase 02.11.2018	571	0.01	15549	0.16
	Market Sale 09.11.2018	-100	0.00	15449	0.16
	Market Purchase 09.11.2018	693	0.01	16142	0.17
	Market Sale 16.11.2018	-1000	-0.01	15142	0.16
	Market Purchase 16.11.2018	1660	0.02	16802	0.18
	Market Sale 23.11.2018	-3048	-0.03	13754	0.15
	Market Purchase 23.11.2018	3581	0.04	17335	0.19
	Market Sale 30.11.2018	-4546	-0.05	12789	0.14
	Market Purchase 30.11.2018	500	0.01	13289	0.14
	Market Purchase 07.12.2018	10818	0.10	23470	0.25
	Market Sale 07.12.2018	-133	0.00	23337	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 (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Market Sale 14.12.2018	-961	-0.01	22376	0.23
	Market Purchase 14.12.2018	2187	0.02	24563	0.25
	Market Sale 21.12.2018	-4373	-0.05	20190	0.21
	Market Sale 28.12.2018	-439	0.00	19751	0.21
	Market Purchase 28.12.2018	489	0.01	20240	0.21
	Market Purchase 31.12.2018	245	0.00	20485	0.21
	Market Sale 04.01.2019	-250	0.00	20235	0.21
	Market Purchase 04.01.2019	616	0.01	20851	0.22
	Market Sale 11.01.2019	-1100	-0.01	19751	0.21
	Market Purchase 18.01.2019	63	0.00	19814	0.21
	Market Sale 25.01.2019	-73	0.00	19741	0.21
	Market Purchase 25.01.2019	1257	0.01	20998	0.22
	Market Sale 01.02.2019	-1075	-0.01	19923	0.21
	Market Purchase 01.02.2019	500	0.01	20423	0.22
	Market Sale 08.02.2019	-724	-0.01	19699	0.21
	Market Purchase 08.02.2019	995	0.01	20694	0.22
	Market Sale 15.02.2019	-372	0.00	20322	0.21
	Market Sale 22.02.2019	-1186	-0.01	19136	0.20
	Market Purchase 01.03.2019	372	0.00	19508	0.20
	Market Sale 01.03.2019	-233	0.00	19275	0.20
	Market Sale 08.03.2019	-189	0.00	19086	0.20
	Market Sale 15.03.2019	-314	0.00	18772	0.20
	Market Purchase 15.03.2019	4632	0.05	23404	0.24
	Market Sale 22.03.2019	-1927	-0.02	21477	0.22
	Market Purchase 22.03.2019	581	0.01	22058	0.23
	Market Sale 29.03.2019	-462	0.00	21596	0.23
	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>21596</b>	<b>0.23</b>
<b>7</b>	<b>DAMODHARAN SESHADRI</b>				
	<b>At the beginning of the year</b>	<b>21000</b>	<b>0.22</b>	<b>-</b>	<b>-</b>
	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>21000</b>	<b>0.22</b>
<b>8</b>	<b>JAGANNATH D DEVADIGA</b>				
	<b>At the beginning of the year</b>	<b>19941</b>	<b>0.21</b>	<b>-</b>	<b>-</b>
	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>19941</b>	<b>0.21</b>
<b>9</b>	<b>KARVY STOCK BROKING LTD</b>				
	<b>At the beginning of the year</b>	<b>17526</b>	<b>0.00</b>	<b>-</b>	<b>-</b>
	Market Sale 06.04.2018	-801	-0.01	16725	0.17
	Market Purchase 06.04.2018	300	0.00	17025	0.18
	Market Sale 13.04.2018	-745	-0.01	16280	0.17



## 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 (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Market Sale 20.04.2018	-310	0.00	15970	0.17
	Market Sale 27.04.2018	-1751	-0.02	14219	0.15
	Market Purchase 27.04.2018	346	0.00	14565	0.15
	Market Sale 04.05.2018	-364	0.00	14201	0.15
	Market Sale 11.05.2018	-50	0.00	14151	0.15
	Market Purchase 11.05.2018	318	0.00	14469	0.15
	Market Purchase 18.05.2018	2400	0.03	16869	0.18
	Market Sale 18.05.2018	-400	0.00	16469	0.17
	Market Purchase 25.05.2018	2278	0.02	18747	0.20
	Market Sale 25.05.2018	-87	0.00	18660	0.19
	Market Sale 01.06.2018	-2139	-0.02	16521	0.17
	Market Purchase 01.06.2018	756	0.01	17277	0.18
	Market Sale 08.06.2018	-886	-0.01	16391	0.17
	Market Purchase 15.06.2018	270	0.00	16661	0.17
	Market Sale 15.06.2018	-138	0.00	16523	0.17
	Market Purchase 22.06.2018	326	0.00	16849	0.18
	Market Sale 22.06.2018	-2	0.00	16847	0.18
	Market Purchase 30.06.2018	319	0.00	17166	0.18
	Market Sale 30.06.2018	-60	0.00	17106	0.18
	Market Purchase 06.07.2018	1000	0.01	18106	0.19
	Market Purchase 13.07.2018	182	0.00	18288	0.19
	Market Sale 13.07.2018	-60	0.00	18228	0.19
	Market Sale 20.07.2018	-220	0.00	18008	0.19
	Market Purchase 20.07.2018	200	0.00	18208	0.19
	Market Sale 27.07.2018	-1665	-0.02	16543	0.17
	Market Purchase 03.08.2018	5208	0.05	21751	0.22
	Market Sale 03.08.2018	-347	0.00	21404	0.22
	Market Sale 10.08.2018	-1270	-0.01	20134	0.21
	Market Purchase 10.08.2018	1056	0.01	21190	0.22
	Market Purchase 17.08.2018	299	0.00	21489	0.22
	Market Sale 17.08.2018	-319	0.00	21170	0.22
	Market Sale 24.08.2018	-1012	-0.01	20158	0.21
	Market Purchase 24.08.2018	40	0.00	20198	0.21
	Market Sale 31.08.2018	-904	-0.01	19294	0.20
	Market Purchase 31.08.2018	3047	0.03	22341	0.23
	Market Purchase 07.09.2018	198	0.00	22539	0.24
	Market Sale 07.09.2018	-2450	-0.03	20089	0.21
	Market Sale 14.09.2018	-682	-0.01	19407	0.20
	Market Purchase 21.09.2018	100	0.00	19507	0.20



**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 (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Market Sale 21.09.2018	-150	0.00	19357	0.20
	Market Purchase 28.09.2018	2088	0.02	21445	0.22
	Market Sale 28.09.2018	-20	0.00	21425	0.22
	Market Purchase 05.10.2018	300	0.00	21725	0.23
	Market Sale 05.10.2018	-20	0.00	21705	0.23
	Market Sale 12.10.2018	-998	-0.01	20707	0.22
	Market Sale 19.10.2018	-1144	-0.01	19563	0.20
	Market Purchase 19.10.2018	220	0.00	19783	0.21
	Market Purchase 26.10.2018	14	0.00	19797	0.21
	Market Sale 26.10.2018	-150	0.00	19647	0.21
	Market Purchase 02.11.2018	1092	0.01	20739	0.22
	Market Sale 02.11.2018	-2583	-0.03	18156	0.19
	Market Sale 09.11.2018	-17	0.00	18139	0.19
	Market Purchase 16.11.2018	1560	0.01	19699	0.21
	Market Purchase 23.11.2018	1743	0.02	21442	0.22
	Market Sale 23.11.2018	-459	0.00	20983	0.22
	Market Sale 30.11.2018	-2219	-0.02	18764	0.20
	Market Sale 07.12.2018	-250	0.00	18514	0.19
	Market Purchase 07.12.2018	190	0.00	18704	0.20
	Market Purchase 14.12.2018	781	0.01	19485	0.20
	Market Sale 14.12.2018	-198	0.00	19287	0.20
	Market Purchase 21.12.2018	2936	0.03	22223	0.23
	Market Sale 21.12.2018	-2	0.00	22221	0.23
	Market Purchase 28.12.2018	100	0.00	22321	0.23
	Market Purchase 04.01.2019	263	0.00	22584	0.24
	Market Purchase 11.01.2019	241	0.00	22825	0.24
	Market Sale 11.01.2019	-183	0.00	22642	0.24
	Market Sale 18.01.2019	-271	0.00	22371	0.23
	Market Purchase 25.01.2019	1411	0.01	23782	0.25
	Market Sale 01.02.2019	-1787	-0.02	21995	0.23
	Market Purchase 01.02.2019	880	0.01	22875	0.24
	Market Purchase 08.02.2019	50	0.00	22925	0.24
	Market Sale 08.02.2019	-839	-0.01	22086	0.23
	Market Purchase 15.02.2019	539	0.01	22645	0.24
	Market Sale 22.02.2019	-4094	-0.05	18551	0.19
	Market Sale 01.03.2019	-224	0.00	18327	0.19
	Market Purchase 01.03.2019	5	0.00	18332	0.19
	Market Sale 08.03.2019	-44	0.00	18288	0.19
	Market Purchase 15.03.2019	3149	0.03	21437	0.22



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 (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Market Sale 15.03.2019	-4	0.00	21433	0.22
	Market Sale 22.03.2019	-512	0.00	20921	0.22
	Market Sale 29.03.2019	-2365	-0.02	18556	0.19
	Market Purchase 29.03.2019	258	0.00	18814	0.20
	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>18814</b>	<b>0.20</b>
<b>10</b>	<b>LALITKUMAR MANILAL THAKKAR</b>				
	<b>At the Beginning of the year</b>	<b>25000</b>	<b>0.00</b>	<b>-</b>	<b>0.26</b>
	Market Sale 15.03.2019	-10000	-0.10	15000	0.16
	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>15000</b>	<b>0.16</b>
<b>11</b>	<b>NRL FINANCIAL SERVICES PRIVATE LIMITED</b>				
	<b>At the Beginning of the year</b>	<b>38403</b>	<b>0.00</b>		<b>0.40</b>
	Market Sale 13.04.2018	-1000	-0.01	37403	0.39
	Market Sale 27.04.2018	-22000	-0.23	15403	0.16
	Market Sale 10.08.2018	-439	0.00	14964	0.16
	Market Sale 31.08.2018	-9964	-0.10	5000	0.05
	Market Purchase 23.11.2018	1000	0.01	6000	0.06
	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>6000</b>	<b>0.06</b>
<b>12</b>	<b>GLOBE CAPITAL MARKET LTD</b>				
	<b>At the Beginning of the year</b>	<b>21278</b>	<b>0.00</b>	<b>-</b>	<b>0.21</b>
	Market Sale 06.04.2018	-2096	-0.02	19182	0.20
	Market Purchase 06.04.2018	250	0.00	19432	0.20
	Market Sale 13.04.2018	-2130	-0.02	17302	0.18
	Market Purchase 13.04.2018	300	0.00	17602	0.18
	Market Sale 20.04.2018	-100	0.00	17502	0.18
	Market Purchase 27.04.2018	897	0.01	11399	0.19
	Market Sale 27.04.2018	-56	0.00	18343	0.19
	Market Sale 04.05.2018	-770	-0.01	17573	0.18
	Market Purchase 11.05.2018	1906	0.02	19479	0.20
	Market Purchase 18.05.2018	1000	0.01	20479	0.21
	Market Sale 25.05.2018	-9887	-0.11	10592	0.11
	Market Purchase 25.05.2018	200	0.00	10792	0.11
	Market Sale 01.06.2018	-1594	-0.02	9198	0.10
	Market Sale 08.06.2018	-1045	-0.01	8153	0.09
	Market Purchase 15.06.2018	1100	0.01	9253	0.10
	Market Sale 15.06.2018	-606	-0.01	8647	0.09
	Market Sale 22.06.2018	-1720	-0.02	6927	0.07
	Market Sale 30.06.2018	-1133	-0.01	5794	0.06
	Market Purchase 06.07.2018	1630	0.02	7424	0.08
	Market Purchase 06.07.2018	99	0.00	7523	0.08



## 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 (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Market Purchase 20.07.2018	274	0.00	7797	0.08
	Market Sale 27.07.2018	-150	0.00	7647	0.08
	Market Sale 03.08.2018	-3301	-0.03	4346	0.05
	Market Purchase 03.08.2018	3301	0.03	7647	0.08
	Market Purchase 10.08.2018	450	0.00	8097	0.08
	Market Sale 17.08.2018	-2125	-0.02	5972	0.06
	Market Sale 24.08.2018	-500	-0.01	5472	0.06
	Market Sale 31.08.2018	-916	-0.01	4556	0.05
	Market Purchase 07.09.2018	2040	0.02	6596	0.07
	Market Sale 14.09.2018	-321	0.00	6275	0.07
	Market Sale 21.09.2018	-325	0.00	5950	0.06
	Market Purchase 28.09.2018	2398	0.03	8348	0.09
	Market Purchase 05.10.2018	75	0.00	8423	0.09
	Market Sale 12.10.2018	-3204	-0.03	5219	0.05
	Market Purchase 12.10.2018	1004	0.01	6223	0.06
	Market Sale 26.10.2018	-398	0.00	5825	0.06
	Market Purchase 09.11.2018	700	0.01	6525	0.07
	Market Sale 23.11.2018	-550	-0.01	5975	0.06
	Market Purchase 30.11.2018	400	0.00	6375	0.07
	Market Purchase 28.12.2018	76	0.00	6451	0.07
	Market Sale 04.01.2019	-76	0.00	6375	0.07
	Market Sale 11.01.2019	-1030	-0.01	5345	0.06
	Market Sale 25.01.2019	-10	0.00	5335	0.06
	Market Purchase 22.02.2019	4033	0.04	9368	0.10
	Market Sale 22.02.2019	-4033	-0.04	5335	0.06
	Market Purchase 08.03.2019	8	0.00	5343	0.06
	Market Purchase 15.03.2019	92	0.00	5435	0.06
	Market Sale 22.03.2019	-492	-0.01	4943	0.05
	Market Sale 29.03.2019	-100	0.00	4843	0.05
	<b>At the end of the year</b>	-	-	<b>4843</b>	<b>0.05</b>
<b>13</b>	<b>CHOICE INTERNATIONAL LIMITED ##</b>				
	<b>At the Beginning of the year</b>	<b>71928</b>	<b>0.00</b>	-	<b>0.75</b>
	Market Sale 27.04.2018	-3750	-0.04	68178	0.71
	Market Sale 30.06.2018	-68178	-0.71	0	0
	<b>At the end of the year</b>	-	-	<b>0</b>	<b>0</b>
<b>14</b>	<b>AKSHAY SANJAY SAPKAL ##</b>				
	<b>At the Beginning of the year</b>	<b>20700</b>	<b>0.00</b>	-	<b>0.21</b>
	Market Sale 13.07.2018	-20700	-0.21	0	0
	<b>At the end of the year</b>	-	-	<b>0</b>	<b>0</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 (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
15.	<b>SUNIL KOTHARI ##</b>				
	<b>At the Beginning of the year</b>	<b>55000</b>	<b>0.00</b>	<b>-</b>	<b>0.57</b>
	Market Sale 21.09.2018	-1780	-0.02	53220	0.56
	Market Sale 28.09.2018	-7607	-0.08	45613	0.48
	Market Sale 19.10.2018	-3376	-0.04	42237	0.44
	Market Sale 26.10.2018	-104	0.00	42133	0.44
	Market Sale 02.11.2018	-2097	-0.02	40036	0.42
	Market Sale 09.11.2018	-1479	-0.02	38557	0.40
	Market Sale 16.11.2018	-11570	-0.12	26987	0.28
	Market Sale 23.11.2018	-2045	-0.02	24942	0.26
	Market Sale 21.12.2018	-2291	-0.02	22651	0.24
	Market Sale 28.12.2018	-1709	-0.02	20942	0.22
	Market Sale 11.01.2019	-928	-0.01	20014	0.21
	Market Sale 18.01.2019	-384	0.00	19630	0.20
	Market Sale 25.01.2019	-6130	-0.06	13500	0.14
	Market Sale 01.02.2019	-2500	-0.03	11000	0.11
	Market Sale 08.02.2019	-2863	-0.03	8134	0.08
	Market Sale 15.02.2019	-6442	-0.07	1695	0.02
	Market Sale 22.02.2019	-1134	-0.01	561	0.01
	Market Sale 01.03.2019	-561	-0.01	0	0
	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>0</b>

\*\*\* Not in the list of Top 10 shareholders as on 31.03.2018. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2019.

## Ceased to be in the list of Top 10 shareholders as on 31.03.2019. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2018.



## 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 (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>R.SANTOSSH (MANAGING DIRECTOR)#</b>				
	<b>At the beginning of the year</b>	<b>2782506</b>	<b>29.05</b>	<b>2782506</b>	<b>29.05</b>
	Increase/Decrease in Shareholding during the year	-	-	-	-
	<b>At the end of the year</b>	<b>2782506</b>	<b>29.05</b>	<b>2782506</b>	<b>29.05</b>
2.	<b>R.VIMALA (WHOLE-TIME DIRECTOR)#</b>				
	<b>At the beginning of the year</b>	<b>48000</b>	<b>0.53</b>	<b>48000</b>	<b>0.50</b>
	Transfer of shares as on 26.10.2018	(48000)	(0.50)	0	0
	<b>At the end of the year</b>	-	-	<b>0</b>	<b>0</b>
3.	<b>BOSCO GIULIA (WHOLE-TIME DIRECTOR)</b>				
	<b>At the beginning of the year</b>	<b>464000</b>	<b>4.84</b>	<b>464000</b>	<b>4.84</b>
	Transfer of shares as on 26.10.2018	48000	0.50	512000	5.34
	Market Purchase 22.02.2019	23778	0.25	535778	5.59
	<b>At the end of the year</b>	-	-	<b>535778</b>	<b>5.59</b>
4.	<b>VASTUPAL RAJNIKANT METHA (INDEPENDENT DIRECTOR)</b>	-	-	-	-
5.	<b>DEEPAK PADAMSHI MALANI (INDEPENDENT DIRECTOR)</b>	-	-	-	-
6.	<b>MEENAKSHI SUNDARAM RAJKUMAR (INDEPENDENT DIRECTOR)</b>	-	-	-	-
7.	<b>BABA CHANDRASEKHAR RAMAKRISHNAN (NON-EXECUTIVE NON-INDEPENDENT DIRECTOR)</b>				
	<b>At the beginning of the year</b>	<b>400</b>	<b>0.00</b>	<b>400</b>	<b>0.00</b>
	Increase/Decrease in Shareholding during the year	-	-	-	-
	<b>At the end of the year</b>	<b>400</b>	<b>0.00</b>	<b>400</b>	<b>0.00</b>
8.	<b>PRIYADARSHINI VELUCHAMY (COMPANY SECRETARY)</b>	-	-	-	-
9.	<b>RAMESH SHENOY KALYANPUR (WHOLE-TIME-DIRECTOR-CUM-CHIEF FINANCIAL OFFICER) *</b>	-	-	-	-
10.	<b>NARAYANASAMY BALU (WHOLE-TIME DIRECTOR) **</b>	-	-	-	-

# Resigned with effect from 11<sup>th</sup> July, 2018.\* Appointed as Whole-time Director cum Chief financial Officer w.e.f. 11<sup>th</sup> July, 2018.\*\* Appointed as Whole-time Director w.e.f. 11<sup>th</sup> July, 2018.



**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	3,759.11	280.00	-	4,039.11
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	11.93	2.13	-	14.06
<b>Total (i+ii+iii)</b>	<b>3,771.04</b>	<b>282.13</b>	<b>-</b>	<b>4,053.17</b>
<b>Change in Indebtedness during the financial year</b>				
★ Addition	34,265.62	108.32	-	34,373.94
★ Reduction	33,722.75	37.86	-	33,760.61
<b>Net Change</b>	<b>542.87</b>	<b>70.46</b>	<b>-</b>	<b>613.33</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	4,311.08	350.00	-	4,661.08
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2.83	2.59	-	5.42
<b>Total (i+ii+iii)</b>	<b>4,313.91</b>	<b>352.59</b>	<b>-</b>	<b>4,666.50</b>



**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managerial Director, Whole- Time Directors and/ or Manager :**

₹ in Lakhs

S.No	Particulars of Remuneration	Name of MD/WTD/ Manager					Total Amount
		Mr.Santossh.R (Managing Director) #	Mrs. Bosco Giulia (Whole-time Director)	Mrs. Vimala R (Whole-time Director) #	Mr. Ramesh Shenoy (Whole time Director cum CFO *)	Mr.Narayanasamy Balu (Whole time Director) ***	
1	Gross salary	5.11	12.00	1.66	11.09	12.71	42.57
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	1.67	-	-	-	1.67
	(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)	5.11	12.00	1.66	11.09	12.71	44.24
Ceiling as per the Act- ₹ 1,11,24,057 /-							

# Resigned with effect from 11<sup>th</sup> July, 2018.\* Appointed as Whole-time Director cum Chief Financial Officer w.e.f. 11<sup>th</sup> July, 2018.\*\*\* Appointed as Whole-time Director w.e.f 11<sup>th</sup> July, 2018.



**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

₹ in Lakhs

S. No.	Particulars of Remuneration	Key Managerial Personnel	
		Ms.Priyadarshini Veluchamy Company Secretary	Total
1	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	3.64	3.64
	(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	3.64	3.64

## 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

Place : Coimbatore

Date : 29.05.2019

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



## NOMINATION AND REMUNERATION POLICY

(Approved at the Board Meeting held on 8th February, 2019)

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

### DEFINITIONS:

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

**"Key Managerial Personnel"** means:

- i) the Chief Executive Officer or the Managing Director or the Manager;
- ii) the Company Secretary;
- iii) the Whole Time Director;
- iv) the Chief Financial Officer, and
- v) such other officer as may be prescribed.

**"Senior Managerial Personnel"** or **"Senior Management"** means the officers / personnel of the company who are members of its core management team excluding Board of Directors and comprises of all members of management one level below the Chief Executive Officer / Managing Director / Whole-time Director / Manager including Chief Executive Officer / Manager, in case they are not part of the Board, and including Company Secretary, Chief Financial Officer and all functional heads.

### Objective:

- 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.



### **ROLE OF THE COMMITTEE:**

The role of the NRC will be the following

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

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

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



## **TERM / TENURE**

### **Managing Director/Whole-time Director:**

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

### **a) Independent Director:**

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

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

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

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

## **EVALUATION**

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

## **REMOVAL**

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

## **RETIREMENT**

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



**POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL**

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

- (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 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 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) 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/ commission/ incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.



- b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund etc. as decided from time to time.
- c) 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.

#### **IMPLEMENTATION**

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may Delegate any of its powers to one or more of its members.





**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2019**

[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 and pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

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, 2019**, 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 2019 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- iv. 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 year 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 (Share Based Employee Benefits) Regulations, 2014;
- c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
- f. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

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 a Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and in the case of Board Meeting(s) convened at shorter notice, the consent of all the Directors including the Independent Directors in the Board has been obtained 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 : 29.05.2019

**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 : 29.05.2019

**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 Group Company of Lambodhara Textiles Limited. Mrs.Giulia Bosco, Whole-Time Director and Mr.Ramesh K Shenoy, Whole-Time Director cum 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 : 29.05.2019



**ANNEXURE 5**

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

**b) Steps taken for utilizing alternate source of energy**

1. The Company has installed 2.75 MW of wind energy capacity and this would meet 30% requirement of electrical consumption.
2. The Company has executed Power Purchase Agreement under Group Captive Consumer for supply of an additional 86.46 lakhs units p.a. generated from Wind Mill.

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

We have made a Capital investment of ₹ 4.40 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	2018-19	2017-18
(i) Expenditure on Foreign Travel	209	474
(ii) Import of Rawmaterial, trading goods and stores	450693	243981
(iii) Foreign Exchange Earned	247109	189794

(₹ In '000)

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

Chairman

(DIN : 06935422)

Place : Coimbatore

Date : 29.05.2019



## ANNEXURE TO THE DIRECTORS' REPORT

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

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or program	<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>												
2. The composition of CSR committee	<table border="1"> <thead> <tr> <th data-bbox="696 824 957 906">Name</th> <th data-bbox="957 824 1252 906">Designation in CSR Committee</th> </tr> </thead> <tbody> <tr> <td data-bbox="696 906 957 951">Mr. Santossh. R *</td> <td data-bbox="957 906 1252 951">Chairman</td> </tr> <tr> <td data-bbox="696 951 957 997">Mrs. R. Vimala *</td> <td data-bbox="957 951 1252 997">Member</td> </tr> <tr> <td data-bbox="696 997 957 1042">Mrs. Bosco Guilia #</td> <td data-bbox="957 997 1252 1042">Chariman</td> </tr> <tr> <td data-bbox="696 1042 957 1088">Ramesh Shenoy K #</td> <td data-bbox="957 1042 1252 1088">Member</td> </tr> <tr> <td data-bbox="696 1088 957 1115">Mr. M.S. Rajkumar</td> <td data-bbox="957 1088 1252 1115">Member</td> </tr> </tbody> </table>	Name	Designation in CSR Committee	Mr. Santossh. R *	Chairman	Mrs. R. Vimala *	Member	Mrs. Bosco Guilia #	Chariman	Ramesh Shenoy K #	Member	Mr. M.S. Rajkumar	Member
Name	Designation in CSR Committee												
Mr. Santossh. R *	Chairman												
Mrs. R. Vimala *	Member												
Mrs. Bosco Guilia #	Chariman												
Ramesh Shenoy K #	Member												
Mr. M.S. Rajkumar	Member												
3. Average net profit of the Company made during the three immediately preceding Financial Years	₹ 824.05 Lakhs												
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	₹ 16.48 Lakhs												
5. Details of CSR spent during the Financial Year													
a Total amount to be spent for the financial year	₹ 16.87 Lakhs												
b) Amount unspent, if any	Nil												

\* Resigned from the Board with effect from 11<sup>th</sup> July, 2018.

# Appointed in the Committee with effect from 11<sup>th</sup> July, 2018



c) Manner in which the amount spent during the financial year is 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 implementing agency
1	Promoting Education	Education	Tamilnadu Udumalpet	₹ 16.87 lakhs	₹ 16.87 lakhs	₹ 66.29 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 : 29.05.2019

**Meenakshi Sundaram Rajkumar**

Chairman

(DIN : 06935422)

**Bosco Guilia**

Whole-Time Director and  
Chairman of CSR Committee  
(DIN : 01898020)





## 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	4.51:1
	Mrs.R.Vimala *	Whole-Time Director	1.46:1
	Mrs.Giulia Bosco	Whole-Time Director	12.06:1
	Mr Ramesh Shenoy Kalyanpur #	Whole-Time Director	9.78:1
	Mr.Narayanasamy Balu #	Whole-Time Director	11.20:1
	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	0.08:1
	Mr Ramesh Shenoy Kalyanpur	Chief Financial Officer	0.56:1
	Mr.Narayanasamy Balu #	Whole-Time Director	0.72:1
	Ms. V Priyadarshini	Company Secretary	N A* *
	** There is no increase in remuneration for the reporting period 2018-2019		
iii Percentage increase in the median remuneration of employees in the financial year	5%		



iv	Number of permanent employees on the rolls of company	499
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 3.13% as against an increase of 18.52% in the salary of the managerial personnel.</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

\* Resigned with effect from 11<sup>th</sup> July, 2018.

# Appointed with effect from 11<sup>th</sup> July, 2018.

Place : Coimbatore

Date : 29.05.2019

For and on behalf of the Board

**Meenakshi Sundaram Rajkumar**

Chairman

(DIN : 06935422)

**ANNEXURE 6**

**PART 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	% of Equity Shares held	Relationship with other Director
1	Bosco Giulia (40 years)	Whole-time Director	13,67,377	PG in Political Science & Economics (13 years)	07.03.2008	Sanmarco Texmac Private Limited	5.59	-
2	Balu K N** (57 years)	Factory Manager	12,70,492	BA (33 years)	08.09.1997	-	-	-
3	Ramesh Shenoy.K** (51 years)	Whole-time Director cum Chief Financial Officer	11,09,000	B.Com (27 years)	01.08.2007	NEPC Textiles Limited	-	-
4	Saravanan.G (51 years)	Office Executive	7,22,000	M.Com (29 years)	01.10.2007	NEPC Textiles Limited	-	-
5	Sasikumar R (35 years)	Manager Accounts	6,38,000	MBA (Finance) CA (Inter)(15 years)	02.11.2015	Ampo Volves India (P) Ltd	-	-
6	Manoharan.T.G (48 years)	Office Executive	5,79,000	B.Com (24 years)	01.10.2007	NEPC Textiles Ltd	-	-
7	Damodharan P (52 years)	Administrative Officer	5,65,408	B.Sc., B.Ed. (24 years)	01.09.2004	Rajratana Mills	-	-
8	Rajeshwari R (47 years)	Time Office - Executive	5,43,291	B.Sc., (19 years)	01.06.2000	-	-	-
9	Senthilvadivu R (45 years)	Cashier Officer	5,42,189	B.Com (18 years)	07.09.2001	Vijayakumar Threads	-	-
10	Arivalagan K S (47 years)	Executive - Stores	5,37,647	B.Sc., (25 years)	17.02.2003	Rajratana Mills	-	-

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

\* All employees are permanent in nature.

\*\* Appointed w.e.f 11<sup>th</sup> July, 2018.

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

Place : Coimbatore  
 Date : 29.05.2019



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Annexure

#### 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.

The Indian government has come up with a number of export promotion policies for the Textiles sector. It has also allowed 100 per cent FDI in the Indian Textiles sector under the automatic route.

#### 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 locate with a super built-up area of 28,000 sft. with Ground and four floors.

#### d) **OUTLOOK :**

The Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the Indian textiles sector under the automatic route.

The Government of India plans to introduce a mega package for the powerloom sector, which will include social welfare schemes, insurance cover, cluster development, and upgradation of obsolete looms, along with tax benefits and marketing support, which is expected to improve the status of power loom weavers in the country.

#### 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 ₹ 959.24 Lakhs from operations on a turnover of ₹ 17,582.82 Lakhs for the year ended 31<sup>st</sup> March 2019.

#### 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.



i) KEY FINANCIAL RATIOS :

S.No	Description	31.03.2019	31.03.2018	% change
1	Debtors Turnover	10.72	10.71	0.16
2	Inventory Turnover	5.34	5.58	-4.40
3	Interest Coverage Ratio *	5.27	2.26	133.48
4	Current ratio	1.53	1.56	-2.51
5	Debt Equity ratio	1.16	1.29	-9.95
6	Operating Profit Margin %	11.75	13.11	-10.36
7	Net Profit Margin (%) or sector specific equivalent ratio	4.37	3.53	23.67
8	Return on Networth **	13.55	11.79	14.97

\* Changes in Interest coverage is due to net gain in forex transactions during FY 19 of ₹ 0.76 Cr. against a net loss of ₹ 3.90 Cr. during FY18.

\*\* Changes in return on networth is due to reduction in finance cost.



## 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 One Promoter Executive Director, Two Non-Independent Executive Directors, One Non-Independent Non-Executive Director and Three Independent Non-Executive Directors. Chairman of the Board is an Independent Non-Executive Director. The Board Comprises of one women director. 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	4	NA	-	-	-
##Mrs. Vimala. R	Executive Director Promoter	4	NA	-	-	-
Mrs. Bosco Giulia	Executive Director-Promoter	9	Yes	1	-	-



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. Deepak Padmashi Malani	Non-Executive-Independent	9	Yes	-	-	-
Mr. Vasthupal Rajnikant Mehta	Non-Executive-Independent	9	Yes	-	-	-
Mr. Meenakshi Sundaram Rajkumar	Non-Executive-Independent	9	No	-	-	-
Mr. Baba Chandrasekhar Ramakrishnan	Non-Executive-Non-Independent	9	No	-	-	-
* Mr. Ramesh Shenoy Kalyanpur	Executive Director-Non-Independent	6	Yes	-	-	-
* Mr. Narayanasamy Balu	Executive Director-Non-Independent	6	Yes	-	-	-

\*\* Resigned from the office of Managing Director and Director w.e.f. 11.07.2018.

## Resigned from the office of Whole-time Director and Director w.e.f. 11.07.2018.

\* Appointed as Whole-time Directors at the board meeting held on 11.07.2018 and confirmed at the AGM held on 20.09.2018

# Excludes directorships in Private Companies and Foreign Companies

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

Mr.R.Santossh is the son of Mrs.R.Vimala and husband of Mrs. Bosco Guilia. Further, Mr.R.Santossh and Mrs.R.Vimala has been resigned from the Company on 11.07.2018. Therefore, as on date none of the Directors are related to each other.

None of the Directors holds directorship in more than 20 Companies (including limit of maximum directorships in 10 public companies) pursuant to the provisions of the Companies Act, 2013. Further, none of the Directors including Independent Directors hold directorships in more than the maximum number of directorships prescribed under Regulation 17A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per the disclosures received from the Directors, none of the Directors serve as member of more than 10 committees nor they are Chairman / Chairperson of more than 5 committees, and therefore meet the requirements of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Other Directorships in listed entities:**

None of the Director(s) holds directorship in other listed entities.



**Details of the Board meetings held during the financial year 2018-2019**

Nine 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	09-04-2018	7
2	01-05-2018	7
3	30-05-2018	7
4	11-07-2018	9
5	06-08-2018	7
6	13-08-2018	7
7	27-09-2018	7
8	12-11-2018	7
9	08-02-2019	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 31.03.2019)
Mr. Deepak Padmashi Malani	Nil
Mr. Vasthupal Rajinikant Metha	Nil
Mr. Meenakshi Sundaram Rajkumar	Nil
Mr. Baba Chandrasekhar Ramakrishnan	400

**Skills / Expertise / Competencies of the Board of Directors:**

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

- i) Knowledge on Company's businesses, policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates
- ii) Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company
- iii) Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making,
- iv) Financial and Management skills
- v) Technical / Professional skills and specialized knowledge in relation to Company's business.





### **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 8<sup>th</sup> February, 2019, 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.

#### **Resignation of Independent Director(s) before expiry of tenure**

There was no instance of resignation of any Independent Director during the financial year 2018-19.

#### **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 as link between the statutory and internal auditors and the Board of Directors of the Company.



### Composition and Attendance

During the financial year ended 31st March 2019, Six Audit Committee Meetings were held on 30<sup>th</sup> May 2018, 11<sup>th</sup> July 2018, 13<sup>th</sup> August 2018, 27<sup>th</sup> September 2018, 12<sup>th</sup> November 2018 and 08<sup>th</sup> February 2019. 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 Padmashi Malani Chairman	Non-Executive-Independent	6	6
Mr. Vasthupal Rajinikant Mehta Member	Non-Executive-Independent	6	6
Mr. Meenakshi Sundaram Rajkumar - Member	Non-Executive-Independent	6	6

The meetings of the Audit Committee are usually attended by the Whole Time 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 policy violation instances, the corrective actions and mitigating controls put in place thereof.

The Chairman of the Audit Committee, Mr. Deepak Padamshi Malani was present at the Annual General Meeting of the Company held on 20th September 2018.

Mrs. Priyadarshini.V, Company Secretary, acts as the Secretary of the Audit Committee.

#### 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. The broad terms of reference of the Nomination and Remuneration Committee therefore include recommending a policy relating to remuneration and employment terms of whole-time directors and senior management personnel, to recommend to the Board all remuneration, in whatever form, payable to senior management, adherence to and review of the remuneration/ employment policy as approved by the Board of Directors, formulating the criteria and identify persons who may be appointed as directors or senior management of the Company, evaluation of every Director's performance, as referred to in Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other matters which the Board of Directors may direct from time to time.

### **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 Padmashi Malani Chairman	Independent - Non-Executive	3
Mr. Vasthupal Rajinikant Mehta Member	Independent - Non-Executive	3
Mr. Meenakshi Sundaram Rajkumar - Member	Independent - Non-Executive	3

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 30th May 2018, 11<sup>th</sup> July 2018 and 08<sup>th</sup> February 2019.

The Chairman of the Nomination and Remuneration Committee, Mr. Deepak Padmashi Malani was present at the Annual General Meeting of the Company held on 20<sup>th</sup> September 2018.

The remuneration policy of the Company is annexed to the Board's Report and can also be accessed on the Company's websites at <https://www.lambodharatextiles.com/files/POLICY%20ON%20NOMINATION%20AND%20REMUNERATION.pdf>.

### **Performance evaluation of Non-Executive and Independent Directors**

The evaluation of the performance of the independent directors is based on their qualification, experience, knowledge and competency, ability to fulfill allotted functions / roles, ability to function as a team, pro-activeness, participation and attendance, commitment, contribution, integrity and ability to articulate independent views and



judgement. Accordingly, the performance evaluation of Independent Directors has been conducted and the results have been communicated to the Chairman of the Board.

Pursuant to the provisions of the Companies Act, 2013 and as per Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the board has carried out the annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of the committees of the board. They also evaluated various aspects of the board such as adequacy of the composition of the board and its committees, board diversity, execution and performance of specific duties, obligations and governance.

## 5. REMUNERATION OF DIRECTORS

Details of Remuneration paid to the Whole-Time Directors of the Company as on 31<sup>st</sup> March 2019. ₹ in Lakhs

Details of Remuneration	Mrs. Bosco Giulia (Whole-Time Director)	Mr. Ramesh Shenoy (Whole Time Director cum CFO)	Mr.Narayanasamy Balu (Whole Time Director)
Term of Appointment	For a period of five years from 1 <sup>st</sup> October 2013 to 30 <sup>th</sup> September 2018.Further reappointed for a further period of five years w.e.f. from 28.09.2018	For a period of five years from 11 <sup>th</sup> July 2018 to 10 <sup>th</sup> July 2023	For a period of five years from 11 <sup>th</sup> July 2018 to 10 <sup>th</sup> July 2023
Salary	12.00	11.09	12.71
Perquisites & Allowances	1.67	-	-
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.

### Terms of reference:

The Stakeholders Relationship Committee of the Board is empowered to oversee the redressal 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

The composition of the above committee and attendance as under

Name of the Members & Designation	Category	No. of Meetings	
		Held	Attended
Mr. Deepak Padmashi Malani Chairman	Non-Executive-Independent	8	8
Mr. Vasthupal Rajinikant Mehta Member	Non-Executive-Independent	8	8
Mr. Meenakshi Sundaram Rajkumar Member	Non-Executive-Independent	8	8

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

Mrs. Priyadarshini.V, Company Secretary is Compliance Officer of the Company. The minutes of the Investors Relations committee were placed before the board meeting.

At the beginning of the year, no complaint was pending. During the year 31<sup>st</sup> March, 2019 there were no investor complaints which were pending/received/resolved.

No request for transfer or dematerialization of shares was pending as on 31<sup>st</sup> March, 2019.

The Chairman of the Stakeholders Relationship Committee, Mr. Deepak Padmashi Malani was present at the Annual General Meeting of the Company held on 20th September 2018.

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

## **7. 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 presently comprises of Smt. Bosco Giulia, Sri. Ramesh Shenoy Kalyanpur and Sri.Meenakshi Sundaram Rajkumar as members.

The CSR Committee met three times during the year on 30<sup>th</sup> May 2018, 11<sup>th</sup> July 2018 and 08<sup>th</sup> February 2019. The necessary quorum was present for all Meetings. The attendance record of the members at the meeting was as follows.

Name of the Members	Category	Designation	No. of Meetings	
			Held	Attended
Mr. R. Santossh *	Executive Director	Chairman	1	1
Mrs. R. Vimala *	Executive Director	Member	1	1
Smt. Bosco Giulia	Executive Director	Chairman	2	2
# Sri. Ramesh Shenoy Kalyanpur	Executive Director	Member	2	2
Mr. M.S. Rajkumar	Non-Executive-Independent	Member	3	3

\* Resigned with effect from 11.07.2018

# Appointed with effect from 11.07.2018

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. <https://www.lambodharatextiles.com/files/CSR%20Policy.pdf>

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 ₹ 16.48 lakhs and the company has spent ₹ 16.87 lakhs during the current financial year.



## 8. 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.

## 9. UNCLAIMED SUSPENSE ACCOUNT

Pursuant to Regulation 39(4) read with Schedule VI of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company does not have any unclaimed shares. Hence opening of unclaimed suspense security account is not applicable.

## 10. GENERAL BODY MEETINGS

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

Year	Date	Time	Venue of meeting
2015-2016	15.09.2016	11.00 AM	Vibha, The Grand Regent 708, Avinashi Road, Coimbatore-641018
2016-2017	22.09.2017	10.00 AM	Vibha, The Grand Regent 708, Avinashi Road, Coimbatore-641018
2017-2018	20.09.2018	10.30 AM	Varsha, 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
15.09.2016	Continuation of the employment of Mrs.Vimala Radhakrishnan (DIN: 00813706) Whole- Time Director after attaining the age of seventy years.
22.09.2017	No Special Resolutions were passed
20.09.2018	Adoption of new set of Articles of Association of the Company.

During the year no Extra Ordinary General Meeting was convened nor any approval of the shareholders obtained through Postal Ballot.

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

## 11. MEANS OF COMMUNICATION:

The quarterly, half yearly 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, there are any important developments, the company make news releases and the same will be displayed in the company's website [www.lambodharatextiles.com](http://www.lambodharatextiles.com) and also forward a copy of the same to the Stock Exchange(s). There were no specific presentations made to Institutional Investors or to analysts during the period ended 31st March 2019.

## **12. GENERAL SHAREHOLDER INFORMATION**

### **a. 25th Annual General Meeting**

Date : 26<sup>th</sup> September 2019

Time : 10.30 AM

Venue : Varsha, 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 01st April 2018 are declared within the timeline as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the SEBI Circular CIR/CFD/FAC/62/2016 dated July 5, 2016.

**c. Dividend payment date** : Dividend, when declared, will be payable on or before 25/10/2019 to those members whose names are registered as such in the Register of Members of the Company as on 19/09/2019 and to the Beneficiary holders as per the beneficiary list as on record date 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, BandraKurla 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 2018-19 was paid to National Stock Exchange of India Limited. Custodial Fees to Depositories for the year 2018-19 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





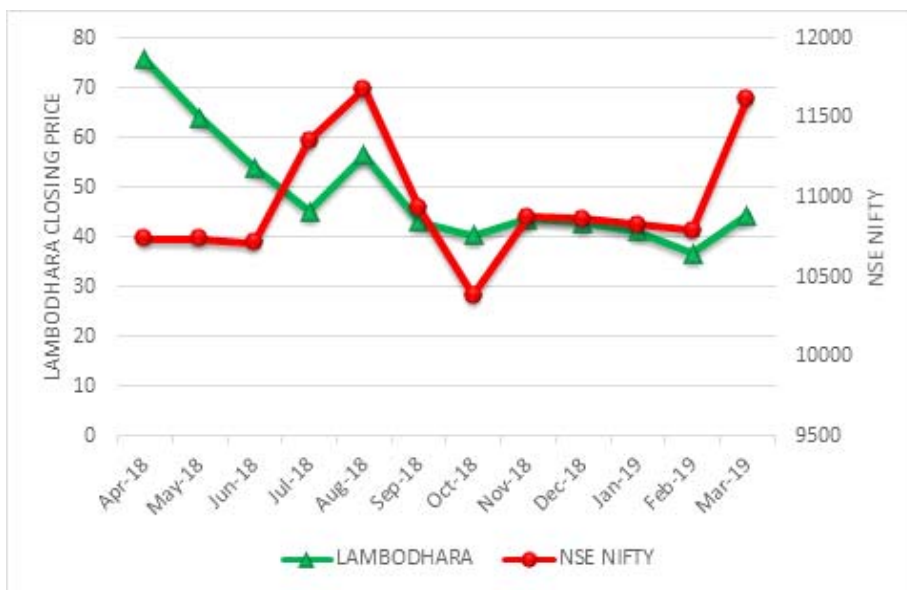
f. **Market price data:** The monthly high and low price of shares traded on the National Stock Exchange of India Limited and BSE-IndoNext are as follows;

Month	National Stock Exchange of India			BSE Indonext		
	High	Low	Volume of Share Traded	High	Low	Volume of Share Traded
Apr-18	88.20	67.00	19,27,489	87.90	68.00	514767
May-18	79.90	62.15	5,63,264	79.90	62.80	104876
Jun-18	68.20	51.65	5,72,151	68.40	52.00	121982
Jul-18	55.70	40.00	3,75,282	56.00	39.55	63786
Aug-18	67.90	44.00	11,26,458	67.60	44.00	294616
Sep-18	60.65	42.50	2,96,157	60.00	43.00	83133
Oct-18	45.00	38.00	140734	44.35	35.70	37789
Nov-18	53.00	40.20	377825	52.05	40.00	63873
Dec-18	45.85	38.05	109463	46.00	38.50	63095
Jan-19	49.00	39.15	152509	49.90	38.00	75034
Feb-19	42.30	35.80	132396	42.25	35.50	16583
Mar-19	56	36.2	3018021	55.60	37.05	1845669

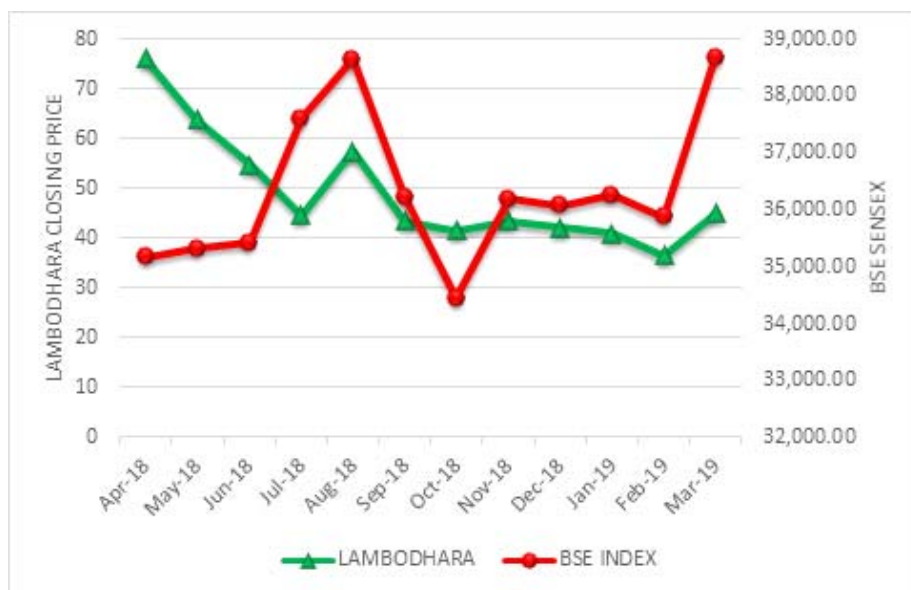


### g. Performance of Company's Stock Price vis-à-vis NSE Nifty

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  
 Website: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.SKDC Consultants Limited, and approved by the Stakeholders Relationship Committee of the Company. The share transfers are processed within a period of 15 days from the date of receipt of the transfer documents by M/s.SKDC Consultants Limited, if the documents are complete in all respects. All requests for dematerialization of shares are processed and confirmed to the depositories, NSDL and CDSL, within 15 days. The Stakeholders Relationship Committee generally meets whenever necessary for approving share transfers and other related activities.

k. **Distribution of Shareholding as on 31.03.2019:**

Shareholding range	No of Holders	% of share holders	No of Shares	% of share holding
1 - 500	4,934	82.83	6,38,287	6.66
501 - 1000	546	9.17	4,52,143	4.72
1001 - 2000	263	4.42	4,11,992	4.30
2001 - 3000	72	1.21	1,83,588	1.92
3001 - 4000	52	0.87	1,89,481	1.98
4001 - 5000	13	0.22	61,969	0.65
5001 - 10000	48	0.81	3,37,283	3.52
10001 and above	28	0.47	73,02,857	76.25
<b>Total</b>	<b>5,956</b>	<b>100.00</b>	<b>95,77,600</b>	<b>100.00</b>

**Shareholding Pattern as on 31.03.2019**

Shares held by	No of Holders	No of Shares	% of shareholding
Promoters and Promoters Group	3	67,38,884	70.36
Mutual Funds	-	-	-
Financial Institutions / Banks	1	10	-
Bodies Corporate	56	1,36,317	1.42
Trusts	2	10,002	0.10



Shares held by	No of Holders	No of Shares	% of shareholding
Public	5605	23,23,713	24.27
Non-Resident Indians:Non-Repatriation	20	44,709	0.47
Non-Resident Indians:Repatriation	59	51,138	0.53
Clearing Members	60	55,238	0.58
Hindu Undivided Families	149	1,15,691	1.21
Investor Education and Protection Fund Authorities	1	1,01,898	1.06
<b>Total</b>	<b>5,956</b>	<b>95,77,600</b>	<b>100.00</b>

**I. Dematerialisation of shares and liquidity**

As on 31st March 2019 98.10% 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. With effect from 1st April, 2019, the applications for transfer of shares held in physical form will not be processed by the listed entity / Registrar and Share Transfer Agent, except in case or transmission or transposition, in accordance with the amended Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Particulars	No. of Holders	No. of Shares	% of shareholding
National Securities Depository Limited	3,085	75,15,749	78.47
Central Depository Services Limited	2,750	18,79,851	19.63
Physical Form	121	1,82,000	1.90
<b>Total</b>	<b>5956</b>	<b>95,77,600</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:**

**Unit I :** 826, Thazhaiyuthu, Palani Taluk - 624 618.

**Unit II :** SKC House, Vinayagar Kovil Street, Neikarapatti, Palani - 624 615.

**Windmill Installed at:**

1. SF No. 13/1(P) Koodankulam Village, Radhapuram Taluk, Tirunelveli District.
2. 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, Tamilnadu Phone: +91 422 4958995 Fax: +91 422 2539837  
Email: info@skdc-consultants.com Website:www.skdc-consultants.com.

**Registered Office of the Company**

The Secretarial Department, Lambodhara Textiles Limited,  
CIN: L17111TZ1994PLC004929  
3A, 3<sup>rd</sup> Floor, 'B Block' Pioneer Apartments, 1075-B, Avinashi Road,  
Coimbatore - 641 018.  
Telefax : +91-422-2249038 & 4351083,  
Email : info@lambodharatextiles.com Website : www.lambodharatextiles.com

**q. Credit Rating:**

The Company does not have any Debt instruments or fixed deposit programme or any scheme or proposal involving mobilization of funds either in India or abroad that requires Credit Rating.

**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-para (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.
- (g) The Company has not raised any funds through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the year. However, the funds raised through preferential allotment of 5,00,000 equity shares made to M/s. Strike Right Integrated Services Limited (promoter group) on 29.01.2018 has been utilized for the objects as stated in the explanatory statement to the postal ballot notice dated 20.12.2017.
- (h) A certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Security Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority has been obtained and is annexed to this report
- (i) During the year under review, the recommendations made by the different Committees have been accepted and there were no instances where the Board of Directors had not accepted any recommendation of the Committees.
- (j) The Company has paid a sum of ₹ 6,00,000 as fees on consolidated basis to the Statutory auditor and all entities in the network firm / entity of which the Statutory auditor is a part for the services rendered by them.
- (k) As per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee. During the year 2018-19, no complaint was received by the committee. As such, there are no complaints pending as at the end of the financial year.

#### **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.

- (a) 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 Listing Regulations.

### **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 29th May, 2019 as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations.

### **Code for prevention of Insider Trading**

The Company has framed a code of conduct for monitoring the trading done by Insiders based on The SEBI (Prohibition of Insider Trading) Regulations, 2015. This code is applicable to all Directors / officers /Designated employees / connected persons.

The Company has also formulated "The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSII)" in compliance with The SEBI (Prohibition of Insider Trading) 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 Whole-time 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

(DIN : 06935422)

Date : 29.05.2019

Place : Coimbatore



**DECLARATION FOR CODE OF CONDUCT**

I, Bosco Giulia, Whole-time Director of Lambodhara Textiles Limited, declare that all the members of the Board of Directors and Senior Management have, for the year ended 31st March, 2019 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.

Place : Coimbatore

Date : 29.05.2019

By Order of the Board

**Sd/- Bosco Giulia**

Whole-Time Director

(DIN : 00819820)





**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
**(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI**  
**(Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To

The Members,  
LAMBODHARA TEXTILES LIMITED  
(CIN: L17111TZ1994PLC004929)  
3A, B-Block, Pioneer Apartments,  
1075-B, Avinashi Road,  
Coimbatore-641018  
Tamil Nadu, India

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. Lambodhara Textiles Limited having CIN: L17111TZ1994PLC004929 and having registered office at 3A, B-Block, Pioneer Apartments, 1075-B, Avinashi Road, Coimbatore-641018, Tamil Nadu, India (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company, as stated below for the Financial Year ending on 31st March, 2019, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S.No	Name of the Director	DIN	Date of Appointment in Company
1.	Mrs. Bosco Giulia, Whole-time Director	01898020	07-03-2008
2.	Mr. Ramesh Shenoy Kalyanpur, Whole-time Director	06392237	11-07-2018
3.	Mr. Narayanasamy Balu, Whole-time Director	08173046	11-07-2018
4.	Mr. Baba Chandrasekar Ramakrishnan	00125662	10-11-2014
5.	Mr. Meenakshi Sundaram Rajkumar	06935422	04-08-2014
6.	Mr. Vastupal Rajnikant Mehta	02368358	15-11-1995
7.	Mr. Deepak Padamshi Malani	02400928	15-11-1995

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company

Place : Coimbatore  
Date : 29th May, 2019

**M D SELVARAJ**  
MDS & Associates  
Company Secretaries  
FCS No.: 960; C P No.: 411



## **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To

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

1. We have examined the compliance of conditions of Corporate Governance by Lambodhara Textiles Limited ('the Company'), for the year ended 31st March 2019, as stipulated in regulations 17 to 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').

### **Management's Responsibility**

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

### **Auditor's Responsibility**

3. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the company has complied with the conditions of corporate governance as stated in paragraph 1 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the 'ICAI'), and the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
5. 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.

### **Opinion**

6. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of Corporate Governance as stipulated in the Listing Regulations during the year ended 31 March 2019. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

### **Restriction on use**

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

Place : Coimbatore

Date : 29.05.2019

For **Jain & Mohan**  
Chartered Accountants  
FRN: 006896S  
(Sd/-) **C. Amrithalal Jain**  
Partner  
M.No. 023060



## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Lambodhara Textiles Limited

### **Report on the Audit of the Standalone Financial Statements**

#### **OPINION**

1. We have audited the accompanying standalone financial statements of Lambodhara Textiles Limited ('the Company'), which comprise the Balance sheet as at 31 March 2019, the statement of profit and loss (including Other Comprehensive Income), the Cash Flow statement and the statement of changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. 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 Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS'), specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2019, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



S No.	Key audit matters	Auditor's Response
1.	<p><b>Revenue Recognition</b></p> <p>Revenue from the sale of goods (hereinafter referred to as "Revenue") is recognised when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery.</p> <p>The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred. Refer Note 37 II (q) to the Financial Statements - Significant Accounting Policies</p>	<p><b>Principal Audit Procedures</b></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures including:</p> <ul style="list-style-type: none"> <li>● Assessing the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and testing thereof.</li> <li>● Evaluating the integrity of the general information and technology control environment and testing the operating effectiveness of key IT application controls.</li> <li>● Evaluating the design and implementation of Company's controls in respect of revenue recognition.</li> <li>● Testing the effectiveness of such controls over revenue cut off at year-end.</li> <li>● Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued after the year end to determine whether revenue was recognised in the correct period.</li> <li>● Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing.</li> </ul>
2.	<p><b>Litigations - Contingencies</b></p> <p>The Company has ongoing litigations with various authorities and third parties which could have a significant impact on the results, if the potential exposures were to materialise.</p> <p>The amounts involved are significant, and the application of accounting standards to determine the amount, if any, to be provided as a liability or disclosed as a contingent liability, is inherently subjective.</p> <p>Claims against the Company not acknowledged as debts are disclosed in the Financial Statements by the Company after a careful evaluation of the facts and legal aspects of the matters involved. The outcome of such litigation is uncertain and the position taken by management involves significant judgment and estimation to determine the likelihood and/or timing of cash outflows and the interpretation of preliminary and pending court rulings.</p> <p>Refer Note 39 to the Financial Statements</p>	<p><b>Principal Audit Procedures</b></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures including:</p> <p>Assessing the appropriateness of the design and implementation of the Company's controls over the assessment of litigations and completeness of disclosures. Supporting documentation are tested for the positions taken by the management, meetings are conducted with in-house legal counsel and/or legal team and minutes of Board to confirm the operating effectiveness of these controls.</p> <p>Involving our direct and indirect tax specialists to assess relevant historical and recent judgements passed by the appropriate authorities in order to challenge the basis used for the accounting treatment and resulting disclosures.</p>



### **Information other than the Financial Statements and Auditor's Report thereon**

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements**

6. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.



### **Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements**

9. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
10. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

14. As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
15. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.
16. 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 (including other comprehensive income), the cash flow statement and the Statement of Changes in Equity 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 Indian 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 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 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 (as amended), in our opinion and to the best of our knowledge and belief and according to the information and 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 39 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 has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31<sup>st</sup> March, 2019;
  - iv. The disclosure requirements regarding specified bank notes held and transacted during the period from 8th November 2016 to 30 December 2016 has not been made since the requirement does not pertain to the year ended 31<sup>st</sup> March 2019.

For **Jain & Mohan**  
Chartered Accountants  
FRN: 006896S

(Sd/-) **C. Amrithalal Jain**  
Partner  
M.No. 023060

Place : Coimbatore  
Date : 29<sup>th</sup> May 2019





**Annexure - A to the Auditors' 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 March 2019, 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 within the meaning of the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- (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, Goods and services 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. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end 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	₹ 5,62,780	Employee Insurance Court.
TNVAT – 2007 - 2014	₹ 3,54,967	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 given 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) During the year, the Company has not made preferential allotment or private placement of shares or fully or partially convertible debentures. Accordingly, provisions of clause 3 (xiv) of the order are 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 **Jain & Mohan**  
Chartered Accountants  
FRN: 006896S

(Sd/-) **C. Amrithalal Jain**  
Partner  
M.No. 023060

Place : Coimbatore  
Date : 29<sup>th</sup> May 2019



## **Annexure - B to the Auditors' 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 March 2019 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 over financial reporting and the Guidance Note 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 March 2019, 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 **Jain & Mohan**  
Chartered Accountants  
FRN: 006896S

(Sd/-) **C. Amrithalal Jain**  
Partner

Place : Coimbatore  
Date : 29<sup>th</sup> May 2019

M.No. 023060

STANDALONE BALANCE SHEET AS AT 31<sup>st</sup> March 2019

₹ in lakhs

Particulars	Note No.	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
<b>I ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Property, plant and equipment	1	5,646.78	4,966.72
(b) Capital Work - in - progress	2	38.94	87.14
(c) Investment properties	3	1,449.88	1,460.19
(d) Financial assets			
(i) Investments	4	29.46	3.51
(ii) Others financial assets	5	83.70	55.29
(e) Current tax assets (net)	6	7.62	7.62
(f) Other non current assets	7	161.98	116.90
<b>2. Current assets</b>			
(a) Inventories	8	2,267.74	1,880.81
(b) Financial Assets			
(i) Trade receivables	9	1,392.69	1,782.90
(ii) Cash and Cash equivalents	10	57.13	492.35
(iii) Bank Balances other than cash and cash equivalents	11	44.06	25.17
(iv) Loans	12	0.12	5.22
(v) Other financial assets	13	0.18	0.43
(c) Other current assets	14	1,045.17	575.30
<b>TOTAL ASSETS</b>		<b>12,225.45</b>	<b>11,459.56</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity share capital	15	478.88	478.88
(b) Other Equity	16	5,186.16	4,534.04
<b>2. Liabilities</b>			
Non current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	2,655.08	2,674.10
(ii) Other financial Liabilities	18	45.45	46.16
(b) Provisions	19	75.56	69.57
(c) Deferred tax liabilities (Net)		494.57	523.60
(d) Other non - current liabilities	20	138.55	89.80
<b>3. Current Liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21	1,102.93	1,105.40
(ii) Trade Payables	22		
Total outstanding dues of Micro Enterprises and small Enterprises		75.47	-
Total outstanding dues of creditors other than Micro Enterprises and small Enterprises		417.89	793.57
(iii) Other financial liabilities	23	1,152.00	786.03



₹ in lakhs

Particulars	Note No.	As at	
		31 <sup>st</sup> March 2019	31 <sup>st</sup> March 2018
(b) Provisions	24	7.40	5.23
(c) Liability for current tax (Net)	25	241.71	200.10
(d) Other current liabilities	26	153.80	153.08
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>12,225.45</b>	<b>11,459.56</b>
Significant accounting policies	37		

Vide Our Report of even date  
For **JAIN & MOHAN**  
Chartered Accountants  
FRN:006896S

(Sd/-) **C. Amrithalal Jain**  
Partner  
M.No.023060  
Place : Coimbatore  
Date : 29.05.2019

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

(Sd/-) **Ramesh Shenoy. K**  
Whole-Time Director-cum  
Chief Financial Officer  
(DIN : 06392237)

(Sd/-) **Bosco Giulia**  
Whole Time Director  
(DIN : 01898020)

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

**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> March 2019**

₹ in Lakhs

Particulars	Note No.	Year ended	Year ended
		31 <sup>st</sup> March 2019	31 <sup>st</sup> March 2018
<b>CONTINUING OPERATIONS</b>			
<b>I INCOME</b>			
Revenue from operations	27	17,480.50	16,673.33
Other Income	28	102.32	62.68
<b>Total Income</b>		<b>17,582.82</b>	<b>16,736.01</b>
<b>II EXPENSES</b>			
Cost of Materials consumed	29	9,412.88	9,005.71
Purchase of stock-in-trade	30	1,654.08	1,150.82
Changes in inventories of finished goods, stock in trade and work in progress	31	(3.46)	48.61
Employee benefits expense	32	1,071.90	991.23
Finance Cost	33	227.06	663.39
Depreciation and amortisation expenses	34	619.08	601.70
Other expenses	35	3,642.04	3,436.22
<b>Total Expenses</b>		<b>16,623.58</b>	<b>15,897.68</b>
<b>III Profit / (Loss) before exceptional items and tax</b>		959.24	838.33
<b>IV Exceptional items</b>		-	-
<b>V Profit / (Loss) before tax</b>		959.24	838.33
<b>VI Tax expense</b>			
Current Tax	36	231.00	200.10
Deferred tax charge /(credit)	36	(29.02)	41.99
Tax in respect of earlier years		-	1.14
<b>VII Profit / (Loss) for the year from continuing operations</b>		757.26	595.11
<b>VIII Other Comprehensive Income</b>			
<b>(i) Items that will not be reclassified to profit or loss</b>			
Remeasurements of net defined benefit plans		10.32	(4.33)
<b>(ii) Items that will reclassified to profit or loss</b>			
<b>IX Total Comprehensive income for the Year</b>		767.58	590.78
<b>X Earnings per equity share of Rs. 5 each (for continuing operation)</b>			
Basic (Rs.)		7.91	6.52
Diluted (Rs.)		7.91	6.52

Significant Accounting Policies and

Notes on Accounts form part of these financials 37

The accompanying notes are an integral part of these standalone financial statements.

Vide Our Report of even date  
For **JAIN & MOHAN**  
Chartered Accountants  
FRN:006896S

(Sd/-) **C. Amrithalal Jain**  
Partner  
M.No.023060

Place : Coimbatore

Date : 29.05.2019

(Sd/-) **Meenakshi Sundaram Rajkumar** (Sd/-) **Bosco Giulia**  
Chairman Whole Time Director  
(DIN : 06935422) (DIN : 01898020)

(Sd/-) **Ramesh Shenoy. K** (Sd/-) **Priyadarshini. V**  
Whole-Time Director-cum Company Secretary  
Chief Financial Officer  
(DIN : 06392237)





**STANDALONE CASH FLOW FOR THE YEAR ENDED 31<sup>st</sup> March 2019**

Particulars	₹ in Lakhs	
	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>Profit before exceptional items and tax as per statement of profit and loss</b>	959.24	838.33
Adjustments for :		
Depreciation and amortization expenses	619.08	601.70
Finance cost	227.06	663.39
Unrealised exchange difference	7.28	-7.44
Dividend income	0.00	-0.01
Interest income	-35.08	-31.94
Profit on sale of shares	-0.16	0.00
(Profit) / loss on sale of fixed assets (net)	-1.63	3.27
	<b>1775.79</b>	<b>2067.31</b>
<b>Operating profit before working capital changes</b>		
Adjustments for:		
(Increase)/decrease in Trade & other receivables	-173.73	-201.57
(Increase)/decrease in inventories	-386.92	-121.94
Increase/(Decrease) in trade & other Payables	400.36	715.28
Increase/(Decrease) in provisions	18.48	16.70
	1633.97	2475.78
Less : Direct tax paid (net of refunds)	189.39	193.53
	1444.58	2282.26
Less : Exceptional items	0.00	0.00
<b>Net cash flows (used in )/generated from operating activities after exceptional items</b>	<b>1444.58</b>	<b>2282.26</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
<b>Inflows</b>		
Sale proceeds of property, plant and equipment	19.47	2.50
Sale of Trade Investments	3.67	6.86
Interest received	34.83	38.87
Dividend received	0.00	0.01
	<b>57.96</b>	<b>48.24</b>
<b>Outflows</b>		
Purchase of Property, Plant and equipment	1,258.46	477.45
Purchase of Trade Investments	29.46	3.51
	<b>1287.91</b>	<b>480.96</b>
<b>Net cash flows (used in )/ generated from financing activities</b>	<b>-1229.95</b>	<b>-432.72</b>



₹ in Lakhs

Particulars	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
<b>Inflows</b>		
Proceeds from short -term borrowings (net)	-	-
Increase in Paidup Capital	-	400.00
	-	<b>400.00</b>
<b>Outflows</b>		
Repayment of long term borrowings	295.14	566.00
Repayment of short term borrowings	2.47	442.19
Dividend paid	96.27	88.99
Dividend distribution tax	19.69	18.48
Interest paid	236.28	663.46
	<b>649.85</b>	<b>1779.12</b>
<b>Net cash flows (used in )/ generated from financing activities</b>	<b>-649.85</b>	<b>-1379.12</b>
<b>NET INCREASE/ (DECREASE) IN CASH AND BANK BALANCES</b>	<b>-435.22</b>	<b>470.42</b>
Add : Cash and cash equivalence at beginning of the year	492.35	21.93
<b>Cash and cash equivalence at end of the year</b>	<b>57.13</b>	<b>492.35</b>
<b>Cash and cash equivalent as per above comprises of the following</b>		
<b>Cash and cash equivalent</b>	57.13	492.35
<b>Balances as per statement of cash flows</b>	<b>57.13</b>	<b>492.35</b>

Vide Our Report of even date  
For **JAIN & MOHAN**  
Chartered Accountants  
FRN:006896S

(Sd/-) **C. Amrithalal Jain**  
Partner  
M.No.023060  
Place : Coimbatore  
Date : 29.05.2019

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

(Sd/-) **Ramesh Shenoy. K**  
Whole-Time Director-cum  
Chief Financial Officer  
(DIN : 06392237)

(Sd/-) **Bosco Giulia**  
Whole Time Director  
(DIN : 01898020)

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

**STANDALONE STATEMENT OF CHANGES IN EQUITY****A. EQUITY SHARE CAPITAL**

₹ in Lakhs

	Notes	Amount
<b>As at 1st April, 2017</b>		453.88
Changes in equity share capital	15	25.00
<b>As at 31st March, 2018</b>		478.88
Changes in equity share capital	15	-
<b>As at 31st March, 2019</b>		478.88

**B. OTHER EQUITY**

Particulars	Reserves and Surplus				Total
	Revaluation reserve	Securities Premium Reserve	General reserve	Retained Earnings	
<b>Balance as at 1st April 2017</b>	<b>769.01</b>	<b>222.60</b>	<b>101.52</b>	<b>2,584.39</b>	<b>3,677.51</b>
Profit for the year				595.11	595.11
Other comprehensive Income for the year				(4.33)	(4.33)
<b>Total Comprehensive Income for the year</b>				<b>590.78</b>	<b>590.78</b>
Dividends				(90.78)	(90.78)
Dividend distribution tax				(18.48)	(18.48)
Transferred to General Reserve					-
On issue of preferential share		375.00			375.00
<b>Balance as at 31st March 2018</b>	<b>769.01</b>	<b>597.60</b>	<b>101.52</b>	<b>3,065.91</b>	<b>4,534.04</b>
<b>Balance as at 1st April 2018</b>	<b>769.01</b>	<b>597.60</b>	<b>101.52</b>	<b>3,065.91</b>	<b>4,534.04</b>
Profit for the year				757.26	757.26
Other comprehensive Income for the year				10.32	10.32
<b>Total Comprehensive Income for the year</b>				<b>767.58</b>	<b>767.58</b>
Dividends				(95.78)	(95.78)
Dividend distribution tax				(19.69)	(19.69)
Transferred to General Reserve			14.77	(14.77)	-
On issue of preferential share		-			-
<b>Balance as at 31st March 2019</b>	<b>769.01</b>	<b>597.60</b>	<b>116.29</b>	<b>3,703.26</b>	<b>5,186.15</b>

The accompanying notes are an integral part of these standalone financial statements.

Vide Our Report of even date  
For **JAIN & MOHAN**  
Chartered Accountants  
FRN:006896S

(Sd/-) **C. Amrithalal Jain**  
Partner  
M.No.023060

Place : Coimbatore

Date : 29.05.2019

(Sd/-) **Meenakshi Sundaram Rajkumar** (Sd/-) **Bosco Giulia**  
Chairman Whole Time Director  
(DIN : 06935422) (DIN : 01898020)

(Sd/-) **Ramesh Shenoy. K** (Sd/-) **Priyadarshini. V**  
Whole-Time Director-cum Company Secretary  
Chief Financial Officer  
(DIN : 06392237)



₹ in Lakhs

## Note - 1 - PROPERTY, PLANT AND EQUIPMENTS

Particulars	Land Freehold	Buildings	Wind Mill	Plant & Machinery	Furniture & Fixtures	Office Equipments	Vehicles	Total
<b>Gross Carrying amount</b>								
<b>Balance as at 31st March 2017</b>	120.46	1,173.00	1,217.72	2,964.52	30.12	22.85	182.50	5,711.19
Additions	-	-	-	346.63	7.97	8.23	27.47	390.31
Disposals	-	-	-	-	-	-	25.30	25.30
Reclassification as held for sales	-	-	-	-	-	-	-	-
<b>Balance as at 31st March 2018</b>	120.46	1,173.00	1,217.72	3,311.16	38.09	31.08	184.68	6,076.20
Additions	7.04	223.63	-	981.65	1.56	8.46	84.33	1,306.66
Disposals	-	-	-	31.35	-	0.17	61.03	92.55
Reclassification as held for sales	-	-	-	-	-	-	-	-
<b>Balance as at 31st March 2019</b>	127.50	1,396.63	1,217.72	4,261.46	39.65	39.37	207.98	7,290.32
<b>Accumulated Depreciation</b>								
<b>Balance as at 31st March 2017</b>	-	36.21	64.94	413.22	5.75	7.45	10.07	537.63
Additions	-	43.75	64.94	440.89	5.49	6.17	30.15	591.39
Disposals	-	-	-	-	-	-	19.53	19.53
Reclassification as held for sales	-	-	-	-	-	-	-	-
<b>Balance as at 31st March 2018</b>	-	79.96	129.87	854.11	11.24	13.62	20.68	1,109.48
Additions	-	43.97	64.94	457.27	4.84	5.32	32.43	608.76
Disposals	-	-	-	30.90	-	0.16	43.65	74.71
Reclassification as held for sales	-	-	-	-	-	-	-	-
<b>Balance as at 31st March 2019</b>	-	123.92	194.81	1,280.48	16.08	18.78	9.46	1,643.54
<b>Net carrying amount</b>								
Balance as at 31st March, 2017	120.46	1,136.80	1,152.78	2,551.31	24.37	15.40	172.43	5,173.56
Balance as at 31st March, 2018	120.46	1,093.05	1,087.85	2,457.05	26.85	17.46	164.00	4,966.72
Balance as at 31st March, 2019	127.50	1,272.71	1,022.91	2,980.98	23.57	20.59	198.52	5,646.78

## Note

1. Refer to Note 40 for disclosure of contractual commitments for the acquisition of property, plant and equipments.
2. Refer Note 38 for information on property, plant and equipment pledged as security by the company.



₹ in Lakhs

Note 2 - CAPITAL WORK IN PROGRESS

Particulars	Land Freehold	Buildings	Wind Mill	Plant & Machinery	Furnitures & Fixtures	Office Equipments	Vehicles	Total
Balance as at 31st March 2017	-	-	-	-	-	-	-	-
Additions Capitalised	-	87.14	-	-	-	-	-	87.14
Balance as at 31st March 2018	-	87.14	-	-	-	-	-	87.14
Additions Capitalised	-	152.46	-	-	-	-	-	152.46
Balance as at 31st March 2019	-	200.67	-	-	-	-	-	200.67
	-	38.94	-	-	-	-	-	38.94



## Note - 3 - INVESTMENT PROPERTIES

₹ in Lakhs

Particulars	Amount
<b>Gross Carrying amount</b>	
<b>Balance as at 31st March 2017</b>	1,480.81
Additions	-
Disposals	-
<b>Balance as at 31st March 2018</b>	1,480.81
Additions	-
Disposals	-
<b>Balance as at 31st March 2019</b>	1,480.81
<b>Accumulated Depreciation</b>	
<b>Balance as at 1st April 2017</b>	10.31
Additions	10.31
Disposals	-
<b>Balance as at 31st March 2018</b>	20.62
Additions	10.31
Disposals	-
<b>Balance as at 31st March 2019</b>	30.93
<b>Net carrying amount</b>	
Balance as at 1st April 2017	<b>1,470.50</b>
Balance as at 31st March, 2018	<b>1,460.19</b>
Balance as at 31st March, 2019	<b>1,449.88</b>
<b>Fair value</b>	
As at 31.03.2017	2,521.75
As at 31.03.2018	2,525.50
As at 31.03.2019	2,650.00

Particulars	31.03.2019	31.03.2018
Income derived from investment properties	141.10	121.79
Direct operating expenses (including repairs and maintenance) generating rental income	16.92	89.23
<b>Income arising from investment properties before depreciation</b>	<b>124.18</b>	<b>32.56</b>
Depreciation	11.86	11.85
<b>Income from investment properties (Net)</b>	<b>112.32</b>	<b>20.71</b>

**Premises given on operating lease:**

The company has given investment properties on operating lease. These Lease arrangements range for a period between 11 months and 6 years old and include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms.

**The total minimum lease rentals receivable at the Balance Sheet date as under:**

Particulars	As at	As at
	31st March 2019	31st March 2018
For the period not later than one year	148.86	124.56
For a period later than one year and not later than five years	444.06	330.59
For a period later than five years	39.56	11.50

**Estimation of fair value**

The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand; restrictive entry to the complex, age of building and trend of fair market rent in and around where investment property is located.

This valuation is based on valuation performed by an approved independent valuer. Fair valuation is based on replacement cost method. The fair value Measurement is categorised in level 2 fair value hierarchy

Particulars	As at	As at
	31st March 2019	31st March 2018

**Note - 4 NON CURRENT INVESTMENT****Other Equity Investments****Un quoted****At Fair value through Profit and Loss account**

OPG Power Generation Private Limited

(31,900 shares of ₹ 11 each)

- 3.51

Watsun Infrabuild Private Limited

(2,94,570 shares of ₹ 10 each)

29.46 -

**Total****29.46 3.51**

Aggregate amount of unquoted investments

29.46 3.51

Aggregate amount of impairment in the value of investment

- -

**Note - 5 - OTHER NON CURRENT FINANCIAL ASSETS**

Deposit with others

83.71 55.29

**Total****83.71 55.29****Note - 6 - NON CURRENT TAX ASSETS (NET)**

Excess Income Tax paid

7.62 7.62

**Total****7.62 7.62****Note - 7 - OTHER NON CURRENT ASSETS**

Capital Advances

21.00 21.00

Other Advances

140.98 95.90

**Total****161.98 116.90****Note - 8 - INVENTORIES**

Raw Materials

1,534.68 1,142.61

Raw Materials - In Transit

- 62.75

Work-in-progress

115.80 150.97

Finished Goods

515.35 280.39

Stock in Trade

10.76 21.43



Particulars	As at 31st March 2019	As at 31st March 2018
Stock in Trade - In Transit	-	185.66
Stores and Spares	91.15	37.00
<b>Total</b>	<b>2,267.74</b>	<b>1,880.81</b>
Mode of valuation: Refer Note 37 (ii)(h) in significant Accounting Policies		
<b>Note - 9 - TRADE RECEIVABLES</b>		
<b>Unsecured, considered good</b>		
Trade receivables	1,392.69	1,782.90
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit impaired	-	-
<b>Total</b>	<b>1,392.69</b>	<b>1,782.90</b>
Refer Note 45 for information about credit risk and market risk of trade receivables		
<b>Note - 10 - CASH AND CASH EQUIVALENTS</b>		
Cash on hand	29.69	5.35
Balances with Banks - In Current accounts	27.44	487.00
<b>Total</b>	<b>57.13</b>	<b>492.35</b>
<b>Note - 11 - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS</b>		
Investments in Term Deposits	35.04	15.65
Unclaimed dividends - Earmarked balances with banks	9.03	9.52
<b>Total</b>	<b>44.06</b>	<b>25.17</b>
<b>Note - 12 - OTHER CURRENT LOANS</b>		
Loan to Employees	0.13	5.22
<b>Total</b>	<b>0.13</b>	<b>5.22</b>
<b>Note - 13 - OTHER CURRENT FINANCIAL ASSETS</b>		
Interest receivable	0.18	0.43
<b>Total</b>	<b>0.18</b>	<b>0.43</b>
<b>Note - 14 - OTHER CURRENT ASSETS</b>		
Export Benefits receivable	9.38	15.43
Interest Subsidy receivable	26.15	22.91
Advances to Suppliers	277.74	67.73
Deposits with customs, excise and other govt. authorities	182.96	168.20
Claims Receivable	484.07	182.00
Prepaid Expenses	36.61	78.71
Advances recoverable in kind for value to be received	2.53	12.52
Other Advances	25.73	27.82
<b>Total</b>	<b>1,045.17</b>	<b>575.30</b>
<b>Note - 15 - EQUITY SHARE CAPITAL</b>		
<b>Authorised</b>		
2,00,00,000 [31st March 2018:2,00,00,000		
Equity shares of ₹ 5 each	1,000.00	1,000.00





Particulars	As at	As at
	31st March 2019	31st March 2018

**Issued, Subscribed and fully paid up**

95,77,600 [31st March 2018: 95,77,600]

Equity shares of Rs 5 each 478.88 478.88

**Total 478.88 478.88**

- a) During the year 2017 -18 the company has increased its Authroised Capital from Rs, 5,00,00,000 to ₹ 10,00,00,000.
- b) During the year 2017-18 the company has allotted 5,00,000 number of Equity shares at ₹ 80 Per share (Consisting of ₹ 5 on Capital and ₹ 75 on premium) under Preferential mode to Strike Right Intergrated Servcies Limited (Member of Promoter Group), due to this preferential issue the Paid up Capital of the Company increased from ₹ 4,53,88,000 to 4,78,88,000.
- c) **Reconciliation of number of shares**

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
Shares outstanding at the beginning of the year	9,577,600	47,888,000	9,077,600	45,388,000
Add: Allotment of Equity shares on preferential basis	-	-	500,000	2,500,000
Shares outstanding at the end of the year	9,577,600	47,888,000	9,577,600	47,888,000

d) **Rights, preferences and restriction attached to shares**

Equity shares: The Company has one class of equity shares having a par value of Rs.5 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the the approval of the shareholders in the ensuing Annual General Meeting, except, in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

e) **Details of equity shares held by shareholders holding more than 5 % of the aggregate shares in the company**

Details of Shareholders	As at 31st March, 2019		As at 31st March, 2018	
	%	Number of shares	%	Number of shares
Bosco Giulia	5.59	535,778	-	-
Shri. Santosh R	29.05	2,782,506	29.05	2,782,506
Strike Right Integrated Services Limited	35.71	3,420,600	35.71	3,420,600



## Note - 16 OTHER EQUITY

₹ in Lakhs

Particulars	Reserves and Surplus				Total
	Revaluation reserve	Securities Premium	General reserve	Retained Earnings	
<b>Balance as at 1st April 2017</b>	<b>769.01</b>	<b>222.60</b>	<b>101.52</b>	<b>2,584.39</b>	<b>3,677.52</b>
Profit for the year				595.11	595.11
Other comprehensive Income for the year				(4.33)	(4.33)
<b>Total Comprehensive Income for the year</b>				<b>590.78</b>	<b>590.78</b>
Dividends				(90.78)	(90.78)
Dividend distribution tax				(18.48)	(18.48)
Transferred to General Reserve					-
On issue of preferential share		375.00			375.00
<b>Balance as at 31st March 2018</b>	<b>769.01</b>	<b>597.60</b>	<b>101.52</b>	<b>3,065.92</b>	<b>4,534.04</b>
<b>Balance as at 1st April 2018</b>	<b>769.01</b>	<b>597.60</b>	<b>101.52</b>	<b>3,065.92</b>	<b>4,534.04</b>
Profit for the year				757.26	757.26
Other comprehensive Income for the year				10.32	10.32
<b>Total Comprehensive Income for the year</b>				<b>767.58</b>	<b>767.58</b>
Dividends				(95.78)	(95.78)
Dividend distribution tax				(19.69)	(19.69)
Transferred to General Reserve			14.77	(14.77)	-
On issue of preferential share		-			-
<b>Balance as at 31st March 2019</b>	<b>769.01</b>	<b>597.60</b>	<b>116.29</b>	<b>3,703.26</b>	<b>5,186.15</b>

**Securities premium**

Securities premium reserve is used to record the premium on issue of share. These reserve is utilised in accordance with the provision of the Act.

Particulars	As at 31st March 2019	As at 31st March 2018
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**Note - 17 - NON CURRENT BORROWINGS****Secured**

Term Loans from Banks

Foreign Currency Loans	1,570.40	2,118.45
Other Loans	672.60	239.43
Long term maturities of finance lease obligations	62.08	36.22

**Unsecured**

Loans from related parties	350.00	280.00
<b>Total</b>	<b>2,655.08</b>	<b>2,674.10</b>



- 17.1 FCNRB 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 31.03.2019 is ₹ 399.78 and as on 31.03.2018 is ₹ 627.70. Term Loan - I is payable in 36 installments commencing from November 2016. Last installment is due in October 2019.
- 17.2 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 31.03.2019 is ₹ 189.17 lakhs (Previous year ₹ 324.18 lakhs). Term Loan - II is payable in 84 installments commencing from October 2013. Last installment is due in September 2020.
- 17.3 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 31.03.2019 is ₹ 95.14 lakhs (Previous year ₹ Nil lakhs). Term Loan - III is payable in 76 installments commencing from December 2018. Last installment is due in Mar 2025.
- 17.4 FCNRB Term Loan - I from Bank of India is secured by First charge on Windmill and Windmill Land. Total outstanding as on 31.03.2018 is ₹ 249.95 lakhs (Previous year ₹ 345.79 lakhs). Term Loan is payable in 108 installments commencing from March 2013. Last installment is due in Feb 2022.
- 17.5 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 31.03.2019 is ₹ 118.21 lakhs (Previous year ₹. 163.53 lakhs). Term Loan - II is payable in 84 monthly installments commencing from April 2015. Last installment is due in Feb 2022.
- 17.6 Term loan - III from Bank of India is secured by Residential apartment purchased out of term loan. Total outstanding as on 31.03.2019 is ₹ 50.31 lakhs and (Previous year ₹ 56.78 lakhs). Term Loan - III is payable in 137 installments commencing from April 2014. Last installment is due in Aug 2025.
- 17.7 Term loan - IV from Bank of India is secured first charge on entire assets created out of term loan. Total outstanding as on 31.03.2019 is ₹ 199.90 lakhs (Previous year ₹ 280.62 lakhs). Term Loan - IV is payable in 72 installments commencing from January 2016. Last installment is due in Dec 2021.
- 17.8 FC Term loan - I from The Karur Vysya Bank is secured by First charge on Comercial Complex Land and building . Total outstanding as on 31.03.2019 is ₹1053.49 Lakhs (Previous year ₹ Nil). Term Loan - I is payable in 36 installments commencing from December 2018. Last installment is due in October 2026.
- 17.9 FC Term loan - II from The Karur Vysya Bank is secured by First charge on entire assets created out of termloan. Total outstanding as on 31.03.2019 is ₹ 213.34 lakhs (Previous year ₹ Nil). Term Loan - II is payable in 60 installments commencing from FEB 2020. Last installment is due in Jan 2025.
- 17.10 Term loan - III from The Karur Vysya Bank is secured by First charge on entire assets created out of term loan. Total outstanding as on 31.03.2019 is ₹ 540.87 lakhs (Previous year ₹ Nil). Term Loan - III is payable in 60 installments commencing from Nov 2019. Last installment is due in Oct 2024.
- 17.11 One Director and two relatives of the Directors have given personal guarantee and one of the director's relative had given personal assets as security for the term loans and working capital loans from State Bank of India and no Guarantee commission has been paid to any directors or relatives in this connection.



One Director and two relatives of the Directors have given personal guarantee and one of the director's relative had given personal assets as security for the term loans and working capital loans from Bank of India and no Guarantee Commission has been paid to any directors or relatives in this connection.

One Director and two relatives of the Directors have given personal guarantee for the term loans from The Karur Vysya Bank and no Guarantee Commission has been paid to any directors or relatives in this connection.

Details of pledge of shares held by Director's relative for availing loan facilities for the company:

The Director's relative has pledged 11.24 lakh shares of the company held by him as collateral security for the loan sanctioned by State Bank of India and 10.5 lakh shares of the company held by him as collateral security for the loan sanctioned by Bank of India.

Strikeright Intergrated Services Limited has given Corporate Guarantee for State Bank of India Loan and no Guarantee Commission has been paid.

One of the Director's relative 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.

17.12. Installments falling due in respect of all the above Loans upto 31.03.2019 have been grouped under "Current maturities of long-term debt" (Refer Note 23 (a))

17.13 The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 38

₹ in Lakhs

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Note - 18 - OTHER NON-CURRENT LIABILITIES</b>		
Deposits received for Commercial complex	45.45	46.16
<b>Total</b>	<b>45.45</b>	<b>46.16</b>
<b>Note - 19 - NON CURRENT PROVISIONS</b>		
Provision for employee benefits		
(i) Provision for gratuity (Unfunded)	75.56	69.57
<b>Total</b>	<b>75.56</b>	<b>69.57</b>
<b>Note - 20 - OTHER NON CURRENT LIABILITIES</b>		
Rental Advance received	24.83	21.29
Government Grant #	113.72	68.51
<b>Total</b>	<b>138.55</b>	<b>89.80</b>
# Represents unamortised amount of duty saved referred to in note no.48		
<b>Note - 21 - CURRENT BORROWINGS</b>		
(a) Loans repayable on demand		
From banks (Secured)		
Foreign currency Loans	470.58	639.76
Other Loans	494.03	185.08
(b) Other loans from banks		
Foreign currency Loans	138.31	280.57
<b>Total</b>	<b>1,102.93</b>	<b>1,105.40</b>



1. Working capital facilities from State Bank of India is secured by paripassu charge on entire current assets such as raw materials, WIP, finished goods, consumables, spares, stores and receivables and other current assets of the company on paripassu basis with other working capital lenders.
2. Bank of India has sanctioned working capital facilities against paripassu charge on the Inventories and book debts.
3. State Bank of India has sanctioned buyers credit against machinery which is repayable with in one year from the date of sanction.

The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 38

₹ in Lakhs

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Note - 22 - TRADE PAYABLE</b>		
Total outstanding dues of Micro enterprises & Small enterprises	75.47	-
Total outstanding dues other than Micro enterprises & Small enterprises	417.89	793.57
<b>Total</b>	<b>493.36</b>	<b>793.57</b>

**Due to Micro and Small Enterprises**

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows

a) The Principal amount remaining unpaid to any supplier at the end of the year	75.47	-
b) Interest due remaining unpaid to any supplier as at the end of the year	-	-
c) The amount of interest paid by the buyer in terms of section 16 of MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date which the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED act, 2006.	-	-



Disclosure of payable to creditors was defined under the "Miscro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such creditor under the Said Act, as per the intimation received from them on requests made by the Company.

₹ in Lakhs

Particulars	As at 31st March 2019	As at 31st March 2018
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**Note - 23 - OTHER CURRENT FINANCIAL LIABILITIES**

(a) Current maturities of long-term debt	867.16	590.41
(b) Current maturities of finance lease obligations	35.90	36.53
(c) Interest accrued but not due on borrowings	5.42	14.64
(d) Unpaid dividends (Refer Note (a) below)	9.03	9.52
(e) Payable to employees	234.49	134.92
<b>Total</b>	<b>1,152.00</b>	<b>786.03</b>

Note: (a) There has been no delay in transferring fund to Investor Education and Protection Fund amounting to as Rs.1.51 Lakhs.

**Note - 24 - PROVISIONS**

Provisions for employee benefits (Refer note 41)

Gratuity (Unfunded)	7.40	5.23
<b>Total</b>	<b>7.40</b>	<b>5.23</b>

**Note - 25 - LIABILITY FOR CURRENT TAX (NET)**

Provision for Taxation	241.71	200.10
<b>Total</b>	<b>241.71</b>	<b>200.10</b>

**Note - 26 - OTHER CURRENT LIABILITIES**

Statutory dues	22.67	25.19
Government Grant #	22.85	13.58
Other payables	108.28	114.31
<b>Total</b>	<b>153.80</b>	<b>153.08</b>

# Represents unamortised amount of duty saved referred to in Note 48

₹ in Lakhs

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
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**Note - 27 - REVENUE FROM OPERATIONS**

Sale of Products		
(i) Manufactured goods	15,084.03	15,034.66
(ii) Stock in trade	1,943.95	1,045.05
<b>Other operating Income</b>		
(i) Export Incentives, Etc.	59.98	82.97
(ii) Process waste sale	6.69	23.92
(iii) Rental Income	134.94	120.77
(iv) Wind mill - Electricity captive consumption value	250.90	366.02
Excise Duty	-	0.07
<b>Total</b>	<b>17,480.50</b>	<b>16,673.33</b>



Particulars	Year ended 31st March 2019	Year ended 31st March 2018
<b>Note - 28 - OTHER INCOME</b>		
Interest Income	35.08	31.94
Dividend Income	-	0.01
Other non-operating income	40.28	16.78
Apportioned income from Government Grant (Refer Note 48)	15.03	10.20
Profit on sale of assets	1.67	0.14
Profit on sales of shares	0.16	-
Net gain on fair valuation of financial assets and liabilities through profit and loss	10.11	3.62
<b>Total</b>	<b>102.33</b>	<b>62.68</b>
<b>Note - 29 - COST OF MATERIAL CONSUMED</b>		
Opening stock	1,205.36	1,061.76
Purchases	10,789.24	9,171.29
Less: Sale	1,047.04	21.97
Less: Closing stock	1,534.68	1,205.36
<b>Total</b>	<b>9,412.88</b>	<b>9,005.71</b>
<b>Note - 30 - PURCHASE OF STOCK IN TRADE</b>		
Yarn Purchase	1,654.09	1,150.82
<b>Total</b>	<b>1,654.09</b>	<b>1,150.82</b>
<b>Note - 31 - CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK IN PROGRESS</b>		
<b>Opening Inventories</b>		
Finished goods	280.39	487.48
Work in progress	150.97	199.58
Stock in trade	207.09	-
	<b>638.45</b>	<b>687.06</b>
<b>Closing Inventories</b>		
Finished goods	515.35	280.39
Work in progress	115.80	150.97
Stock in trade	10.76	207.09
	<b>641.91</b>	<b>638.45</b>
<b>Total</b>	<b>(3.46)</b>	<b>48.61</b>
<b>Note - 32 - EMPLOYEE BENEFIT EXPENSES</b>		
Salaries and wages	877.38	829.21
Managerial Remuneration	38.97	33.75
Contribution to Provident funds and other funds	39.73	36.97
Gratuity expense	21.98	18.33
Workmen and Staff welfare expense	93.84	72.96
<b>Total</b>	<b>1071.90</b>	<b>991.23</b>



Particulars	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
<b>Note - 33 - FINANCE COSTS</b>		
Interest expenses on Term Loans	122.17	145.12
Interest expenses - Others	93.51	90.89
Applicable net loss on foreign currency transactions and translation	(76.14)	390.46
Other borrowing costs	87.52	36.93
<b>Total</b>	<b>227.06</b>	<b>663.39</b>
<b>Note - 34 - DEPRECIATION AND AMORTIZATION EXPENSE</b>		
Depreciation on Property, Plant and Equipment	608.76	591.39
Depreciation on Investment Property	10.31	10.31
<b>Total</b>	<b>619.08</b>	<b>601.70</b>
<b>Note - 35 - OTHER EXPENSES</b>		
<b>Manufacturing expenses</b>		
Consumption of stores and spares (Refer Note below)	411.40	347.93
Power and fuel	1,163.13	1,192.74
Conversion charges	1,008.78	1,105.23
Repairs to Buildings	51.38	17.06
<b>Repairs to Machinery</b>	<b>36.58</b>	<b>25.84</b>
<b>Selling and Distribution Expenses</b>		
Freight and forwarding	275.28	243.04
Insurance ECGC	8.52	5.74
Sales commission	321.83	158.46
Consignment Expenses	-	1.91
Business promotion	16.49	40.66
Discount on Script	0.02	1.09
Advertisement	3.48	3.70
<b>Establishment Expenses</b>		
Rent	9.71	9.77
Repairs and maintenance - Others	141.82	139.30
Insurance	12.08	10.91
Rates and taxes, excluding taxes on income	21.43	24.56
Postage and Telephone	5.17	6.28
Travelling and conveyance	29.45	41.06
Printing and stationery	5.03	5.82
Audit Fees and Expenses	6.00	6.02
Subscription	1.59	1.54
Professional & Consultancy	100.39	35.08
Net loss on foreign currency transactions and translation (other than considered as finance cost)	(58.09)	(18.67)
Loss on sale of fixed assets	0.04	3.40
Prior period items (net)	-	-
Bad debts written off	44.31	-
Miscellaneous expenses	9.35	11.01
Corporate Social Responsibility Expenses	16.87	16.73
<b>Total</b>	<b>3,642.04</b>	<b>3,436.22</b>





Particulars	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
<b>Note - Consumption of stores and spares</b>		
Indigenous	411.40	347.93
Imported	-	-
<b>Total</b>	<b>411.40</b>	<b>347.93</b>
<b>Note - 36- Tax Expenses</b>		
Tax expense recognised in the Statement of profit and Loss		
<b>Current Tax</b>		
Current Tax on taxable income for the year	231.00	200.10
Total Current Tax expense	231.00	200.10
<b>Deferred Tax</b>		
Deferred Tax charge	(29.02)	109.22
MAT Credit utilised	-	(67.23)
<b>Total Deferred income tax expense</b>	<b>(29.02)</b>	<b>41.99</b>
<b>Tax in respect of earlier years</b>	<b>-</b>	<b>1.14</b>
<b>Total Tax expense</b>	<b>231.00</b>	<b>201.24</b>

**NOTE :-37 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES****I. Background**

Lambodhara Textiles Limited incorporated in India in the year 1994 and is a leading premium quality synthetic fancy yarn manufacturing Company. The Company has its wide network of operations in local as well foreign market.

**II. Significant Accounting Policies followed by the Company****(a) Basis of preparation****(i) Compliance with Ind AS**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

**(ii) Historical cost convention**

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities that are measured at fair value;
- 2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
- 3) defined benefit plans - plan assets measured at fair value;

**(iii) Current non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.



**(iv) Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

**(b) Use of estimates and judgments**

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

**(c) Property, plant and equipment**

The Company has applied for the one time transition exemption of considering the carrying cost on the transition date i.e. April 1, 2016 as the deemed cost under IND AS, Hence regarded thereafter as historical cost.

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

**Depreciation methods, estimated useful lives and residual value**

Depreciation on tangible fixed assets is provided using the straight line method as prescribed under Schedule II to the Companies Act 2013 and is charged to the statement of profit and loss. In respect of individual assets costing less than ₹ 5000 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.

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

In case of pre-owned assets, the useful life is estimated on a case to case basis.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

**(d) Investment properties**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any.



Depreciation on building is provided over its useful life using straight line method as prescribed under Schedule II to the Companies Act 2013 and is charged to the statement of profit and loss.

**(e) Intangible assets**

**Computer software**

Computer software are stated at cost, less accumulated amortisation and impairments, if any.

**Amortisation method and useful life**

The Company amortizes computer software using the straight-line method over the period of 3 years.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

**(f) Lease**

**Operating Lease**

**As a lessee**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company, as lessee, are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases.

**As a lessor**

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

**(g) Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(h) Inventories**

Inventories of Raw Materials, Work-in-Progress, Stores and spares, Finished Goods and Stock-in-trade are stated 'at cost or net realisable value, whichever is lower'. Goods-in-Transit are stated 'at cost'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used are 'First-in-First-out', 'Weighted Average cost' or 'Specific identification', as applicable. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

**(i) Investments and other financial assets**

**(i) Classification**

The Company classifies its financial assets in the following measurement categories:

- (1) Those to be measured subsequently at fair value (either through other comprehensive



income, or through the Statement of Profit and Loss), and

- (2) Those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

**(ii) Measurement**

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

- (1) **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.
- (2) **Fair value through profit and loss:** Assets that do not meet the criteria for amortised cost are measured at fair value through Profit and Loss. Interest income from these financial assets is included in other income.

**Equity instruments:**

The Company measures its equity investment other than in subsidiaries, joint ventures and associates at fair value through profit and loss. However where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income (Currently no such choice made), there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to the Statement of Profit and Loss.

**(iii) Impairment of financial assets**

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk in the normal operation at the end of each reporting period.

**(iv) Income Recognition**

**Interest Income**

Interest on investments is recognized on a time proportion basis taking into account the amounts invested and the rate of interest.

**Dividends**

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

**(j) Impairment of non-financial assets**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of



disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**(k) Non-current assets held for sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

**(l) Derivative financial instruments**

Derivative financial instruments such as forward contracts, option contracts and cross currency swaps, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

**(m) Segment Reporting:**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

**(n) Borrowings**

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

**(o) Borrowing costs**

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to Statement of Profit and Loss.

**(p) Provisions and contingent liabilities**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more



uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

**(q) Revenue recognition**

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services. The Company derives revenues from investment property on real estate segment.

Effective 01 April 2018, the Company has adopted Indian Accounting Standard 115 (Ind AS 115) - 'Revenue from contracts with customers' using the cumulative catch-up transition method, applied to contracts that were not completed as on the transition date i.e. 01 April 2018. Accordingly, the comparative amounts of revenue and the corresponding contract assets / liabilities have not been retrospectively adjusted. The effect on adoption of Ind-AS 115 was insignificant.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Company recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale. Therefore, a refund liability, included in other current liabilities, are recognized for the products expected to be returned.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

**Other operating revenue - Export incentives**

Export Incentives under various schemes are accounted in the year of export.

**(r) Employee benefits**

**(i) Short-term obligations**

Liabilities for wages and salaries, earned leave and sick leave including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

**(ii) Other long-term employee benefit obligations**

The benefits are discounted using the Government Securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

**(iii) Post-employment obligations**

The Company operates the following post-employment schemes:

- (a) Defined benefit plans such as gratuity and
- (b) Defined contribution plans such as provident fund.

**Gratuity obligations**

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period



less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Presently the company provides for the liability as above but not funding the same.

#### **Defined Contribution Plans**

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss as incurred.

#### **Termination benefits**

Expenditure on termination benefits is recognised in the statement of profit and loss in the period of incurrence.

### **(s) Foreign currency translation**

#### **(i) Functional and presentation currency**

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

#### **(ii) Transactions and balances**

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

### **(t) Income tax**

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset



current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

**(u) Earnings per Share**

**Basic earnings per Share**

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

**Diluted earnings per share**

Diluted earnings per share, adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**(v) Government Grants**

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Profit and Loss on a straight - line basis over the expected lives of related assets and presented within other income.

**(w) Exceptional items**

When items of income and expense within statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

**(x) Critical estimates and judgements**

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also need to exercise judgement in applying the accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and





assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

**The areas involving critical estimates or judgement are:**

- (i) Estimation of tax expenses and tax payable
- (ii) Probable outcome of matters included under Contingent Liabilities
- (iii) Estimation of Defined benefit obligation.

**Note :- 38 - ASSETS PLEDGED AS SECURITY**

The carrying amounts of assets Pledged as security for current and non-current borrowings are:

**₹ in Lakhs**

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Current Assets</b>		
<b>Financial Assets</b>		
Floating Charge		
Receivables	1,392.69	1,782.90
	<b>1,392.69</b>	<b>1,782.90</b>
<b>Non Financial Assets</b>		
<b>Floating Charge</b>		
Inventories	2,267.74	1,880.81
<b>Total Current assets Pledged as security</b>	<b>2,267.74</b>	<b>1,880.81</b>
<b>Non Current Assets</b>		
Land	127.50	120.46
Building	1,272.71	1,093.05
Plant and Machinery	2,980.98	2,457.05
Wind Mill	1,022.91	1,087.85
Vehicles	198.52	164.00
Investmnet property	1449.88	1460.19
<b>Total non-current assets Pledged as security</b>	<b>7,052.50</b>	<b>6,382.60</b>
<b>Total assets Pledged as security</b>	<b>10,712.92</b>	<b>10,046.31</b>

**Note : 39 - Details of Contingent liabilities and Contingent assets**

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. Demand by DCTO, Enforcement Group	3.55	55.68
v. Dispute with TNEB on Payment of tax on self generated units	6.90	6.90



**Note 40 - COMMITMENTS**

**Capital Commitments**

Estimated value of contract remaining to be executed on Capital account is ₹ 44.72 lakhs (Previous year ₹ 36.18 Lakhs)

**EPCG & Advance Licence Commitments**

EPCG & Advance Licence Commitments Future export obligations / commitments under import of Capital Goods at Concessional rate of customs duty. As at 31st March, 2019 ₹ 692.29 lakhs (31st March, 2018 ₹ 578.08 lakhs)

**Note :- 41 - POST RETIREMENT BENEFIT PLANS**

**Defined Benefits Plan**

**Gratuity**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a unfunded plan.

In accordance with IND AS 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.

Particulars	31st March, 2019	31st March, 2018
<b>I PRINCIPAL ACTUARIAL ASSUMPTIONS</b>		
[Expressed as weighted averages]		
Discount Rate	7.53%	7.69%
Salary escalation rate	6.00%	6.00%
Attrition rate	5.00%	5.00%
Expected rate of return on Plan Assets	0.00%	0.00%
<b>II. CHANGES IN THE PRESENT VALUE OF THE OBLIGATION (PVO) -</b>		
<b>RECONCILIATION OF OPENING AND CLOSING BALANCES: (Rs. In Lakhs)</b>		
PVO as at the beginning of the period	74.80	53.77
Interest Cost	5.62	3.76
Current service cost	16.37	14.57
Past service cost	-	-
Benefits paid	-3.51	-1.63
Actuarial loss/(gain) on obligation (balancing figure)	-10.32	4.33
PVO as at the end of the period	82.96	74.80
<b>III CHANGES IN THE FAIR VALUE OF PLAN ASSETS -</b>		
<b>RECONCILIATION OF PENING AND CLOSING BALANCES:</b>		
Fair value of plan assets as at the beginning of the period	-	-
Expected return on plan assets	-	-
Contributions	3.51	1.63
Benefits paid and charges deducted	-3.51	-1.63
Actuarial gain/(loss) on plan assets [balancing figure]	-	-
Fair value of plan assets as at the end of the period	-	-



Particulars	31st March, 2019	31st March, 2018
<b>IV. ACTUAL RETURN ON PLAN ASSETS</b>		
Expected return on plan assets	-	-
Actuarial gain (loss) on plan assets	-	-
Actual return on plan assets	-	-
<b>V. ACTUARIAL GAIN / LOSS RECOGNIZED</b>		
Actuarial gain / (loss) for the period - Obligation	10.32	-4.33
Actuarial gain / (loss) for the period- Plan Assets	-	-
Total (gain) / loss for the period	10.32	-4.33
Actuarial (gain) / loss recognized in the period	-10.32	4.33
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	82.96	74.80
Fair value of plan assets	-	-
Amount determined under para 63 of Ind AS19	82.96	74.80
Net Defined benefit liability recognized in the balance sheet	82.96	74.80
Present value of future reduction in contribution under para 65 of Ind AS 19	-	-
Net Defined Benefit Asset recognized under para 64 of Ind AS 19	-	-
<b>VII. EXPENSES RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS:</b>		
Current service cost	16.37	14.57
Net Interest on Net Defined Benefit Obligations	5.62	3.76
Net actuarial (gain) / loss recognised during the period	-	-
Past service	-	-
Expenses recognized in the statement of profit and loss	21.98	18.33
<b>VIII. AMOUNT RECOGNIZED FOR THE CURRENT PERIOD IN THE STATEMENT OF OTHER COMPREHENSIVE INCOME [OCI]</b>		
Actuarial (gain)/ Loss on Plan obligations	-10.32	4.33
Difference between Actual return and interest income on Plan Assets- (gain)/loss	-	-
Effect of Balance Sheet asset limit	-	-
Amount recognized in OCI for the current period	-10.32	4.33
<b>IX. MOVEMENTS IN THE LIABILITY RECOGNIZED IN THE BALANCE SHEET</b>		
Opening net liability adjusted for effect of balance sheet	74.80	53.77
Amount recognized in Profit and Loss Account	21.98	18.33
Amount recognised in OCI	-10.32	4.33
Contribution paid	-3.51	-1.63
Closing net liability	82.96	74.80
<b>X. AMOUNT FOR CURRENT PERIOD</b>		
Present value of obligation	82.96	74.80
Plan Assets	-	-
Surplus (Deficit)	-82.96	-74.80
Experience adjustments on plan liabilities (loss)/gain	11.56	-8.72
Impact on change in assumptions on plan liabilities (loss)/gain	-1.24	4.39
Experience adjustments on plan liabilities (loss)/gain	-	-



Date of valuation	31.03.2019	31.03.2018
Average Duration of defined benefit obligations (In years)	10.5	10.6
<b>Sensitivity analysis</b>		
A. Discount Rate +50 BP	8.03%	8.19%
Defined benefit obligation (PVO)	79.17	71.38
Current Service Cost	14.07	15.45
B. Discount rate -50 BP	7.03%	7.19%
Defined benefit obligation (PVO)	87.05	78.49
Current Service Cost	15.73	17.37
C. Salary Escalation Rate +50 BP	6.50%	6.50%
Defined benefit obligation (PVO)	87.21	78.65
Current Service Cost	15.76	17.41
D. Salary Escalation Rate -50 BP	5.5%	5.5%
Defined benefit obligation (PVO)	78.99	71.20
Current Service Cost	14.04	15.41
<b>EXPECTED CONTRIBUTIONS IN FOLLOWING YEARS</b>		
<b>[MID- YEAR CASH FLOWS]</b>		
YEAR 1	3.98	3.70
YEAR 2	8.56	4.16
YEAR 3	5.55	8.00
YEAR 4	5.24	5.20
YEAR 5	5.42	5.69
NEXT 5 YEARS	42.31	42.56
<b>EXPECTED BENEFIT PAYMENTS IN FOLLOWING YEARS</b>		
<b>[MID - YEAR CASH FLOWS]</b>		
YEAR 1	3.98	3.70
YEAR 2	8.56	4.16
YEAR 3	5.55	8.00
YEAR 4	5.24	5.20
YEAR 5	5.42	5.69
NEXT 5 YEARS	42.31	42.56



**Note :- 42 - SEGMENT REPORTING**

**Operating Segments:**

- a) Textile :
- b) Wind Mills:
- c) Real Estate

**Identification of Segments:**

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements, Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

**Segment revenue and results:**

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of allocable income).

**Segment assets and Liabilities:**

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipments, trade receivables, Inventory and other operating assets. Segment liabilities primarily includes trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

<b>Segment Reporting</b>	<b>31.03.2019</b>	<b>31.03.2018</b>
<b>Segment Revenue</b>		₹ in Lakhs
Textiles	17,190.82	16,248.20
Wind Mills	250.90	366.02
Real Estate	141.10	121.79
<b>Total</b>	<b>17,582.82</b>	<b>16,736.01</b>
<b>Segment Expenditure</b>		
Textiles	16,394.80	15,467.68
Wind Mills	139.77	268.67
Real Estate	28.78	101.08
<b>Total</b>	<b>16,563.35</b>	<b>15,837.44</b>
Add: Unallocable Expenses	60.23	60.24
<b>Total Expenditure</b>	<b>16,623.58</b>	<b>15,897.68</b>
<b>Profit / Loss before Tax</b>	<b>959.24</b>	<b>838.33</b>
<b>Segment Assets</b>		
Textiles	9,652.82	8,787.21
Wind Mills	1076.28	1,166.51
Real Estate	1495.26	1,504.72
<b>Total</b>	<b>12,224.36</b>	<b>11,458.44</b>
Add: Unallocable Assets	1.09	1.12
<b>Total Assets</b>	<b>12,225.45</b>	<b>11,459.56</b>



**Segment Liabilities**

Textiles	5,677.88	5,306.84
Wind Mills	457.82	684.04
Real Estate	422.97	454.75
<b>Total</b>	<b>6,558.67</b>	<b>6,445.63</b>
Add: Unallocable Liabilities	1.75	1.01
<b>Total Liabilities</b>	<b>6,560.42</b>	<b>6,446.64</b>

**Summary of Segment Revenue and Segment Assets**

Particulars	India		Rest of the World		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year
Segment Revenue *	15,111.74	14,838.08	2,471.09	1,897.94	17,582.82	16,736.02
Carrying Cost of segment assets **	11,828.25	11,049.00	397.21	410.56	12,225.45	11,459.56
Carrying Cost of segment Non Current assets ***	1771.58	1,730.65	-	-	1,771.58	1,730.65
Additions to Property, plant and equipments	1306.66	390.31	-	-	1,306.66	390.31

\* Based on location of Customers

\*\* Based on location of assets

@ Excluding Property, plant and equipments

**NOTE 43 RELATED PARTY DISCLOSURES FOR THE YEAR ENDED 31ST MARCH 2019.**

a) The following loans have been taken during the year from related parties: (₹ in Lakhs)

Name	Period	Opening Balance	Amount Received	Amount Repaid	Closing balance
Mr.Santossh.R.	(17-18)	256.01	129.93	385.94	Nil
	(18-19)	Nil	1.77	1.77	Nil
Managing Director upto 10 <sup>th</sup> July 2018 and relative of Whole-Time Director of the Company.					
Ms.GiuliaBosco	(17-18)	23.31	64.13	87.44	Nil
	(18-19)	Nil	43.95	33.95	10.00
Mr.Baba Chandrasekhar	(17-18)	330.00	Nil	50.00	280.00
	(18-19)	280.00	60.00	Nil	340.00
Ms.Vimala.R	(17-18)	0.72	Nil	0.72	Nil
	(18-19)	Nil	Nil	Nil	Nil

Whole-Time Director upto 10<sup>th</sup> July 2018 and relative of Whole-Time Director of the Company.

b) Remuneration paid to Managing Director, Mr. Santossh.R is ₹ 5.11 lakhs upto 10<sup>th</sup> July 2018 (Previous Year ₹ 16.65 lakhs).

Consultancy charges of ₹ 17.35 lakhs is paid to Mr. Santossh.R relative of Whole-Time Director (Previous Year ₹ Nil).



- c) Remuneration paid to Whole-Time Director, Ms.Giulia Bosco is ₹ 12.00 lakhs (Previous Year ₹ 11.10 lakhs).

Cash value of perquisites to Whole-Time Director, Ms.Giulia Bosco is ₹ 1.67 lakhs (Previous Year ₹ 1.58 lakhs).

- d) Remuneration paid to Whole-Time Director, Ms.Vimala.R. is ₹ 1.66 lakhs upto 10<sup>th</sup> July 2018 (Previous Year ₹ 6.00 lakhs).
- e) Remuneration and salary paid to Whole-Time Director-cum-Chief Financial Officer, Mr. Ramesh Shenoy.K is ₹ 11.09 lakhs (Previous year as employee ₹ 7.11 lakhs).
- f) Remuneration and salary paid to Additional Director, Mr.Balu K.N is ₹ 12.71 lakhs (Previous year as employee ₹ 6.92 lakhs).
- g) Interest paid to Director, Mr.Baba Chandrasekar is ₹ 31.22 lakhs (Previous Year ₹ 30.97 lakhs).
- h) (i) Polyester and Viscose Yarn & Fibre purchase from Strike Right Integrated Services Limited during the year for ₹ 1297.17 lakhs (Previous Year Polyester and Viscose Fibre purchase ₹ 1981.45 lakhs).
- (ii) Polyester and Viscose Yarn & Fibre sales made to Strike Right Integrated Services Limited during the year for ₹ 1008.67 Lakhs (Previous Year Cone yarn sale ₹ 22.67 lakhs).

Strike Right Integrated Services Limited is a Company in which Two Whole-Time Directors and one relative of a Director of Lambodhara Textiles Limited are Directors.

- i) During the year, lease rent on two vehicles paid to Whole-Time Director, Ms.Giulia Bosco is ₹ 2.80 lakhs (Previous Year ₹ 2.40 lakhs).
- j) During the year, one Residential apartment is purchased for ₹ 45 lakhs from Mr.Santosh.R, relative of Whole-Time Director of the Company.

#### **NOTE - 44 FAIR VALUE MEASUREMENTS**

##### **Financial Instrument by category and hierarchy**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables.Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The fair values for loans security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.



For Financial assets and Liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 : quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2 : other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3 : techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.





**Note :- 44 - FAIR VALUE MEASUREMENT**

₹ in Lakhs

Financial Assets and Liabilities as at 31st March, 2018	Non Current	Current	Total	Routed through Profit and Loss				Routed through OCI				Carried at amortised cost				Total	
				Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
<b>Financial Assets</b>																	
Investments	29.46		29.46												29.46	29.46	29.46
- Equity instruments	29.46		29.46												29.46	29.46	29.46
<b>Other Assets</b>		0.13	0.13												0.13	0.13	0.13
Loans to Employees																	
Security Deposit																	
Loans to Related Parties	83.71	0.18	83.89			83.71	83.71								0.18	0.18	83.89
Other Financial Assets																	
Trade receivable	1,392.69	57.13	1,392.69												1,392.69	1,392.69	1,392.69
Cash and Cash equivalents	57.13		57.13												57.13	57.13	57.13
Other Bank Balance	44.06		44.06												44.06	44.06	44.06
<b>Other Bank Balance</b>	<b>83.71</b>	<b>1,494.19</b>	<b>1,577.90</b>			<b>83.71</b>	<b>83.71</b>								<b>1,494.19</b>	<b>1,494.19</b>	<b>1,577.90</b>
<b>Financial Liabilities</b>																	
Borrowings	2,655.08	1,102.93	3,758.01												3,758.01	3,758.01	3,758.01
Other Financial Liabilities	45.45		1,197.45			45.45	45.45								1,152.00	1,152.00	1,197.45
Trade Payables	493.36		493.36												493.36	493.36	493.36
<b>Other Bank Balance</b>	<b>2,700.53</b>	<b>2,748.28</b>	<b>5,448.82</b>			<b>45.45</b>	<b>45.45</b>								<b>5,403.37</b>	<b>5,403.37</b>	<b>5,448.82</b>
<b>Financial Assets and Liabilities as at 31st March, 2019</b>																	
<b>Financial Assets</b>																	
Investments	3.51		3.51												3.51	3.51	3.51
Equity instruments	3.51		3.51												3.51	3.51	3.51
<b>Other Assets</b>		5.22	5.22												5.22	5.22	5.22
Loans to Employees																	
Security Deposit																	
Loans to Related Parties	55.29	0.43	55.72			55.29	55.29								0.43	0.43	55.72
Other Financial Assets																	
Trade receivable	1,782.90		1,782.90												1,782.90	1,782.90	1,782.90
Cash and Cash equivalents	492.35		492.35												492.35	492.35	492.35
Other Bank Balance	25.17		25.17												25.17	25.17	25.17
<b>Other Bank Balance</b>	<b>55.29</b>	<b>2,306.08</b>	<b>2,361.37</b>			<b>55.29</b>	<b>55.29</b>								<b>2,306.08</b>	<b>2,306.08</b>	<b>2,361.37</b>
<b>Financial Liabilities</b>																	
Borrowings	2,674.10	1,105.40	3,779.50												3,779.50	3,779.50	3,779.50
Other Financial Liabilities	46.16		786.03			46.16	46.16								786.03	786.03	832.18
Trade Payables	793.57		793.57												793.57	793.57	793.57
<b>Other Bank Balance</b>	<b>2,720.26</b>	<b>2,684.99</b>	<b>5,405.25</b>			<b>46.16</b>	<b>46.16</b>								<b>5,359.10</b>	<b>5,359.10</b>	<b>5,405.25</b>



**NOTE : - 45 - FINANCIAL RISK MANAGEMENT**

**Financial risk management objectives and policies**

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommend risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures like foreign exchange forward contracts, borrowing strategies and ensuring compliance with market risk limits and policies.

**Market Risk- Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The Company's borrowings are of fixed rate nature only. Hence interest rate risk is not applicable and hence no sensitivity analysis

**Market Risk- Foreign currency risk**

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies.

**a) Unhedged Foreign Currency Exposure**

Particulars of unhedged foreign currency exposures as at the reporting date

<b>Particulars</b>	<b>USD</b>	<b>EURO</b>
<b>As at 31st March 2019</b>		
Trade Receivable	5.74	-
Trade payables	-	-
Loans taken	6.80	30.57
Advance to import creditors	3.47	0.10
Advance from Debtors	-	-
Cash and Bank balances	0.35	0.0004

**As at 31st March, 2018**

Trade Receivable	6.31	-
Trade payables	1.67	-
Loans taken	9.84	35.43
Advance to import creditors	0.18	-
Advance from Debtors	0.37	-
Cash and Bank balances	1.03	-

**Market Risk - Price risk****(a) Exposure & Sensitivity**

Price risk do not arise for the company's exposure to equity securities since the equity held by the company as a member consumer under Electricity group captive consumer which are sold at the same price at which it is purchased as per share purchase and share Holders Agreement. Hence disclosure of sensitivity details is not applicable.

**(b) Foreign Currency Risk Sensitivity**

A change of 5% in Foreign currency would have following impact on profit before tax

(₹ in Lakhs)

	2018-19		2017-18	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	12.09	(12.09)	95.21	(95.21)
EURO	(114.22)	114.22	(26.18)	26.18
Increase / (Decrease) in profit or loss	(102.13)	102.13	69.03	(69.03)

**Credit risk**

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counterparty,
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- Significant increase in credit risk on other financial instruments of the same counterparty,
- Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as



a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

**Trade receivables**

Customer credit risk is managed by each business unit subject to the Company’s established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 7 days to 180 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 9. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

**Liquidity Risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company’s liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

**(i) Financing arrangements**

The Company had access to the following undrawn borrowings facilities at the end of the reporting period

<b>Particulars</b>	<b>As at 31st March 2019</b>	<b>As at 31st March 2018</b>
Fixed rate		
Expiring within one year (bank overdraft and other facilities)	1,535.38	1,675.17
Expiring beyond one year (bank loans)	-	-

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR.



(ii) Maturity patterns of borrowings

₹ in Lakhs

Particulars	As at 31st March, 2019				As at 1st April, 2018			
	0-1 years	1-5 years	Beyond 5 years	Total	0-1 years	1-5 years	Beyond 5 years	Total
	Long term borrowings (Including current maturity of long term debt)	908.48	2,174.13	480.95	3,563.56	641.59	2,086.76	587.34
Short term borrowings	1,102.93			1,102.93	1,105.40			1,105.40
Total	2,011.41	2,174.13	480.95	4,666.49	1,746.98	2,086.76	587.34	4,421.09

(iii) Maturity patterns of other Financial Liabilities

Particulars	0-3 months	3-6 months	6 months to 12	beyond 12 months	Total
	<b>As at 31st March, 2019</b>				
Trade Payable	493.36	-	-	-	493.36
Other Financial liability (Current and Non Current)	243.52			45.45	288.97
Total	736.88	0.00	0.00	45.45	782.33
<b>As at 31st March 2018</b>					
Trade Payable	793.57	-	-	-	793.57
Other Financial liability (Current and Non Current)	144.45		14.10	32.05	190.60
Total	938.02	0.00	14.10	32.05	984.17



**NOTE : 46 - CAPITAL RISK MANAGEMENT**

**(a) Risk Management**

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

**(b) Dividend** **31st March, 2019**      **31st March, 2018**

**Equity shares**

Final dividend for the year ended 31st March, 2018 95.78 90.78

Rs. 1 per equity share (20%) of face value Rs. 5 each  
(31st March 2017 - Rs. 1 ) per fully paid share distributed  
based on approval by the share holders at the AGM held  
on 20 Sep 2018.

**Dividends not recognised at the end of the reporting period**

In addition to the above dividends, since year end the  
Directors have recommended the payment of a final  
dividend of Rs. 1 per fully paid equity share  
(31st March 2018 - Rs. 1). This proposed dividend is  
subject to the approval of Shareholders in the ensuing  
annual general meeting. 95.78 95.78

**NOTE : 47 - EARNINGS PER SHARE** **31st March, 2019**      **31st March, 2018**

Earning per share has been computed as under

Profit / (Loss) for the year 757.26 595.11

Weighted average number of equity shares outstanding 95,77,600 91,33,764

Earnings per shares (Rs.) - Basic (Face value Rs. 5 per share) 7.91 6.52

Diluted earnings per share is same as basic earnings per share 7.91 6.52

**Note :- 48 - EXPORT PROMOTION CAPITAL GOODS (EPCG)**

Export Promotion Capital Goods (EPCG) scheme allows import of certain capital goods including spares at concessional duty subject to an export obligation for the duty saved on capital goods imported under EPCG scheme. The duty saved on capital goods imported under EPCG scheme being Government Grant, is accounted as stated in the Accounting policy on Government Grant.

**Note - 49 BREAK UP OF AUDIT FEES**

For Audit 3.50 3.16

For Certification 1.57 2.00

For Taxation services 0.75 0.71

For reimbursement of expenses 0.18 0.15



**Note - 50. CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENSES**

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Prescribed CSR expenditure as per Section 135 of the Companies Act, 2013	16.48	14.85
(a) Total amount planned to be spent during the year	16.87	16.73
(b) Actual spent during the year	16.87	16.73
(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	Nil	15.00
- Other purposes	16.87	1.73

**Note - 51. EVENT OCCURRING AFTER BALANCE SHEET DATE**

The board of directors has recommended Equity dividend of ₹ 1/- per share (previous year ₹ 1/- ) for the financial year 2018-19.

52. During previous year, a fraud had happened on the company wherein, funds paid to the supplier was wrongly transferred to unknown person due to hacking of emails from the client and immediate action was taken to recover the same. The amount involved is Rs. 35.97 lakhs with bank of India and necessary police action was undertaken by the company. The claim made with bank of India was included in the claims receivable under other current assets for the year ended 31st March 2018. During the year the company has written off above amount as bad debt as the amount is not recoverable even after effective steps taken for recovery.

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

Vide Our Report of even date  
For **JAIN & MOHAN**  
Chartered Accountants  
FRN:006896S

(Sd/-) **C. Amrithalal Jain**  
Partner  
M.No.023060  
Place : Coimbatore  
Date : 29.05.2019

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

(Sd/-) **Ramesh Shenoy. K**  
Whole-Time Director-cum  
Chief Financial Officer  
(DIN : 06392237)

(Sd/-) **Bosco Giulia**  
Whole Time Director  
(DIN : 01898020)

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