



# Lambodhara Textiles Limited

Regd. Office : 3A, 3<sup>rd</sup> Floor, B Block, Pioneer Apartments, 1075B, 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 IE Code # 3201006181 CIN : L17111TZ1994PLC004929

16.08.2022

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 2021-22.**

**Symbol: LAMBODHARA**

**Series: EQ**

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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 2021-22 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*



*28<sup>th</sup> Annual Report*

*2021 - 2022*



# Lambodhara Textiles Limited

## BOARD OF DIRECTORS

<b>Whole Time Directors</b>	:	Smt. Bosco Giulia Mr. Narayanasamy Balu Mr. Ramesh Shenoy Kalyanpur
<b>Non-Executive Directors</b>	:	Sri. Vastupal R. Mehta Sri. M.S. Rajkumar Sri. Baba Chandrasekhar. R Sri. Akkalnaicker Velusamy
<b>Bankers</b>	:	<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>MDS &amp; Associates</b> Company Secretary in Practice Coimbatore
<b>Registrar &amp; Share Transfer Agent</b>	:	<b>M/s. S.K.D.C. Consultants Limited</b> "Surya" 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Coimbatore - 641 028 Phone : 0422-4958995, 2539835 - 836 Fax : 0422-2539837 E-mail : info@skdc-consultants.com

### REGISTERED OFFICE

CIN: L17111TZ1994PLC004929  
3A, B Block, Pioneer Apartments,  
1075B, Avinashi Road, Coimbatore - 641 018  
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 - 624 618  
Phone : 04252 - 252253



## *Lambodhara Textiles Limited*

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

**Date** : 8<sup>th</sup> September 2022  
**Day** : Thursday  
**Time** : 11.00 A.M.  
**Venue** : VC / OAVM

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**LAMBODHARA TEXTILES LIMITED**

CIN: L17111TZ1994PLC004929

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

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

**NOTICE TO SHAREHOLDERS**

Notice is hereby given that the Twenty Eighth Annual General Meeting of the Members of Lambodhara Textiles Limited will be held on Thursday, the 08<sup>th</sup> day of September 2022 at 11.00 a.m. through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) without the in-person presence of Shareholders to transact the following business(es).

**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, 2022, 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, 2022.
3. To appoint a Director in place of Mrs.Bosco Giulia (DIN: 01898020), Whole-Time Director, who retires by rotation in accordance with Section 152 of the Companies Act, 2013 and being eligible, offers herself for re-appointment.
4. To consider, and if thought fit, to pass the following resolution as an Ordinary Resolution:  
  
RESOLVED THAT pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force and on the recommendation of the Audit Committee and the Board of Directors of the Company, M/s.Mohan & Venkataraman, Chartered Accountants, Coimbatore (Firm Registration No. 007321S), be and are hereby appointed as Statutory Auditors of the Company in place of the retiring auditors, M/s.Jain & Mohan, Chartered Accountants, Coimbatore (Firm Registration No. 006896S), for a term of 5 years, to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting of the Company to be held in financial year 2027 at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.



## **SPECIAL BUSINESS**

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

RESOLVED THAT pursuant to the provisions of Section 148(3) and 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 records of the Company for the financial year 2022-23, 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 be and is hereby ratified and confirmed.

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

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

“RESOLVED THAT pursuant to Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable provisions, if any, of the Companies Act, 2013 (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the approval of the Audit Committee and on the recommendation of the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to enter into agreement/ contract/ business transactions with M/s.Strike Right Integrated Services Limited, a related party of the Company for an amount not exceeding ₹ 400 Crores (Rupees Four hundred crores only) per annum per financial year from 01<sup>st</sup> April 2022 till the Annual General Meeting to be held in the year 2023 as per the details more particularly described in the statement pursuant to Section 102 of the Companies Act, 2013, annexed to this notice notwithstanding the fact that such transactions either taken individually or together with previous transactions during the financial year may exceed 10% of the annual turnover of the Company as per the last audited financial statements or such other materiality threshold as may be specified under applicable laws/ regulations from time to time.

RESOLVED FURTHER that Board of Directors (including its Committee thereof) be and are hereby severally authorised to do all such acts, deeds, matters and things, to finalise the terms and conditions of the transactions with the aforesaid party, and to execute or authorize any person to execute all such documents, instruments and writings as may be considered necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution.”

7. To consider and if thought fit to pass the following resolution as a Special Resolution.

“RESOLVED THAT pursuant to Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and



Remuneration of Managerial Personnel) Rules, 2014 and the applicable provisions of SEBI (LODR) Regulations, 2015, (including any statutory modification or re-enactment thereof, for the time being in force) and the Articles of Association of the Company, the consent of the Company be and is hereby accorded for the payment of the revised remuneration to Mrs. Bosco Giulia, Whole-Time Director (DIN: 01898020) of the Company for the remaining tenure as Whole-Time Director with effect from 1<sup>st</sup> October, 2022 on the following terms and conditions as recommended by the Nomination Committee and approved by the Audit Committee and Board of Directors at their respective meetings:

**I. SALARY:**

Salary of ₹ 5,00,000/- (Rupees Five lakhs only) per month including dearness and all other allowances.

**II. PERQUISITES:**

Rent Free fully furnished residential accommodation. The expenditure on gas, electricity and water will be met by the Company.

Provision of a Company car with driver for use on Company's business and telephone facility at her residence will not be considered as perquisites. Personal long distance calls on telephone and use of the car for private purpose shall be billed by the Company to the Whole-Time Director.

The total expenses incurred by the Company on provision of perquisites shall not exceed ₹ 6,00,000/- (Rupees Six lakhs only) per annum.

FURTHER RESOLVED THAT Mrs. Bosco Giulia, (DIN: 01898020), during her tenure as Whole-Time Director, shall be liable to retire by rotation and the same shall not be treated as break in her service as Whole-Time Director.

RESOLVED FURTHER THAT the Board of Directors (including committees thereof) be and are hereby authorised to alter and vary the terms of re-appointment and / or remuneration payable to the Whole-Time Director, as it may deem fit, subject to the same not exceeding the limits as approved by the shareholders.

"FURTHER RESOLVED THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the remuneration payable to Mrs. Bosco Giulia, Whole-Time Director shall be subject to the limits mentioned in Section II of Part II of Schedule V of the Companies Act, 2013.

**EXPLANATORY STATEMENT IN TERMS OF REGULATION 36(5) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

**Item No. 4**

In compliance with the provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. Jain & Mohan, Chartered Accountants, Coimbatore (Firm Registration No. 006896S) had been appointed as the Statutory Auditors of the Company for a



term of five years commencing from the financial year 2017-18 to 2021-22 and to hold office from the conclusion of the Annual General Meeting held on 2017 and until the conclusion of the Annual General Meeting to be held in the year 2022. Therefore, it has been proposed to appoint M/s. Mohan & Venkataraman, Chartered Accountants, Coimbatore (Firm Registration No. 007321S) as Statutory Auditors for a term of 5 years from the financial year 2022-23 onwards in the place of the retiring auditors.

The Company has also received a certificate from the Statutory Auditors to the effect that their appointment, if made, would be within the limits prescribed under Section 139 of the Companies Act, 2013 and that they are eligible to be appointed as the Statutory Auditors of the Company.

Accordingly, based on the recommendation of the Audit Committee, the Board of Directors of the Company have recommended the appointment of M/s. Mohan & Venkataraman, Chartered Accountants, Coimbatore (Firm Registration No. 007321S) as Statutory Auditors of the Company for a period of 5 consecutive years from the conclusion of the ensuing Annual General Meeting till the conclusion of Annual General Meeting which ought to be held in the year 2027.

The Board of Directors propose to pay a fee of Rs.3,50,000/- (Rupees Three Lakhs and Fifty Thousand only), exclusive of taxes and other out of pocket expenses incurred in connection with the audit for the financial year ended March 31, 2023 to the Statutory Auditors. The fees for the subsequent years will be decided by the Board of Directors from time to time based on the recommendations of the Audit Committee. The terms of appointment of the Statutory Auditors will be as specified by the Audit Committee and the Board of Directors of the Company in line with the Companies Act, 2013 and SEBI Listing Regulations. There is no material change in the proposed fee payable to the new auditors as compared to the fee paid to the outgoing auditors. The proposed statutory auditors will be paid separate remuneration as may be approved by the Audit Committee of the Company for attending to taxation and other works connected with the Company that may be entrusted to them from time to time.

The Audit Committee and the Board of Directors of the Company have considered the following credentials of M/s. Mohan & Venkataraman, Chartered Accountants while considering their appointment:

- Client base of the firm and availability of well trained and experienced professionals in the industry.
- Availability of expertise in Accounting procedures/ processes, Audit, Direct/Indirect Taxation and Corporate Laws.
- Professional integrity, ethics and independence.

By considering the above facts, the Board recommends the Ordinary Resolution set out in Item No. 4 of the Notice for the approval of the Shareholders.

None of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are concerned or interested, financially or otherwise, in the Ordinary Resolution set out as Item No. 4 of the Notice.





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

**Item No: 5**

The Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment of M/s.C.S.Hanumantha Rao & Co, Cost Accountants, (Firm Registration No. 000216) as the Cost Auditors of the Company for the financial year 2022-23 for a fee of ₹ 35,000/- (exclusive of applicable taxes and out of pocket expenses), for conducting the audit of the cost accounting records of the Company and for issuing an audit report on cost accounting records maintained by the Company.

Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (“the Act”), requires the Board to appoint an individual, who is a Cost Accountant or a firm of Cost Accountants, as Cost Auditors of the Company on such remuneration as may be determined by the Board of Directors subject to the ratification by the shareholders at the General Meeting.

Accordingly, consent of the members is sought for passing ordinary resolution as set out in Item No.5 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, 2023.

The Board recommends the Ordinary Resolution as set out at Item No.5 of the Notice for approval by the members.

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.5 of the Notice, except to the extent of their shareholding, if any, in the Company.

**Item No: 6**

Pursuant to proviso to Regulation 23(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), a transaction with a related party shall be considered “material”, if the transactions entered into individually or taken together with previous transactions during a Financial Year with such related party exceeds ₹ 1,000 Crores or 10% of the total consolidated turnover of the Company as per the last audited financial statements, whichever is lower.

The Company is purchasing/selling Cotton, Man Made Fibre, Yarn from/to M/s.Strike Right Integrated Services Limited in the ordinary course of business and on an arms’ length basis. The transactions entered into by the Company are purely as per the business requirements of the Company. The actual value of these transactions in a financial year may vary depending on business achieved by the Company and is directly proportional to the business.

The transactions proposed to be entered by the Company with M/s.Strike Right Integrated Services Limited exceeds 10% of the annual consolidated turnover of the Company as per the latest audited financial statements and are proposed to be undertaken on an arms’ length basis and in the ordinary course of business.

As per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations,



2015 all Related Party Transactions shall require prior approval of the Audit Committee and all material Related Party Transactions shall require approval of the Members. The Audit Committee have approved the transactions with the above-mentioned related parties at their meeting held on 10<sup>th</sup> August 2022.

Members may also note that the Company had already obtained the approval of the shareholders at the Annual General Meeting held on 9<sup>th</sup> September 2021 for the material related party transactions with M/s.Strike Right Integrated Services Limited. However, pursuant to the amendment to Regulation 23 of the Listing Regulations, and SEBI circular No SEBI/HO/CFD/CMD1/CIR/P/2022/40 dated 30<sup>th</sup> March 2022 and SEBI circular No SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated 8<sup>th</sup> April 2022, all related party transactions which exceeds 10% of the Annual Turnover needs to be approved by the shareholders by way of a Resolution and such approval shall be valid upto the date of next Annual General Meeting. Also, the existing material related party transactions entered prior to the notification of the amended regulations, shall be placed for approval of the shareholders at the first General Meeting subsequent to these notifications.

Accordingly, the approval of the Members is now being sought for the transactions proposed to be entered into with the above-mentioned related parties as per the details given below.

The details of the transactions with above-mentioned related parties as required pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22<sup>nd</sup> November 2021 is given below:

Name of the related party	Strike Right Integrated Services Limited
Type, material terms and particulars of the proposed transaction	Purchase of Cotton/natural fibre, Man Made Fibre, Yarn and Sale of Cotton/natural fibre, Man Made Fibre, Yarn.
Relationship with the entity, including nature of its concern or interest (financial or otherwise)	A public company in which Mrs.Bosco Giulia and Mr.Ramesh Shenoy.K., are Directors and Mrs. Bosco Giulia holds more than 2% of its paid-up share capital. Nature of interest is financial.
Tenure of the proposed transaction	For a period from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting.
Value of the proposed transaction	The maximum value of transactions is ₹ 200 Crore per annum for purchase and ₹ 200 Crore per annum for sale.
The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	226% based on audited financials for the year ended 31 <sup>st</sup> March 2022
Justification as to why the RPT is in the interest of the listed entity	As detailed above

A copy of the valuation or other external party report, if any such report has been relied upon - The



Company has not relied upon any such document.

The proposed transaction does not involve any loans, inter-corporate deposits, advances or investments and hence disclosure of details pertaining to the same does not arise.

Any other information that may be relevant - Nil.

The Board of Directors recommend the resolution(s) as set out in Item Nos.6 of the Notice for the approval of the Members who are not related parties of the Company.

The Members may please note that in terms of the provisions of the Listing Regulations, no related party(ies) as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall vote to approve the resolutions under Item Nos. 6 of this notice.

None of the Directors, Key Managerial Personnel or their relatives other than Mrs.Bosco Giulia, Whole-Time Director and Mr.Ramesh Shenoy.K., Key Managerial Personnel is concerned or interested in the resolution set out in Item No. 6 of the Notice.

**Item No: 7**

The Members of the Company at the 24<sup>th</sup> Annual General Meeting held on 20<sup>th</sup> September, 2018 had approved the re-appointment of Mrs.Bosco Giulia (DIN: 01898020) as the Whole-Time Director of the Company for a period of 5 (five) years with effect from 28<sup>th</sup> September, 2018 and also approved the remuneration payable to her.

Considering the increased roles and responsibilities Mrs. Bosco Giulia, Whole-Time Director of the Company and also taking into consideration her performance during her tenure, it has been proposed to revise the remuneration payable to her as per the terms and conditions set out in the resolution.

Pursuant to Section 178 of the Companies Act, 2013 & Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee & Audit Committee at their meetings held on 10<sup>th</sup> August 2022 had recommended/ approved the payment of the revised remuneration to Mrs.Bosco Giulia. The proposed remuneration is well within the limits prescribed in the Companies Act, 2013 and the Schedule and rules made there under.

Based on the recommendations as mentioned above, the Board of Directors of the Company at their meeting held on 10<sup>th</sup> August 2022 have approved the payment of remuneration to Mrs. Bosco Giulia, Whole-Time Director of the Company for the above said period on such terms and conditions as set out in the resolution.

Pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the revision of the remuneration payable to the Whole-Time Director shall be subject to the approval of the Shareholders of the Company in the General Meeting. Hence the necessary resolution has been set out in Item No.7 of the Notice for the approval of the Members.

The Board recommends the special resolution as set out in Item No.7 of the Notice for the



approval of the Members of the Company.

The details as required under Schedule V of the Companies Act, 2013 and brief bio-data of Mrs. Bosco Giulia and other disclosures as per Secretarial Standards 2 are furnished and forms part of this Notice.

Except Mrs. Bosco Giulia, Whole-Time Director being the beneficiary, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out in Item No.7.

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

**I. General information:**

1. Nature of Industry	Textiles	
2. Date of commencement of Commercial production	The Company started its commercial Production in the year 1994	
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable	
4. Financial Performance based on given indicators	(₹ in lakhs)	
Particulars	2021-2022	2020-2021
Total Revenue	17,926.57	11,973.65
Profit Before Tax	2,234.42	1,481.02
Profit After Tax	1,583.09	1,058.78
EPS	15.25	10.95
Rate of Dividend	30%	20%

5. Foreign investments or collaborations, if any:.. Nil

**II. Information about the appointee**

Background details of the appointee	Mrs. Bosco Giulia (DIN: 01898020) aged 44 years is a Promoter and Whole-Time Director of our Company. She has been on our Board since March 7, 2008.
Past Remuneration	The total remuneration paid for the year 2021-22 is ₹ 11.64 lakhs.
Recognition or Awards	Nil
Job Profile and suitability	Mrs. Bosco Giulia is a Promoter Director since 2008. She is responsible for planning and execution of new projects and overall charge for ensuring quality assurance and quality control.



Remuneration proposed	Details of proposed remuneration have been disclosed in Item No. 7 of the Notice
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Considering the size of the Company, the industry benchmarks, experience and the responsibilities shouldered by her, the present remuneration to Mrs. Bosco Giulia is commensurate with the remuneration paid to similar persons in other companies.
Pecuniary relationship directly or indirectly with the Company or relationship with Managerial Personnel or other Director, if any.	a) Mrs. Bosco Giulia has leased three vehicles to the Company and she is receiving rent for the same. b) Remuneration drawn as Whole-Time Director. c) She is related to Mr. R. Santosh, Promoter of the Company. d) The Company has received unsecured loan from Mrs. Bosco Giulia and repaying the same in terms as agreed.

### III. Other information

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

### IV. Disclosures

The following disclosures shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any, attached to the Financial statement:

- (i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the Directors - enclosed in Corporate Governance Report
- (ii) Details of fixed component and performance linked incentives along with the performance criteria - not paid.
- (iii) Service contracts, notice period, severance fees - not applicable, and,
- (iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable -The Company has not issued any Stock Option.

### Notes

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated 5<sup>th</sup> May, 2020 read with circulars dated 8<sup>th</sup> April, 2020, 13<sup>th</sup> April, 2020, 15<sup>th</sup> June, 2020, 28<sup>th</sup> September, 2020, 31<sup>st</sup> December, 2020, 13<sup>th</sup> January, 2021 and



05<sup>th</sup> May 2022 (collectively referred to as “MCA Circulars”) and the Securities and Exchange Board of India vide their circulars dated 12<sup>th</sup> May, 2020, 15<sup>th</sup> January, 2021 and 13<sup>th</sup> May 2022 (collectively referred to as “SEBI Circulars”) permitted the conduct of the Annual General Meeting (“AGM”) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”), without the physical presence of the Members at a common venue. The deemed venue for the AGM shall be the Registered Office of the Company. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) MCA Circulars and SEBI Circulars the AGM of the Company is being held through VC / OAVM. Members desirous of participating in the meeting through VC/OAVM, may refer to the procedures mentioned below in this AGM notice.

2. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Since this AGM is being held pursuant to the MCA Circulars / SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. In case of Joint Holders, the member whose name appears as First Holder in the order of names on the Register of Members of the Company will be entitled to vote.
4. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to mds@mdsassociates.in with a copy marked to the Company at info@lambodharatextiles.com
5. Pursuant to the provisions of Section 91 of the Companies Act, 2013 and Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and share transfer books of the Company will remain closed from Friday, 2<sup>nd</sup> September, 2022 to Thursday, 8<sup>th</sup> September, 2022 (both days inclusive).
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 Thursday, 1<sup>st</sup> September, 2022.
7. Members are advised to utilize the National Electronic Clearing System (NECS) for receiving dividends. Members holding shares in electronic form are requested to contact their respective Depository Participants for availing NECS facility. Members holding shares in physical



form are requested to download the ECS form from the website of the Company viz., [www.lambodharatextiles.com](http://www.lambodharatextiles.com) and the same, duly filled up and signed along with original cancelled cheque leaf may be sent to the Company or to the Registrar and Share Transfer Agent.

8. The Company has entered into agreements with National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”). The Depository System envisages the elimination of several problems involved in the scrip-based system such as bad deliveries, fraudulent transfers, fake certificates, thefts in postal transit, delay in transfers, mutilation of share certificates, etc. Simultaneously, Depository System offers several advantages like exemption from stamp duty, elimination of concept of market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc. Members, therefore, now have the option of holdings and dealing in the shares of the company in electronic form through NSDL or CDSL. Members are encouraged to convert their holding to electronic mode.

9. 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.

Further, SEBI had mandated the listed entities to issue shares only in dematerialized mode, with effect from 25<sup>th</sup> January 2022 to shareholder(s)/claimant(s) holding shares in physical mode, as against their service requests including for transmission or transposition of shares.

As per the said circular, the Company has opened a separate Escrow Demat Account for the purpose of crediting the shares of the Shareholders who fail to submit the letter of confirmation with the respective Depository Participant within the prescribed timeline.

10. Further, SEBI vide its circular dated 3<sup>rd</sup> November 2021 has also mandated that the shareholders holding shares in physical form are required to update their PAN, KYC details, bank details and nomination details with the RTA on or before 1<sup>st</sup> April 2023, failing which the securities held by such shareholder will be frozen by the RTA. The securities once frozen will revert to normal status only upon receipt of requisite KYC documents or upon dematerialization of the said securities. Shareholders holding shares in physical form may also note that once the securities are frozen, the payment of dividend will be processed only upon receipt of requisite KYC details to the bank account of the shareholder electronically.

11. Further, SEBI vide its circular dated 3<sup>rd</sup> November 2021 has also mandated that the shareholders holding shares in physical form are required to compulsorily link their PAN and Aadhaar. Accordingly, the physical folios in which PAN and Aadhaar are not linked will be frozen by the RTA. The securities which will be frozen will revert to normal status only upon receipt of requisite KYC documents or upon dematerialization of the said securities.

Necessary prior intimation(s) in this regard was provided to the Shareholders. Therefore, Members holding share(s) in physical form are requested to immediately update their KYC details / dematerialize their shareholding in the Company. A copy of the said circulars is available on the Company’s website [www.lambodharatextiles.com](http://www.lambodharatextiles.com).



12. Members whose shareholding is in the electronic mode are requested to direct change of address notifications and updates of bank account details to their respective Depository Participant(s). Members whose shareholding is in the physical mode are requested to coordinate with the Registrars and Share Transfer Agents, M/s. S.K.D.C Consultants Limited for payment of dividend through electronic mode.
13. Non-Resident Indian (“NRI”) Members are requested to inform the Company or its RTA or to the concerned Depository Participants, as the case may be, immediately:
  - a. the change in the residential status on return to India for permanent settlement  
or
  - b. the particulars of the NRE/NRO Account with a Bank in India, if not furnished earlier.
14. As per the provisions of Section 72 of the Act, facility for making nominations is now available to Individual(s) holding shares in the Company. Members holding shares in physical form may coordinate with the Registrars and Share Transfer Agents of the Company. Members holding shares in electronic form have to approach their depository participants for completing the nomination formalities.
15. Members who are holding shares in identical order of names in more than one folio are requested to send to the Registrar and Share Transfer Agent (‘RTA’), the details of such folios together with the share certificates for consolidating their holdings into one folio. The share certificates will be returned to the Members after making requisite changes thereon.
16. Members are requested to forward their communications in connection with shares held by them directly to the Company Secretary of the Company or its RTA, namely, M/s S.K.D.C. Consultants Limited, 35, Surya, May Flower Avenue, Behind Senthil Nagar, Sowripalayam, Coimbatore - 641028 by quoting the Folio number or the Client ID number with DP ID number.
17. Members who require any clarifications on accounts or operations of the Company are requested to write to the Company before 31<sup>st</sup> August 2022 (5.00 pm IST). The queries will be answered accordingly.
18. Members who wish to claim dividends, which remain unclaimed, are requested to correspond with the Company Secretary / RTA of the Company. Members are requested to note that pursuant to Section 124 of the Companies Act, 2013 dividends not claimed within seven years from the date of transfer to the Company’s Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund (“IEPF”) established by the Central Government under Section 125 of the Companies Act, 2013. As per the provisions of Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016, the Company will be transferring the share(s) on which the beneficial owner has not encashed any dividend during the last seven years to the IEPF demat account as identified by the IEPF Authority. Subsequently, the members shall be entitled to claim the shares from IEPF in accordance with procedure and on submission of documents as may be prescribed by IEPF Authority from time to time. Details of the Members whose shares have been transferred to the Demat account





of the IEPF Authority are available at the Company's website at [www.lambodharatextiles.com](http://www.lambodharatextiles.com). Hence, the Shareholders whose unclaimed dividend /share has been transferred to the 'Investor Education and Protection Fund', may claim the same from the IEPF authority by filing Form IEPF-5 along with the requisite documents for the financial years from 2014-15 to 2020-21.

19. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report for the financial year 2021-22 is being **sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories**. Members may note that the physical copy of the Annual Report will not be sent. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website [www.lambodharatextiles.com](http://www.lambodharatextiles.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of Link Intime India Private Limited at [instavote.linkintime.co.in](http://instavote.linkintime.co.in). Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.
20. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. 1<sup>st</sup> April, 2020 and the Company is required to deduct tax at source from dividend paid to Shareholders at the prescribed rates. For the prescribed rates for various categories, the Shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The Shareholders are requested to update their Residential Status, Category as per IT Act, PAN with the Company/RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode) immediately.

A Resident individual shareholder having PAN and entitled to receive dividend amount exceeding ₹ 5,000/- and who is not liable to pay income tax, can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to [green@skdc-consultants.com](mailto:green@skdc-consultants.com) on or before 8<sup>th</sup> September, 2022. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e., No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to [green@skdc-consultants.com](mailto:green@skdc-consultants.com). The aforesaid declarations and documents need to be submitted by the shareholders on or before 8<sup>th</sup> September, 2022.

Separate intimation in this regard to Shareholders will be given on or before 8<sup>th</sup> September, 2022.

21. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
22. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) and bank account details by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the



PAN and bank account details to their Depository Participants with whom they are maintaining their demat account(s). Members holding shares in physical form can submit their PAN details and bank account details to the Registrars and Share Transfer Agents of the Company. SEBI vide their circular dated 20<sup>th</sup> April 2018 has mandated that the dividend warrant / demand draft revalidation request can be processed only if the bank account details are registered with Depository Participants (for demat shareholders) and Registrars and Share Transfer Agents of the Company (for shareholders holding shares in physical form). Hence, the shareholders are requested to immediately register their PAN and bank account details.

23. Members holding shares in physical mode are requested to update the KYC details pursuant to the SEBI circulars by coordinating with the Registrars and Share Transfer Agents, M/s SKDC Consultants Limited, "Surya" 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore – 641028, Tamil Nadu, India. Similarly, members holding shares in Demat form shall intimate the above details to their respective Depository Participants.
24. Members holding shares in electronic form may please note that as per the regulations of Securities Exchange Board of India (SEBI), National Security Depository Services Limited (NSDL) and Central Depository Services (India) Limited (CDSL), the Company is obliged to print the bank 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.
25. Brief resume, details of shareholding and Directors' inter-se relationship of Directors seeking election/re-election/ changes in terms as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards 2, are provided as Annexure to this Notice.
26. As per the green initiative taken by the Ministry of Corporate Affairs, the shareholders are advised to register/update their e-mail address with the Company/RTA in respect of shares held in physical form and with the concerned Depository Participant in respect of shares held in electronic form in order to enable the Company to serve documents in electronic mode.
27. Members who have not received the split share certificates (₹ 5/- face value) are requested to receive the split share certificates by surrendering their old share certificates (₹ 10/- face value) to the company's registrar & share transfer agent immediately.
28. Annual financial statements and related details is posted on the Company's website and is also kept for inspection at the Registered Office of the Company. A copy of the same will be provided to the members on request.
29. Soft copies 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 during the AGM. Members can inspect the same by sending an e-mail to [info@lambodharatextiles.com](mailto:info@lambodharatextiles.com).



## **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) (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 Annual General Meeting (“remote e-voting”) using an electronic voting system provided by Link Intime India Private Ltd (‘LI IPL’), 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 Annual General Meeting and the business may be transacted through such remote e-voting. The instructions to e-voting, as given below, explains the process and manner for casting of vote(s) in a secure manner.

- I. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of Annual General Meeting Notice and holding shares as of the cut-off date, i.e. Thursday, 1<sup>st</sup> September, 2022, may refer to this Notice of the Annual General Meeting, 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. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again. Once the vote on a Resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- III. The voting period begins on Monday, 5<sup>th</sup> September, 2022(9.00 A.M. IST) and ends on Wednesday, 7<sup>th</sup> September, 2022 (5.00 P.M. IST). During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, 1<sup>st</sup> September, 2022 may cast their votes electronically. The e-voting module shall be disabled by LI IPL for voting thereafter.

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

Remote e-Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in demat mode, pursuant to SEBI circular dated December 9, 2020:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts



Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ul style="list-style-type: none"><li>Existing IDeAS user can visit the e-Services website of NSDL viz... <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a personal computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to “InstaVote” website for casting your vote during the remote e-Voting period.</li><li>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li><li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.</li><li>Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience</li></ul>



<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ul style="list-style-type: none"><li>• Existing users who have opted for Easi / Easiest, can login through their user id and password.. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li><li>• After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.</li><li>• If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi./Registration/EasiRegistration">https://web.cdslindia.com/myeasi./Registration/EasiRegistration</a></li><li>• Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period..</li></ul>
<p>Individual Shareholders (holding securities in demat mode) &amp; login through their depository participants</p>	<ul style="list-style-type: none"><li>• You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li><li>• Upon logging in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.</li></ul>



Individual Shareholders holding securities in Physical mode & e-voting service Provider is LINKINTIME.

Individual Shareholders of the company, holding shares in physical form as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -
  - A. User ID: Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company.
  - B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/  
Company shall use the sequence number provided to you, if applicable.
  - C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
  - D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
    - Shareholders/ members holding shares in CDSL demat account shall provide either 'C' or 'D', above
    - Shareholders/ members holding shares in NSDL demat account shall provide 'D', above
    - Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above
- ☞ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).
- ☞ Click "confirm" (Your password is now generated).
3. Click on 'Login' under 'SHARE HOLDER' tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.

**Cast your vote electronically:**

1. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
4. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.



**Guidelines for Institutional shareholders:**

Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as ‘Custodian / Mutual Fund / Corporate Body’. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘Custodian / Mutual Fund / Corporate Body’ login for the Scrutinizer to verify the same.

**Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:**

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 – 4918 6000.

**Helpdesk for Individual Shareholders holding securities in demat mode:**

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e., NSDL/ CDSL, they may contact the respective helpdesk given below:

Login Type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 22-23058542-43.

**Individual Shareholders holding securities in Physical mode has forgotten the password:**

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on ‘Login’ under ‘SHARE HOLDER’ tab and further Click ‘forgot password?’
- Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on ‘Submit’.

In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/ DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID



is Event No + Folio Number registered with the Company

**Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:**

Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

**Process for those shareholders whose email addresses are not registered with the depositories for obtaining login credentials for e-voting for the resolutions proposed in this notice:**

- i. For physical shareholders – please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [info@lambodharatextiles.com](mailto:info@lambodharatextiles.com) .
- ii. For Demat shareholders – Members are requested to update their email address with the depository participants by following the procedure advised by them and then follow the instructions as detailed above to login for e-voting.

**Instructions for members for e-voting on the day of the AGM are as under:**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**Instructions for members for attending the AGM through VC/OAVM are as under:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at <https://instameet.linkintime.co.in>.





2. Members are encouraged to join the Meeting through Desktops/ Laptops than through Mobile Devices for better experience.
3. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
4. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number at info@lambodharatextiles.com on or before 05.00 PM IST on Friday, 2<sup>nd</sup> September, 2022.

**Note:**

Those shareholders/members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Annual General Meeting.

5. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Speakers on first come basis will only be allowed to express their views/ask questions during the meeting.
7. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at info@lambodharatextiles.com on or before 05.00 PM IST on Friday, 2<sup>nd</sup> September, 2022. The same will be replied by the Company suitably.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting for a short duration of 5 minutes only.
9. Members can join the AGM in the VC/OAVM mode 15 (Fifteen) minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

**Process and manner for attending the Annual General Meeting through InstaMeet:**

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>
  - ❖ Select the “Company” and ‘Event Date’ and register with your following details: -
    - A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No
      - Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID



- Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
  - Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company
- B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/
- Company shall use the sequence number provided to you, if applicable.
- C. Mobile No.: Enter your mobile number.
- D. Email ID: Enter your email id, as recorded with your DP/Company.
- ❖ Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

**Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:**

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the email id: info@lambodharatextiles.in.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

**Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:**

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered



mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.

3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/ Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

#### **Annexure to e-voting instructions:**

#### **Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET**

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/https://meetingsapac30.webex.com/webappng/sites/meetingsapac30/dashboard?siteurl=meetingsapac30>



Step 1	Enter your First Name, Last Name and Email ID and click on Join Now.
1 (A)	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
1 (B)	If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application.

Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now

or

b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

- IV. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Thursday, 1<sup>st</sup> September, 2022.
- V. Mr.M.D.Selvaraj, FCS of MDS & Associates, Company Secretaries, Coimbatore, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- VI. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow e-voting for all those members who are present at the Annual General Meeting by electronic means but have not cast their votes by availing the remote e-voting facility.
- VII. The Scrutinizer shall, after the conclusion of voting at the Annual General Meeting, first count the votes cast during the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- VIII. The results shall be declared within 2 days from the conclusion of the Annual General Meeting. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.lambodharatextiles.com](http://www.lambodharatextiles.com) and on the website of LIPL and be communicated to the Stock Exchanges, where the shares of the Company are listed by the Chairman or a person authorized by him.

By Order of the Board  
For Lambodhara Textiles Limited

Ramesh Shenoy Kalyanpur

Whole-Time Director-cum-Chief Financial Officer

DIN: 06392237

Place : Coimbatore

Date : 10.08.2022



**Details of Directors seeking appointment / re-appointment at the forthcoming Twenty Eighth 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	Bosco Giulia
Director Identification Number	01898020
Date of Birth and Age	18-02-1978, 44 years
Nationality	Italy
Date of first appointment on the Board	07.03.2008
Brief Profile/ Experience	Mrs.Bosco Giulia (DIN: 01898020) aged 44 years is a Promoter and Whole-Time Director of our Company. She has been on our Board since March 7, 2008.
Relationship with other Directors, Manager and KMP	Mrs.Bosco Giulia is wife of Mr.R.Santossh, Promoter of the Company.
Qualification	Post Graduate in Political Science and Economics from University of Turin, Italy.
Expertise in functional area	Textiles
No. of shares held in the Company	37,18,284
List of other companies in which Directorship held as on 31.03.2022	M/s.Strike Right Integrated Services Limited
Chairman/ Member of the Committees of the Board of the companies on which she is a Director as on 31.03.2022	Nil
Number of Board meetings attended during the year	6
Remuneration last drawn	₹ 11.64 lakhs
Remuneration sought to be paid	Specified in Item No. 7 of the Notice
Terms and conditions of re-appointment	Specified in Item No. 7 of the Notice
Board position held	Whole-Time Director

By Order of the Board  
For Lambodhara Textiles Limited

Ramesh Shenoy Kalyanpur

Whole-Time Director-cum-Chief Financial Officer

DIN: 06392237

Place : Coimbatore

Date : 10.08.2022

**DIRECTORS' REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting their Twenty Eighth Annual Report on the business and operations of the Company and the financial statements for the year ended 31<sup>st</sup> March 2022.

**FINANCIAL HIGHLIGHTS:**

Company's financial performance for the year under review along with previous year's figures are given hereunder: (₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
Revenue from operations	17666.78	11826.96
Other Income	259.79	146.69
Operating Profit before Finance Costs, Depreciation & Tax	3023.10	2464.57
Less: Depreciation & Amortization	707.65	688.84
Less: Finance Costs	81.04	294.70
Profit before Tax	2234.42	1481.02
Provision for Tax	535.23	268.20
Deferred Tax	114.46	154.04
Tax in respect of earlier years	1.63	-
Net Profit for the year	1583.09	1058.78
Other comprehensive income	36.81	(20.60)
Total comprehensive income for the year	1619.90	1038.18
Add: Balance brought forward from previous year	5225.18	4251.97
Profit available for appropriation	6845.08	5290.15
<b>Appropriation of Profits</b>		
Transfer to General Reserve	-	17.08
Dividend paid	103.78	47.89
Balance carried over to Balance Sheet	6741.30	5225.18

**COMPANY PERFORMANCE**

The Company achieved a total turnover of ₹ 176.67 Crores as against a turnover of ₹ 118.27 Crores in the previous year. The Company's Profit Before Tax is ₹ 22.34 Crores during the year, as compared to ₹ 14.81 Crores in the previous year, an increase of 50.84% over the last year. The Company earned a Net Profit of ₹ 15.83 Crores, as against a Net Profit of ₹ 10.59 Crores in the previous year.

**STATE OF COMPANY'S AFFAIRS**

During the financial year your Company was in the process of installation of 3.3 MW of On-Ground Solar PV Power Project. On commissioning of the said Power Project, the Company would meet 90% requirement of normal electrical consumption.



## **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, 2022.

## **TRANSFER TO RESERVES**

During the year under review, no amount has been transferred to general reserves. However, the current year profit of ₹ 1,583.09 Lakhs has been added to the retained earnings under the head “Other Equity”.

## **DIVIDEND**

Your Directors are pleased to recommend a dividend of ₹ 1.50 per equity share (30%) of face value of ₹ 5/- each (Previous year ₹ 1.00 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 ₹ 155.66 Lakhs (Previous Year ₹ 103.77 Lakhs)

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

In terms of Section 124 and 125 of the Companies Act, 2013, Unclaimed or Unpaid Dividend relating to the Financial Year 2014-15 is due for remittance in October 2022 to the Investor Education and Protection Fund established by the Central Government.

Pursuant to Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has transferred an amount of ₹ 88,957/- to Investor Education and Protection Fund being the Unclaimed Dividend amount for the Financial Year 2013-14.

## **SHARE CAPITAL**

The paid up Equity Share Capital as on 31<sup>st</sup> March, 2022 stood at ₹ 5,18,88,000/- divided into 1,03,77,600 equity shares of ₹ 5/- each. During the year under review, the Company has not made any fresh issue of shares.

## **ANNUAL RETURN**

The Annual Return of the Company for the financial year 2021-22 as required under Section 92(3) of the Companies Act, 2013 is available on the website of the Company and can be accessed on the Company's website at the link [www.lambodharatextiles.com](http://www.lambodharatextiles.com)

## **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 the Secretarial Standards issued by the 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) and 134(5) 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.
- (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 OF INDEPENDENT DIRECTORS**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and 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 as on 31<sup>st</sup> March 2022:

Sri.Vasthupal Rajinikant Mehta, Sri.Meenakshi Sundaram Rajkumar, Sri.Akkalnaicker Veluchamy.





## **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 - 1 and forms part of this report and can also be accessed on the Company's website at [www.lambodharatextiles.com](http://www.lambodharatextiles.com)

## **COMMENTS ON AUDITORS' REPORT**

The report of M/s.Jain & Mohan, Statutory Auditors does not contain any reservations, adverse remarks or disclaims. Further, your Directors wish to state that the observations made by the Auditors in their report are self-explanatory and necessary steps has been taken to ensure that the Company complies with all the statutory requirements, as applicable from time to time. Mr.M.D.Selvaraj, proprietor of MDS & Associates, Secretarial Auditor has qualified that the Company did not give prior intimation at least five days in advance regarding the meeting of Board of Directors dated 14<sup>th</sup> August 2021 for consideration of financial results for the quarter ended 30<sup>th</sup> June 2021. However, the Company has given prior intimation with a delay of one day and paid fine to the National Stock Exchange of India Limited.

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

Particulars of the investments made by the Company as at 31<sup>st</sup> March, 2022 are given in the Notes forming part of the Financial Statements. 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 transactions entered into with related parties as defined under The Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year 2021-22 were in the ordinary course of business and on an arm's length pricing basis. The particulars of contract and arrangement entered into with related parties referred in Section 188(1) of the Companies Act, 2013, which are material in nature are disclosed in the prescribed Form No. AOC-2 and annexed herewith as Annexure - 3 to this report.



The Policy on Related Party Transactions as approved by the Board of Directors of the Company has been uploaded on the company's website and may be accessed through the link at [www.lambodharatextiles.com](http://www.lambodharatextiles.com)

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

Due to outbreak of Covid-19 pandemic and based on the directives of the Government of Tamilnadu the operations of the Company was suspended on 24<sup>th</sup> May 2021 and resumed on 31<sup>st</sup> May 2021, in phased manner with minimal work force by following requisite precautions/guidelines. This has impacted the Turnover and Profitability of the Company.

#### **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 - 4 and is attached to this report.

#### **RISK MANAGEMENT POLICY**

The Company has a structured risk management policy. The Risk management process is designed to safeguard the organisation from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are inventorised and integrated with the management process such that they receive the necessary consideration during decision making. The Company has laid down procedures to inform the Audit Committee as well as the Board of Directors about risk assessment and management procedures and status. These procedures are periodically reviewed to ensure that the executive management monitors and controls risks.

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

As a part of its initiative under the "Corporate Social Responsibility" (CSR) drive, the Company has undertaken projects in the area of promoting education. These projects are in accordance with Schedule VII of the Companies Act, 2013 and the Company's CSR policy. The Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as Annexure – 5 and forms an integral part of this Report. The CSR Policy may be accessed on the Company's website at [www.lambodharatextiles.com](http://www.lambodharatextiles.com)

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

The Company was required to spend ₹ 22.45 lakhs on CSR activities during the Financial Year 2021-22, being 2% of the average net profits of the three immediately preceding financial years



and the Company has spent ₹ 23 lakhs during the current financial year.

### **ANNUAL EVALUATION OF THE BOARD ON ITS OWN PERFORMANCE AND OF THE INDIVIDUAL DIRECTORS**

On the advice of the Board of Directors, the Nomination and Remuneration Committee of the Board of Directors of the Company formulated the criteria for evaluation of the performance of the Board of Directors & its committees, Independent Directors, Non-Independent Directors and the Executive Directors of the Board. Based on that criteria, performance evaluation has been undertaken. The Independent Directors of the Company have also convened a separate meeting for this purpose.

### **STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR**

Board of Directors have evaluated the Independent Directors appointed/ re-appointed during the year 2021-22 and opined that the integrity, expertise and experience (including proficiency) of the Independent Directors is satisfactory.

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

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

During the year under review, there were no change in the Board of Directors or Key Managerial Personnel of the Company.

However, Mr.Akkalnaicker Veluchamy (DIN: 08499764), Independent Director of the Company resigned with effect from 3<sup>rd</sup> May 2022 owing to his age. The Board places on record its appreciation for the invaluable contributions made by him during his tenure as Independent Director of the Company.

#### **Director liable to retirement by rotation:**

Pursuant to the provisions of section 152 of the Companies Act, 2013, Mrs.Bosco Giulia (DIN: 01898020) is due to retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. The members are requested to consider her 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 2022.

## **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 are no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future.

## **ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Company has adequate internal control systems to monitor business processes, financial reporting and compliance with applicable regulations. The systems are periodically reviewed for identification of control deficiencies and formulation of time bound action plans to improve efficiency at all the levels. The Audit committee of the Board constantly reviews internal control systems and their adequacy, significant risk areas, observations made by the internal auditors on control mechanism and the operations of the Company and recommendations made for corrective action through the internal audit reports. The committee reviews the statutory auditors' report, key issues, significant processes and accounting policies.

The Directors confirm that the Internal Financial Controls (IFC) are adequate with respect to the operations of the Company. A report of Auditors pursuant to Section 143(3)(i) of the Companies Act, 2013 certifying the adequacy of Internal Financial Controls is annexed with the Auditors Report.

## **AUDITORS**

### **STATUTORY AUDITORS**

M/s.Jain & Mohan, (FRN 006896S) Chartered Accountants, Coimbatore were appointed as the Statutory Auditors of the Company for a period of five years at the 23<sup>rd</sup> Annual General Meeting of the Company held on 22<sup>nd</sup> September 2017. Hence M/s. Jain & Mohan, Chartered Accountants, Coimbatore retire at the forthcoming Annual General Meeting. The Directors take this opportunity in thanking M/s. Jain & Mohan, (FRN 006896S) Chartered Accountants, Coimbatore for the valuable services rendered by them during their tenure of audit.

Consequently, the Board recommends the appointment of M/s.Mohan & Venkataraman, (Firm Registration No. 007321S), Chartered Accountants, Coimbatore as Statutory Auditors of the Company for a term of 5 years from the conclusion of the 28<sup>th</sup> Annual General Meeting of the Company, based on the review and recommendation of the Audit Committee. Further, the Company has received a certificate from the Statutory Auditors to the effect that their appointment,



if made, would be within the limits prescribed under Section 139 of the Companies Act, 2013. The Directors take this opportunity in welcoming the new auditors M/s Mohan & Venkataraman (Firm Registration No.007321S), Chartered Accountants, Coimbatore.

Necessary resolution for the appointment of Statutory Auditors have been included in the Notice of the Annual General Meeting for the approval of the Members

### **SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. MDS & Associates, Company Secretaries in Practice, to undertake the secretarial audit of the Company. The report of the secretarial auditor is annexed herewith as Annexure - 2.

### **COST AUDITORS:**

The Board of Directors on the recommendation of the Audit Committee, has appointed M/s.C.S.Hanumantha Rao & Co., Cost Accountants (Firm Regn. No.000216) as the Cost Auditors of the Company for the financial year 2022-2023. Pursuant to section 148 read with Rule 14 of the Companies (Accounts) Rules, 2014, the remuneration payable for the year 2022-23 to the Cost Auditors of the Company is subject to ratification by the shareholders at the ensuing Annual General Meeting. The Board recommends their remuneration for members' ratification.

The Cost Audit Report for the financial year 2021-22 will be filed with the Central Government within the period stipulated under the Companies Act, 2013.

### **MAINTENANCE OF COST RECORDS UNDER SUB-SECTION (1) OF SECTION 148 OF THE COMPANIES ACT, 2013**

Pursuant to the provisions of Section 148(1) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company was required to maintain cost records. Accordingly, the company has duly made and maintained the cost records as mandated by the Central Government.

### **DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR**

No applications have been made and no proceedings are pending against the Company under the Insolvency and Bankruptcy Code, 2016.

### **DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.**

The disclosure under this clause is not applicable as the Company has not undertaken any one-time settlement with the banks or financial institutions.



## **PARTICULARS OF EMPLOYEES AND REMUNERATION**

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

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

## **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 2021-22, not any complaint remains outstanding for redressal as on 31<sup>st</sup> March 2022.

## **CORPORATE GOVERNANCE**

A report on corporate governance is annexed to and forms part of this report. The Company has complied with the conditions relating to corporate governance as stipulated in SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

## **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.

## **AUDIT COMMITTEE**

The Company has constituted an Audit Committee in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Kindly refer to the Section on Corporate Governance, under the head, 'Audit Committee' for matters relating to the composition, meetings, and functions of the Committee. The Board has accepted the Audit Committee's recommendations during the year wherever required and hence no disclosure is required under Section 177(8) of The Companies Act, 2013 with respect to rejection of any recommendations of Audit Committee by Board.

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

The Company has a Whistle Blower policy to deal with unethical or improper practice or violation of Company's Code of Business Conduct or any complaints regarding accounting, auditing, internal controls or disclosure practices of the Company. The Policy gives a platform to the Whistle Blower to report the complaints on the above-mentioned practices to the Chairman of the



Audit Committee. Although the complainant is not expected to prove the truth of an allegation, the complainant aims to demonstrate that there are sufficient grounds for concern and that it is not done as a malicious act against an individual. The Audit Committee of the Board reviews the Complaints received, redressed, objected, withdrawn and dismissed for, every quarter in their meeting. During the year, there were no complaints under this policy. The Whistle Blower policy is available on the website of the Company at the following address [www.lambodharatextiles.com](http://www.lambodharatextiles.com)

### **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**

Chariman

(DIN: 06935422)

Place : Coimbatore

Date : 10.08.2022



**NOMINATION AND REMUNERATION POLICY**

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read alongwith 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.

**DEFENITIONS:**

“**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:

- a. To formulate the criteria for determining qualifications, positive attributes and independence of a director;





- b. To formulate and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other senior management personnel;
- c. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down by the Committee;
- d. To recommend to the Board the appointment and removal of Directors and senior management personnel;
- e. To recommend to the board, all remuneration, in whatever form, payable to senior management;
- f. To formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors;
- g. To specify the manner for effective evaluation of performance of the Board of Directors, its committees and individual Directors, to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and to review its implementation and compliance;
- h. In every appointment of Independent Director, to evaluate the balance of skills, knowledge and experience on the Board, possessed by the person intended to be appointed as an Independent Director and on the basis of such evaluation, to prepare a description of the role and capabilities required of an Independent Director;
- i. To ensure that the person recommended to the Board for appointment as an Independent Director have all the capabilities identified by the Committee in the description of the role and capabilities required of an Independent Director
- j. For the purpose of identifying suitable candidates, the Committee may:
  - (i) use the services of an external agencies, if required;
  - (ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - (iii) consider the time commitments of the candidates
- k. To recommend, whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors
- l. To devise a policy on diversity of board of Directors
- m. To carry out any other function as may be mandated by the Board from time to time and / or enforced by any statutory notification, amendment, modification or re-enactment thereof for the time being in force, as may be applicable
- n. 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 Director:
  - (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 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 31ST MARCH, 2022**

[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 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, 2022, 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, 2022 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
- e. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and

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 except that the Company did not give prior intimation at least five days in advance regarding the meeting of Board of Directors dated 14<sup>th</sup> August 2021 for consideration of financial results for the quarter ended 30<sup>th</sup> June 2021.

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

- a. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021;
- d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
- g. The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021

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. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

I further report that during the 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 pursuant to Section 180 of the Companies Act, 2013.
- Merger / Amalgamation / Reconstruction etc.
- Foreign technical collaborations.

**M D SELVARAJ**

MDS & Associates

Company Secretaries

FCS No.: 960; C P No.: 411

UDIN:F000960D000360616

Peer Review No. 985/2020

Place : Coimbatore

Date : 28.05.2022

*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*



**ANNEXURE TO SECRETARIAL AUDIT REPORT ISSUED BY COMPANY SECRETARY IN PRACTICE**

To

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

**M D SELVARAJ**

MDS & Associates

Company Secretaries

FCS No.: 960; C P No.: 411

UDIN:F000960D000360616

Peer Review No. 985/2020

Place : Coimbatore

Date : 28.05.2022





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 and 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.Bosco Giulia , Whole-Time Director and Mr.Ramesh Shenoy K, Whole-Time Director-cum-Chief Financial Officer are holding Directorship in Strike Right Integrated Services Limited. Mrs. Bosco Giulia holds more than 2% of its paid-up share capital.
b. Nature of contracts/ arrangements transactions.	Purchase of natural fibre, man-made fibre, yarn and sale of natural fibre, man-made fibre and yarn.
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



ii)

a. Name of the related party and 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.Bosco Giulia, Whole-Time Director and Mr.Ramesh K Shenoy, Whole-Time Director cum Chief Financial Officer are holding Directorship in Strike Right Integrated Services Limited. Mrs. Bosco Giulia holds more than 2% of its paid-up share capital.
b. Nature of contracts/ arrangements transactions.	Purchase of natural fibre, man-made fibre, yarn and sale of natural fibre, man-made fibre and yarn.
c. Duration of the contracts/ arrangements/ transactions	Five years with effect from 1 <sup>st</sup> October, 2021.
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.	25.06.2021
f. Amount paid as advances, if any.	Nil

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

Place : Coimbatore  
Date : 10.08.2022



**Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo**

[Section 134(3) (m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

**A. Conservation Of Energy**

**a) Steps taken or impact on conservation of energy.**

The usage of energy is constantly monitored and the need to conserve the same is emphasized.

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

1. The Company is in the process of installation of 3.3 MW of On Ground Solar PV Power Project. On commissioning of the said Power Project, the Company would meet 90% requirement of normal electrical consumption.
2. The Company has executed Power Purchase Agreement under Group Captive Consumer for supply of an additional 2.00 lakhs units p.a. generated from Wind Mill.

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

The Company is in the process of installation of 3.3 MW On-Ground Solar PV Power Project at a Project Cost of ₹ 19.76 Crores. On commissioning of the said Power Project, the Company would meet 90% requirement of normal electrical consumption.

**B. Technology Absorption**

**1. Research & Development**

**a) Efforts made towards technology absorption:**

Improvement in the production process wherever necessary to increase the output of the products with a better quality.

**b) Benefits Derived as a result of above R & D:**

Continuous improvement in the production process including increase in line speed in various processors has increased output with better quality in view of the R & D efforts.

**c) Future Plan of Action:**

We are in for continuous improvement in manufacturing processors including automation wherever possible to exploit the existing product range to suit the customer needs. Introduce new products in line with updated technology available to suit the customer need.

**d) Expenditure on R & D: Nil.**



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

The company has no activity relating to technology absorption.

**C. Foreign Exchange Earnings and Outgo: (in ₹ '000)**

<b>Particulars</b>	<b>2021-22</b>	<b>2020-21</b>
(i) Import of raw material, trading goods and stores	2,49,392	1,48,557
(ii) Foreign exchange earned	56,784	96,565

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

Place : Coimbatore

Date : 10.08.2022



**ANNEXURE TO THE DIRECTORS' REPORT**

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

**01. Brief outline on CSR Policy of the Company**

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

The CSR activities of the Company cover certain trust areas such as promoting education.

**02. Composition of CSR Committee**

The CSR Committee of the Board of Directors is optimally balanced between Independent and Non-Independent Directors. The current Committee comprises of the following members:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs.Bosco Giulia	Whole-Time Director (Chairman of the Committee)	2	2
2	Mr. Ramesh Shenoy Kalyanpur	Whole-Time Director (Member)	2	2
3	Mr.M.S.Rajkumar	Non-Executive Independent Director (Member)	2	2

**03. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:**

The web-link where the Composition of the CSR Committee is disclosed on the website of the Company is [www.lambodharatextiles.com](http://www.lambodharatextiles.com)

The web-link where the CSR policy is disclosed on the website of the Company is [www.lambodharatextiles.com](http://www.lambodharatextiles.com).

The web-link where the CSR projects approved by the board are disclosed on the website of the Company is [www.lambodharatextiles.com](http://www.lambodharatextiles.com)



**04. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable:**

The Company has not carried out Impact assessment of CSR projects in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014 as the same is not applicable to the Company.

**05. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

There is no amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and hence disclosure under this clause is not applicable to the Company.

**06. Average Net Profit of the Company as per Section 135(5): ₹ 1122.63 Lakhs**

**07. (a) Two percent of average net profit of the company as per section 135(5):**

₹ 22.45 Lakhs

**(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL**

**(c) Amount required to be set off for the financial year, if any: ₹ 29,000**

**(d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 22.16 Lakhs**

**08. (a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (in ₹ )	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
23,00,000	NIL	Not Applicable	Not Applicable	NIL	Not Applicable

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

The Company has not spent any amount against ongoing projects during the financial year under review.



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

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation – Direct (Yes/ No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Promotion of Education & Rural Development	Education	Yes	Tamil Nadu	Tirupur	23,00,000	No	R.V.Gurusamy Naidu Educational Trust	CSR00002772
	Total					23,00,000			

**(d) Amount spent in Administrative Overheads: Nil**

**(e) Amount spent on Impact Assessment, if applicable: Nil**

**(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 23,00,000**

**(g) Excess Amount for set off, if any:**

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	22,45,000/-
(ii)	Total amount spent for the Financial Year	23,00,000/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	55,000/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	55,000/-

**09. (a) Details of Unspent CSR amount for the preceding three financial years:**

The Company does not have any unspent CSR amount in any of the preceding three financial years and hence disclosure under this clause does not arise.

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

The Company does not have any ongoing projects in any of the preceding financial years and hence disclosure under this clause does not arise.



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

The company has not created or acquired any capital asset through CSR spending in the financial year and hence reporting under this clause does not arise.

**11. Reason if the Company has failed to spend 2% of the average net profits as per section 135(5):**

The Company has spent the required amount on CSR activities as per section 135(5) and hence reporting under this clause does not arise.

**Meenakshi Sundaram Rajkumar**

Chairman

(DIN: 06935422)

**Bosco Giulia**

Whole-Time Director

Chairman of CSR Committee

(DIN: 01898020)

Place : Coimbatore

Date : 10.08.2022

Place : Singapore

Date : 10.08.2022





## 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		
	Executive Director	Designation	Ratio to median
i. Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Mrs. Bosco Giulia	Whole-Time Director	10.50 : 1
	Mr. Ramesh Shenoy Kalyanpur	Whole-Time Director cum Chief Financial Officer	9.98 : 1
	Mr. Narayanasamy Balu	Whole-Time Director	10.50 : 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	% increase
	Mrs. Bosco Giulia	Whole-Time Director	16
	Mr. Ramesh Shenoy Kalyanpur	Whole-Time Director cum Chief Financial Officer	77
	Mr. Narayanasamy Balu	Whole-Time Director	71
	Ms.V.Priyadarshini	Company Secretary	N.A**
**There is no increase in remuneration for the reporting period 2021-2022.			
iii. Percentage increase in the median remuneration of employees in the financial year	66%		



iv. Number of permanent employees on the rolls of Company	460
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 pointout 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 49% as against an increase of 30% 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

Place : Coimbatore

Date : 10.08.2022

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



Details pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 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 (44 years)	Whole-Time Director	13,27,753	PG in Political Science & Economics (16 years)	07.03.2008	Sanmarco Texmac Private Limited	35.83	-
2	Balu.K.N. (60 years)	Whole-Time Director	12,61,835	BA (36 years)	08.09.1997	-	-	-
3	Ramesh Shenoy.K. (54 years)	Whole-Time Director-cum-Chief Financial Officer	10,99,041	B.Com. (30 years)	01.08.2007	NEPC Textiles Ltd.	-	-
4	Saravanan.G. (54 years)	Office Executive	7,09,287	M.Com. (32 years)	01.10.2007	NEPC Textiles Ltd.	-	-
5	Sasikumar.R. (38 years)	Manager - Accounts	6,63,252	MBA (Finance) CA (Inter) (18 years)	02.11.2015	Ampo Valves India (P) Ltd.	-	-
6	Damodharan.P. (54 years)	Administrative Officer	5,98,412	B.Sc., B.Ed. (27 years)	01.09.2004	Rajratana Mills	-	-
7	Manoharan.T.G. (51 years)	Office Executive	5,86,503	B.Com. (27 years)	01.10.2007	NEPC Textiles Ltd.	-	-
8	P.Muthukumar (38 years)	Production Incharge	5,65,668	B.Com (14 years)	03.02.2008	-	-	-
9	Sanjaykumar.B. Singh.R. (37 years)	Executive - Imports & Exports	5,49,871	M.B.A Finance (14 years)	15.02.2015	Royal Classic Mens P Ltd.	-	-
10	Senthilvaidivu.R. (48 years)	Cash Officer	4,70,822	B.Com. (21 years)	07.09.2001	Vijayakumar Threads	-	-

\* There are no employees who are in receipt of remuneration in the aggregate of not less than ₹ 1,02,00,000/- if employed 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.

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

Place : Coimbatore  
Date : 10.08.2022



## 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 one of the oldest manufacturing industry in India. It is the second largest industry after agriculture which provides skilled and unskilled employment.

The fundamental strength of the textile industry in India is its strong production base of wide range of fibres / yarns from natural / man-made fibres.

#### 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 sluggish may have an impact in the performance of textile industry in general.

#### c) SEGMENT-WISE PERFORMANCE

##### Textile Division

The main business of your Company is Textiles. This Division earned a revenue of ₹ 17,164.48 Lakhs as against ₹ 11,309.93 Lakhs in 2020-21. This division earned a PBT of ₹ 1,811.32 Lakhs as against ₹ 1,230.68 Lakhs in 2020-21.

##### Power Generation

###### a. Wind Mill

The Company has three Wind Mills of 4.75 MW capacity.

###### b. Solar

- i. The Company has Grid Tied Roof Top Solar Power Plant of 1.0 MW capacity.
- ii. During the financial year your Company was in the process of installation of 3.3 MW of On-Ground Solar PV Power Project. On commissioning of the said Power Project, the Company would meet 90% requirement of normal electrical consumption.

##### Real Estate:

- i. The Company has also a Commercial Complex exclusively for rentals at prime locale with a super built-up area of 28,000 sq. ft. with Ground and four floors.

#### d) OUTLOOK:

The Company, on account of manufacturing customized fancy yarn and specialty fibre fancy yarn in niche segment, continues to have good demand and created specific markets for its products. This ensures more sustained profitable operations. The Company continues to strengthen its production base by modernization and improvising production process. The Company has installed windmills and roof-top solar power and is in the process of installation of 3.3 MW of On-Ground Solar PV Power Project. On commissioning of the said Power Project, the Company would meet 90% of its captive power requirement.

#### e) RISKS AND CONCERNS:

The Company has a risk management process designed to safeguard the organization 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. Management has overall responsibility for the Company's internal control system to safeguard the assets and to ensure reliability of financial records. The Company has a detailed budgetary control system and the actual performance is reviewed periodically and decision taken accordingly.

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

Your Company has achieved a Profit Before Tax of ₹ 2,234.42 Lakhs from operations on a turnover of ₹ 17,666.78 Lakhs for the year ended 31<sup>st</sup> March 2022.

**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	31.03.2022	31.03.2021	% change
1.	Debtors Turnover	19.52	11.58	68.57
2.	Inventory Turnover	14.21	7.59	87.22
3.	Interest Coverage Ratio	28.57	6.03	373.80
4.	Current ratio	3.25	2.59	25.48
5.	Debt Equity ratio	0.49	0.61	(19.67)
6.	Operating Profit Margin %	18.16	20.76	(12.52)
7.	Net Profit Margin (%) or sector specific equivalent ratio	9.04	8.67	4.27
8.	Return on Networth *	17.75	13.65	30.04

**Remarks for variation more than 25%**

1. Debtors Turnover ratio - Textiles business sales has increased and average trade receivables has also reduced.
2. Inventory Turnover ratio - Textiles business sales has increased and average inventory holding has reduced.
3. Interest Coverage ratio – Since increase in profit for the year and interest cost has been reduced during the year.
4. Current Ratio - Trade Receivable outstanding has increased in the current year due to increase in sale. Current investments have also increased substantially.
5. Return on Net worth – Due to increase in profit.

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

Place : Coimbatore

Date : 10.08.2022



**REPORT ON CORPORATE GOVERNANCE**

**[In compliance with Regulation 34(3) read with Part C of 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**

**Composition of the Board:**

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

The Board presently consists of Six Directors which comprises of One Promoter Executive Director, Two Non-Independent Executive Directors, One Non-Independent Non-Executive Director and Two 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.

**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 public limited Companies are given below:

Name of the Director	Category	Attendance Particulars		No. of Directorships in other public Companies #	No. of Committee Positions held in other public Companies \$	
		Board Meeting	Last AGM		Chairman	Member
Mrs. Bosco Guilia	Executive Director– Promoter	6	Yes	1	-	-
Mr. Vasthupal Rajinikant Mehta	Non-Executive-Independent	6	Yes	-	-	-
Mr. Meenakshi Sundaram Rajkumar	Non-Executive-Independent	6	Yes	-	-	-



Name of the Director	Category	Attendance Particulars		No. of Directorships in other public Companies #	No. of Committee Positions held in other public Companies \$	
		Board Meeting	Last AGM		Chairman	Member
Mr. Baba Chandrasekhar Ramakrishnan	Non-Executive-Non-Independent	6	No	-	-	-
Mr. Ramesh Shenoy Kalyanpur	Executive Director-- Non-Independent	6	Yes	1	-	-
Mr. Narayanasamy Balu	Executive Director-- Non-Independent	6	No	-	-	-
Mr. Akkalnaicker Veluchamy *	Non-Executive-Independent	6	No	-	-	-

# Excludes Directorships in Private Companies and Foreign Companies

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

\* Resigned as an Independent Director with effect from 3<sup>rd</sup> May 2022.

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:**

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



### Details of the Board meetings held during the financial year 2021-22

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

S.No	Date of Board Meeting	No of Directors Attended
1	11-05-2021	7
2	25-06-2021	7
3	14-08-2021	7
4	25-10-2021	7
5	12-11-2021	7
6	11-02-2022	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 Whole-Time 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 31.03.2022)
Mr.Vasthupal Rajinikant Metha	Nil
Mr.Meenakshi Sundaram Rajkumar	Nil
Mr.Baba Chandrasekhar Ramakrishnan	400
Mr.Akkalnaicker Veluchamy*	Nil

\* Mr. Akkalnaicker Veluchamy Resigned as an Independent Director with effect from 3<sup>rd</sup> May 2022.

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

The company has not issued any type of convertible instruments to non-executive Directors.

None of the Directors were issued ESOPs.

### Independent Directors

All Independent Directors of the Company have been appointed/re-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.

### 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)

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

The Board of Directors comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective decisions or contributions to the Board, its committees and the management.

The list of core skills / expertise / competency identified by the Board of Directors as required in the context of Company's business(es) and sector(s) for functioning effectively and those already available with the Board are as follows:

- 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.

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted. However, in the absence of mark against a Director does not necessarily mean that the member does not possess the said qualification or skill.

**Board Qualifications**

Name of the Director	Area of Expertise				
	Knowledge on Company's businesses	Behavioral skills	Business Strategy	Financial and Management skills	Technical / Professional skills
Mrs. Bosco Guilia	✓	✓	✓	✓	✓
Mr. Vasthupal Rajnikant Mehta	✓	✓	✓	✓	✓
Mr. Meenakshi Sundaram Rajkumar	✓	✓	✓	✓	✓



Name of the Director	Area of Expertise				
	Knowledge on Company's businesses	Behavioral skills	Business Strategy	Financial and Management skills	Technical / Professional skills
Mr. Baba Chandrasekhar Ramakrishnan	✓	✓	✓	✓	✓
Mr. Ramesh Shenoy Kalyanpur	✓	✓	✓	✓	✓
Mr. Narayanasamy Balu	✓	✓	✓	✓	✓
Mr. Akkalnaicker Veluchamy *	✓	✓	✓	✓	-

\* Resigned as an Independent Director with effect from 3<sup>rd</sup> May 2022.

**Confirmation on the fulfillment of the conditions of independence:**

Based on the declarations received from the Independent Directors, the Board of Directors are of the opinion that the Independent Directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and are independent of the management.

As per the requirements of the Companies Act, 2013, all the Independent Directors of the Company have registered themselves in the Independent Directors Data Bank and are exempted from undertaking online self-assessment test.

**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 11<sup>th</sup> February 2022, 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 2021-22.

However, Mr. Akkalnaicker Veluchamy resigned from the position of Independent Directorship before the expiry of his tenure with effect from 3<sup>rd</sup> May 2022 due to his age.

In respect of the above, Board hereby confirms that there are no other material reasons other than the above provided reason for the resignation of the aforementioned Independent Director from the Board of Directors of the Company.



### 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 31<sup>st</sup> March 2022, Five Audit Committee Meetings were held on 11<sup>th</sup> May 2021, 25<sup>th</sup> June 2021, 14<sup>th</sup> August 2021, 12<sup>th</sup> November 2021 and 11<sup>th</sup> February 2022. 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.Meenakshi Sundaram Rajkumar - Chairman	Non-Executive - Independent	5	5
Mr.Vasthupal Rajinikant Mehta - Member	Non-Executive - Independent	5	5
Mr.Akkalnaicker Veluchamy* - Member	Non-Executive - Independent	5	5
Mr. Baba Chandrasekhar Ramakrishnan # - Member	Non-Executive-Non-Independent	NA	NA

\* Mr. Akkalnaicker Veluchamy resigned with effect from 3<sup>rd</sup> May 2022.

# Mr. Baba Chandrasekhar Ramakrishnan appointed as member with effect from 3<sup>rd</sup> May 2022.

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 Audit Committee considered and reviewed the financial statements, before it was placed in the Board.



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. Meenakshi Sundaram Rajkumar was present at the Annual General Meeting of the Company held on 09<sup>th</sup> September 2021.

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 are as required under 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.

The terms of reference of Nomination and remuneration Policy of the Company has been changed in line with the SEBI (Listing Obligations and Disclosure Requirements Regulations) 2015 Third amendment, 2015.

##### **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	
		Held	Attended
Mr.Vasthupal Rajnikant Mehta – Chairman	Independent – Non-Executive	1	1



Name of the Members & Designation	Category	No. of Meetings	
		Held	Attended
Mr. Meenakshi Sundaram Rajkumar - Member	Independent – Non-Executive	1	1
Mr. Akkalnaicker Veluchamy* – Member	Independent – Non-Executive	1	1
Mr. Baba Chandrasekhar Ramakrishnan # - Member	Non-Executive-Non-Independent	NA	NA

\* Mr.Akkalnaicker Veluchamy resigned with effect from 3<sup>rd</sup> May 2022.

# Mr.Baba Chandrasekhar Ramakrishnan appointed as member with effect from 3<sup>rd</sup> May 2022.

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 11<sup>th</sup> February 2022.

The Chairman of the Nomination and Remuneration Committee, Mr.Vasthupal Rajinikant Mehta was present at the Annual General Meeting of the Company held on 09<sup>th</sup> September 2021.

The remuneration policy of the Company is annexed to the Board’s Report and can also be accessed on the Company’s websites at [www.lambodharatextiles.com](http://www.lambodharatextiles.com)

**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. 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.Meenakshi Sundaram Rajkumar- Chairman	Non-Executive-Independent	4	4
Mr.Vasthupal Rajinikant Mehta - Member	Non-Executive- Independent	4	4
Mr. Akkalnaicker Veluchamy* - Member	Non-Executive-Independent	4	4
Mr. Baba Chandrasekhar Ramakrishnan# - Member	Non-Executive-Non-Independent	NA	NA

\* Mr.Akkalnaicker Veluchamy resigned with effect from 3<sup>rd</sup> May 2022.

# Mr.Baba Chandrasekhar Ramakrishnan appointed as member with effect from 3<sup>rd</sup> May 2022.

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

The Chairman of the Stakeholders Relationship Committee, Mr. Meenakshi Sundaram Rajkumar was present at the Annual General Meeting of the Company held on 09<sup>th</sup> September 2021.

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

There were no complaints received from the shareholders during the year ended on 31<sup>st</sup> March 2022. There were no outstanding complaints as on 31<sup>st</sup> March 2022.

No request for transfer or dematerialization of shares was pending as on 31<sup>st</sup> March, 2022.

Pursuant to Regulation 40(9) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate on 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.

**6. 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.

**Terms of reference:**

- A. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII
- B. To recommend the amount of expenditure to be incurred on the activities referred to in Clause A
- C. To monitor the CSR policy of the Company from time to time
- D. Any other matter that may be referred by the Board from time to time or as may be necessary for compliance with the Companies Act, 2013 or Rules made thereunder or any other statutory laws of India

The Committee presently comprises of Smt.Bosco Giulia, Sri.Ramesh Shenoy Kalyanpur and Sri.Meenakshi Sundaram Rajkumar as members.

The CSR Committee met two times during the year on 25<sup>th</sup> June 2021, 11<sup>th</sup> February 2022. 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
Smt. Bosco Giulia	Executive Director	Chairman	2	2
Sri. Ramesh Shenoy Kalyanpur	Executive Director	Member	2	2
Sri.M.S.Rajkumar	Non- Executive Independent Director	Member	2	2

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

The amount required to be spent on CSR activities during the year under report in accordance with the provisions of section 135 of the Act is ₹ 22.45 lakhs and the company has spent ₹ 23.00 lakhs during the current financial year.

**7. REMUNERATION OF DIRECTORS**

Details of Remuneration paid to the Whole-Time Director of the Company as on 31<sup>st</sup> March 2022.



(₹ In Lakhs)

Details of Remuneration	Mrs. Bosco Guilia (Whole-Time Director)	Mr. Ramesh Shenoy Kalyanpur (Whole-Time Director-cum-CFO)	Mr. Narayanasamy Balu (Whole-Time Director)
Term of Appointment	For a period five years from 28 <sup>th</sup> September 2018 to 27 <sup>th</sup> September 2023	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	11.64	10.99	12.62
Perquisites & Allowances	1.64	-	-
Commission, Stock option, bonus, pension, performance linked incentives etc.	-	-	-
Notice period and Severance fees	-	-	-

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.

## 8. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

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

## 9. GENERAL BODY MEETINGS

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

Year	Date	Time	Venue of meeting
2018-2019	26.09.2019	10.30 a:m	Varsha, The Grand Regent, 708, Avinashi Road, Coimbatore – 641 018
2019-2020	28.09.2020	12.00 p:m	Through Video Conferencing (“VC”)/ Other Audio Visual Means (OAVM)
2020-2021	09.09.2021	11.00 a:m	Through Video Conferencing (“VC”)/ Other Audio Visual Means (OAVM)





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

Date of AGM	Summary of Special Resolutions passed
26.09.2019	1. Appointment of Sri. Akkalnaicker Veluchamy (DIN: 08499764) as an Independent Director of the Company 2. Re-appointment of Sri. Deepak Padamshi Malani (DIN: 02400928) as an Independent Director of the Company 3. Re-appointment of Sri. Vastupal Rajnikant Mehta (DIN: 02368358) as an Independent Director of the Company 4. Re-appointment of Sri. Meenakshi Sundaram Rajkumar (DIN: 06935422) as an Independent Director of the Company
28.09.2020	No Special Resolutions were passed
09.09.2021	No Special Resolutions were passed

**Extra Ordinary General Meeting:**

During the year under review no Extra Ordinary General Meeting was held.

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

**10. 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 makes news releases and the same will be displayed in the company's web site [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 31<sup>st</sup> March 2022.

**11. GENERAL SHAREHOLDER INFORMATION**

**a. 28<sup>th</sup> Annual General Meeting**

Date : 8<sup>th</sup> September 2022

Time : 11.00 A.M.

Venue : The meeting is being convened through video conferencing/ other audio-visual means and hence the registered office of the Company will be deemed to be the venue of the AGM.

**b. Financial Year:** The Company follows April to March as its financial year. The results for every quarter beginning from 01<sup>st</sup> April 2021 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. Date of Book closure** : 02.09.2022 to 08.09.2022

**d. Dividend payment date:** Dividend, when declared, will be payable on or before 07/10/2022 to those members whose names are registered as such in the Register of Members of the Company as on 01/09/2022 and to the Beneficiary holders as per the beneficiary list as on record date provided by the NSDL and CDSL.

**e. Listing on Stock Exchange:** The Company’s equity shares are listed on the National Stock Exchange of India Limited (NSE), Exchange Plaza, 5<sup>th</sup> Floor, C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 and are traded in “BSE IndoNext” platform of BSE Limited, P.J.Towers, Dalal Street, Fort, Mumbai – 400001.

Annual Listing Fees for the year 2021-22 was paid to National Stock Exchange of India Limited. Custodial Fees to Depositories for the year 2021-22 were paid to National Securities Depository Limited and Central Depository Services (India) Limited.

**f. Stock Code/Symbol:**

NSE: LAMBODHARA

BSE Indonext: 590075

ISIN Number for NSDL & CDSL: INE112F01022

Type of Security: Equity

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

Month	National Stock Exchange of India			BSE-Indo next		
	High	Low	Volume of Share traded	High	Low	Volume of Share traded
Apr-21	61.40	49.05	8,94,599	65.20	49.00	2,16,778
May-21	77.95	54.00	19,64,047	77.70	54.00	2,78,490
Jun-21	104.00	66.15	62,77,678	104.30	65.55	8,28,275
Jul-21	111.95	84.55	31,30,986	111.80	84.35	4,31,000
Aug-21	108.00	74.05	2,57,047	107.50	74.10	96,883
Sep-21	88.50	76.40	1,48,829	88.00	77.85	42,919
Oct-21	90.80	77.95	2,70,506	90.00	78.00	85,841
Nov-21	92.95	80.25	3,65,649	92.70	80.80	81,590
Dec-21	103.00	79.70	5,49,804	101.70	81.50	1,36,444
Jan-22	130.00	96.00	27,94,706	129.90	95.80	4,47,412
Feb-22	120.00	79.45	5,51,982	119.60	79.00	77,062
Mar-22	101.70	80.40	5,15,486	101.05	80.95	96,182



**h. 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



i. The securities of the Company have never been suspended from trading.

**j. Registrar and Share Transfer Agents (For both physical & demat segments)**

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

“Surya” 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore - 641 028

Phone: +91 422 4958995

Fax : +91 422 2539837

Email: info@skdc-consultants.com

Web: www.skdc-consultants.com

**k. Details of Compliance Officer:**

Mrs. Priyadarshini V

Lambodhara Textiles Limited, 3A, B-Block, Pioneer Apartments, 1075-B, Avinashi Road, Coimbatore - 641 018

Tel: 0422-2249038, e-mail: info@lambodharatextiles.com

In order to facilitate investor servicing, the Company has designated an e-mail-id: info@lambodharatextiles.com mainly for registering complaints by investors.

**l. Reconciliation of Share Capital Audit**

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

**m. 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.

**n. Distribution of shareholding as on 31.03.2022**

Shareholding range	No. of Holders	% of shareholders	No. of Shares	% of shareholding
Upto 500	7085	88.12	725237	6.99
501-1000	524	6.52	436355	4.20
1001-2000	250	3.11	389746	3.76
2001-3000	55	0.68	146239	1.41
3001-4000	52	0.65	189865	1.83
4001-5000	14	0.17	67300	0.65
5001-10000	29	0.36	214377	2.07
10001 and above	31	0.39	8208481	79.10
<b>Total</b>	<b>8040</b>	<b>100.00</b>	<b>10377600</b>	<b>100.00</b>

**Shareholding Pattern as on 31.03.2022**

Shares held by	No. of Shares	% of shareholding
Promoters and Promoters Group	7538884	72.65
Mutual Funds	-	-
Financial Institution/Banks	-	-
Foreign Portfolio Investors	42859	0.41
Bodies Corporate	154787	1.49
Trusts	102	0.00
Public	2281696	21.99
Non-Resident Indians: Non-Repatriation	23755	0.23
Non-Resident Indians: Repatriation	46605	0.45
Clearing Member	13658	0.13
Hindu Undivided Families	163255	1.57
Limited Liability Partnership	5101	0.05
Investor Education and Protection Fund Authorities	106898	1.03
<b>Total</b>	<b>10377600</b>	<b>100.00</b>

**o. Dematerialisation of shares and liquidity**

As on 31<sup>st</sup> March 2022, 98.63% of the equity shares have been dematerialized. 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 dematerialized (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 1<sup>st</sup> 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 of 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	3,078	89,45,813	86.20
Central Depository Services Limited	4,867	12,89,587	12.43
Physical Form	95	1,42,200	1.37
<b>Total</b>	<b>8,040</b>	<b>1,03,77,600</b>	<b>100.00</b>

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

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

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

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

**r. 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 No1051/1, Kundadam Village, Dharapuram Taluk, Tirupur District.
3. SF No 447, 3-A and B, LTLWM, Alambadi village, Kujiliamparai Taluk, Dindugal Dt.

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

**s. Address for Correspondence:**

**Registrar and Share Transfer Agent**

M/s.S.K.D.C. Consultants Limited,  
“Surya” 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road,  
Coimbatore - 641 028, 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

**t. 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.

**12. DISCLOSURES:**

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



All the related party transactions are entered into on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel or otherwise which may have potential conflict with the interest of the Company at large.

The details of the transactions with Related Parties are provided in the Company's financial statements in accordance with the Accounting Standards. All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

Kindly refer to the notes forming part of accounts for the details of Related Party Transactions.

**b) Details of non-compliance by the company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authorities, on any matter relating to capital markets, during the last three years.**

As per Regulation 29 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is required to give 5 days prior intimation to the Stock Exchanges regarding the meeting of Board of Directors for approval of the Financial Results, however, the Company had made a delay of one day to give prior intimation regarding the meeting of Board of Directors dated 14<sup>th</sup> August 2021 for approval of the Financial Results and in this regard the Company has paid a fine of ₹ 11,800/- (inclusive of GST) to the National Stock Exchange of India Limited. Other than this, no penalties and/or strictures were imposed on the Company by Stock Exchanges or SEBI or any Statutory Authorities, on any matter relating to capital markets, during the last three years.

**c) Whistle Blower policy and affirmation that no personnel have been denied access to the Audit Committee.**

The Company has Whistle Blower Policy for establishing a vigil mechanism to report genuine concerns regarding unethical behavior, mismanagement, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy of the Company has been posted on the website of the Company.

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

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

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



**e) Material Subsidiaries:**

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

**f) Web link where policy on dealing with related party transactions.**

The Company has framed a Related Party Transaction Policy and the same is placed on the Company's website and the web link for the same is [www.lambodharatextiles.com](http://www.lambodharatextiles.com)

**g) 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.

**h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)**

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 8,00,000 equity shares made to Mrs. Bosco Giulia and M/s. Strike Right Integrated Services Limited (Promoter and Promoter Group) on 11<sup>th</sup> February 2021 has been utilized for the objects as stated in the explanatory statement to the postal ballot notice dated 8<sup>th</sup> January 2021.

**i) Certificate on non-disqualification of Directors**

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

**j) Recommendation of the Committees of the Board**

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.

**k) Total fees for all services paid to the Statutory Auditor**

The Company has paid a sum of ₹ 7.18/- lakhs 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.

**l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

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 2021-22;

- i) number of complaints filed during the financial year: Nil
- ii) number of complaints disposed of during the financial year: Nil
- iii) number of complaints pending as on end of the financial year: Nil





**m) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which Directors are interested by name and amount**

Not Applicable.

**n) Disclosure on 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.

**o) Disclosure on Risk Management**

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

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

The Company regularly intimates the shareholders through quarterly communiques on the performance of the Company. Apart from the above, the Company has not adopted any of the discretionary requirements as specified in Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 28<sup>th</sup> May 2022 as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations

**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

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.

**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.

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.

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

Place : Coimbatore

Date : 10.08.2022



### DECLARATION FOR CODE OF CONDUCT

I, Ramesh Shenoy Kalyanpur, Whole-Time Director-cum-Chief Financial Officer of Lambodhara Textiles Limited, declare that all the members of the Board of Directors and Senior Management have, for the year ended 31<sup>st</sup> March, 2022 affirmed compliance with the Code of Conduct laid down by the Board of Directors and Senior Management in terms of Regulation 26(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**By Order of the Board**

**Ramesh Shenoy Kalyanpur**

**Whole-Time Director-cum-Chief Financial Officer**

Place : Coimbatore

Date : 10.08.2022

**DIN: 06392237**

### 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 had transferred on 14/09/2019, its unclaimed shares to Lambodhara Textiles Limited unclaimed demat suspense account opened with M/s Stock Holding Corporation of India Ltd. The details of the unclaimed securities suspense account is given below:

<b>Particulars</b>	<b>Number of Shareholders</b>	<b>Number of Equity shares</b>
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	7	7,000
Shares transferred to IEPF from unclaimed suspense account during the year	0	0
Number of shareholders whose shares were transferred from suspense account during of the year	0	0
Total shares transferred from suspense account	0	0
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31 <sup>st</sup> March, 2022	7	7,000

The voting rights on the outstanding unclaimed shares as on 31<sup>st</sup> March 2022 shall remain frozen till the rightful owner of such shares claims the shares by submission of the requisite documentary proof of their identity to the Company's Registrar & Share Transfer Agent.



**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,  
1075B, 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 31<sup>st</sup> March, 2022, 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.

Sl. 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. Akkalnaicker Veluchamy	08499764	14-08-2019

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.

**M D SELVARAJ**

MDS & Associates

Company Secretaries

FCS No.: 960; C P No.: 411

UDIN:F000960B000361144

Place : Coimbatore

Date : 28.05.2022



## 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 31<sup>st</sup> March 2022, 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<sup>st</sup> March 2022. 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 : 10.08.2022

For Jain & Mohan  
Chartered Accountants  
FRN: 006896S  
(Sd/-) C. Amrithalal Jain  
Partner M.No. 023060  
UDIN : 22032060AORWGH3892



## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Lambodhara Textiles Limited

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

#### **Opinion**

We have audited the accompanying financial statements of Lambodhara Textiles Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significant 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 Matter	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 38 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 40 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**

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, Corporate Governance Report, Management Discussion and Analysis and Business Responsibility Report, but does not include the financial statements and our auditor's report thereon. The Board's Report, Corporate Governance Report, Management Discussion and Analysis and Business Responsibility Report are expected to be made available to us after the date of this auditor's report.
- Our opinion on the financial statements does not cover the other information and we will 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 during the course of our audit or otherwise appears to be materially misstated.
- When we read the Board's report, Corporate Governance Report, Management Discussion and Analysis and Business Responsibility Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the IND AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

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.



The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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 SAs 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.

As part of an audit in accordance with SAs, 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 financial 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities





or business activities included in the financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

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.

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**

1. As required by Section 143(3) of the Act, based on our audit, 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 Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the Directors as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March, 2022 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-A”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its Directors during the year is in accordance with the provisions of section 197 of the Act.
- h) 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 information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there are 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 2022.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused



us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. As stated in Note 47 (b) to the standalone financial statements:
  - a. the dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
  - b. The Board of Directors of the Company have proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
2. As required by the Companies (Auditor's Report) Order, 2020, ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in "Annexure- B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

M.No. 023060

UDIN : 22023060AJUCWX2463

Place: Coimbatore  
Date: 28.05.2022



## **Annexure - A to the Independent Auditors' Report**

(Referred to in paragraph 1(f) under 'Report on Other Legal Regulatory Requirements' section of our report of even date)

### **Report on the Internal Financial Controls Over Financial Reporting 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 March 31, 2022 in conjunction with our audit of the Ind AS 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. 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.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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") issued by Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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, to the best of our information and according to the explanations given to us, 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 March 31, 2022, based on the criteria for internal financial control over financial reporting 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.Amirthalal Jain**  
Partner

M.No. 023060

UDIN : 22023060AJUCWX2463

Place: Coimbatore

Date: 28.05.2022



**Annexure - B to the Independent Auditors' Report**

(Referred to in Paragraph 2 under 'Report on Other Legal Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company does not have any intangible assets and hence clause (i) (a) (B) of the order is not applicable.
- (b) According to the information and explanations given to us, Property, Plant and Equipment were physically verified during the year by the Management in accordance with a programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.
- (c) Based on our examination of registered sale deeds and other documents, the title deeds of all the immovable properties disclosed in the financial statements are held in the name of the company. In respect of immovable properties that have been taken on lease and disclosed in the financial statements as right-of-use assets as at the balance sheet date, the lease agreements are duly executed and are in favour of the company.
- (d) According to the information and explanations given to us, The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- (e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories (except for stocks held with third parties) were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained. The discrepancies noticed on verification between the physical stocks and the book records were not exceeding 10% in the aggregate for each class of inventory and have been properly dealt with in the books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs.5 Crore, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our



opinion and according to the information and explanations given to us, the quarterly returns or statements (comprising stock statements, statements on ageing analysis of the debtors / other receivables, and other stipulated financial information) filed by the Company with such banks are not in agreement with the unaudited book of account of the company of the respective quarters, except for the year ended 31<sup>st</sup> March 2022 statement, as stated below :

(₹ in lakhs)

Particulars	As at December 31, 2021	As at September 30, 2021	As at June 30, 2021
Inventories as per declaration with Bank	1,016.38	1,488.82	1,653.92
Trade receivables as per Declaration with Bank	762.48	1,014.53	706.17
<b>Total (A)</b>	<b>1,778.86</b>	<b>2,503.35</b>	<b>2,360.09</b>
Inventories as per Books	918.86	1,119.06	1,664.14
Trade Receivables as per Books	769.55	1,014.53	706.86
<b>Total (B)</b>	<b>1,688.41</b>	<b>2,133.59</b>	<b>2,371.00</b>
Difference in Inventories	97.52	369.76	(10.22)
Difference in Trade Receivables	(7.07)	-	(0.69)
<b>Total Difference (A)-(B)</b>	<b>90.45</b>	<b>369.76</b>	<b>(10.91)</b>

- (iii) During the year, the Company has made investments in companies. The Company has not provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- (a) During the year, the Company has not provided loans or advances in the nature of loans or stood guarantee or provided security to any other entity.
- (b) In our opinion, the investments made during the year are, prima facie, not prejudicial to the Company's interest.
- (c) The Company has not granted any loans and advances in the nature of loans. Hence reporting under clause 3(iii) (c), (d), (e) and (f) of the order is not applicable.
- (iv) The Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.



- (vi) The company has maintained the cost audit records prescribed under subsection (1) of section 148 of the Act, however, we have not made a detailed examination of such records.
- (vii) According to information and explanation given to us, in respect of statutory dues:

- (a) the Company has been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

- (b) Details of dues of Employees' State Insurance which have not been deposited as on March 31, 2022 on account of dispute are given:

Nature of Statute	Nature of Dues	Forum where dispute is pending	Period to which the Amount relates	Disputed Amount (₹ In Lakhs)	Unpaid Amount (₹ In Lakhs)
Employee State Insurance Act	Employee State Insurance	Employee State Insurance Court, Labour Court, Madurai	1996-97 1997-98	3.36 2.27	3.36 2.27

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) According to the information and explanation given to us, the Company has not defaulted in repayment of loans and payment of interest for loans taken from banks and financial institutions. The Company has not taken loans from Government.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the Company has utilized money obtained by way of term loans during the year for the purposes for which they were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.





- (f) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.  
(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally convertible) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reporting during the year.  
(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.  
(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year and upto the date of this report.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc., as required by the applicable Indian accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.  
(b) We have considered, the internal audit reports issued to the company during the year and covering period up to March 31, 2022 for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its Directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi) (a), (b), (c) and (d) of the Order is not applicable.



- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. According, reporting under clause (xx) (a) and (xx) (b) of the Order is not applicable for the year.

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

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

Place: Coimbatore  
Date: 28.05.2022

M.No. 023060  
UDIN : 22023060AJUCWX2463

**STANDALONE BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2022**

(₹ in lakhs)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>I ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Property, Plant and Equipment	1.1	6,714.06	6,763.27
(b) Right-to-use assets	1.2	3.19	0.95
(c) Capital Work - in - progress	2	41.84	148.85
(d) Investment Properties	3	1,538.02	1,429.25
(e) Financial Assets			
(i) Investments	4	0.05	0.05
(ii) Others Financial Assets	5	167.82	168.36
(f) Current Tax Assets (net)	6	21.15	21.16
(g) Other Non Current Assets	7	106.99	104.73
<b>2. Current assets</b>			
(a) Inventories	8	928.90	1,451.20
(b) Financial Assets			
(i) Investments	9	2,736.07	1,307.28
(ii) Trade Receivables	10	974.84	757.54
(iii) Cash and Cash equivalents	11	11.40	132.43
(iv) Bank Balances other than cash and cash equivalents	12	38.17	708.05
(v) Loans	13	1.84	0.97
(vi) Other Financial Assets	14	0.66	23.46
(c) Other Current Assets	15	2,500.80	888.41
<b>TOTAL ASSETS</b>		<b>15,785.80</b>	<b>13,905.96</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share Capital	16	518.88	518.88
(b) Other Equity	17	8,605.67	7,089.55
<b>2. Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	18	3,385.92	3,298.04
(ii) Lease Liabilities		2.21	-
(iii) Other Financial Liabilities	19	64.08	63.89
(b) Provisions	20	131.13	124.05
(c) Deferred tax liabilities (Net)		810.00	695.54
(d) Other Non-Current Liabilities	21	57.51	80.22



(₹ in lakhs)

Particulars	Note No.	As at	
		31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
<b>3. Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	743.01	903.25
(ii) Lease Liabilities		1.18	1.12
(iii) Trade Payables	23		
(a) Total outstanding dues of Micro Enterprises and small Enterprises		56.57	56.25
(b) Total outstanding dues of creditors other than Micro Enterprises and small Enterprises		270.51	385.26
(iv) Other Financial Liabilities	24	363.30	266.96
(b) Provisions	25	9.83	10.70
(c) Liability for Current Tax (Net)	26	535.23	268.20
(d) Other Current Liabilities	27	230.76	144.05
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>15,785.80</b>	<b>13,905.96</b>

Vide Our Report of even date

For **JAIN & MOHAN**  
Chartered Accountants  
FRN:006896S

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

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

(Sd/-) **C.AMRITHALAL JAIN**  
Partner  
M.No.: 023060

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

(Sd/-) **Priyadarshini. V**  
Company Secretary  
Membership No. A45492

Place : Coimbatore  
Date : 28<sup>th</sup> May 2022

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022

(₹ in lakhs)

Particulars	Note No.	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>CONTINUING OPERATIONS</b>			
<b>I INCOME</b>			
Revenue from Operations	28	17,666.78	11,826.96
Other Income	29	259.79	146.69
<b>Total Income</b>		<b>17,926.57</b>	<b>11,973.65</b>
<b>II EXPENSES</b>			
Cost of Materials consumed	30	8,328.43	5,045.95
Purchase of Stock-in-Trade	31	1,908.90	850.39
Changes in inventories of Finished Goods, Stock in Trade and Work in Progress	32	110.51	287.30
Employee Benefits Expense	33	1,298.52	771.91
Finance Cost	34	81.04	294.70
Depreciation & Amortisation Expenses	35	707.65	688.84
Other Expenses	36	3,257.10	2,553.54
<b>Total Expenses</b>		<b>15,692.15</b>	<b>10,492.63</b>
<b>III Profit / (Loss) before Exceptional Items and Tax</b>		<b>2,234.42</b>	<b>1,481.02</b>
<b>IV Exceptional Items</b>		-	-
<b>V Profit / (Loss) Before Tax</b>		<b>2,234.42</b>	<b>1,481.02</b>
<b>VI Tax Expense</b>			
Current Tax	37	535.23	268.20
Deferred Tax charge/(credit)	37	114.46	154.04
Tax in respect of earlier years		1.63	-
<b>VII Profit / (Loss) for the year from continuing operations</b>		<b>1,583.09</b>	<b>1,058.78</b>
<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		19.49	(6.31)
<b>(ii) Items that will be reclassified to profit or loss</b>			
Remeasurements of fair value of Investments in bonds		17.32	(14.29)
<b>IX Total Comprehensive income for the Year</b>		<b>1,619.90</b>	<b>1,038.18</b>
<b>X Earnings Per Equity Share of ₹ 5 each (for continuing operation)</b>			
Basic (₹)		15.25	10.95
Diluted (₹)		15.25	10.95

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FORM PART OF THESE FINANCIALS**

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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 : 28<sup>th</sup> May 2022

(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  
Membership No. A45492

STANDALONE CASH FLOW FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022

(₹ in lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>Profit before exceptional items and tax as per statement of profit and loss</b>	<b>2234.42</b>	<b>1481.02</b>
Adjustments for :		
Depreciation and amortization expenses	707.65	688.84
Finance cost	81.04	294.70
Unrealised exchange difference	(1.23)	(4.59)
Fair valuation of Investments	15.93	(4.23)
Provision for Debtors	0.00	0.70
Dividend income	(0.07)	-
Interest income	(194.18)	(91.70)
(Profit) / loss on sale of Shares, Bonds, MF (net)	(13.95)	-
(Profit) / loss on sale of fixed assets (net)	4.83	2.31
	<b><u>2,834.43</u></b>	<b><u>2367.05</u></b>
<b>Operating profit before working capital changes</b>		
Adjustments for:		
(Increase)/decrease in Trade & other receivables	(1831.15)	112.79
(Increase)/decrease in inventories	522.31	42.02
Increase/(Decrease) in trade & other Payables	50.57	(163.27)
Increase/(Decrease) in provisions	25.70	22.20
	<b><u>1601.85</u></b>	<b><u>2380.79</u></b>
Less : Direct tax paid (net of refunds)	269.83	146.62
	<b><u>1332.02</u></b>	<b><u>2234.17</u></b>
Less : Exceptional items	-	-
<b>Net cash flows (used in )/ generated from operating activities after exceptional items</b>	<b><u>1332.02</u></b>	<b><u>2234.17</u></b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
<b>Inflows</b>		
Sale proceeds of property, plant and equipment	20.07	17.92
Sale of Trade Investments	-	15.91
Sale of Bonds	199.22	-
Realization from Portfolio Management Fund	300.00	-
Interest received	216.98	72.39
Redemption of Certificate of Deposit	669.99	0.00
Dividend Received	0.07	-
	<b><u>1406.33</u></b>	<b><u>106.22</u></b>
<b>Outflows</b>		
Purchase of Property, Plant and equipment	687.34	864.73
Investment in Bonds	1208.41	806.72



₹ in lakhs

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Investment in Prortfolio Management Fund	200.00	500.00
Investment in Equities & Mutual Funds	504.26	-
Investment in Certificate of deposit	-	600.00
	<b>2600.01</b>	<b>2771.46</b>
<b>Net cash flows (used in )/ generated from financing activities</b>	(1193.67)	(2665.23)
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
<b>Inflows</b>		
Proceeds from long -term borrowings (net)	87.88	-
Increase in Paidup Capital & Security Premium Reserve	-	385.20
	<b>87.88</b>	<b>385.20</b>
<b>Outflows</b>		
Repayment of long term borrowings (net)	-	80.71
Repayment of short term borrowings (net)	160.25	322.94
Dividend paid	103.66	48.69
Principal Payment of lease liabilities	2.00	2.12
Interest paid on lease liabilities	0.14	0.16
Interest paid	81.20	301.26
	<b>347.25</b>	<b>755.89</b>
<b>Net cash flows (used in )/ generated from financing activities</b>	(259.37)	(370.69)
<b>NET INCREASE/ (DECREASE) IN CASH AND BANK BALANCES</b>	(121.03)	(801.75)
Add : Cash and cash equivalence at beginning of the year	132.43	934.18
Cash and cash equivalence at end of the year	11.40	132.43
<b>Cash and Cash equivalent as per above comprises of the following</b>		
<b>Cash and Cash equivalent</b>	<b>11.40</b>	<b>132.43</b>
<b>Balances as per statement of cash flows</b>	<b>11.40</b>	<b>132.43</b>

Vide Our Report of even date

For **JAIN & MOHAN**  
Chartered Accountants  
FRN:006896S

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

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

(Sd/-) **C.AMRITHALAL JAIN**  
Partner  
M.No.: 023060

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

(Sd/-) **Priyadarshini. V**  
Company Secretary  
Membership No. A45492

Place : Coimbatore  
Date : 28<sup>th</sup> May 2022



## STANDALONE STATEMENT OF CHANGES IN EQUITY

## A. EQUITY SHARE CAPITAL

(₹ In Lakhs)

Balance as at April 1, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 1, 2021	Changes in equity share capital during the year	Balance as at March 31, 2022
518.88	-	518.88	-	518.88

Balance as at April 1, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 1, 2020	Changes in equity share capital during the year	Balance as at March 31, 2021
478.88	0	478.88	40	518.88

## B. OTHER EQUITY

Particulars	Reserves and Surplus				Total
	Revaluation Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	
<b>Balance as at 1<sup>st</sup> April 2020</b>	<b>769.01</b>	<b>597.60</b>	<b>135.48</b>	<b>4,251.97</b>	<b>5,754.06</b>
Profit for the year				1,058.78	1,058.78
Other comprehensive Income for the year				(20.60)	(20.60)
<b>Total Comprehensive Income for the year</b>				<b>1,038.18</b>	<b>1,038.18</b>
Dividends				(47.89)	(47.89)
Transferred to General Reserve			17.08	(17.08)	-
On issue of preferential share		345.20			345.20
<b>Balance as at 31<sup>st</sup> March 2021</b>	<b>769.01</b>	<b>942.80</b>	<b>152.56</b>	<b>5,225.18</b>	<b>7,089.55</b>
<b>Balance as at 1<sup>st</sup> April 2021</b>	<b>769.01</b>	<b>942.80</b>	<b>152.56</b>	<b>5,225.18</b>	<b>7,089.55</b>
Profit for the year				1,583.09	1,583.09
Other Comprehensive Income for the year				36.81	36.81
<b>Total Comprehensive Income for the year</b>				<b>1,619.90</b>	<b>1,619.90</b>
Dividends				(103.78)	(103.78)
Transferred to General Reserve			-	-	-
On issue of preferential share			-		-
<b>Balance as at 31<sup>st</sup> March 2022</b>	<b>769.01</b>	<b>942.80</b>	<b>152.56</b>	<b>6,741.30</b>	<b>8,605.67</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/-) **Meenakshi Sundaram Rajkumar**  
Chairman  
(DIN : 06935422)

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

(Sd/-) **C.AMRITHALAL JAIN**  
Partner  
M.No.: 023060  
Place : Coimbatore  
Date : 28<sup>th</sup> May 2022

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

(Sd/-) **Priyadarshini. V**  
Company Secretary  
Membership No. A45492





(₹ in lakhs)

## Note - 1.1 - PROPERTY, PLANT AND EQUIPMENTS

Particulars	Land Freehold	Buildings	Wind Mill	Plant & Machinery	Furnitures & Fixtures	Office Equipments	Vehicles	Total
<b>Gross Carrying amount</b>								
<b>Balance as at 31<sup>st</sup> March 2020</b>	223.21	1,520.94	2,581.27	4,393.87	45.57	45.87	234.66	9,045.40
Additions	-	-	-	724.63	0.31	19.12	16.48	760.55
Disposals	-	-	-	126.26	-	-	-	126.26
Reclassification as held for sales	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March 2021</b>	223.21	1,520.94	2,581.27	4,992.25	45.88	65.00	251.14	9,679.69
Additions	10.79	145.58	-	408.22	10.40	13.11	82.77	670.86
Disposals	-	-	-	144.14	-	-	46.95	191.09
Reclassification as held for sales	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March 2022</b>	234.00	1,666.52	2,581.27	5,256.34	56.28	78.11	286.96	10,159.47
<b>Accumulated Depreciation</b>								
<b>Balance as at 31<sup>st</sup> March 2020</b>	-	174.40	263.13	1,834.89	21.22	24.59	27.79	2,346.02
Additions	-	52.64	123.82	454.08	5.43	6.15	34.30	676.42
Disposals	-	-	-	106.02	-	-	-	106.02
Reclassification as held for sales	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March 2021</b>	-	227.04	386.96	2,182.96	26.65	30.73	62.09	2,916.42
Additions	-	53.85	123.82	464.12	5.55	9.33	38.50	695.17
Disposals	-	-	-	129.22	-	-	36.97	166.19
Reclassification as held for sales	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March 2022</b>	-	280.89	510.78	2,517.85	32.20	40.06	63.62	3,445.40
<b>Net carrying amount</b>								
Balance as at 31 <sup>st</sup> March, 2020	223.21	1,346.54	2,318.13	2,558.98	24.35	21.29	206.87	6,699.37
Balance as at 31 <sup>st</sup> March, 2021	223.21	1,293.90	2,194.31	2,809.29	19.23	34.27	189.05	6,763.27
Balance as at 31 <sup>st</sup> March, 2022	234.00	1,385.63	2,070.49	2,738.48	24.08	38.04	223.34	6,714.06

**Note**

1. Refer to Note 41 for disclosure of contractual commitments for the acquisition of property, plant and equipments
2. Refer Note 39 for information on property, plant and equipment pledged as security by the company
3. Title deeds of all Immovable Properties are held in the name of the Company
4. The company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) during the year.



## Note - 1.2 - RIGHT TO USE ASSETS

(₹ in lakhs)

Particulars	Building
<b>Movements during the year</b>	
<b>Balance as at 31<sup>st</sup> March 2020</b>	<b>4.23</b>
Additions	-
Disposals	-
<b>Balance as at 31<sup>st</sup> March 2021</b>	<b>4.23</b>
Additions	4.40
Disposals	4.23
<b>Balance as at 31<sup>st</sup> March 2022</b>	<b>4.40</b>
<b>Accumulated Depreciation</b>	
<b>Balance as at 31<sup>st</sup> March 2020</b>	<b>1.16</b>
Additions	2.11
Disposals	-
<b>Balance as at 31<sup>st</sup> March 2021</b>	<b>3.28</b>
Additions	2.16
Disposals	4.23
<b>Balance as at 31<sup>st</sup> March 2022</b>	<b>1.21</b>
<b>Net Block as at 31<sup>st</sup> March 2021</b>	<b>0.95</b>
<b>Net Block as at 31<sup>st</sup> March 2022</b>	<b>3.19</b>

## Note - 2 - CAPITAL WORK IN PROGRESS

Particulars	Land Freehold	Build-ings	Wind Mill	Plant & Machinery	Furni-tures & Fixtures	Office Equip-ments	Vehicles	Total
Balance as at 31 <sup>st</sup> March 2020	-	44.66	-	-	-	-	-	44.66
Additions	-	83.89	-	20.30	-	-	-	104.19
Capitalsied	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March 2021</b>	-	<b>128.55</b>	-	<b>20.30</b>	-	-	-	<b>148.85</b>
Additions	-	38.96	-	258.83	-	-	-	297.79
Capitalsied	-	145.58	-	259.23	-	-	-	404.80
<b>Balance as at 31<sup>st</sup> March 2022</b>	-	<b>21.93</b>	-	<b>19.91</b>	-	-	-	<b>41.84</b>



**Ageing details of Capital Work-in-Progress**

**As at 31 March 2022**

(₹ in lakhs)

<b>CWIP</b>	<b>Less than 1 year</b>	<b>1 - 2 years</b>	<b>2 - 3 years</b>	<b>More than 3 years</b>	<b>Total</b>
Project - Auto Coner Machine	2.26	-	-	-	2.26
Project - Solar plant 3.3 MW	17.65	-	-	-	17.65
Project - Non Factory Building	21.93	-	-	-	21.93
<b>Grand Total</b>	<b>41.84</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41.84</b>

**As at 31 March 2021**

(₹ in lakhs)

<b>CWIP</b>	<b>Less than 1 year</b>	<b>1 - 2 years</b>	<b>2 - 3 years</b>	<b>More than 3 years</b>	<b>Total</b>
Project - Building Ladies Hostel	51.55	44.66	-	-	96.22
Project - Building Stores	26.73	-	-	-	26.73
Project - Building Compressor Room	5.60	-	-	-	5.60
Project - Solar plant 0.3 MW	14.15	-	-	-	14.15
Project - Spinning Machine	6.15	-	-	-	6.15
<b>Grand Total</b>	<b>104.19</b>	<b>44.66</b>	<b>-</b>	<b>-</b>	<b>148.85</b>

**Notes:**

There are no projects which are under suspension. With regard to the above ongoing projects there are no projects where completion is overdue or has exceeded the cost as compared to its original plan, and consequent amendments approved by the board thereon.



## Note - 3 - INVESTMENT PROPERTIES

(₹ in lakhs)

Particulars	Amount
<b>Gross Carrying amount</b>	
<b>Balance as at 31<sup>st</sup> March 2020</b>	<b>1,480.81</b>
Additions	-
Disposals	-
<b>Balance as at 31<sup>st</sup> March 2021</b>	<b>1,480.81</b>
Additions	119.08
Disposals	-
<b>Balance as at 31<sup>st</sup> March 2022</b>	<b>1,599.89</b>
<b>Accumulated Depreciation</b>	
<b>Balance as at 31<sup>st</sup> March 2020</b>	<b>41.25</b>
Additions	10.31
Disposals	-
<b>Balance as at 31<sup>st</sup> March 2021</b>	<b>51.56</b>
Additions	10.31
Disposals	-
<b>Balance as at 31<sup>st</sup> March 2022</b>	<b>61.87</b>
<b>Net carrying amount</b>	
Balance as at 31 <sup>st</sup> March, 2020	1,439.57
Balance as at 31 <sup>st</sup> March, 2021	1,429.25
Balance as at 31 <sup>st</sup> March, 2022	1,538.02
<b>Fair value</b>	
As at 31.03.2020	2,668.00
As at 31.03.2021	2,672.00
As at 31.03.2022	3,063.00

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Income derived from investment properties (Commercial Complex)	142.12	113.78
Direct operating expenses (including repairs and maintenance) generating rental income	23.53	40.22
<b>Income arising from investment properties before depreciation</b>	<b>118.59</b>	<b>73.56</b>
Depreciation	11.91	11.86
<b>Income from investment properties (Net)</b>	<b>106.68</b>	<b>61.70</b>

**Premises given on operating lease:**

The company has given investment property commercial Complex 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.

During the year the company has waived off and not recognised Rent income of ₹ 9.13 Lakhs (Previous year ₹ 42.15 lakhs) due to Covid 19 pandemic.



The total minimum lease rentals receivable at the Balance Sheet date as under: (₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
For the period not later than one year	159.08	125.12
For a period later than one year and not later than five years	213.49	291.49
For a period later than five years	0.00	0.00

#### 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 properties, age of building and trend of fair market rent in and around where investment properties are located.

Fair value of investment property (as measured for disclosure purpose in the financial statements) is based on the valuation by a registered valuer. The fair value Measurement is categorised in level 2 fair value hierarchy

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
-------------	---------------------------------------	---------------------------------------

#### Note - 4 - NON CURRENT INVESTMENT

##### Other Equity Investments

##### Un quoted

##### At Fair value through Profit and Loss account

Watsun Infrabuild Private Limited (500 shares of ₹ 10 each) (Previous year 500 shares of ₹ 10 each)	0.05	0.05
	0.05	0.05
Aggregate amount of unquoted investments	0.05	0.05
Aggregate amount of impairment in the value of investment	-	-

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

Deposit with others	59.35	68.29
Certificate of Deposit with Shriram Transport Finance Co Ltd	108.47	100.07
<b>Total</b>	<b>167.82</b>	<b>168.36</b>

#### Note - 6 - NON CURRENT TAX ASSETS (NET)

Income tax Refund receivable	21.15	21.15
<b>Total</b>	<b>21.15</b>	<b>21.15</b>

#### Note - 7 - OTHER NON CURRENT ASSETS

Other Advances	106.99	104.73
<b>Total</b>	<b>106.99</b>	<b>104.73</b>

#### Note - 8 - INVENTORIES

Raw Materials	539.06	970.91
Raw Materials - In Transit	-	14.13
Work-in-progress	114.31	77.26
Finished Goods	121.54	277.97
Stock in Trade	30.75	21.88
Stores and Spares - HSD	20.76	8.91
Stores and Spares - Others	102.47	80.14
<b>Total</b>	<b>928.90</b>	<b>1,451.20</b>

Mode of valuation: Refer Note 38 ii (h)



Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Note - 9 - CURRENT INVESTMENT</b>		
<b>Investment in Portfolio Management Fund (Unquoted)</b>		
<b>At Fair value through Profit and Loss account</b>		
<b>Master Portfolio Services Limited</b>		
MSPL Irage Absolute Return Strategy	223.43	504.23
<b>ASK Investment Managers Limited</b>		
Portfolio Managemnet Services Funds	49.51	-
<b>White Oak Capital Management Consultants LLP</b>		
Portfolio Managemnet Services Funds	50.37	
<b>Investment in Alternative Investment Fund (Unquoted)</b>		
<b>At Fair value through Profit and Loss account</b>		
<b>Edelweiss Alternative Equity Scheme (Category - III) Fund</b>	90.13	
<b>Investment in Equity Shares (Quoted)</b>		
<b>At Fair value through Profit and Loss account</b>		
ABBOTT INDIA LTD	2.12	-
12 Equity shares face value of ₹ 10 each (Previous Year Nil)		
ALKEM LABORATORIES LTD	0.98	-
27 Equity shares face value of ₹ 2 each (Previous Year Nil)		
ASIAN PAINTS LTD	3.88	-
126 Equity shares face value of ₹ 1 each (Previous Year Nil)		
AXIS BANK LTD	1.31	-
172 Equity shares face value of ₹ 2 each (Previous Year Nil)		
BAJAJ AUTO LTD	0.99	-
27 Equity shares face value of ₹ 10 each (Previous Year Nil)		
BAJAJ FINSERV LTD	1.71	-
10 Equity shares face value of ₹ 5 each (Previous Year Nil)		
BATA INDIA LTD	0.94	-
48 Equity shares face value of ₹ 5 each (Previous Year Nil)		
BERGER PANTS INDIA LTD	2.04	-
292 Equity shares face value of ₹1 each (Previous Year Nil)		
DABUR INDIA LTD	1.79	-
333 Equity shares face value of ₹ 1 each (Previous Year Nil)		
DIVI'S LABORATORIES LTD	2.99	-
68 Equity shares face value of ₹ 2 each (Previous Year Nil)		
DR LAL PATHLABS LTD	0.70	-
27 Equity shares face value of ₹ 10 each (Previous Year Nil)		
HAVELLS INDIA LTD	2.79	-
242 Equity shares face value of ₹ 1 each (Previous Year Nil)		
HCL TECHNOLOGES LTD	2.16	-



<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2022</b>	<b>As at 31<sup>st</sup> March, 2021</b>
186 Equity shares face value of ₹ 2 each (Previous Year Nil)		
HDFC BANK LTD	8.68	-
590 Equity shares face value of ₹ 1 each (Previous Year Nil)		
HDFC LIFE INSURANCE CO LTD	5.16	-
959 Equity shares face value of ₹ 10 each (Previous Year Nil)		
HONEYWELL AUTOMATION INDIA LTD	3.97	-
10 Equity shares face value of ₹ 10 each (Previous Year Nil)		
ICICI BANK LTD	6.76	-
926 Equity shares face value of ₹ 2 each (Previous Year Nil)		
ICICI LOMBARD GENERAL INS CO LTD	4.65	-
350 Equity shares face value of ₹ 10 each (Previous Year Nil)		
INDRAPRASTHA GAS LTD	0.77	-
207 Equity shares face value of ₹ 2 each (Previous Year Nil)		
INFO EDGE INDIA LTD	1.94	-
43 Equity shares face value of ₹ 10 each (Previous Year Nil)		
INFOSYS LTD	4.79	-
251 Equity shares face value of ₹ 5 each (Previous Year Nil)		
KOTAK MAHINDRA BANK LTD	6.24	-
356 Equity shares face value of ₹ 5 each (Previous Year Nil)		
LARSEN & TOUBRO INFOTECH LTD	2.95	-
48 Equity shares face value of ₹ 1 each (Previous Year Nil)		
MARICO LTD	1.92	-
381 Equity shares face value of ₹ 1 each (Previous Year Nil)		
NESTLE INDIA LTD	2.09	-
12 Equity shares face value of ₹ 10 each (Previous Year Nil)		
PAGE INDUSTRIES LTD	3.46	-
8 Equity shares face value of ₹ 10 each (Previous Year Nil)		
PIDILITE INDUSTRIE LTD	3.88	-
158 Equity shares face value of ₹ 1 each (Previous Year Nil)		
PROCTER & GAMBLE HYGIENE AND HEALTH CARE LTD	2.74	-
19 Equity shares face value of ₹ 10 each (Previous Year Nil)		
RELIANCE IND LTD - EQ.	1.03	-
39 Equity shares face value of ₹ 10 each (Previous Year Nil)		
SBI CARDS & PAY SER LTD	0.78	-
92 Equity shares face value of ₹ 10 each (Previous Year Nil)		
SHREE CEMENTS LTD	2.40	-
10 Equity shares face value of ₹ 10 each (Previous Year Nil)		
SUN PHARMACEUTICAL INDUSTRIES LTD	0.35	-
38 Equity shares face value of ₹ 1 each (Previous Year Nil)		



<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2022</b>	<b>As at 31<sup>st</sup> March, 2021</b>
SUPREME INDUSTRIES LTD 43 Equity shares face value of ₹ 2 each (Previous Year Nil)	0.88	-
SYNGENE INTERNATIONAL LTD 411 Equity shares face value of ₹ 10 each (Previous Year Nil)	2.46	-
TATA CONSULTANCY SERVICES LTD 11 Equity shares face value of ₹ 1 each (Previous Year Nil)	0.41	-
TITAN INDUSTRIES LTD 118 Equity shares face value of ₹ 1 each (Previous Year Nil)	2.99	-
UNITED SPIRITS LTD 333 Equity shares face value of ₹ 2 each (Previous Year Nil)	2.96	-
UPL LTD 141 Equity shares face value of ₹ 2 each (Previous Year Nil)	1.09	-
VOLTAS LTD 84 Equity shares face value of ₹ 1 each (Previous Year Nil)	1.05	-
WHIRLPOOL OF INDIA LTD 47 Equity shares face value of ₹ 10 each (Previous Year Nil)	0.74	-
ASIAN PAINTS LTD 35 Equity shares face value of ₹ 1 each (Previous Year Nil)	1.08	-
<b>Investment in Mutual Funds (Quoted)</b>		
<b>At Fair value through Profit and Loss account</b>		
Nippon India ETF Liquid BeEs 0.307 units (Previous year Nil)	0.003	
Axis Bluechip Fund - Regular Growth 1,06,130.715 units (Previous year Nil)	47.53	
DSP Equity Opportunities Fund - Regular Growth 7,081.539 units (Previous year Nil)	24.19	
Kotak Equity Opportunities Fund - Regular Growth Plan 12,790.649 units (Previous year Nil)	25.09	
Mirae Asset Large Cap Fund - Regular Growth Plan 67,434.008 units (Previous year Nil)	52.20	
Edelweiss Balanced Advantage Fund - Regular Growth 43,016.718 units (Previous year Nil)	15.30	
ICICI Prudential Balanced Advantage Fund - Growth 2,03,244.146 units (Previous year Nil)	100.71	
IDFC Balance Advantage Fund - Regular Plan - Growth 4,85,854.381 units (Previous year Nil)	87.02	
Axis Liquid Fund - Regular Growth 564.848 units (Previous year Nil)	13.27	
ICICI Prudential Liquid Fund - Growth	15.84	





Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
5,059.965 units (Previous year Nil)		
IDFC Cash Fund - Regular Growth Plan	12.56	
491.275 units (Previous year Nil)		
Mirae Asset Cash Management Fund - Regular Plan	10.07	
454.359 units (Previous year Nil)		
<b>Investments in Bond</b>		
<b>Quoted</b>		
<b>At Fair Value through Other Comprehensive Income</b>		
9.3% Cholamandalam Investment and Finance Co Ltd	106.80	103.80
20 Bonds face value of ₹ 5,00,000 each (Previous Year 20 Bonds)		
9.25 % Cholamandalam Investment and Finance Co Ltd	106.91	100.58
20 Bonds face value of ₹ 5,00,000 each (Previous Year 20 Bonds)		
10.25% Tata Motor Financial Limited	-	105.31
(Previous Year 10 Bonds face value of ₹ 10,00,000 each)		
9.75% Tata Motor Finance Perp	-	83.01
(Previous year 8 Bonds face value of ₹ 10,00,000 each)		
10.50% Indusind Bank Limited	102.72	101.12
10 Bonds face value of ₹ 10,00,000 each (Previous Year 10 Bonds)		
11.50 % TVS Credit Services Ltd	208.07	208.07
40 Bonds face value of ₹ 5,00,000 each (Previous Year 40 Bonds)		
10.90 % TVS Credit Services Ltd	504.26	-
94 Bonds face value of ₹ 5,00,000 each (Previous Year Nil)		
9.75% Hinduja Leyland Finance Limited	213.69	101.18
10 Bonds face value of ₹ 10,00,000 each (Previous Year 10 Bonds)		
10.15% Hinduja Leyland Finance Limited	103.14	-
10 Bonds face value of ₹ 10,00,000 each (Previous year Nil)		
10.25% Shriram Transport Finance Co	62.07	-
6 Bonds face value of ₹ 10,00,000 each (Previous year Nil)		
8.40% Tata Motors Finance Solutions Ltd	100.21	-
10 Bonds face value of ₹ 10,00,000 each (Previous year Nil)		
9.20% Hinduja Leyland Finance Limited	209.97	
20 Bonds face value of ₹ 10,00,000 each (Previous year Nil)		
9.55% Piramal Capital and Housing	98.42	-
10 Bonds face value of ₹ 10,00,000 each (Previous year Nil)		
<b>Total</b>	<b>2,736.07</b>	<b>1,307.28</b>
Aggregate amount of quoted investments	2,322.62	803.06
Market value of Quoted Investments	2,322.62	803.06
Aggregate amount of unquoted investments	413.44	504.23



Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
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**Note - 10 - TRADE RECEIVABLES****Unsecured, considered good**

Trade receivables	974.84	757.54
Trade Receivables - Credit impaired	0.70	0.70
Less: Allowance for Expected Credit Loss	<u>(0.70)</u>	<u>(0.70)</u>
<b>Total</b>	<b><u>974.84</u></b>	<b><u>757.54</u></b>

Refer Note 45 for information about credit risk and market risk of trade receivables

**Trade Receivable - Ageing Schedule**

(₹ in lakhs)

Particulars	As at March 31 <sup>st</sup> , 2022					
	LESS THAN 6 MONTHS	6 MONTHS - 1 YEARS	1 YEAR - 2 YEARS	2 YEARS - 3 YEARS	MORE THAN 3 YEARS	TOTAL
Undisputed Trade receivables- Considered good	913.38	61.46	-	-	-	974.84
Undisputed Trade receivables- which have significant increase in credit risk	-	0.70	-	-	-	0.70
Undisputed Trade receivables- Credit impaired	-	-	-	-	-	-
Disputed Trade receivables- Considered good	-	-	-	-	-	-
Disputed Trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables- Credit impaired	-	-	-	-	-	-
<b>Grand Total</b>	<b>913.38</b>	<b>62.16</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>975.54</b>



Particulars	As at 31 <sup>st</sup> March, 2022					As at 31 <sup>st</sup> March, 2021
	As at March 31 <sup>st</sup> , 2021 (₹ in lakhs)					
Particulars	LESS THAN 6 MONTHS	6 MONTHS - 1 YEARS	1 YEAR - 2 YEARS	2 YEARS - 3 YEARS	MORE THAN 3 YEARS	TOTAL
Undisputed Trade receivables- Considered good	617.94	134.11	5.48	0.01	-	757.54
Undisputed Trade receivables- which have significant increase in credit risk	-	0.35	0.34	0.01	-	0.70
Undisputed Trade receivables- Credit impaired	-	-	-	-	-	-
Disputed Trade receivables- Considered good	-	-	-	-	-	-
Disputed Trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables- Credit impaired	-	-	-	-	-	-
<b>Grand Total</b>	<b>617.94</b>	<b>134.46</b>	<b>5.82</b>	<b>0.03</b>	<b>-</b>	<b>758.24</b>

**Note - 11 - CASH AND CASH EQUIVALENTS**

Cash on hand	8.35	0.13
Balances with Banks - In Current accounts	3.05	82.30
In Fixed deposits	-	50.00
<b>Total</b>	<b>11.40</b>	<b>132.43</b>

**Note - 12 - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

Investments in Term Deposits	30.01	700.00
Unclaimed dividends - Earmarked balances with banks	8.16	8.05
<b>Total</b>	<b>38.17</b>	<b>708.05</b>

**Note - 13 - OTHER CURRENT LOANS**

Loan to Employees	1.84	0.97
<b>Total</b>	<b>1.84</b>	<b>0.97</b>

**Note - 14 - OTHER CURRENT FINANCIAL ASSETS**

Interest receivable	0.66	23.46
<b>Total</b>	<b>0.66</b>	<b>23.46</b>

**Note - 15 - OTHER CURRENT ASSETS**

Export Benefits receivable	2.95	12.44
Advances to Suppliers	1,748.19	400.94
Deposits with customs, excise and other govt. authorities	492.29	198.56



Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Claims Receivable	189.51	215.78
Prepaid Expenses	43.38	45.41
Advances recoverable in kind for value to be received	2.82	2.77
Other Advances	21.66	12.52
<b>Total</b>	<b>2,500.80</b>	<b>888.40</b>

**Note - 16 - EQUITY SHARE CAPITAL****Authorised**

2,00,00,000 (31<sup>st</sup> March 2021 : 2,00,00,000 ) 1,000.00 1,000.00

Equity shares of Rs 5 each

**Issued, Subscribed and fully paid up**

1,03,77,600 (31<sup>st</sup> March 2021 : 1,03,77,600) Equity shares of Rs 5 each 518.88 518.88

**Total** **518.88** **518.88**

- a) During the previous year ended 31<sup>st</sup> March 2021 the company has allotted Equity shares at ₹ 48.15 per share (Consisting of ₹ 5 on Capital and ₹ 43.15 on premium) under Preferential mode. 400000 share is allotted to Strike Right Intergrated Services Limited and 400000 shares to Mrs. Bosco Giulia Whole-Time Director (Both Members of Promoter Group). Due to this preferential issue the Paid up capital of the company Increased from ₹ 4,78,88,000 to ₹ 5,18,88,000.

**b) Reconciliation of Number of Shares**

Particulars	As at 31 <sup>st</sup> March, 2022		As at 31 <sup>st</sup> March, 2021	
	Number of shares	Amount	Number of shares	Amount
<b>Equity shares</b>				
Shares outstanding at the beginning of the year	1,03,77,600	5,18,88,000	95,77,600	4,78,88,000
Add: Allotment of Equity shares on preferential basis	-	-	8,00,000	40,00,000
Shares outstanding at the end of the year	1,03,77,600	5,18,88,000	1,03,77,600	5,18,88,000

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

Equity shares: The Company has one class of equity shares having a par value of ₹ 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.

**d) Details of equity shares held by promoters and details of each shareholders holding more than 5 % of the aggregate shares in the company**

Details of Share Holders	As at 31 <sup>st</sup> March, 2022		As at 31 <sup>st</sup> March, 2021	
	%	No. of shares	%	No. of shares
Mrs. Bosco Giulia	35.83	37,18,284	35.83	37,18,284
Strike Right Integrated Services Limited	36.82	38,20,600	36.82	38,20,600
Other than Promoters more than 5% holding	Nil	Nil	Nil	Nil



## Note - 17 - OTHER EQUITY

Particulars	Reserves and Surplus				Total
	Revaluation Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	
<b>Balance as at 1<sup>st</sup> April 2020</b>	769.01	597.60	135.48	4,251.97	5,754.06
Profit for the year				1,058.78	1,058.78
Other Comprehensive Income for the year				(20.60)	(20.60)
<b>Total Comprehensive Income for the year</b>				1,038.18	1,038.18
Dividends				(47.89)	(47.89)
Transferred to General Reserve			17.08	(17.08)	-
On issue of Preferential Share		345.20			345.20
<b>Balance as at 31<sup>st</sup> March 2021</b>	769.01	942.80	152.56	5,225.18	7,089.55
<b>Balance as at 1<sup>st</sup> April 2021</b>	769.01	942.80	152.56	5,225.18	7,089.55
Profit for the year				1,583.09	1,583.09
Other Comprehensive Income for the year				36.81	36.81
<b>Total Comprehensive Income for the year</b>				1,619.90	1,619.90
Dividends				(103.78)	(103.78)
Transferred to General Reserve			-	-	-
On issue of Preferential Share		-			-
<b>Balance as at 31<sup>st</sup> March 2022</b>	769.01	942.80	152.56	6,741.30	8,605.67

**Securities Premium Reserve**

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 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
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**Note - 18 - NON CURRENT BORROWINGS****Secured****Term Loans from Banks**

Foreign Currency Loans	2,810.80	2,767.56
Other Loans	23.40	32.52
Long term maturities of finance lease obligations	83.53	80.08

**Unsecured**

Loans from related parties	468.20	417.88
<b>Total</b>	<b>3,385.92</b>	<b>3,298.04</b>



- 18.1 FCNRRB Term Loan - I from Bank of India is secured by First charge on Windmill and Windmill Land. Total outstanding as on 31.03.2022 is ₹ 0.00 lakhs (Previous year ₹ 130.79 lakhs).
- 18.2 FCNRRB 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 31.03.2022 is ₹ 0.00 lakhs (Previous year ₹ 61.85 lakhs).
- 18.3 FCNRRB Term Loan - III from Bank of India is secured by first charge on entire assets created out of term loan. Total outstanding as on 31.03.2022 is ₹ 0.00 lakhs (Previous year ₹ 97.72 lakhs).
- 18.4 FCNRRB Term loan - IV from Bank of India is secured first charge on Roof Top Solar Power Plant created out of term loan. Total outstanding as on 31.03.2022 is ₹ 378.87 lakhs (Previous year ₹ 458.73 lakhs). Term Loan - IV is payable in 54 installments commencing from Jun 2021. Last installment is due in Nov 2025.
- 18.5 FCNRRB Term Loan - I from The Karur Vysya Bank is secured by First charge on Comercial Complex Land and building . Total outstanding as on 31.03.2022 is ₹ 887.96 Lakhs (Previous year ₹ 1045.16 lakhs). Term Loan - I is payable in 98 installments commencing from December 2018. Last installment is due in July 2026.
- 18.6 FCNRRB Term Loan - II from The Karur Vysya Bank is secured by First charge on entire assets created out of term loan. Total outstanding as on 31.03.2022 is ₹ 155.13 lakhs (Previous year ₹ 205.06 lakhs). Term Loan - II is payable in 60 installments commencing from Jan 2020. Last installment is due in June 2025
- 18.7 FCNRRB 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 31.03.2022 is ₹ 400.36 lakhs (Previous year ₹ 535.74 lakhs). Term Loan - III is payable in 60 installments commencing from Nov 2019. Last installment is due in April 2025
- 18.8 FCNRRB Term Loan - IV from The Karur Vysya Bank is secured by First charge on entire assets created out of term loan. Total outstanding as on 31.03.2022 is ₹ 0.00 lakhs (Previous year ₹ 26.79 lakhs).
- 18.9 FCNRRB Term Loan - V from The Karur Vysya Bank is secured by First charge on entire assets created out of term loan. Total outstanding as on 31.03.2022 is ₹ 52.73 lakhs (Previous year ₹ 76.85 lakhs). Term Loan - V is payable in 52 installments commencing from Aug 2019. Last installment is due in June 2024.
- 18.10 FCNRRB Term Loan - VI from The Karur Vysya Bank is secured by First charge on entire assets created out of term loan. Total outstanding as on 31.03.2022 is ₹ 793.09 lakhs (Previous year ₹ 1004.13 lakhs). Term Loan - VI is payable in 66 installments commencing from Aug 2020. Last installment is due in Mar 2026.
- 18.11 Term Loan - V from Bank of India is secured by Residential apartment purchased out of term loan. Total outstanding as on 31.03.2022 is ₹ 32.52 Lakhs and (Previous year ₹ 41.03 Lakhs). Term Loan - V is payable in 137 installments commencing from April 2014. Last installment is due in Feb 2026.
- 18.12 FCNRRB Term Loan - VII from The Karur Vysya Bank is secured by First charge on entire assets created out of term loan. Total outstanding as on 31.03.2022 is ₹ 844.09 lakhs (Previous year ₹ 0.00). Term Loan - VII is payable in 84 installments commencing from Feb 2023. Last installment is due in Jan 2030.
- 18.13. One Whole-Time Director and one relative of the Director have given personal guarantee for the term loans and working capital loans from Karur Vysya Bank and no Guarantee Commission has been paid to the director and their relative in this connection.

One Whole-Time Director and one relative of the Director have given personal guarantee for the term loans and working capital loans from Bank of India and no Guarantee Commission has been paid to any director and their relative in this connection.

Details of pledge of shares held by Directors for availing loan facilities for the company:

The Whole-Time Director has pledged 11.24 lakh shares of the company held by her as collateral security for the loan sanctioned by Karur Vysya Bank and 10.50 lakh shares of the company held by her as collateral security for the loan sanctioned by Bank of India.

One of the relative of the Whole-Time Director has given personal guarantee for the Residential property loan from Bank of India and no Guarantee Commission has been paid to the director's relative in this connection.



- 18.14. Installments falling due in respect of all the above Loans upto 31.03.2023 have been grouped under "Current maturities of long-term debt" (Refer Note 22 (b))
- 18.15 The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 39
- 18.16 The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Note - 19 - OTHER NON-CURRENT LIABILITIES</b>		
Deposits received for Commercial complex	64.08	63.89
<b>Total</b>	<b>64.08</b>	<b>63.89</b>
<b>Note - 20 - NON CURRENT PROVISIONS</b>		
<b>Provision for employee benefits</b>		
Provision for gratuity (Unfunded)	131.13	124.05
<b>Total</b>	<b>131.13</b>	<b>124.05</b>
<b>Note - 21 - OTHER NON CURRENT LIABILITIES</b>		
Rental Advance received	12.31	12.20
Government Grant #	45.20	68.03
<b>Total</b>	<b>57.51</b>	<b>80.22</b>
# Represents unamortised amount of duty saved referred to in note 49		
<b>Note - 22 - CURRENT BORROWINGS</b>		
(a) Loans repayable on demand		
From banks (Secured)		
Foreign currency Loans	-	-
Other Loans	-	-
(b) Current maturities of long-term debt	710.55	883.75
(c) Current maturities of finance lease obligations	32.46	19.50
<b>Total</b>	<b>743.01</b>	<b>903.25</b>
1. Working capital facilities from Karur Vysya Bank is secured by paripassu charge on entire current assets such as raw materials, stock in process and finished good of the company present and future & book debts 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.		
The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 39		
<b>Note - 23 - TRADE PAYABLE</b>		
Total outstanding dues of Micro enterprises & Small enterprises	56.57	56.25
Total outstanding dues other than Micro enterprises & Small enterprises	270.51	385.26
<b>Total</b>	<b>327.09</b>	<b>441.51</b>

**Due to Micro and Small Enterprises**

(₹ in lakhs)

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

Particulars	As at 31 <sup>st</sup>	As at 31 <sup>st</sup>
	March, 2022	March, 2021
a) The Principal amount remaining unpaid to any supplier at the end of the year	56.57	56.25
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 as defined under the "Micro, 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.

**Trade Payable Ageing Schedule**

Particulars	As at March 31, 2022				
	< 1 year	1-2 years	2-3 years	3 year	Total
MSME	56.53	-	-	-	56.53
Others	268.28	1.14	1.09	-	270.51
Disputed dues - MSME	-	0.04	-	-	0.04
Disputed dues - others	-	-	-	-	-
<b>Total</b>	<b>324.82</b>	<b>1.18</b>	<b>1.09</b>	<b>-</b>	<b>327.09</b>

Particulars	As at March 31, 2021				
	< 1 year	1-2 years	2-3 years	3 year	Total
MSME	55.54	-	-	-	55.54
Others	382.19	3.07	-	-	385.26
Disputed dues - MSME	-	0.71	-	-	0.71
Disputed dues - others	-	-	-	-	-
<b>Total</b>	<b>437.73</b>	<b>3.78</b>	<b>-</b>	<b>-</b>	<b>441.51</b>





(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Note - 24 - OTHER CURRENT FINANCIAL LIABILITIES</b>		
(a) Interest accrued but not due on borrowings	2.97	3.13
(b) Unpaid dividends (Refer Note (a) below)	8.16	8.05
(c) Payable to employees	352.17	255.78
<b>Total</b>	<b>363.30</b>	<b>266.96</b>
<b>Note: (a)</b> There has been no delay in transferring fund to Investor Education and Protection Fund amounting to as ₹ 0.89 Lakhs. (Previous year ₹ 1.24 Lakhs)		
<b>Note - 25 - PROVISIONS</b>		
Provisions for employee benefits (Refer note 41)		
Gratuity (Unfunded)	9.83	10.70
<b>Total</b>	<b>9.83</b>	<b>10.70</b>
<b>Note - 26 - LIABILITY FOR CURRENT TAX (NET)</b>		
Provision for Taxation	535.23	268.20
<b>Total</b>	<b>535.23</b>	<b>268.20</b>
<b>Note - 27 - OTHER CURRENT LIABILITIES</b>		
Statutory dues	23.88	19.00
Government Grant #	22.83	22.85
Other payables	184.05	102.20
<b>Total</b>	<b>230.76</b>	<b>144.05</b>

# Represents unamortised amount of duty saved referred to in Note 49



Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Note - 28 - REVENUE FROM OPERATIONS</b>		
<b>Sale of Products</b>		
(i) Manufactured goods	15,119.97	10,136.34
(ii) Stock in trade	1,760.21	1,007.48
<b>Other operating Income</b>		
(i) Export Incentives, etc.,	15.15	22.38
(ii) Process waste sale	16.00	2.99
(iii) Rental Income	135.48	107.83
(iv) Wind mill - Electricity captive consumption value	619.97	549.94
<b>Total</b>	<b>17,666.78</b>	<b>11,826.96</b>
<b>Note - 29 - OTHER INCOME</b>		
Interest Income	194.18	91.70
Other non-operating income	17.97	8.36
Apportioned income from Government Grant (Refer Note 49)	22.85	22.85
Profit on sale of assets	1.94	6.46
Profit on sale of Mutual fund / shares	15.52	-
Net gain on fair valuation of financial assets and liabilities through profit and loss	7.33	17.31
<b>Total</b>	<b>259.79</b>	<b>146.69</b>
<b>Note - 30 - COST OF MATERIAL CONSUMED</b>		
Opening stock	985.04	736.41
Purchases	9,207.91	5,733.41
Less: Sale	1,325.45	438.84
Less: Closing stock	539.06	985.04
<b>Total</b>	<b>8,328.43</b>	<b>5,045.94</b>
<b>Note - 31 - PURCHASE OF STOCK IN TRADE</b>		
Yarn Purchase	1,908.90	850.39
<b>Total</b>	<b>1,908.90</b>	<b>850.39</b>
<b>Note - 32 - CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK IN PROGRESS</b>		
Opening inventories		
Finished goods	277.97	475.32
Work in progress	77.26	125.63
Stock in trade	21.88	63.46
	377.11	664.41



<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2022</b>	<b>As at 31<sup>st</sup> March, 2021</b>
Closing inventories		
Finished goods	121.54	277.97
Work in progress	114.31	77.26
Stock in trade	30.75	21.88
	266.60	377.11
<b>Total</b>	<b>110.51</b>	<b>287.30</b>

**Note - 33 - EMPLOYEE BENEFIT EXPENSES**

Salaries and wages	1078.87	628.22
Managerial Remuneration	35.25	23.58
Contribution to Provident funds and other funds	49.98	26.89
Gratuity expense	27.65	23.89
Workmen and Staff welfare expense	106.77	69.33
<b>Total</b>	<b>1,298.52</b>	<b>771.91</b>

**Note - 34 - FINANCE COSTS**

Interest expenses on Term Loans	81.19	117.70
Interest expenses - Others	58.84	58.11
Interest expenses - Right to use Assets	0.14	0.16
Applicable net loss on foreign currency transactions and translation	(68.73)	107.22
Other borrowing costs	9.59	11.52
<b>Total</b>	<b>81.04</b>	<b>294.70</b>

**Note - 35 - DEPRECIATION AND AMORTIZATION EXPENSE**

Depreciation on Property, Plant and Equipment	695.17	676.42
Depreciation on Right to Use Assets (Leased assets)	2.16	2.11
Depreciation on Investment Property	10.31	10.31
<b>Total</b>	<b>707.65</b>	<b>688.84</b>

<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2022</b>	<b>As at 31<sup>st</sup> March, 2021</b>
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**Note - 36 - OTHER EXPENSE****Manufacturing expenses**

Consumption of stores and spares (Refer Note below)	549.58	454.91
Power and fuel	1,300.03	1,009.69
Conversion charges	352.76	335.55
Repairs to Buildings	99.13	36.37
Repairs to Machinery	63.47	37.87
	<b>2,364.97</b>	<b>1,874.39</b>

**Selling and Distribution Expenses**

Freight and forwarding	309.33	217.51
Insurance ECGC	0.69	2.34



Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Sales commission	267.98	159.30
Business promotion	10.29	12.75
Discount on Script	0.83	0.26
Advertisement	4.40	4.35
<b>Establishment Expenses</b>	<b>593.52</b>	<b>396.50</b>
Rent	4.37	7.19
Repairs and maintenance - Others	149.66	137.22
Insurance	23.83	22.27
Rates and taxes, excluding taxes on income	31.76	22.56
Postage and Telephone	2.65	2.88
Travelling and conveyance	2.85	3.41
Printing and stationery	3.82	2.83
Audit Fees and Expenses	7.18	7.74
Subscription	1.89	1.16
Professional & Consultancy	42.03	34.40
Share allotment Expenses (Refer Note No. 50)	-	8.70
Net loss on foreign currency transactions and translation (other than considered as finance cost)	(16.35)	(6.22)
Loss on sale of fixed assets	6.77	8.78
Loss on sale of shares / MF	1.57	-
Provision on Impairment of Debtors	-	0.70
Bad debts written off	-	3.92
Miscellaneous expenses	13.58	6.60
Corporate Social Responsibility Expenses	23.00	18.50
<b>Total</b>	<b>3,257.10</b>	<b>2,553.54</b>

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
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**Note - Consumption of stores and spares**

Indigenous	549.17	454.67
Imported	0.41	0.24
<b>Total</b>	<b>549.58</b>	<b>454.91</b>

**Note - 37 - Tax Expenses**

Tax expenses recognised in the Statement of profit and Loss

**Current Tax**

Current Tax on taxable income for the year	535.23	268.20
<b>Total Current Tax expense</b>	<b>535.23</b>	<b>268.20</b>

**Deferred Tax**

Deferred Tax charge	114.46	154.04
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**MAT Credit utilised**

<b>Total Deferred income tax expense</b>	<b>114.46</b>	<b>154.04</b>
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<b>Tax in respect of earlier years</b>	<b>1.63</b>	<b>0.00</b>
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<b>Total Tax expense</b>	<b>536.86</b>	<b>268.20</b>
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**Note - 38 - 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 pro-rata 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**

The Company has adopted the new accounting standard Ind AS 116 "Leases" Ind AS 116 is a single lessee accounting model and sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors.

**As a lessee:** The Company's lease assets primarily consists of office premises which are of short term lease with the term of twelve months or less and low value leases. For these short term and low value leases, the Company has recognized the lease payments as an expense in the Statement of Profit and Loss on a straight-line basis over the term of lease. At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash



flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**As a lessor:** Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the receipts are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

**(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.
- (3) **Fair value through other comprehensive income:** Assets are measured at fair value through other comprehensive income if financial assets are held within business model whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

**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. The Company applies Indian Accounting Standard 115 (Ind AS 115) 'Revenue from contracts with customers' using the cumulative catch-up transition method.

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 expected 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 - 39 - ASSETS PLEDGED AS SECURITY**

The carrying amounts of assets Pledged as security for current and non-current borrowings are: (₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Current Assets</b>		
<b>Financial Assets</b>		
Floating Charge		
Receivables	974.84	757.54
	<b>974.84</b>	<b>757.54</b>
<b>Non Financial Assets</b>		
Floating Charge		
Inventories	928.90	1451.20
<b>Total Current assets Pledged as security</b>	<b>928.90</b>	<b>1451.20</b>
<b>Non Current Assets</b>		
Land	223.21	223.21
Building	1385.63	1293.90
Plant and Machinery	2738.48	2809.29
Wind Mill	2070.49	2194.31
Vehicles	82.23	189.05
Investment property	1418.94	1429.25
<b>Total non-current assets Pledged as security</b>	<b>7918.99</b>	<b>8139.03</b>
<b>Total assets Pledged as security</b>	<b>9822.72</b>	<b>10347.77</b>

**Note - 40 - Details of Contingent liabilities and Contingent assets**

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
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. Dispute with TNEB on Payment of tax on self generated units	6.96	6.96

**Note - 41 - COMMITMENTS****Capital Commitments**

Estimated value of contract remaining to be executed on Capital account is ₹ 1318.24 lakhs (Previous year ₹ 219.44)

**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 31<sup>st</sup> March, 2022 ₹ Nil (31<sup>st</sup> March, 2021 ₹ 5.13 lakhs)

**Note - 42 - 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 an 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	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>I. PRINCIPAL ACTUARIAL ASSUMPTIONS</b>		
[Expressed as weighted averages]		
Discount Rate	7.18%	6.79%
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 OBLIGATIONS (PVO)</b>		
<b>RECONCILIATION OF OPENING AND CLOSING BALANCES (₹ IN LAKHS)</b>		
PVO as at the beginning of the period	134.75	106.24
Interest Cost	9.08	6.95
Current service cost	18.56	16.94
Past service cost	-	-
Benefits paid	(1.95)	(1.69)



Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Actuarial loss/(gain) on obligation (balancing figure)	(19.48)	6.31
<b>PVO as at the end of the period</b>	<b>140.96</b>	<b>134.75</b>
<b>III CHANGES IN THE FAIR VALUE OF PLAN ASSETS - RECONCILIATION OF OPENING AND CLOSING BALANCE</b>		
Fair value of plan assets as at the beginning of the period	-	-
Expected return on plan assets	-	-
Contributions	1.95	1.69
Benefits paid and charges deducted	(1.95)	(1.69)
Actuarial gain/(loss) on plan assets [balancing figure]	-	-
Fair value of plan assets as at the end of the period	-	-
<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 GAINS AND LOSSES RECOGNIZED</b>		
Actuarial gain / (loss) for the period - Obligation	19.49	(6.31)
Actuarial gain / (loss) for the period- Plan Assets	-	-
Total (gain) / loss for the period	19.49	(6.31)
Actuarial (gain) / loss recognized in the period	(19.49)	6.31
Unrecognized actuarial (gain) / loss at the end of the year	-	-
<b>VI AMOUNTS RECOGNISED IN THE BALANCE SHEET AND RELATED ANALYSIS</b>		
Present value of the obligation	140.96	134.75
Fair value of plan assets	-	-
Amount determined under para 63 of Ind AS19	140.96	134.75
Net Defined benefit liability recognized in the balance sheet	140.96	134.75
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 RECOGNISHED IN THE STATEMENT OF PROFIT AND LOSS ACCOUNT</b>		
Current service cost	18.56	16.94
Net Interest on Net Defined Benefit Obligations	9.08	6.95
Net actuarial (gain) / loss recognised during the period	-	-
Past service	-	-
Expenses recognized in the statement of profit and loss	27.65	23.89



Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>VIII AMOUNT RECOGNISED FOR THE CURRENT PERIOD IN THE STATEMENT OF OTHER COMPREHENSIVE INCOME (OCI)</b>		
Actuarial (gain)/ Loss on Plan obligations	(19.49)	6.31
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	(19.49)	6.31
<b>IX MOVEMENTS IN THE LIABILITY RECOGNISED IN THE BALANCE SHEET</b>		
Opening net liability adjusted for effect of balance sheet	134.75	106.24
Amount recognized in Profit and Loss Account	27.65	23.89
Amount recognised in OCI	(19.49)	6.31
Contribution paid	(1.95)	(1.69)
Closing net liability	140.96	134.75
<b>X AMOUNT FOR CURRENT PERIOD</b>		
Present value of obligation	140.96	134.75
Plan Assets	-	-
Surplus (Deficit)	(140.96)	(134.75)
Experience adjustments on plan liabilities (Loss ) / gain	14.54	(8.84)
Impact on change in assumptions on plan liabilities (loss) / gain	4.94	2.52
Experience adjustments on plan liabilities (loss) / gain	-	-
<b>Date of valuation</b>		
	<b>As at 31<sup>st</sup> March, 2022</b>	<b>As at 31<sup>st</sup> March, 2021</b>
Average Duration of defined benefit obligations (in years)	9.7	10.2
<b>Sensitivity analysis</b>		
A. Discount Rate +50 BP	7.68%	7.29%
Defined benefit obligation (PVO)	135.01	128.76
Current Service Cost	20.05	17.65
B. Discount rate -50 BP	6.68%	6.29%
Defined benefit obligation (PVO)	147.35	141.20
Current Service Cost	22.18	19.55
C. Salary Escalation Rate +50 BP	6.50%	6.50%
Defined benefit obligation (PVO)	147.59	141.41
Current Service Cost	22.22	19.58
D. Salary Escalation Rate -50 BP	5.5%	5.5%
Defined benefit obligation (PVO)	134.74	128.51
Current Service Cost	20.01	17.61



Date of valuation	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>EXPECTED CONTRIBUTION IN FOLLOWING YEARS</b>		
<b>(MID YEAR CASH FLOWS)</b>		
YEAR 1	8.40	7.32
YEAR 2	9.16	8.78
YEAR 3	11.20	8.76
YEAR 4	17.92	11.00
YEAR 5	10.21	16.18
NEXT 5 YEARS	70.09	65.60
<b>EXPECTED BENEFIT PAYMENTS IN FOLLOWING YEARS</b>		
<b>(MID YEAR CASH FLOWS)</b>		
YEAR 1	8.40	7.32
YEAR 2	9.16	8.78
YEAR 3	11.20	8.76
YEAR 4	17.92	11.00
YEAR 5	10.21	16.17
NEXT 5 YEARS	70.09	65.60

**Note - 43 - SEGMENT REPORTING****Operating Segments:**

- a) Textile
- b) Power Generation
- 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.





Segment Reporting	31.03.2022	31.03.2021
<b>Segment Revenue</b>		
Textiles	17,164.48	11,309.93
Power Generation	619.97	549.94
Real Estate	142.12	113.78
<b>Total</b>	<b>17,926.57</b>	<b>11,973.65</b>
<b>Segment Expenditure</b>		
Textiles	15,353.16	10,079.27
Power Generation	243.15	316.57
Real Estate	35.44	52.08
<b>Total</b>	<b>15,631.76</b>	<b>10,447.91</b>
Add: Unallocable Expenses	60.40	44.72
<b>Total Expenditure</b>	<b>15,692.15</b>	<b>10,492.63</b>
<b>Profit / Loss before Tax</b>	<b>2,234.42</b>	<b>1,481.02</b>
<b>Segment Assets</b>		
Textiles	10,988.65	10,196.54
Power Generation	3206.89	2238.57
Real Estate	1585.45	1468.80
<b>Total</b>	<b>15,780.99</b>	<b>13,903.90</b>
Add: Unallocable Assets	4.80	2.05
<b>Total Assets</b>	<b>15,785.80</b>	<b>13,905.96</b>
<b>Segment Liabilities</b>		
Textiles	3,284.23	3,733.02
Power Generation	1651.57	1170.88
Real Estate	374.04	426.62
<b>Total</b>	<b>5,309.83</b>	<b>5,330.51</b>
Add: Unallocable Liabilities	1,351.41	967.01
<b>Total Liabilities</b>	<b>6,661.24</b>	<b>6,297.53</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 *	17,358.74	11,008.00	567.84	965.65	17,926.57	11,973.65
Carrying Cost of segment assets **	15,605.79	13,642.34	175.20	261.56	15,780.99	13,903.90
Carrying Cost of segment Non Current assets @	1,879.07	1,873.35	-	-	1,879.07	1,873.35
Additions to Property, plant and equipments	670.86	760.55	-	-	670.86	760.55

\* Based on location of Customers

\*\* Based on location of assets

@ Excluding Property, plant and equipments



**Note - 44 - Related party disclosures for the year ended 31<sup>st</sup> March 2022.**

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
Mrs. Bosco Giulia	(20-21)	152.72	147.30	272.14	27.88
Whole-Time Director	(21-22)	27.88	29.04	53.72	3.20
Mr. Baba Chandrasekhar	(20-21)	390.00	Nil	Nil	390.00
Director	(21-22)	390.00	75.00	Nil	465.00

- b) Consultancy charges of ₹ Nil is paid to Mr. Santossh.R relative of Whole-Time Director (Previous year ₹ 2.00 Lakhs)
- c) Remuneration paid to Whole-Time Director, Mrs. Bosco Giulia is ₹ 11.64 lakhs (Previous Year ₹ 10.00 lakhs). Cash value of perquisites to Whole-Time Director, Mrs. Bosco Giulia is ₹ 1.64 lakhs (Previous Year ₹ 1.47 lakhs).
- d) Remuneration paid to Whole-Time Director-cum-Chief Financial Officer, Mr. Ramesh Shenoy.K. is ₹ 10.99 lakhs (Previous year ₹ 6.2 lakhs).
- e) Remuneration paid to Whole-Time Director, Mr. Balu K.N is ₹ 12.62 lakhs (Previous year ₹ 7.38 lakhs).
- f) Interest paid to Director, Mr. Baba Chandrasekar is ₹ 31.94 lakhs (Previous Year ₹ 32.82 lakhs).
- g) (i) Yarn & Fibre purchase from Strike Right Integrated Services Limited during the year for ₹ 2120.42 lakhs (Previous Year ₹ 916.41 lakhs).  
(ii) Fibre sales made to Strike Right Integrated Services Limited during the year for ₹ 1577.75 Lakhs (Previous Year Cone yarn sale ₹ 520.57 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.
- h) During the year, lease rent on vehicles paid to Whole-Time Director, Mrs. Bosco Giulia is ₹ 9.12 lakhs (Previous Year ₹ 9.12 lakhs).

**NOTE - 45 - 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.



₹ in lakhs

**Note - 45 - FAIR VALUE MEASUREMENT (CONTD..)**

Financial Assets and Liabilities as at 31 <sup>st</sup> March, 2022	Non Current	Current	Total	Routed through Profit and Loss			Routed through OCI			Carried at amortised cost			Total Amount	
				Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1		Level 2
<b>Financial Assets</b>														
Investments	0.05	102.60	102.65											
Equity Instruments		403.77	403.77											
Mutual Funds		323.31	323.31											
Investment in Portfolio Management Fund		90.13	90.13											
Investment in Alternative Investment Fund		1,816.25	1,816.25											
Investment in Bonds	0.05	2,736.07	2,736.12	506.38	323.31	90.18	919.87	1,816.25	1,816.25					1,816.25
<b>Other Assets</b>														
Loans to Employees		1.84	1.84									1.84	1.84	1.84
Other Financial Assets	167.82	0.66	168.48			59.35	59.35				109.13	109.13	109.13	168.48
Trade receivable		974.84	974.84			974.84	974.84							974.84
Cash and Cash equivalents		11.40	11.40								11.40	11.40	11.40	11.40
Other Bank Balance		38.17	38.17								38.17	38.17	38.17	38.17
<b>Total</b>	<b>167.82</b>	<b>1,026.90</b>	<b>1,194.72</b>			<b>1,034.19</b>	<b>1,034.19</b>				<b>160.54</b>	<b>160.54</b>	<b>160.54</b>	<b>1,194.72</b>
<b>Financial Liabilities</b>														
Borrowings	3,385.92	743.01	4,128.93									4,128.93	4,128.93	4,128.93
Other Financial Liabilities	64.08	363.30	427.38			64.08	64.08				363.30	363.30	363.30	427.38
Trade Payables		327.09	327.09								327.09	327.09	327.09	327.09
Lease Liabilities	2.21	1.18	3.38								3.38	3.38	3.38	3.38
<b>Total</b>	<b>3,452.21</b>	<b>1,434.57</b>	<b>4,886.78</b>			<b>64.08</b>	<b>64.08</b>				<b>4,822.70</b>	<b>4,822.70</b>	<b>4,822.70</b>	<b>4,886.78</b>
<b>Financial Assets and Liabilities as at 31<sup>st</sup> March, 2021</b>														
<b>Financial Assets</b>														
Investments														
Equity Instruments	0.05	-	0.05			0.05	0.05							0.05
Investment in Portfolio Management Fund		504.23	504.23			504.23	504.23							504.23
Investment in Bonds		803.06	803.06					803.06	803.06					803.06
<b>Other Assets</b>														
Loans to Employees		0.97	0.97									0.97	0.97	0.97
Other Financial Assets	168.36	23.46	191.82			68.29	68.29				123.53	123.53	123.53	191.82
Trade receivable		757.54	757.54			757.54	757.54							757.54
Cash and Cash equivalents		132.43	132.43								132.43	132.43	132.43	132.43
Other Bank Balance		708.05	708.05								708.05	708.05	708.05	708.05
<b>Total</b>	<b>168.36</b>	<b>1,622.45</b>	<b>1,790.81</b>			<b>825.83</b>	<b>825.83</b>				<b>964.98</b>	<b>964.98</b>	<b>964.98</b>	<b>1,790.81</b>
<b>Financial Liabilities</b>														
Borrowings	3,298.04	903.25	4,201.29									4,201.29	4,201.29	4,201.29
Other Financial Liabilities	63.89	266.96	330.85			63.89	63.89				266.96	266.96	266.96	330.85
Trade Payables		441.51	441.51								441.51	441.51	441.51	441.51
Lease Liabilities		1.12	1.12								1.12	1.12	1.12	1.12
<b>Total</b>	<b>3,361.93</b>	<b>1,612.84</b>	<b>4,974.77</b>			<b>63.89</b>	<b>63.89</b>				<b>4,910.88</b>	<b>4,910.88</b>	<b>4,910.88</b>	<b>4,974.77</b>



**NOTE - 46 - 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** (Foreign Currency in Lakhs)

<b>Particulars</b>	<b>USD</b>	<b>EURO</b>
<b>As at 31<sup>st</sup> March, 2022</b>		
Trade Receivable	1.04	-
Trade payables	-	-
Loans taken	-	41.49
Advance to import creditors	1.27	-
Advance from Debtors	0.15	-
Cash and Bank balances	0.04	-



Particulars	USD	EURO
<b>As at 31<sup>st</sup> March, 2021</b>		
Trade Receivable	1.62	-
Trade payables	-	-
Loans taken	-	42.31
Advance to import creditors	1.94	-
Advance from Debtors	0.03	-
Cash and Bank balances	0.01	-

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

The Company's exposure to equity securities price risk arises from Investments held by the Company and classified in the balance sheet either at fair value through OCI or at fair value through profit and loss. To manage its price risk arising from investments in equity securities, the company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company

**(b) Sensitivity**

The table below summarizes the impact of increases/decreases of the BSE index on the company's equity and Gain/Loss for the period. The analysis is based on the assumption that the index has increased by 5% or decreased by 5% with all other variables held constant, and that all the company's equity instruments moved in line with the index.

**Impact on Profit before tax**

₹ in lakhs

Particulars	31.03.2022	31.03.2021
BSE Sensex Increase 5%	25.32	-
BSE Sensex Decrease 5%	(25.32)	-

Above Referred sensitivity pertains to quoted equity investments (Refer Note 9). Profit for the year would increase/(decrease) as a result of gains/losses on equity securities as at fair value through profit or loss.

**(c) Foreign Currency Risk Sensitivity**

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

Particulars	2021-22		2020-21	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	8.33	(8.33)	12.99	(12.99)
EURO	(175.61)	175.61	(182.14)	182.14
<b>Increase / (decrease) in profit or loss</b>	<b>(167.29)</b>	<b>167.29</b>	<b>(169.15)</b>	<b>169.15</b>

**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:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant increase in credit risk on other financial instruments of the same counterparty,
- v) 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 receivables 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 10. 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

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Fixed rate		
Expiring within one year (bank overdraft and other facilities)	1,500.00	1,500.00
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.



(₹ in Lakhs)

## (ii) Maturity patterns of borrowings

Particulars	As at 31 <sup>st</sup> March, 2022				As at 31 <sup>st</sup> March, 2021			
	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)	745.98	3,034.22	351.71	4,131.90	906.39	3,298.04	-	4,204.43
Short term borrowings	-	-	-	-	-	-	-	-
<b>Total</b>	<b>745.98</b>	<b>3,034.22</b>	<b>351.71</b>	<b>4,131.90</b>	<b>906.39</b>	<b>3,298.04</b>	<b>-</b>	<b>4,204.43</b>

## (iii) Maturity patterns of other Financial Liabilities

(₹ in lakhs)

As at 31 <sup>st</sup> March, '22	As at 31 <sup>st</sup> March, 2021						Total
	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	6 months to 12 months	beyond 12 months	
Trade Payable	327.09	-	-	-	-	-	327.09
Other Financial liability (Current and Non Current)	363.72	-	-	64.08	-	64.08	427.80
<b>Total</b>	<b>690.80</b>	<b>-</b>	<b>-</b>	<b>64.08</b>	<b>-</b>	<b>64.08</b>	<b>754.88</b>
As at 31 <sup>st</sup> March, '21							
Trade Payable	441.51	-	-	-	-	-	441.51
Other Financial liability (Current and Non Current)	264.94	-	16.26	47.63	-	47.63	328.83
<b>Total</b>	<b>706.45</b>	<b>-</b>	<b>16.26</b>	<b>47.63</b>	<b>-</b>	<b>47.63</b>	<b>770.34</b>



**NOTE - 47 - 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**

(₹ in lakhs)

Particulars	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
<b>Equity shares</b>		
Final dividend for the year ended 31 <sup>st</sup> March, 2021	103.78	47.89
₹ 1 per equity share (20%) of face value ₹ 5 each (31 <sup>st</sup> March 2020 - ₹ 0.50) per fully paid share distributed based on approval by the shareholders at the AGM held on 9 <sup>th</sup> Sep 2021.		
<b>Dividends not recognised at the end of the reporting period</b>		
In addition to the above dividends, since year end the Directors have recommended the payment of a final dividend of ₹ 1.5 per fully paid equity share (31 <sup>st</sup> March 2021 - ₹ 1). This proposed dividend is subject to the approval of Shareholders in the ensuing Annual General Meeting.	155.66	103.78

**NOTE - 48 - EARNINGS PER SHARE**31<sup>st</sup> March, 202231<sup>st</sup> March, 2021**Earnings per share has been computed as under**

Profit / (Loss) for the year	1583.09	1058.78
Weighted average number of equity shares outstanding	1,03,77,600	96,67,463
Earnings per shares (₹) - Basic (Face value ₹ 5 per share)	15.25	10.95
Diluted earnings per share is same as basic earnings per share	15.25	10.95

**NOTE - 49 - EXPORT PROMOTION OF 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 - 50 - BREAK UP OF AUDIT FEES**

For Audit	5.20	4.88
For GSTR Audit	-	1.00
For Certification *	0.82	1.80
For Taxation services	0.95	0.95
For reimbursement of expenses	0.21	0.11

Note: \* Includes ₹ 1.00 Lakh paid for certification fee related to Share allotment on preferential basis accounted in Share allotment Expenses during previous year.

**Note - 51 - CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENSES**

(₹ in lakhs)

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Amount required to be spent by the company during the year	22.45	18.21
Amount of expenditure incurred		
- towards educational aid	23.00	18.50
Shortfall at the end of the year	Nil	Nil
Total of previous year shortfall	Nil	Nil
Reasons for shortfall	NA	NA
Nature of CSR activities	Amount spent for Education aid.	
Details of related party transactions	-	
Movements during the year for provision made with respect to liability incurred by entering into as contractual obligation.	NA	NA

**Note - 52 - EVENT OCCURRING AFTER BALANCE SHEET DATE**

The board of Directors has recommended Equity dividend of ₹ 1.50 per share (previous year ₹ 1.00) for the financial year 2021-22.

53. The Management has considered the possible effects that may arise out of the COVID 19 pandemic and exercised due care in concluding on significant accounting judgements and estimates, inter-alia, recoverability of receivables, assessment for impairment of inventory, and other assets based on the information available to date, both internal and external, to the extent relevant, while preparing these financials as of and for the year ended March 31, 2022. Based on the assessment of current indicators of future economic conditions, the management does not envisage any significant impact on its financials and financial positions as on March 31, 2022 owing to the pandemic. The impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration, and accordingly, the eventual outcome may be different from those estimated as on the date of approval of the financials.

**54. Financial Ratios**

S. No.	Particulars	As at March 31, 2022	As at March 31, 2021	Remarks for variation more than 25%
1	Current Ratio (in times)	3.25	2.59	Trade Recievable outstanding has increased in the current year due to increase in sale. Current investments has also increased substantially.
2	Debt Equity Ration (in times)	0.49	0.61	Not Applicable
3	Debt Service Coverage Ratio (in times)	2.89	2.74	Not Applicable
4	Return on Equity Ratio (in %)	20.84%	17.21%	Not Applicable
5	Inventory Turnover Ratio (in times)	14.21	7.59	Textiles business sales has increased and average inventory holding has reduced



S. No.	Particulars	As at March 31, 2022	As at March 31, 2021	Remarks for variation more than 25%
6	Trade Receivables Turnover Ratio (in times)	19.52	11.58	Textiles business sales has increased and average trade receivables has also reduced
7	Trade Payables Turnover Ratio	30.42	14.55	Purchases has increased due to higher turnover and average trade payables has also reduced
8	Net Capital Turnover Ratio	4.30	4.29	Not Applicable
9	Net Profit Ratio (in %)	8.96%	8.95%	Not Applicable
10	Return on Capital Employed (in %)	17.41%	15.12%	Not Applicable
11	Return on Investment (in %)	8.26%	7.20%	Not Applicable

**Explanations to items included in computing the above ratios**

- i. Current Ratio: Current Asset over Current Liabilities
- ii. Debt-Equity Ratio: Debt (includes Borrowings and current & non-current lease liabilities) over total shareholders' equity (including Reserves & Surplus excluding Revaluation reserve)
- iii. Debt Service Coverage Ratio: EBIT + Depreciation + Profit or loss on sale of assets / investments over lease payments (Principal & Interest) + Loans repayments (Principal & Interest).
- iv. Return on Equity Ratio: PAT over average Equity (including Reserves & Surplus excluding Revaluation reserve)
- v. Inventory Turnover Ratio: Revenue from Textiles operations only considered over average Inventory.
- vi. Trade Receivables Turnover Ratio: Revenue from Textiles operations only considered over average Trade Receivables.
- vii. Trade Payables Turnover Ratio: Purchases over average Turnover Payable
- viii. Net Capital Turnover Ratio: Revenue from Operations over average Working Capital (Current Assets - Current Liabilities)
- ix. Net Profit Ratio: Net profit after tax over Revenue from operations
- x. Return on Capital Employed: PBIT over Capital Employed (Capital Employed includes total shareholders' equity (Excluding revaluation reserve), borrowings, short term and long-term lease liabilities and Deferred Tax Liability)
- xi. Return on Investment: Interest Income + Dividend Income + Realised gain on investment in MF / Equities/ Bonds over average investments (includes Investment in MF, Shares, Bonds and other bank deposits)

The Non-GAAP Measures presented may not be comparable to similarly titled measures reported by other companies. Further, it should be noted that EBIDTA, EDITDA Margin, Gross Margin, Net Worth, Return on Net Worth, Net Asset Value (Per Equity Share), Debt Equity Ratio, Return on Capital Employed, Return on Equity is not a measure of operating performance or liquidity defined by generally accepted accounting principles and may not be comparable to similarly titled measures presented by other companies.

55. No proceedings have been initiated during the year or are pending against the company as at March 31, 2022 for holding any benami property under Benami Property Transactions (Prohibition) Act, 1988.
56. Transactions and balances with companies which have been removed from register of Companies (Struck off companies) as at the above reporting periods is Nil.



57. The company has not traded / invested in Crypto currency or virtual currency.
58. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
59. The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding party) with the understanding (whether recorded in writing or otherwise) that the company shall:
- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries) or
  - Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
60. The company has no such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (Such as search or survey or any other relevant provisions of Income Tax Act, 1961).
61. The company has not granted any loans or advances in the nature of loans to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.
- 62. Registration of charges or satisfaction with Registrar of companies (ROC)**
- The Company does not have any charges or satisfaction, which is yet to be registered with ROC beyond the statutory period.
63. The Company was not declared wilful defaulter by any bank or financial institutions or other lender.
64. The Company has borrowed from banks on the basis of security of current assets. Quarterly returns or Statements of current assets filed by the company with banks are not in agreement with books of accounts. Summary of reconciliation and reasons for material discrepancies as at 31<sup>st</sup> March is given below:

**Stock Statement submission with banks**

Particulars	As at March 31, 2022	As at March 31, 2021
Inventories as per declaration with Bank	928.90	1,846.26
Trade receivables as per Declaration with Bank	975.54	768.00
<b>Total (A)</b>	<b>1,904.44</b>	<b>2,614.26</b>
Inventories as per Books	928.90	1,451.20
Trade Receivables as per Books	975.54	758.24
<b>Total (B)</b>	<b>1,904.44</b>	<b>2,209.44</b>
Difference in Inventories	-	395.06
Difference in Trade Receivables	-	9.76
<b>Total Differences (A)-(B)</b>	-	<b>404.82</b>

The aforesaid difference for the year ended 31.03.2021, are due to the declarations with Banks are made before financial reporting closure process. The predominant reason for inventory being lower in financial statements is because of stock valuation as part of year end cut-off procedures. Similarly with respect to trade receivable, the differences is due to Credit notes, discount and other provision in financial statements.



**65. Approval of Financial Statements:**

The Board of Directors of the company has reviewed the realisable value of all the current assets and has confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognized in the financial statements. In addition, the board has also confirmed the carrying value of the non-current assets in the financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these financial statements in its meeting held on 28<sup>th</sup> May 2022.

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

Vide Our Report of even date

For **JAIN & MOHAN**  
Chartered Accountants  
FRN:006896S

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

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

(Sd/-) **C.AMRITHALAL JAIN**  
Partner  
M.No.: 023060

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

(Sd/-) **Priyadarshini. V**  
Company Secretary  
Membership No. A45492

Place : Coimbatore  
Date : 28<sup>th</sup> May 2022