

*Lambodhara
Textiles Limited*



24

th
Annual Report
2017 - 2018



Lambodhara Textiles Limited

BOARD OF DIRECTORS

Whole Time Directors	:	Smt. Giulia Bosco Mr. Ramesh Shenoy Kalyanpur Mr. Narayanasamy Balu
Non-Executive Directors	:	Sri. Deepak Malani Sri. Vastupal R. Mehta Sri. M.S. Rajkumar Sri. Baba Chandrasekhar. R
Bankers	:	State Bank of India Specialised Commercial Branch 24, Stanes Road, Tirupur-2. Phone : 0421-2207400 Bank of India Main Branch, Oppanakara Street, Coimbatore-1. Phone : 0422-2396772
Auditors	:	Jain & Mohan Chartered Accountants Sarada Building 1st Floor 410, Raja Street , Coimbatore-641 001
Registrar & Share Transfer Agent	:	M/s. S.K.D.C. Consultants Limited Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore-6. Phone : 0422-4958995, 2539835 - 836 Fax : 0422-2539837 E-mail : info@skdc-consultants.com

REGISTERED OFFICE

CIN: L17111TZ1994PLC004929
3A, 'B Block' Pioneer Apartments,
1075 – B, Avinashi Road, Coimbatore – 641018.
Telefax : +91-422-2249038 & 4351083,
Email : info@lambodharatextiles.com
Website Address : www.lambodharatextiles.com

WORKS

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



Lambodhara Textiles Limited

24th ANNUAL GENERAL MEETING

Date : 20th September 2018
Day : Thursday
Time : 10.30 a.m.
Venue : Varsha, The Grand Regent,
708, Avinashi Road, Coimbatore – 641 018

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LAMBODHARA TEXTILES LIMITED

CIN:L17111TZ1994PLC004929

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

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

NOTICE TO SHAREHOLDERS

Notice is hereby given that the Twenty Fourth Annual General Meeting of the members of Lambodhara Textiles Limited will be held on Thursday the 20th day of September 2018 at 10.30 AM at Varsha, The Grand Regent, 708, Avinashi Road, Coimbatore – 641 018 to transact the following business.

AGENDA

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Annual Financial Statements of the Company including Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statements of changes in Equity for the financial year ended March 31, 2018, 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 31st March, 2018.
3. To appoint a Director in place of Mrs. Bosco Giulia (DIN: 01898020) Director who retires by rotation in accordance with Section 152 of the Companies Act, 2013 and she being eligible, offers herself for re-appointment.
4. To continue the appointment of the auditors without ratification and in this regard to pass, the following resolution as an Ordinary Resolution

RESOLVED THAT in partial modification of the Ordinary Resolution passed at the Annual General Meeting held on September 22, 2017 and in accordance with the amended Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory enactments or modifications thereof), the approval of the shareholders be and is hereby accorded to continue the appointment of M/s Jain & Mohan, Chartered Accountants (Firm Registration No: 006896S), as the Statutory Auditors of the Company, at such remuneration as may be decided by the Board of Directors as per the recommendations of the Audit Committee, till the conclusion of the 28th Annual General Meeting to be held in the year 2022 and that the said appointment shall not be subject to ratification at every subsequent Annual General Meeting.

SPECIAL BUSINESS

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

RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions of the Companies Act, 2013 and The Companies (Audit and Auditors)



Rules, 2014, as amended from time to time, M/s. C.S.Hanumantha Rao & Co, Cost Accountants, (Firm Registration No. 000216) appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2018-2019 on a remuneration of Rs.35,000/- be and is hereby ratified and confirmed.

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

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

RESOLVED THAT pursuant to the provisions of section 14 and other applicable provisions, if any of the Companies Act, 2013 read with the rules and regulations made thereunder including any amendment, re-enactment or statutory modification thereof for the time being in force, the regulations contained in the new set of Articles of Association as placed on the Company's website at www.lambodharatextiles.com are hereby approved and adopted as the Articles of Association of the Company, in place of, in substitution for, and to the entire exclusion of the existing Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding.

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

RESOLVED THAT pursuant to the provisions of Sections 196,197,203 and Schedule V and subject to other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification or any amendment or any substitution or re-enactment thereof for the time being in force and such other statutory approvals as may be required, Mrs.Bosco Giulia (DIN: 01898020) be and is hereby re-appointed as the Whole-Time Director of the Company for a period of 5 years with effect from 28th September, 2018 on the terms and conditions as mentioned herein below:

I. SALARY:

Salary Rs.1,00,000/- 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 Rs.6.00 lakhs per annum.

RESOLVED FURTHER THAT during her tenure as Whole-Time Director Mrs.Bosco Giulia is liable to retire by rotation.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the above salary and perquisites shall be treated as minimum remuneration subject to the prescribed disclosure and approval by shareholders as specified in Schedule V Section II of Part II of the Companies Act, 2013.

FURTHER RESOLVED THAT Mrs.Bosco Giulia (DIN: 00819820), Mr.R.Santossh (DIN: 00790493) and Mrs.Vimala Radhakrishnan (DIN: 00813706) are interested in this resolution. None of the other Director's, Key Managerial Personnel's or their relatives are in any way, concerned or interested, financially or otherwise, to this resolution.

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

RESOLVED THAT pursuant to the provisions of Section 160 and 161 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and the Articles of Association of the Company, Mr. Ramesh Shenoy Kalyanpur (DIN:06392237) who was appointed as an Additional Director of the Company by the Board of Directors, to hold office with effect from w.e.f. 11th July, 2018 and who holds office upto the date of this Annual General Meeting in accordance with the provisions of Section 161(1) of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose Mr. Ramesh Shenoy Kalyanpur (DIN:06392237) as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company, who shall, while holding such Office as the Director, be liable to retire by rotation.

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

RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 199, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approvals, if any as may be necessary, consent of the Company be and is hereby accorded to the appointment of Mr. Ramesh Shenoy Kalyanpur (DIN:06392237) as Whole Time Director of the Company (Designated as "Whole-time Director cum Chief Financial Officer") for a period of 5 (five) years with effect from 11th July 2018 on the terms and conditions, as set out below:



Remuneration : The Total Remuneration as CTC is Rs.7,10,000/- (Rupees Seven Lakh Ten Thousand Only) per annum with such increments as the Board may decide from time to time, subject to a ceiling of Rs.15,00,000 (Rupees Fifteen Lakh Only) per annum.

RESOLVED FURTHER THAT during his tenure as Whole-Time Director Mr.Ramesh Shenoy Kalyanpur (DIN:06392237) is liable to retire by rotation.

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

RESOLVED THAT pursuant to the provisions of Section 160 and 161 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and the Articles of Association of the Company Mr. Narayanasamy Balu (DIN : 08173046) who was appointed as an Additional Director of the Company by the Board of Directors, to hold office with effect from w.e.f. 11th July, 2018 and who holds office upto the date of this Annual General Meeting in accordance with the provisions of Section 161(1) of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose Mr.Narayanasamy Balu (DIN : 08173046) as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company, who shall, while holding such Office as the Director, be liable to retire by rotation.

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

RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 199, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approvals, if any as may be necessary, consent of the Company be and is hereby accorded to the appointment of Mr. Narayanasamy Balu (DIN : 08173046) as Whole Time Director of the Company for a period of 5 (five) years with effect from 11th July 2018 on the terms and conditions, as set out below:

Remuneration : The Total Remuneration as CTC is Rs.7,38,000/- (Rupees Seven Lakh Thirty Eight Thousand Only) per annum with such increments as the Board may decide from time to time, subject to a ceiling of Rs.15,00,000 (Rupees Fifteen Lakh Only) per annum.

RESOLVED FURTHER THAT during his tenure as Whole-Time Director Mr. Narayanasamy Balu (DIN : 08173046) is liable to retire by rotation.



Notes

1. The Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Businesses under Item No. 5 to 11 of the accompanying Notice is annexed hereto.
2. **A member entitled to attend and vote at the Annual General Meeting (the “meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the company.**

A person can act as a proxy on behalf of members not exceeding fifty (50) in number and holding in the aggregate not more than ten percent (10%) of the total share capital of the company carrying voting rights. A member holding more than ten percent (10%) of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

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

3. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the Board Resolution together with their specimen signatures authorizing their representative to attend and vote on their behalf at the Meeting.
4. Members / Proxies should bring the attendance slips duly filled and signed for attending the meeting.
5. Information of the Director proposed to be appointed or re-appointed at the forthcoming Annual General Meeting as required by Regulation 36 (3) of the Listing Regulations and SS-2 is provided in the annexure to the Notice. The Directors has furnished the requisite declaration for their appointment or re-appointment.
6. Pursuant to Section 123 of the Companies Act, 2013 dividend as recommended by the Board of Directors for the year ended 31st March, 2018 if declared, at the ensuing Annual General Meeting is proposed to be paid on Monday, **24th September, 2018.**
7. The register of members and share transfer books of the company will remain closed from Friday, 14th September 2018 to Thursday, 20th September 2018 (both days inclusive) for the purpose of AGM and for determining the names of members eligible for final dividend on Equity Shares, if declared.



8. Members holding shares in electronic form are hereby informed that bank particulars registered against their depository accounts will be used by the Company for payment of dividend. The Company or the Registrar and Share Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any such change in bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the Members. Members holding shares in physical form and desirous of either registering bank particulars already registered against their respective folios for payment of dividend are requested to write to the Registrars and Share Transfer Agent of the Company.
9. Members holding shares in physical form are requested to notify immediately any change in their address along with respective address proof and Bank particulars to the Company or its Registrar & Share Transfer Agent and in case their shares are held in dematerialized form, this information should be passed on directly to their respective Depository Participants and not to the Company/RTA without any delay.
10. Members desirous of receiving any information on the accounts or operations of the Company are requested to forward his/her queries to the Company at least seven working days prior to the meeting, so that the required information can be made available at the meeting.
11. Pursuant to Section 125 (c) of the Companies Act, 2013, the Dividend which remained unencashed / unclaimed for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the "Investor Education and Protection Fund" established by the Central Government. Members who have not encashed the Dividend warrant(s) so far, are requested to send their claim immediately to the Company/Registrar and Transfer Agent for issue of pay order / demand draft in lieu thereof.

Those Members, who have not encashed their dividends for the FY 2010-11, are requested to contact Registrar and ShareTransfer Agent of the Company for claiming the dividend. The details of the unclaimed dividends are available on the Company's website at www.lambodharatextiles.com and Ministry of Corporate Affairs at www.mca.gov.in.

12. Pursuant to Section 124(6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting Audit, Transfer and Refund) Rules, 2016, ("Rules") as amended from time to time all equity shares of the Company on which dividend has not been paid or claimed for seven consecutive years or more as on 31.03.2018 shall be transferred to Investor Education and Protection Fund ("IEPF"). The Company has also written to the concerned Shareholders intimating them their particulars of the equity shares due for transfer. These details are also available on the website of the Company www.lambodharatextiles.com. Shareholders are requested to claim the dividend on these equity shares latest by August 03, 2018 to avoid aforesaid transfer of shares. No claim shall lie against the Company in respect of these equity shares post their transfer to IEPF. Upon transfer, the Shareholders will be able to claim these equity shares only from the IEPF Authority by making an online application the details of which are available at www.iepf.gov.in.



13. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Registrar and Share Transfer Agent, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such members after making requisite changes thereon.
14. Members holding shares in Physical form are requested to convert their holdings to dematerialized form to eliminate all risks associated with Physical shares and are further requested to note that in accordance with the amended Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with effect from December 5, 2018, the requests for effecting the transfer of shares shall not be processed unless the shares are held in the dematerialized form with a depository.
15. As per the provisions of Section 72 of the Companies Act, 2013, facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he may submit the same in Form No. SH-14. Members can obtain the nomination forms from the Registrar and Share Transfer Agent of the Company. Members holding shares in physical form are requested to submit the forms to the Company's Registrar and Share Transfer Agent. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in Physical form can submit their PAN to the Company or to the Registrar and share transfer agent of the company M/s.SKDC Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore – 641006. In line with the SEBI Circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018 Company had sent remainder letter through Registered Post on 25th June 2018 to those shareholders who have not updated their PAN details.
17. The members are requested to forward their share transfer form(s) and other communications directly to the Registrar and share transfer agent of the company M/ s.SKDC Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore – 641006.
18. Electronic copy of the Annual Report for the year ended 31st March 2018, the Notice of the 24th Annual General Meeting of the Company and instructions for e-voting, along with the Attendance Slip and Proxy Form, are being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.



19. In case of joint holders attending the meeting only such joint holder who is higher in the order of names will be entitled to vote.
20. The route map of the venue of the Meeting is given in the Proxy & Attendance Slip.
21. Voting through electronic means:

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

- i. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of AGM Notice and holding shares as of the cut-off date, i.e. Thursday, 13th day of September, 2018, may refer to this Notice of the AGM of the Company, posted on Company’s website www.lambodharatextiles.com for detailed procedure with regard to remote e-voting. Any person who ceases to be the member of the Company as on the cut-off date and is in receipt of this Notice, shall treat this Notice for information purpose only.
- ii. In terms of provisions of Section 107 of the Companies Act, 2013, since the Company is providing the facility of remote e-voting to the Members, there shall be no voting by show of hands at the AGM. The Company is also offering facility for voting by way of polling papers at the AGM for the Members attending the meeting who have not cast their vote by remote e-voting.
- iii. If a Member cast votes by both modes i.e. remote e-voting and polling papers at the AGM, then voting done through remote e-voting shall prevail and polling paper shall be treated as invalid.

Instructions for Shareholders Voting Electronically are as under:

- (i) The remote e-voting period begins on Monday, 17th day of September, 2018 (9.00 A.M. IST) and ends on Wednesday, 19th day of September, 2018 (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 (record date) of Thursday, 13th day of September 2018, may cast their votes electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.



- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

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

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach



'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant **Lambodhara Textiles Limited** on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) **Note for Non – Individual Shareholders and Custodians**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.



- After receiving the login details a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

22. The Company has appointed Mr.M.D.Selvaraj, FCS of MDS & Associates, Company Secretaries in Practice, as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
23. The scrutinizer shall immediately after the conclusion of the Annual General Meeting first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the company and make a scrutinizer’s report of the votes cast in favour or against, if any, forthwith to the Chairman or any Director authorised by the Board.
24. The results shall be declared within 2 days of the conclusion of the 24th Annual General Meeting. The results declared along with the consolidated scrutinizer’s report shall be placed on the company’s website www.lambodharatextiles.com and on the website of CDSL and communicated to the Stock Exchanges where the company’s shares are listed.

By Order of the Board
for Lambhodhara Textiles Limited

Bosco Giulia
Whole-time Director
(DIN:01898020)

Place : Coimbatore
Date : 11.07.2018



STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013

Item No 5

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. C.S.Hanumantha Rao & Co, as Cost Auditors of the Company to conduct the audit of the cost records of the Company relating to CETA heading No's 5205, 5509 & 5510 for the financial year 31st March 2019 at a remuneration of Rs.35,000/- .

In accordance with the provisions of Section 148(3) of the Act read with the Rules, the remuneration payable to the Cost Auditors has to be ratified by the Shareholders of the Company. Accordingly the Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

Shareholders may kindly note that the said audit will be undertaken after the financial year ended 31st March, 2019 and the stated remuneration will be paid to the Cost Auditor subject to the above ratification by the Shareholders.

None of the Directors / Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

Item No 6

Upon enactment of the Companies Act, 2013, various provisions of the Companies Act, 1956 have been repealed and in view of the same the Articles of Association of the Company needs to be re-aligned as per the provisions of the new Act.

The Board of Directors in its meeting held on 30th May, 2018 has proposed, subject to the approval of the shareholders, to adopt a new set of Articles of Association in place of and to the exclusion of the existing Articles of Association of the Company.

In terms of Section 14 of the Companies Act, 2013, the consent of the Members by way of special resolution is required for adoption of new set of Articles of Association of the Company.

The Board of Directors recommends the Special Resolution as set out in Item No.6 of the Notice for the approval of the shareholders.

A copy of the draft Articles of Association of the Company is available on the website of the Company and can be viewed by the members through the web-link www.lambodharatextiles.com. Both the existing and new set of Articles of Association of the Company are available for inspection at the Registered Office of the Company during the business hours on any working day up to the date of the Annual General Meeting.

None of the Directors Key Managerial Personnel, relatives of Directors and Key Managerial Personnel of the Company is directly/ indirectly, financially or otherwise, interested in the resolution set out at item no.6 except to the extent of their respective interest as shareholders of the Company.



Item No 7

Mrs.Bosco Giulia (DIN:01898020) had been re-appointed as Whole - Time Director of the Company vide its Resolution dated 30th May, 2013, for a period of five years with effect from 01st October, 2013 and the said term would expire on 30th September, 2018. Considering the responsibilities shouldered by her and the valuable services rendered by her to the Company, the Board of Directors have re-appointed Mrs.Bosco Giulia (DIN:01898020) as Whole-time Director of the Company for a further period of five years from 28th September, 2018 on such terms & conditions as set out under Item No.7 of the Notice convening the Annual General Meeting.

The Board considers that the re-appointment of Mrs.Bosco Giulia (DIN:01898020) as the Whole-time Director would be of immense benefit to the Company. The disclosure as required under Secretarial Standards on General Meetings (SS-2) has been enclosed herewith.

Accordingly, the Board recommends the Ordinary Resolution as set out at Item No. 7 for the approval of the Members.

Mrs.Bosco Giulia, Director and Mr.R.Santossh and Mrs.Vimala Radhakrishnan are being relatives of Mrs.Bosco Giulia are interested in this resolution and none of the other Directors and Key Managerial Personnel or their relatives are concerned or interested in this resolution.

Item No 8 & 9

Mr.Ramesh Shenoy Kalyanpur (DIN: 06392237) was appointed as an Additional Director and Whole Time Director (designated as Whole time Director cum Chief Financial Officer) of the Company with effect from 11th July, 2018 by the Board of Directors at their meeting held on 11.07.2018. His period of office is liable to determination by retirement of directors by rotation. A notice pursuant to section 160 of the Companies Act, 2013 has been received from a member proposing Mr.Ramesh Shenoy Kalyanpur as a candidate for the office of Director of the Company.

Further, as per the provisions of Section 2(94) of the Companies Act, 2013, the Whole-time Director (WTD) includes a director in whole time employment of the company. Since Mr.Ramesh Shenoy Kalyanpur being a whole-time employee (Cheif Financial Officer) of the company, on his appointment as Director would become a whole time director of the Company and hence it is necessary to change his designation as Whole Time Director cum Chief Financial Officer and to define his term as Whole Time Director for a period of 5 years.

In view of the provisions of Sections 160, 161, 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 the Board recommends the Ordinary Resolution set out at Item No. 8 & 9 of the accompanying Notice for the approval of the members. The appointment of Mr.Ramesh Shenoy Kalyanpur is appropriate and is in the best interest of Company.

Except Mr.Ramesh Shenoy Kalyanpur (DIN: 06392237) none of the other Directors or Key Managerial Personnel or their relatives are in any way concerned or interested in the passing of the passing of the resolution as set out at item no. 8 & 9 of the Notice.



Item No 10 & 11

Mr.Narayanasamy Balu (DIN : 08173046) was appointed as an Additional Director and Whole Time Director of the Company with effect from 11th July, 2018 by the Board of Directors at their meeting held on 11.07.2018. His period of office is liable to determination by retirement of directors by rotation. A notice pursuant to section 160 of the Companies Act, 2013 has been received from a member proposing Mr.Narayanasamy Balu (DIN : 08173046) as a candidate for the office of Director of the Company.

Further, as per the provisions of Section 2(94) of the Companies Act, 2013, the Whole-time Director (WTD) includes a director in whole time employment of the company. Since Mr.Narayanasamy Balu is a whole-time employee of the company, on his appointment as Director would become a whole time director of the Company and hence therefore it is necessary to change his designation to Whole Time Director and to define his term as Whole Time Director for a period of 5 years.

In view of the provisions of Sections 160, 161, 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 the Board recommends the Ordinary Resolution set out at Item No. 10 & 11 of the accompanying Notice for the approval of the members. The appointment of Mr.Narayanasamy Balu (DIN : 08173046) is appropriate and is in the best interest of Company.

Except Mr.Narayanasamy Balu (DIN : 08173046) none of the other Directors or Key Managerial Personnel or their relatives are in any way concerned or interested in the passing of the passing of the resolution as set out at Item No. 10 & 11 of the Notice.

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

Particulars	2017-2018	2016-2017
Total Revenue	16,673.33	13118.98
Profit Before Tax	838.88	924.62
Profit After Tax	595.11	699.64
EPS	6.52	7.71
Rate of Dividend	20%	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 40 years is a member in Promoter Group and Whole-Time Director of our Company. She has been on our Board since March 7, 2008.
- Past Remuneration : Rs.11,10,000
- 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 : Rs.11,10,000
- 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, if any. : a) Mrs. Bosco Giulia has leased a vehicle 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.Santossh, Promoter of the Company and holding 29.05% shares of the Company.

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 measureable terms : Not Applicable

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



Details of Director seeking appointment / re-appointment at the forthcoming twenty fourth Annual General Meeting (in pursuance of Regulation 36 (3) of the Listing Obligations and Disclosure Requirements Regulations and Point 1.2.5 of SS-2)

Name	Bosco Giulia
Director Identification Number	01898020
Date of Birth and Age	18-02-1978, 40 years
Nationality	Italy
Date of first appointment on the Board	07.03.2008
Brief Profile / Experience	Mrs.Bosco Giulia (DIN: 01898020) aged 40 years is a member in Promoter Group 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.Santosh, 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	464000
List of other companies in which Directorship held as on 31.03.2018	Strikeright Integrated Services Limited
Chairman/ Member of the Committees of the Board of the companies on which he is a Director as on 31.03.2018	-
Number of Board meetings attended during the year	7/7
Remuneration last drawn and sought to be paid	₹ 11,10,000
Terms and conditions of re-appointment	Re-appointment as Whole-time Director of the Company for a further period 5 years with effect from 28thSeptember, 2018 on the terms and conditions set out under Item No.7 of the notice.
Board position held	Whole-time Director



Name	Ramesh Shenoy Kalyanpur
Director Identification Number	06392237
Date of Birth and Age	02-01-1968, 50 years
Nationality	Indian
Date of first appointment on the Board	11-07-2018
Brief Profile / Experience	Mr. Ramesh Shenoy Kalyanpur (DIN: 06392237) aged 50 years is associated with the Company since 2007 and designated as the Chief Financial Officer of our Company from 2014, with 26 years of experience in Finance & Accounts
Relationship with other Directors, Manager and KMP	Nil
Qualification	B.Com. (Commerce from Mangalore University)
Expertise in functional area	Finance & Accounting
No. of shares held in the Company	Nil
List of other companies in which Directorship held as on 31.03.2018	Strike Right Integrated Services Limited
Chairman/ Member of the Committees of the Board of the companies on which he is a Director as on 31.03.2018	-
Number of Board meetings attended during the year	NA
Remuneration last drawn and sought to be paid	Last Drawn: Rs.7,10,000/-p.a. as a Chief Financial Officer.Sought to be paid: Rs.7,10,000/- p.a subject to a ceiling of Rs.15,00,000/- p.a
Terms and conditions of appointment	Appointed as Whole-Time Director (Designated as Whole-Time Director cum Chief Financial Officer) of the Company for a period of 5 years with effect from 11th July, 2018 on the terms and conditions set out under Item No.9 of the notice.
Board position held	Whole-time Director



Name	Narayanasamy Balu
Director Identification Number	08173046
Date of Birth and Age	06-06-1962, 56 years
Nationality	Indian
Date of first appointment on the Board	11-07-2018
Brief Profile / Experience	Mr. Narayanasamy Balu aged 56 years is associated with the Company since 1997 and designated as the Factory Manager in our Company from 1997, 21 years of experience in the field of operations and management of textile industry.
Relationship with other Directors, Manager and KMP	Nil
Qualification	BA History from Madurai Kamaraj University.
Expertise in functional area	Textile industry Operational and management level.
No. of shares held in the Company	Nil
List of other companies in which Directorship held as on 31.03.2018	Nil
Chairman/ Member of the Committees of the Board of the companies on which he is a Director as on 31.03.2018	-
Number of Board meetings attended during the year	NA
Remuneration last drawn and sought to be paid	Last drawn: ₹ 7,38,000 as a Factory Manager. Sought to be paid: ₹7,38,000/- p.a subject to a ceiling of ₹15,00,000/- p.a
Terms and conditions of appointment	Appointed as Whole - Time Director of the Company for a period 5 years with effect from 11th July, 2018 on the terms and conditions set out under Item No.11 of the notice.
Board position held	Whole - Time Director

Place : Coimbatore
Date : 11.07.2018

By Order of the Board
for Lambodhara Textiles Limited
Bosco Giulia
Whole-time Director
(DIN:01898020)

**DIRECTORS' REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting their twenty fourth Annual Report on the business and operations of the Company upto the period 11th July 2018 and the financial statements for the year ended 31st March, 2018.

FINANCIAL HIGHLIGHTS

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

PARTICULARS	31.03.2018	31.03.2017
	(₹ in '000)	(₹ in '000)
Revenue from operations	16,67,333	13,07,519
Other Income	6,268	4,379
Operating Profit before Finance Costs, Depreciation & Tax	2,10,342	1,80,936
Less: Depreciation	60,170	60,808
Less : Finance Costs	66,339	27,666
Profit before Tax	83,833	92,462
Provision for Tax	20,124	19,239
Deferred Tax	4,199	3,258
Net Profit for the year	59,510	69,965
Other comprehensive income	(4.33)	2.66
Total comprehensive income for the year	59,078	70,230
Add: Balance brought forward from previous year	2,58,439	1,98,140
Profit available for appropriation	3,17,517	2,68,370
Appropriation of Profits		
Transfer to General Reserve	-	1,737
Proposed Dividend	9,078	6,809
Corporate Dividend Tax	1,848	1,386
Balance carried over to Balance Sheet	3,06,591	2,58,439

COMPANY PERFORMANCE

The Company achieved a total turnover of ₹ 167.36 Crores as against a turnover of ₹ 131.18 crores in the previous year. The Company's profit before tax is ₹ 8.38 crores during the year, as compared to ₹ 9.25 crores in the previous year, decrease of 9.31% over the last year. The Company earned a net profit of ₹ 5.95 crores, as against a net profit of ₹ 7 crores in the previous year.

STATE OF COMPANY'S AFFAIRS

During the Financial year the Company has rented one more floor of its commercial complex situated at Avinashi Road, Coimbatore with an approximate area of 7,555 sq.ft and with this



all the four floors in the said commercial complex with a total tenantable area of 28,000 square feet have been rented out.

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

RESERVES

The Company had not proposed to transfer any amount to the General Reserves account. However, the current year profit of ₹ 3,065.91 Lakhs has been added to the retained earnings under the head Other Equity.

DIVIDEND

Your Directors are pleased to recommend a dividend of ₹ 1/- per equity share (20%) of face value of ₹ 5/- each (*Previous year ₹ 1/- per equity share (20%) of face value of ₹ 5/- each*). If the dividend, as recommended above, is declared by the Members at the Annual General Meeting, the total outflow towards dividend on Equity Shares for the year would be ₹ 115.46 Lakhs (including dividend tax) (*Previous Year ₹ 109.26 Lakhs*)

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

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

SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2018 was ₹ 4,78,88,000/-.

During the year under review, the Company had allotted 5,00,000 Equity shares of ₹ 5/- each at Rs.80/- per share to Strikeright Integrated Services Limited (Member of Promoter Group) on a Preferential basis. The Company had received listing and trading approval for the aforesaid shares from The National Stock Exchange of India Limited and the said shares were admitted to dealings. Consequent to the preferential issue the Paid-up Capital of the Company had increased from ₹ 4,53,88,000/- to ₹ 4,78,88,000/-.

The Company has passed a Special Resolution dated 22nd January 2017 vide its Postal Ballot Notice dated 20th December, 2017 for offer, issue and allot securities by way of Qualified Institutions Placement (QIP) for an aggregate amount not exceeding ₹ 15,00,00,000 (Rupees Fifteen Crore Only) and the Company is yet to initiate the process for the said offer/issue/allotment.

EXTRACT OF ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in **Annexure -1** and is attached to this Report.



NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

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

STATEMENT ON COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

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

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

DECLARATION BY INDEPENDENT DIRECTORS

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of The Companies



Act, 2013 read with the Schedules and Rules issued there under as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

AUDITORS

STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Jain & Mohan, Chartered Accountants, the Statutory Auditors of the Company, hold office up to the conclusion of the Annual General Meeting to be held in the year 2022. The Company has received a certificate from the said Auditors that they are eligible to hold office as the Auditors of the Company.

The Ministry of Corporate Affairs vide their notification dated 07th May 2018 has amended the Section 139 of the Companies Act, 2013 by omitting the necessity of ratification of the appointment of the Statutory Auditors by members of the Company at every subsequent Annual General Meeting. In order to align with the amended Section 139, the relevant subject matter is included in the Notice of the ensuing Annual General Meeting for seeking approval of the members.

COST AUDITORS:

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

The Board of Directors, on the recommendation of Audit Committee, has appointed M/s.C.S.Hanumantha Rao & Co., Cost Accountants (Firm Regn. No.000216) as Cost Auditor to audit the cost accounts of the Company for the financial year 2018-2019. As required under section 148(2) of the Companies Act, 2013, a resolution seeking member's approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting for their ratification.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr.M.D.Selvaraj, FCS of MDS &



Associates Practicing Company Secretary carried out the Secretarial Audit of the Company for the year ended 31st March, 2018. The Secretarial Audit Report is annexed as **Annexure - 3**.

The Auditors' Report for the financial year ended 31st March, 2018 does not contain any qualification, reservation, adverse remark or disclaimer.

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

Particulars of the investments made by the Company as at 31st March, 2018 are given in the Notes forming part of the Financial Statements. During the Financial Year under review, the Company made an investment of Rs.3.51 lakhs in 31,900 equity shares of OPG Power Generation Private Limited in order to enable the Company to purchase electricity from them under group captive arrangement. The Company has not given any loans or guarantees or provided any security to any person or other bodies corporate under section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

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

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

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

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

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

RISK MANAGEMENT POLICY

The Company has a structured risk management policy. The Risk management process is designed to safeguard the organisation from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the



business. The potential risks are inventorised and integrated with the management process such that they receive the necessary consideration during decision making. The Company has laid down procedures to inform the Audit Committee as well as the Board of Directors about risk assessment and management procedures and status. These procedures are periodically reviewed to ensure that the executive management monitors and controls risks.

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

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

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

The Company was required to spend Rs.14.85 Lakhs on CSR activities during the Financial Year 2017-18, being 2% of the average net profits of the three immediately preceding financial years and the Company has spent Rs.16.73 lakhs during the current financial year.

ANNUAL PERFORMANCE EVALUATION

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

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

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the financial year ended 31st March, 2018.



DIRECTORS AND KEY MANAGERIAL PERSONNEL:

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:

On the recommendation of the Nomination and Remuneration Committee (NRC) and in accordance with the provisions of Section 152(2), 161(1), 196, 197, 198, 203, Schedule V and other applicable provisions of the Companies Act, 2013 and subject to the shareholders' approval, the Board has appointed Mr.Ramesh Shenoy Kalyanpur (holding DIN: 06392237) as Whole-time Director cum Chief Financial Officer and Mr.Narayanasamy Balu (holding DIN: 08173046) as Whole-time Director of the Company for a period of five (5) years w.e.f 11th July, 2018.

Mr.R.Santoss (holding DIN: 00790493) Managing Director of the Company and Mrs.Vimala Radhakrishnan (holding DIN: 00813706) Whole-time Director of the Company both resigned from the office w.e.f 11th July, 2018 due to health issues and age factor respectively. The Board appreciated the services rendered by them during their period of appointment.

The Board of Directors at their meeting held on 30th May, 2018 has re-appointed Mrs.Bosco Giulia (holding DIN 01898020) as the Whole-time Director of the Company for a further period of 5 years with effect from 28th September, 2018, subject to the approval of the shareholders at the ensuing Annual General Meeting. Accordingly, necessary resolution has been included in the Agenda of the Notice convening the Annual General Meeting for the approval of the members.

Pursuant to the provisions of section 152 of the Companies Act, 2013, Mrs.Bosco Giulia (holding 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.

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 31st March, 2018.

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

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

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has implemented and evaluated the Internal Financial Controls which provide a reasonable assurance in respect of providing financial and operational information, complying



with applicable statutes and policies, safeguarding of assets, prevention and detection of frauds, accuracy and completeness of accounting records. The Internal Audit Reports were reviewed by the Audit Committee. Further, the Audit Committee annually reviews the effectiveness of the Company's internal control system. The Directors and Management confirm that the Internal Financial Controls (IFC) are adequate and effective with respect to the operations of the Company. A report of Auditor's pursuant to Section 143(3)(i) of the Companies Act, 2013 certifying the adequacy of Internal Financial Controls is annexed with the Auditor's report.

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 Rs.1,02,00,000/- if employed throughout the year or Rs.8,50,000/- per month if employed for part of the year.

AUDIT COMMITTEE

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

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

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

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

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

The Company has in place a policy against Sexual Harassment at work place in line with requirements of the Sexual Harassment Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee has been setup to redress complaints received regularly. There was no complaint received from any employee during the financial year 2017-18, nor any complaint remains outstanding for redressal as on 31st March, 2018.



MANAGEMENT DISCUSSION AND ANALYSIS AND CORPORATE GOVERNANCE

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

LISTING OF SHARES

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

ACKNOWLEDGEMENTS:

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

Place : Coimbatore

Date : 11.07.2018

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



ANNEXURE FORMING PART OF THE DIRECTORS' REPORT

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

A. Conservation Of Energy

a) Steps taken or impact on conservation of energy.

1. The Company is continuing with energy saving measures initiated earlier like conservation by judiciously switching off of equipments, lamps not required at the given time.
2. Energy saver lighting
Though every effort is being taken to reduce the cost of production by adopting suitable methods of energy conservation, quantification of such reduction is difficult.

b) Steps taken for utilizing alternate source of energy

1. The Company has installed 2.75 MW of wind energy capacity and this would meet 30% requirement of electrical consumption.
2. The Company have executed Power Purchase Agreement under Group Captive Consumer for supply of an additional 96.36 lakhs units p.a. generated from Wind Mill.

c) Capital investment on energy conservation equipments

We have made a Capital investment of ₹ 3.51 lakhs towards various energy conservation equipments.

B. Technology Absorption

1. Research & Development

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

2. Technology Absorption, Adaption and Innovation

The company has no activity relating to technology absorption.

C. Foreign Exchange Earnings and Outgo :

Particulars	2017-18	2016-17
(i) Expenditure on Foreign Travel	474	289
(ii) Import of Rawmaterial, trading goods and stores	243981	95421
(iii) Foreign Exchange Earned	189794	224161

(₹ In '000)

For and on behalf of the Board
Meenakshi Sundaram Rajkumar

Chairman

(DIN : 06935422)

Place : Coimbatore

Date : 11.07.2018



FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2018[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L17111TZ1994PLC004929
ii)	Registration Date	17.03.1994
iii)	Name of the Company	LAMBODHARA TEXTILES LIMITED
iv)	Category / Sub-Category of the Company	Company Limited by Shares / Indian Non - Government Company
v)	Address of the Registered office and contact details	3A, B Block, Pioneer Apartment 1075 –B, Avinashi Road, Coimbatore-641018 Ph.No.:0422-2249038 Fax No.:0422-2249038 Email :info@lambodharatextiles.com Website: www.lambodharatextiles.com
vi)	Whether listed Company	Yes
vii)	Name, Address and Contact details of Registrar and Share Transfer Agent, if any	S.K.D.C. CONSULTANTS LIMITED Kanapathy Towers 3 rd Floor, 1391/A1, Sathy Road Ganapathy Coimbatore - 641006 Ph. No.: 0422-4958995, 2539835, 2539836 Fax: 0422-2539837 E-mail: info@skdc-consultants.com Website: www.skdc-consultants.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Synthetic Yarn	13114	97.08%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

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



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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-04-2017]				No. of Shares held at the end of the year [As on 31-03-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	3294506	-	3294506	36.29	3294506	-	3294506	34.29	-1.90
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	2920600	-	2920600	32.17	3420600	-	3420600	35.71	3.54
e) Banks / FI									
f) Any other									
Sub- Total (A)(1)	6215106	-	6215106	68.46	6715106	-	6715106	70.11	1.65
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Others- Individual	-	-	-	-	-	-	-	-	-
c) Bodies corporate	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
Sub- Total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of promoter (A) = (A)(1)+(A)(2)	6215106	-	6215106	68.46	6715106	-	6715106	70.11	1.65
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	7445	-	7445	0.08	-	-	-	-	(0.08)
b) Banks / FI	5778	-	5778	0.07	8225	-	8225	0.08	(0.02)
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	13223	-	13223	0.15	8225	-	8225	0.08	(0.06)



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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-04-2017]				No. of Shares held at the end of the year [As on 31-03-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	250891	3800	254691	2.81	267544	3800	271344	2.83	0.02
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual share holders holding nominal share capital upto Rs. 1 lakh	1808058	354800	2162858	23.83	1802675	329600	2132275	22.27	(1.56)
ii) Individual share holders holding nominal share capital in excess of Rs 1 lakh	227941	-	227941	2.5	99263	-	99263	1.04	(1.47)
c) Others (specify)									
Non Resident Indians (REPAT)	28490	-	28490	0.31	45225	-	45225	0.47	0.15
Non Resident Indians (NON-REPAT)	1436	-	1436	0.02	42406	-	42406	0.44	0.42
Clearing Members	103468	-	103468	1.14	110521	-	110521	1.15	0.01
Hindu Undivided Families	70387	-	70387	0.78	145835	-	145835	1.52	0.76
Trusts	-	-	-	-	7400	-	7400	0.07	0.07
Sub-total (B)(2):-	2490671	358600	2849271	31.39	2520869	333400	2854269	29.80	(1.59)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	2503894	358600	2862494	31.53	2529094	333400	2862494	29.88	(1.65)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	8719000	358600	9077600	100.00	9244200	333400	9577600	100	-



ii) Shareholding of Promoters

S. No	Shareholder's Name	Shareholding at the beginning of the year (01.04.2017)			Shareholding at the end of the year (31.03.2018)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Promoter: R Santossh	2782506	30.65	37.74	2782506	29.05	100.00	(1.60)
	Promoter Group:							
2	Vimala Radhakrishnan	48000	0.53	-	48000	0.50	-	(0.03)
3	Giulia Bosco	464000	5.11	-	464000	4.84	-	(0.27)
4	Strike Right Intergrated Services Ltd	2920600	32.17	6.85	3420600	35.71	5.85	3.54
	TOTAL	6215106	68.47	20.11	6715106	70.11	44.42	1.64

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

S. No.	Shareholder's Name	Shareholding at the beginning of the year (1.04.2017)		Cumulative Share holding during the year [01.04.2017 to 31.03.2018]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	6215106	68.46	6215106	68.46
2	Increase/Decrease in Shareholding during the year (M/s .Strike Right Integrated Services Limited Bought 500000 Equity Shares on 19 th February, 2018 under preferential mode)	-	-	500000	5.22
3	At the end of the year	6215106	68.46	6715106	70.11



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

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (01.04.2017)		Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	NARESH KUMAR SARAF##				
	At the beginning of the year	149378	1.64	-	-
	Market Sale 14.04.2017	-1200	-0.01	148178	1.63
	Market Sale 21.04.2017	-6181	-0.07	141997	1.56
	Market Sale 28.04.2017	-935	-0.01	141062	1.55
	Market Sale 05.05.2017	-3190	-0.04	137872	1.52
	Market Sale 19.05.2017	-13880	-0.15	123992	1.37
	Market Sale 26.05.2017	-5550	-0.06	118442	1.30
	Market Sale 02.06.2017	-280	-0.00	118162	1.30
	Market Sale 30.09.2017	-118162	-1.30	0	0
	Market Purchase 30.09.2017	118162	1.30	118162	1.30
	Market Sale 13.10.2017	-18162	-0.20	100000	1.10
	Market Sale 10.11.2017	-5064	-0.05	94936	1.05
	Market Sale 08.12.2017	-50	-0.00	94886	1.05
Market Sale 09.02.2018	-94886	-1.05	-	-	
	At the end of the year	-	-	-	-
2	NRL FINANCIAL SERVICES PRIVATE LIMITED				
	At the beginning of the year	46200	0.51	-	-
	Market Purchase 18.08.2017	4782	0.05	50982	0.56
	Market Purchase 01.09.2017	1000	0.01	51982	0.57
	Market Sale 08.09.2017	-4000	-0.04	47982	0.53
	Market Sale 06.10.2017	-5982	-0.06	42000	0.46
	Market Sale 13.10.2017	-724	-0.00	41276	0.45
	Market Sale 20.10.2017	2559	0.03	43835	0.48
	Market Purchase 17.11.2017	3596	0.04	47431	0.52
	Market Sale 01.12.2017	-120	-0.00	47311	0.52
	Market Purchase 08.12.2017	120	0.00	47431	0.52
	Market Sale 12.01.2018	-2000	-0.02	45431	0.50
	Market Purchase 19.01.2018	1880	0.02	47311	0.52
	Market Sale 16.02.2018	-4611	-0.05	42700	0.47
	Market Sale 23.02.2018	-5901	-0.07	36799	0.38
	Market Purchase 02.03.2018	1202	0.01	38001	0.42
Market Sale 09.03.2018	-1104	-0.01	36897	0.39	
Market Purchase 31.03.2018	1506	0.02	38403	0.40	
	At the end of the year	-	-	38403	0.40
3	AANME MATHEW				
	At the beginning of the year	32563	0.36	-	-
	At the end of the year	-	-	32563	0.34



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

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (01.04.2017)		Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	SHAREKHAN LIMITED				
	At the beginning of the year	27430	0.30	-	-
	Market Purchase 07.04.2017	6735	0.07	34165	0.38
	Market Purchase 14.04.2017	2668	0.03	36833	0.41
	Market Purchase 21.04.2017	8432	0.09	45265	0.50
	Market Sale 28.04.2017	-2796	-0.03	42469	0.47
	Market Purchase 05.05.2018	1473	0.02	43942	0.48
	Market Purchase 12.05.2017	794	0.00	44736	0.49
	Market Sale 19.05.2017	-9570	-0.11	35166	0.39
	Market Sale 26.05.2017	-3249	-0.04	31917	0.35
	Market Sale 02.06.2017	-1238	-0.01	30679	0.34
	Market Sale 09.06.2017	-84	-0.00	30595	0.34
	Market Purchase 16.06.2017	2983	0.03	33578	0.37
	Market Sale 23.06.2017	-14002	-0.15	19576	0.22
	Market Purchase 30.06.2017	3376	0.38	22952	0.25
	Market Sale 07.07.2017	-4154	-0.05	18798	0.21
	Market Purchase 14.07.2017	7657	0.08	26455	0.29
	Market Purchase 21.07.2017	2636	0.03	29091	0.32
	Market Purchase 28.07.2017	3269	0.04	32360	0.36
	Market Sale 04.08.2017	-5896	-0.06	26464	0.30
	Market Sale 11.08.2017	-5568	0.06	20896	0.23
	Market Sale 18.08.2017	-5377	-0.06	15519	0.17
	Market Purchase 25.08.2017	1766	-0.02	17285	0.19
	Market Sale 01.09.2017	-906	-0.00	16379	0.18
	Market Sale 08.09.2017	-4027	-0.04	12352	0.14
	Market Sale 15.09.2017	-2033	-0.02	10319	0.12
	Market Purchase 22.09.2017	785	0.00	11104	0.13
	Market Purchase 30.09.2017	1754	0.02	12858	0.15
	Market Purchase 06.10.2017	5298	0.06	18156	0.20
	Market Sale 13.10.2017	-8314	-0.09	9842	0.12
	Market Purchase 20.10.2017	679	0.00	10521	0.12
	Market Sale 27.10.2017	-1112	-0.01	9409	0.11
	Market Purchase 31.10.2017	3196	0.04	12605	0.15
	Market Purchase 03.11.2017	51	0.00	12656	0.15
	Market Sale 10.11.2017	-239	-0.00	12417	0.15
	Market Sale 17.11.2017	-1076	-0.01	11341	0.13
	Market Sale 24.11.2017	-239	-0.00	11102	0.13
	Market Sale 01.12.2017	-241	-0.00	10861	0.13
	Market Purchase 08.12.2017	3591	0.04	14452	0.17



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

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (01.04.2017)		Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Market Sale 15.12.2017	-1786	-0.02	12666	0.15
	Market Purchase 22.12.2017	6072	0.07	18738	0.21
	Market Sale 29.12.2017	-4556	-0.50	14182	0.16
	Market Purchase 05.01.2018	4621	0.05	18803	0.22
	Market Purchase 12.01.2018	638	0.00	19441	0.22
	Market Purchase 19.01.2018	7457	0.08	26898	0.31
	Market Sale 26.01.2018	-220	-0.00	26678	0.30
	Market Purchase 02.02.2018	187	0.00	26865	0.30
	Market Sale 09.02.2018	-1515	-0.02	25350	0.29
	Market Sale 16.02.2018	-6540	0.07	18810	0.22
	Market Purchase 23.02.2018	1618	0.02	20428	0.22
	Market Sale 02.03.2018	-1551	-0.02	18877	0.21
	Market Purchase 09.03.2018	309	0.00	19186	0.21
	Market Sale 16.03.2018	-8305	-0.09	10881	0.12
	Market Sale 23.03.2018	-624	0.00	10257	0.11
	Market Purchase 31.03.2018	3455	0.04	13712	0.14
	At the end of the year	-	-	13712	0.14
5	IL AND FS SECURITIES SERVICES LIMITED				
	At the beginning of the year	25803	0.28	-	-
	Market Purchase 07.04.2017	989	0.01	26792	0.30
	Market Purchase 14.04.2017	117	0.00	26909	0.30
	Market Sale 21.04.2017	-1292	-0.01	25617	0.28
	Market Purchase 28.04.2017	61	0.00	25678	0.28
	Market Purchase 05.05.2017	3030	0.03	28708	0.32
	Market Sale 12.05.2017	-2900	-0.03	25808	0.28
	Market Purchase 19.05.2017	700	0.00	26508	0.29
	Market Purchase 26.05.2017	1134	0.01	27642	0.30
	Market Sale 02.06.2017	-650	0.01	26992	0.30
	Market Sale 09.06.2017	-500	0.00	26492	0.29
	Market Purchase 16.06.2017	500	0.00	26992	0.30
	Market Purchase 23.06.2017	1608	0.02	28600	0.32
	Market Sale 30.06.2017	-500	0.00	28100	0.31
	Market Purchase 14.07.2017	117	0.00	28217	0.31
	Market Sale 21.07.2017	-1492	-0.02	26725	0.29
	Market Sale 28.07.2017	-686	-0.00	26039	0.29
	Market Sale 18.08.2017	-954	-0.10	25085	0.28
	Market Sale 01.09.2017	-12353	-0.14	12732	0.14
	Market Sale 08.09.2017	-291	-0.00	12441	0.14
	Market Sale 15.09.2017	-3700	-0.04	8741	0.10



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

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (01.04.2017)		Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Market Purchase 22.09.2017	4700	0.05	13441	0.15
	Market Purchase 30.09.2017	350	0.00	13791	0.15
	Market Sale 06.10.2017	-8800	-0.10	4991	0.05
	Market Purchase 13.10.2017	9005	0.10	13996	0.15
	Market Purchase 20.10.2017	5800	0.06	19796	0.22
	Market Purchase 27.10.2017	5400	0.06	25196	0.28
	Market Sale 31.10.2017	-10500	0.12	14696	0.16
	Market Purchase 03.11.2017	2400	0.03	17096	0.19
	Market Sale 10.11.2017	-1000	-0.01	16096	0.18
	Market Purchase 17.11.2017	310	0.00	16406	0.18
	Market Purchase 24.11.2017	-433	-0.00	15973	0.19
	Market Purchase 01.12.2017	2586	0.03	18559	0.21
	Market Purchase 08.12.2017	2119	0.02	20678	0.24
	Market Purchase 15.12.2017	1100	0.01	21778	0.25
	Market Sale 22.12.2017	-3541	-0.04	18237	0.21
	Market Sale 29.12.2017	-714	-0.00	17523	0.20
	Market Sale 05.01.2018	-270	-0.00	17253	0.20
	Market Sale 12.01.2018	-971	-0.01	16282	0.19
	Market Sale 19.01.2018	-1200	-0.01	15082	0.18
	Market Sale 26.01.2018	-3619	-0.04	11463	0.14
	Market Purchase 02.02.2018	1304	0.01	12767	0.15
	Market Sale 09.02.2018	-4800	-0.05	7967	0.10
	Market Sale 16.02.2018	-3281	-0.04	4686	0.06
	Market Purchase 23.02.2018	1099	0.01	5785	0.07
	Market Purchase 02.03.2018	32	0.00	5817	0.07
	Market Sale 09.03.2018	-90	0.00	5727	0.07
	Market Purchase 16.03.2018	870	0.00	6597	0.08
	Market Sale 23.03.2018	-281	0.00	6316	0.07
	Market Purchase 31.03.2018	1000	0.01	7316	0.08
	At the end of the year	-	-	7316	0.08
6	AKSHAY SANJAY SAPKAL				
	At the beginning of the year	25000	0.28	-	-
	Market Sale 25.08.2017	-25000	-0.28	-	-
	Market Purchase 15.09.2017	20900	0.23	20900	0.21
	At the end of the year	-	-	20900	0.21



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

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (01.04.2017)		Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
7	KARVY STOCK BROKING LTD				
	At the beginning of the year	21839	0.24	-	-
	Market Sale 07.04.2017	-5140	-0.06	16699	0.18
	Market Purchase 14.04.2017	100	0.00	16799	0.19
	Market Purchase 21.04.2017	118	0.00	16917	0.19
	Market Purchase 28.04.2017	666	0.00	17583	0.19
	Market Purchase 05.05.2017	432	0.00	18015	0.20
	Market Sale 12.05.2017	-342	-0.00	17673	0.19
	Market Sale 19.05.2017	-477	-0.00	17196	0.19
	Market Purchase 26.05.2017	987	0.01	18183	0.20
	Market Purchase 02.06.2017	87	0.00	18270	0.20
	Market Sale 09.06.2017	-400	-0.00	17870	0.20
	Market Purchase 16.06.2017	25	0.00	17895	0.20
	Market Sale 23.06.2017	-126	-0.00	17769	0.20
	Market Purchase 30.06.2017	1348	0.01	19117	0.21
	Market Sale 07.07.2017	-205	-0.00	18912	0.21
	Market Sale 14.07.2017	-480	0.00	18432	0.20
	Market Purchase 21.07.2017	120	0.00	18552	0.20
	Market Sale 28.07.2017	-55	-0.00	18497	0.20
	Market Purchase 04.08.2017	953	0.01	19450	0.21
	Market Sale 11.08.2017	-1433	-0.02	18017	0.20
	Market Purchase 18.08.2017	38	0.00	18055	0.20
	Market Purchase 25.08.2017	1233	0.01	19288	0.21
	Market Purchase 01.09.2017	820	0.00	20108	0.22
	Market Purchase 08.09.2017	2339	0.02	22447	0.25
	Market Sale 15.09.2017	-465	-0.00	21982	0.24
	Market Sale 22.09.2017	-543	-0.00	21439	0.24
	Market Purchase 30.09.2017	424	0.00	21863	0.24
	Market Sale 06.10.2017	-61	-0.00	21802	0.24
	Market Sale 13.10.2017	-2313	-0.03	19489	0.21
	Market Sale 20.10.2017	-220	-0.00	19269	0.21
	Market Sale 27.10.2017	-914	0.01	18355	0.20
	Market Purchase 31.10.2017	1783	0.02	20138	0.22
	Market Sale 03.11.2017	-2068	0.02	18070	0.20
	Market Purchase 10.11.2017	2739	0.03	20809	0.23
	Market Sale 17.11.2017	-4981	0.05	15828	0.17
	Market Sale 24.11.2017	-617	0.00	15211	0.17
	Market Purchase 01.12.2017	311	0.00	15522	0.17
	Market Purchase 08.12.2017	999	0.01	16521	0.18



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

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (01.04.2017)		Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Market Sale 15.12.2017	-1097	0.01	15424	0.17
	Market Sale 22.12.2017	-932	0.01	14492	0.16
	Market Purchase 29.12.2017	186	0.00	14678	0.16
	Market Sale 05.01.2018	-1300	0.01	13378	0.15
	Market Purchase 12.01.2018	1660	0.02	15038	0.17
	Market Sale 19.01.2018	-640	0.00	14398	0.16
	Market Sale 26.01.2018	-565	0.00	13833	0.15
	Market Purchase 02.02.2018	66	0.00	13899	0.15
	Market Sale 09.02.2018	-110	0.00	13789	0.15
	Market Purchase 16.02.2018	1068	0.01	14857	0.16
	Market Purchase 23.02.2018	5200	0.06	20057	0.22
	Market Purchase 02.03.2018	561	0.00	20618	0.23
	Market Purchase 09.03.2018	2061	0.02	22679	0.25
	Market Sale 16.03.2018	-2532	0.03	20147	0.22
	Market Purchase 23.03.2018	310	0.00	20457	0.21
	Market Sale 31.03.2018	-2931	0.03	17526	0.18
	At the end of the year	-	-	17526	0.18
8	DAMODHARAN SESHADRI				
	At the beginning of the year	21000	0.23	-	-
	At the end of the year	-	-	21000	0.22
9	DHIRENDRA R SHUKLA HUF##				
	At the beginning of the year	18700	0.21	-	-
	Market Sale 08.12.2017	-18700	-0.21	-	-
	At the end of the year	-	-	-	-
10	RAJESWARI MUTHUSWAMY				
	At the beginning of the year	16722	0.18	-	-
	At the end of the year	-	-	16722	0.17
11	CHOICE INTERNATIONAL LIMITED				
	At the beginning of the year	-	-	-	-
	Market Purchase 09.02.2018	94886	1.04	-	-
	Market Sale 16.02.2018	-22958	-0.25	71928	0.79
	At the end of the year	-	-	71928	0.75
12	SUNIL KOTHARI***				
	At the beginning of the year	-	-	-	-
	Market Purchase 23.02.2018	46276	0.51	46276	0.51
	Market Purchase 02.03.2018	6774	0.07	53050	0.58
	Market Purchase 09.03.2018	1950	0.02	55000	0.61
	At the end of the year	-	-	55000	0.57



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

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (01.04.2017)		Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
13	SUNILKUMAR RAMJIBHAI CHOVIATIA***				
	At the beginning of the year	-	-	-	-
	Market Purchase 15.12.2017	26319	0.29	26319	0.30
	Market Purchase 05.01.2018	1082	0.01	27401	0.30
	At the end of the year	-	-	27401	0.29
14	LALITKUMAR MANILAL THAKKAR***				
	At the beginning of the year	-	-	-	-
	Market Purchase 09.03.2018	9160	0.10	9160	0.10
	Market Purchase 16.03.2018	12340	0.14	21500	0.24
	Market Purchase 23.03.2018	3500	0.04	25000	0.26
	At the end of the year	-	-	25000	0.26
15	GLOBE CAPITAL MARKET LTD				
	At the beginning of the year	5995	0.07	-	-
	Market Sale 07.04.2017	-1100	-0.01	4895	0.05
	Market Sale 14.04.2017	-200	-0.00	4695	0.05
	Market Purchase 21.04.2017	817	0.00	5512	0.06
	Market Purchase 28.04.2017	1840	0.02	7352	0.08
	Market Purchase 05.05.2017	1410	0.02	8762	0.10
	Market Purchase 12.05.2017	700	0.00	9462	0.10
	Market Sale 19.05.2017	-259	-0.00	9203	0.10
	Market Purchase 26.05.2017	152	0.00	9355	0.10
	Market Purchase 02.06.2017	150	0.00	9505	0.10
	Market Purchase 09.06.2017	71	0.00	9576	0.11
	Market Sale 16.06.2017	-521	-0.00	9055	0.10
	Market Sale 23.06.2017	-1377	-0.02	7678	0.08
	Market Sale 30.06.2017	-2961	-0.03	4717	0.05
	Market Purchase 07.07.2017	363	0.00	5080	0.06
	Market Purchase 14.07.2017	468	0.01	5548	0.06
	Market Purchase 21.07.2017	328	0.00	5876	0.06
	Market Purchase 28.07.2017	1285	0.01	7161	0.08
	Market Sale 04.08.2017	-261	0.00	6900	0.08
	Market Purchase 11.08.2017	394	0.00	7294	0.08
	Market Purchase 25.08.2017	953	0.01	8247	0.09
	Market Purchase 08.09.2017	1450	0.02	9697	0.11
Market Sale 15.09.2017	-550	0.01	9147	0.10	
Market Purchase 22.09.2017	2508	0.03	11655	0.13	
Market Purchase 30.09.2017	770	0.01	12425	0.14	
Market Sale 06.10.2017	-1100	-0.01	11325	0.12	
Market Sale 13.10.2017	-4654	-0.05	6671	0.07	



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

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (01.04.2017)		Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Market Purchase 20.10.2017	2046	0.02	8717	0.10
	Market Purchase 27.10.2017	2158	0.02	10875	0.12
	Market Sale 31.10.2017	-500	-0.00	10375	0.11
	Market Sale 03.11.2017	-400	-0.00	9975	0.11
	Market Purchase 10.11.2017	134	0.00	10109	0.11
	Market Purchase 24.11.2017	1106	0.01	11215	0.12
	Market Sale 01.12.2017	-1000	-0.01	10215	0.11
	Market Sale 08.12.2017	-187	-0.00	10028	0.11
	Market Sale 15.12.2017	-943	-0.01	9085	0.10
	Market Sale 22.12.2017	-100	-0.00	8985	0.10
	Market Purchase 29.12.2017	919	0.01	9904	0.11
	Market Sale 05.01.2018	-1000	-0.01	8904	0.10
	Market Purchase 12.01.2018	1020	0.01	9924	0.11
	Market Sale 19.01.2018	-1945	-0.02	7979	0.09
	Market Purchase 26.01.2018	300	0.00	8279	0.09
	Market Purchase 02.02.2018	550	0.00	8829	0.10
	Market Sale 09.02.2018	-50	-0.00	8779	0.10
	Market Purchase 16.02.2018	1993	0.02	10772	0.12
	Market Sale 23.02.2018	-4135	-0.05	6637	0.07
	Market Purchase 02.03.2018	1094	0.01	7731	0.09
	Market Sale 09.03.2018	-437	-0.00	7294	0.08
	Market Purchase 16.03.2018	14058	0.15	21352	0.24
	Market Purchase 23.03.2018	500	0.00	21852	0.24
	Market Sale 31.03.2018	-574	-0.00	21278	0.23
	At the end of the year	-	-	21278	0.23
16	JAGANNATH D DEVADIGA***				
	At the beginning of the year	-	-	-	-
	Market Purchase 30.06.2017	2500	0.03	2500	0.03
	Market Purchase 21.07.2017	970	0.01	3470	0.04
	Market Purchase 28.07.2017	10298	0.11	13768	0.15
	Market Purchase 04.08.2017	6173	0.07	19941	0.22
	At the end of the year	-	-	19941	0.22

*** Not in the list of Top 10 shareholders as on 31.03.2017. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2018.

Ceased to be in the list of Top 10 shareholders as on 31.03.2018. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2017.



v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year (01.04.2017)		Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	R.SANTOSSH (MANAGING DIRECTOR)#				
	At the beginning of the year	2782506	30.65	2782506	29.05
	Increase/Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	2782506	30.65	2782506	29.05
2.	R.VIMALA (WHOLE-TIME DIRECTOR)#				
	At the beginning of the year	48000	0.53	48000	0.50
	Increase/Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	48000	0.53	48000	0.50
3.	BOSCO GIULIA (WHOLE-TIME DIRECTOR)				
	At the beginning of the year	464000	5.11	464000	4.84
	Increase/Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	464000	5.11	464000	4.84
4.	VASTUPAL RAJNIKANT METHA (INDEPENDENT DIRECTOR)	-	-	-	-
5.	DEEPAK PADAMSHI MALANI (INDEPENDENT DIRECTOR)	-	-	-	-
6.	MEENAKSHI SUNDARAM RAJKUMAR (INDEPENDENT DIRECTOR)	-	-	-	-
7.	BABA CHANDRASEKHAR RAMAKRISHNAN (NON-EXECUTIVE NON-INDEPENDENT DIRECTOR)				
	At the beginning of the year	600	0.00	600	0.00
	Increase/Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	600	0.00	600	0.00
8.	PRIYADARSHINI VELUCHAMY (COMPANY SECRETARY)	-	-	-	-
9.	RAMESH SHENOY KALYANPUR (WHOLE-TIME DIRECTOR CUM CHIEF FINANCIAL OFFICER) *	-	-	-	-
10.	NARAYANASAMY BALU (WHOLE-TIME DIRECTOR) **	-	-	-	-

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



V. INDEBTEDNESS -

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

In ₹ Lakhs

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4693.64	610.04	-	5303.68
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	11.73	2.98	-	14.71
Total (i+ii+iii)	4705.37	613.02	-	5318.39
Change in Indebtedness during the financial year				
★ Addition	26423.09	194.06	-	26617.15
★ Reduction	27357.42	527.08	-	27884.50
Net Change	(934.33)	(333.02)	-	(1267.35)
Indebtedness at the end of the financial year				
i) Principal Amount	3759.11	280.00	-	4039.11
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	11.93	2.13	-	14.06
Total (i+ii+iii)	3771.04	282.13	-	4053.17



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Santossh. R Managing Director #	R. Vimala Whole-Time Director #	Bosco Giulia Whole-Time Director	
1	Gross salary	16,50,000	6,00,000	11,10,000	33,60,000
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	15,100	-	1,58,377	1,73,477
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others specify	-	-	-	-
5	Others please specify	-	-	-	-
	Total (A)	16,65,100	6,00,000	12,68,377	35,33,477
Ceiling as per the Act- ₹ 89,16,822 /-					

Resigned with effect from 11th July, 2018.



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

B. Remuneration to Other Directors

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Deepak P Malani	Mr. Vasthupal R Metha	Mr. M.S. Rajkumar	Mr. Baba Chandrasekar Ramakrishnan	
1	Independent Directors					NOT APPLICABLE
	• Fee for attending board committee meetings					
	• Commission					
	• Others, please specify					
	Total (1)					
2	Other Non-Executive Directors					
	• Fee for attending board committee meetings					
	• Commission					
	• Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					



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

S. No.	Particulars of Remuneration	Key Managerial Personnel		
		Ms.Priyadarshini Veluchamy Company Secretary (Appointed on 12.09.2016)	Mr.Ramesh K Shenoy Chief Financial officer*	Total
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	3,25,000	7,10,000	10,35,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit others, specify	- - -	- - -	- - -
5	Others, please specify	-	-	-
	Total	3,25,000	7,10,000	10,35,000

* Appointed as Whole-time Director cum Chief financial Officer w.e.f. 11th July, 2018.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

NIL

For and on behalf of the Board

Meenakshi Sundaram Rajkumar

Chairman

(DIN : 06935422)

Place : Coimbatore

Date : 11.07.2018



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

(approved by the Board of Directors in its Meeting held on 4th August 2014)

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

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

Key principles governing this remuneration policy are as follows:

- 1) Remuneration to Managing Director / Whole-Time Directors:
 - (i) The Remuneration / Commission etc., to be paid to Managing Director / Whole-Time Directors, etc., shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
 - (ii) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.
- 2) Remuneration to Non- Executive / Independent Directors:
 - a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of The Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
 - b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling / limits as provided under the Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.



- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
 - d) Any remuneration paid to Non-Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above, if the following conditions are satisfied:
 - i) The Services are rendered by such Director in his capacity as the professional; and
 - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
- 3) Remuneration to Key Managerial Personnel and Senior Management:
- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
 - b) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option / Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.
 - c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to Pension Fund, Pension Schemes, etc., as decided from time to time.
 - d) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

Policy implementation

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



**Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2018**

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

To

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

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

Based on my verification of **M/s.Lambodhara Textiles Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended **31st March, 2018**, 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 31st March 2018 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 (Issue of Capital and Disclosure Requirements) Regulations, 2009;

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

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

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

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

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

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

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

I further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same has been subject to review by statutory financial auditor and other designated professionals.



I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Directors. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and in the case of Board Meeting(s) convened at shorter notice, the consent of all the Directors including the Independent Directors in the Board has been obtained and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

I further report that during the period covered under the Audit, the Company has made the following specific actions having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, referred to above:

- a. The Company has issued and allotted 5,00,000 equity shares of Rs.5/- each at a premium of Rs.75/- per share to M/s. Strike Right Integrated Services Limited, promoter group Company, on a preferential basis and complied with the provisions of Sections 42 and 62 of the Companies Act, 2013 read with relevant rules made thereunder and Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

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

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

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

Place : Coimbatore

Date : 30.05.2018

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



To

The Members,
M/s. Lambodhara Textiles Limited
CIN: L17111TZ1994PLC004929
3A, B-Block, Pioneer Apartments,
1075-B, Avinashi Road,
Coimbatore – 641018,
Tamilnadu, India.

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

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

Place : Coimbatore

Date : 30.05.2018

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



Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of The Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

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

None.

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

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

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

For and on behalf of the Board

Meenakshi Sundaram Rajkumar

Chairman

(DIN : 06935422)

Place : Coimbatore

Date : 11.07.2018



ANNEXURE TO THE DIRECTORS' REPORT

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

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or program	<p>Pursuant to section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors have constituted a CSR Committee. The Board also framed a CSR Policy in compliance with the provisions of section 135 of The Companies Act, 2013. The said policy is placed on the web site of the Company at www.lambodharatextiles.com</p> <p>The CSR activities of the Company cover certain trust areas such as promoting education.</p>												
2. The composition of CSR committee	<table border="1"> <thead> <tr> <th data-bbox="696 824 957 906">Name</th> <th data-bbox="957 824 1245 906">Designation in CSR Committee</th> </tr> </thead> <tbody> <tr> <td data-bbox="696 906 957 951">Mr. Santossh. R *</td> <td data-bbox="957 906 1245 951">Chairman</td> </tr> <tr> <td data-bbox="696 951 957 997">Mrs. R. Vimala *</td> <td data-bbox="957 951 1245 997">Member</td> </tr> <tr> <td data-bbox="696 997 957 1042">Mr. M.S. Rajkumar</td> <td data-bbox="957 997 1245 1042">Member</td> </tr> <tr> <td data-bbox="696 1042 957 1088">Mrs. Bosco Guilia##</td> <td data-bbox="957 1042 1245 1088">Chariman</td> </tr> <tr> <td data-bbox="696 1088 957 1115">Ramesh Shenoy K#</td> <td data-bbox="957 1088 1245 1115">Member</td> </tr> </tbody> </table>	Name	Designation in CSR Committee	Mr. Santossh. R *	Chairman	Mrs. R. Vimala *	Member	Mr. M.S. Rajkumar	Member	Mrs. Bosco Guilia##	Chariman	Ramesh Shenoy K#	Member
Name	Designation in CSR Committee												
Mr. Santossh. R *	Chairman												
Mrs. R. Vimala *	Member												
Mr. M.S. Rajkumar	Member												
Mrs. Bosco Guilia##	Chariman												
Ramesh Shenoy K#	Member												
3. Average net profit of the Company made during the three immediately preceding Financial Years	₹ 742.44 Lakhs												
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	₹ 14.85 Lakhs												
5. Details of CSR spent during the Financial Year													
a Total amount to be spent for the financial year	₹ 16.73 Lakhs												
b) Amount unspent, if any	Nil												

*Mr. Santossh. R resigned from the position of Chairman of the Committee, and Mrs. R. Vimala resigned from the position of Member of the Committee w.e.f 11th July 2018

Mrs. Bosco Guilia appointed as Chairman of the Committee w.e.f 11th July 2018

Mr. Ramesh Shenoy K appointed as member of the Committee w.e.f 11th July 2018



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

S. No	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount Spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads;	Cumulative expenditure up to the reporting period	Amount Spent Direct or through implementation agency
1	Promoting Education	Education	Tamilnadu Udumalpet	₹ 16.73 lakhs	₹ 16.73 lakhs	₹ 49.42 lakhs	Implementing agency R.V.Gurusamy Naidu Educational Trust

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

The Company has spent the requisite amount.

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

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

Place : Coimbatore
Date : 11.07.2018

Meenakshi Sundaram Rajkumar
Chairman
(DIN : 06935422)

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



ANNEXURE TO DIRECTORS REPORT

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

Disclosure Requirement u/r 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	Particulars		
i Ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year.	Executive Director	Designation	Ratio to median
	Mr. Santossh. R *	Managing Director	14.58:1
	Mrs.R.Vimala *	Whole-Time Director	5.30:1
	Mrs.Giulia Bosco	Whole-Time Director	9.81:1
*Resigned with effect from 11 th July, 2018. Not paid any remuneration to other Non-Executive Directors			
ii Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Executive Director / KMP	Designation	Ratio to median
	Mr. Santossh. R *	Managing Director	0.44:1
	Mrs.R.Vimala *	Whole-Time Director	N A* *
	Mrs.Giulia Bosco	Whole-Time Director	0.26:1
	Mr Ramesh K Shenoy	Chief Financial Officer	N A* *
	Ms. V Priyadarshini	Company Secretary	N A* *
*Resigned with effect from 11 th July, 2018. * * There is no increase in remuneration for the reporting period			
iii Percentage increase in the median remuneration of employees in the financial year	5%		



iv	Number of permanent employees on the rolls of company	547
v	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	<p>The percentage increase in the salaries of employees other than the managerial personnel in the last financial year is 3.13% as against an increase of 18.52% in the salary of the managerial personnel.</p> <p>The increment given to each individual employee is based on the experience and performance.</p>
vi	Affirmation that the remuneration is as per the remuneration policy of the company	Yes

Place : Coimbatore

Date : 11.07.2018

Meenakshi Sundaram Rajkumar

Chairman

(DIN : 06935422)



ANNEXURE 6

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

Sl. No	Name & Age in Years	Designation	Gross Remuneration Paid (in ₹)	Qualification & Experience in years	Date of commencement of employment	Previous Employment	% of Equity Shares held	Relationship with other Director
1	Santosh.R * (49 years)	Managing Director	16,80,500	MBA (Finance) (23 years)	05.10.1994	-	29.05	Son of Mrs.Vimala Radhakrishnan and Husband of Mrs. Bosco Giulia
2	Bosco Giulia (39 years)	Whole-time Director	12,68,377	PG in Political Science & Economics (12 years)	07.03.2008	Sanmarco Texmac Private Limited	4.84	Wife of Mr.R.Santosh
3	Balu K N** (56 years)	Whole-time Director	7,38,629##	BA (32 years)	08.09.1997	-	-	-
4	Ramesh Shenoy.K** (50 years)	Whole-time Director cum Chief Financial Officer	7,10,500&	B.Com (26 years)	01.08.2007	NEPC Textiles Limited	-	-
5	Saravanan.G (50 years)	Office Executive	6,41,000	M.Com (28 years)	01.10.2007	NEPC Textiles Limited	-	-
6	R.Vimala* (70 years)	Whole-time Director	6,00,000	B.Sc (22 years)	23.08.1995	-	0.5	Mother of Mr.R.Santosh
7	Manoharan.T.G (47 years)	Office Executive	5,79,750	B.Com (23 years)	01.10.2007	NEPC Textiles Ltd	-	-
8	Sanjay Kumar Singh B (33 years)	Executive - Import & Export	5,27,500	MBA (Finance) (10 years)	15.02.2015	Royal Classic Mills (P) Ltd	-	-
9	Damodharan P (51 years)	Administrative Officer	5,23,123	B.Sc, B.Ed. (23 years)	01.09.2004	Rajratana Mills	-	-
10	Sasikumar R (34 years)	Manager Accounts	5,08,000	MBA (Finance) CA (Inter)	02.11.2015 (14 years)	Ampo Volves India (P) Ltd	-	-

* Mr.R.Santosh and Mrs.R.Vimala were resigned from the Board on 11.07.2018 ** Mr.Balu K N has appointed as Whole-Time Director wef 11.07.2018 and Mr.Ramesh Shenoy Kalyanpur has appointed as Whole-Time Director cum Chief-Financial Officer wef 11.07.2018

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

Received for the position of Factory Manager & Received for the position of Chief Financial Officer

For and on behalf of the Board

Place : Coimbatore

Meenakshi Sundaram Rajkumar
Chairman

(DIN : 06935422)

Date : 11.07.2018



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Annexure

a) **INDUSTRY STRUCTURE AND DEVELOPMENTS :**

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

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

b) **OPPORTUNITIES & THREATS :**

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

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

c) **SEGMENT-WISE PERFORMANCE**

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

d) **OUTLOOK :**

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

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

e) **RISKS AND CONCERNS :**

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

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

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

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

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

Your Company has achieved a Profit before Tax of Rs.838.33 Lakhs from operations on a turnover of Rs.16,736.01 Lakhs for the year ended 31st March 2018.

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

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



REPORT ON CORPORATE GOVERNANCE

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

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

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

2. BOARD OF DIRECTORS

a. Composition of the Board :

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

The Board consists of seven Directors which comprises of three Promoter Executive Director, three Independent Non-Executive Directors and one Non-independent Non-Executive Director. Chairman of the Board is an Independent Non-Executive Director. The Board Comprises of two Women Directors. The members of the Board are well experienced. The composition of the Company's Board is in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

Name of the Director	Category	Attendance Particulars		No. of Directorship in other public companies #	No. of Committee Positions held in other companies \$	
		Board Meeting	Last AGM		Chairman	Member
Mr. Santossh. R	Managing Director-Promoter	7	Yes	-	-	-
Mrs. Vimala. R	Executive Director Promoter Group	7	Yes	-	-	-
Mrs. Bosco Giulia	Executive Director-Promoter Group	7	Yes	1	-	-



Name of the Director	Category	Attendance Particulars		No. of Directorship in other public companies #	No. of Committee Positions held in other companies \$	
		Board Meeting	Last AGM		Chairman	Member
Mr. Deepak Padmashi Malani	Non-Executive-Independent	7	Yes	-	-	-
Mr. Vasthupal Rajnikant Mehta	Non-Executive-Independent	7	Yes	-	-	-
Mr. Meenakshi Sundaram Rajkumar	Non-Executive-Independent	7	-	-	-	-
Mr. Baba Chandrasekhar Ramakrishnan	Non-Independent	7	-	-	-	-

Excludes Directorships in Private Companies and Foreign Companies

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

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

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

Details of the Board meetings held during the financial year 2017-2018

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

Sl. No.	Date of Board Meeting	No of Directors Attended
1	29-05-2017	7
2	08.09.2017	7
3	21.11.2017	7
4	04.12.2017	7
5	20.12.2017	7
6	12.02.2018	7
7	19.02.2018	7

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



Shareholding of Non-Executive Directors

Name of the Director	No of Shares held (as on 31.03.2018)
Mr. Deepak Padmashi Malani	Nil
Mr. Vasthupal Rajinikant Metha	Nil
Mr. Meenakshi Sundaram Rajkumar	Nil
Mr. Baba Chandrasekhar Ramakrishnan	600

Independent Directors

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

Separate Meeting of the Independent Directors:

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on 10th February, 2018, as required under Schedule IV to The Companies Act, 2013 (Code for Independent Directors) and Regulation 25 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the Independent Directors were present at the meeting.

Familiarization Programme for Independent Directors

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

The Familiarisation programme for Independent Directors is disclosed on the Company's website at the following web link: www.lambodharatextiles.com

3. AUDIT COMMITTEE

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

Terms of Reference:-

The role, powers and functions of the committee are as per Section 177 of the Companies Act, 2013 and the guidelines set out in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of this committee are as required by SEBI - under Regulation 18 read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Besides having



access to all the required information from within the company, the committee can obtain external professional advice whenever required. The Committee acts a link between the statutory and internal auditors and the Board of Directors of the Company.

Composition and Attendance

During the financial year ended 31st March 2018, Four Audit Committee Meetings were held on 29th May 2017, 08th September 2017, 21st November 2017 and 12th February 2018. The necessary quorum was present at these meetings.

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

Name of the Members & Designation	Category	No. of Meetings	
		Held	Attended
Mr. Deepak Padmashi Malani Chairman	Non-Executive-Independent	4	4
Mr. Vasthupal Rajinikant Mehta Member	Non-Executive-Independent	4	4
Mr. Meenakshi Sundaram Rajkumar - Member	Non-Executive-Independent	4	4

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

The quarterly financial results were reviewed by the Committee before submission to the Board. Independent sessions were held with the Statutory and the Internal Auditors to assess the effectiveness of the audit processes. On quarterly basis, the Committee continues to review whistle-blower complaints, litigations, related party transactions and policy violation instances, the corrective actions and mitigating controls put in place thereof.

The Chairman of the Audit Committee, Mr. Deepak Padamshi Malani was present at the Annual General Meeting of the Company held on 22nd September 2017.

4. NOMINATION AND REMUNERATION COMMITTEE

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

Terms of Reference:-

The terms of reference of this committee has been mandated with the same as specified in Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of



India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also with the requirement of Section 178 of The Companies Act, 2013.

Composition and Attendance during the year

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

Name of the Members & Designation	Category	No. of Meetings attended during the year
Mr. Deepak Padmashi Malani Chairman	Independent - Non-Executive	2
Mr. Vasthupal Rajinikant Mehta Member	Independent - Non-Executive	2
Mr. Meenakshi Sundaram Rajkumar - Member	Independent - Non-Executive	2

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

During the year under review, the committee had met on 29th May 2017 and 10th February 2018.

The Chairman of the Nomination and Remuneration Committee, Mr. Deepak Padmashi Malani was present at the Annual General Meeting of the Company held on 22nd September 2017.

Performance Evaluation

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178 (3) of the Act and Regulation 19 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

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

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



5. REMUNERATION OF DIRECTORS

Details of Remuneration paid to the Managing Director and Whole-time Directors of the Company during the financial year ended 31st March 2018.

Details of Remuneration	Mr. Santossh. R (Managing Director)	Mrs. Bosco Giulia (Whole-time Director)	Mrs. Vimala R (Whole-time Director)
Term of Appointment	For a period of five years from 26 th September 2014 to 25 th September 2019	For a period of five years from 1 st October 2013 to 30 th September 2018	For a period of five years from 1 st October 2014 to 30 th September 2019
Salary	16,50,000	11,10,000	6,00,000
Perquisites & Allowances	15,100	1,58,377	-
Commission, Stock option, bonus, pension, performance linked incentives etc.	-	-	-
Notice period and Severance fees	-	-	-

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

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

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

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

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

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

The composition of the above committee and attendance as under

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



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

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

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

Ms.Priyadarshini.V, Company Secretary is Compliance Officer of the Company. The minutes of the Investors Relations committee were placed before the board meeting for due ratification and approval.

At the beginning of the year, no complaint was pending. During the year ended 31st March 2018 the company has received one complaint and resolved the same. No investor complaint was pending as on 31st March 2018.

No request for transfer or dematerialization of shares was pending as on 31st March 2018.

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

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

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

Corporate Social Responsibility Committee (CSR Committee)

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

The Committee comprises Sri.R.Santosh, Smt.R.Vimala and Sri.Meenakshi Sundaram Rajkumar as members.



The CSR Committee met two times during the year on 08th January 2018 and 10th February 2018. The necessary quorum was present for all Meetings. The attendance record of the members at the meeting was as follows.

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

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 Rs.14.85 Lakhs and the company has spent Rs.16.73 Lakhs during the current financial year.

Management Discussion and Analysis Report:

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

7. GENERAL BODY MEETINGS

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

Year	Date	Time	Venue of meeting
2014-2015	09.09.2015	10.00 AM	Vibha, The Grand Regent 708, Avinashi Road, Coimbatore-641018
2015-2016	15.09.2016	11.00 AM	Vibha, The Grand Regent 708, Avinashi Road, Coimbatore-641018
2016-2017	22.09.2017	10.00 AM	Vibha, The Grand Regent 708, Avinashi Road, Coimbatore-641018

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

Date of AGM	Summary of Special Resolution passed
09.09.2015	Sub-divide each Equity Shares of nominal value of ₹10/- each into two equity shares of ₹ 5/- each fully paid up. Amendment to clause V of the Memorandum of Association (Capital Clause) due to sub-division of the face value of the equity shares. Amendment to Article 3 of the Articles of Association (Capital Clause) due to sub-division of the face value of the equity shares.



15.09.2016	Continuation of the employment of Mrs.Vimala Radhakrishnan (DIN: 00813706) Whole- Time Director after attaining the age of seventy years.
22.09.2017	No Special Resolutions were passed

During the year no Extra Ordinary General Meeting was convened.

Special Resolution passed through Postal Ballot (Notice dated 20th December 2017):

Pursuant to Section 102 of the Companies Act, 2013 read with Rule 20 and 22 of Companies (Management and Administration) Rules, 2014 and pursuant to other applicable provisions of the Act and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Postal Ballot Notice was sent to the members of Lambodhara Textiles Limited (the Company) to transact the following special business(s) by passing resolutions inter- alia the following special resolutions through Postal Ballot / Remote E-Voting.

1. Alteration of Articles of Association of the Company
2. Issue of Equity Shares on Preferential Basis
3. Issue of Securities by way of Qualified Institutions Placement (QIP)

Voting period commenced on Sunday, 24th December 2017 at 09.00 A.M and ended on Monday, 22nd January 2018 at 05.00 P.M. Remote E-voting facility was also provided to the members. Mr.C.V Madhusudhanan, FCS, Partner failing him Ms.Shilpa Vishwanathan, ACS, Partner KSR & Co Company Secretaries, LLP, having office at 'Indus Chambers', No.101, Govt. Arts College Road, Coimbatore - 641 018, Tamil Nadu, India, was appointed as the Scrutinizer for conducting the Postal Ballot as well as Remote E-Voting process in a fair and transparent manner.

The Company had complied with all the procedural aspects applicable for Postal Ballot and Remote E-voting as per the provisions of law cited above and such other applicable provisions.

The Scrutinizer Ms.Shilpa Vishwanathan, ACS, Partner KSR & Co Company Secretaries, LLP, carried out the scrutiny of all Postal Ballot forms and electronic votes received upto the last date of receipt i.e., 22nd January 2018 till 05.00 P.M and submitted her report dated 23rd January 2018.

Based on the Scrutinizer's Report dated 23rd January 2018, Mr.R.Santossh (DIN: 00790493) Managing Director, announced that the resolutions as set out in Item No.1 to 5 of Postal Ballot Notice were declared as passed with requisite majority.



The result of Postal Ballot cum Remote E-Voting is as under:

Item no.in the Postal Ballot Notice	Particulars of the Resolutions	Type of Resolution	No of Votes Polled		No of Votes cast in Favor			No of Votes cast against				
			Postal Ballot	Remote E-Voting	Postal Ballot	%	Remote E-Voting	%	Postal Ballot	%	Remote E-Voting	%
1	Increase in Authorized Capital of the Company	Ordinary	26659	6217107	26598	99.77	6217107	100.00	61	0.23	-	-
2	Alteration of Capital Clause in the Memorandum of Association	Ordinary	26659	6217107	19928	74.75	6217107	100.00	6731	25.24	-	-
3	Alteration of Articles of Association of the Company	Special	26659	6217107	25594	96.01	6217107	100.00	1065	3.99	-	-
4	Issue of Equity shares on Preferential Basis	Special	24659	6217107	24369	98.82	6217107	100.00	290	1.18	-	-
5	Issue of Securities by way of Qualified Institutions Placement (QIP)	Special	26659	6217107	18728	70.25	6217107	100	7931	29.75	-	-



8. MEANS OF COMMUNICATION:

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

Whenever any important developments the company release new releases and are displayed on the company's website www.lambodharatextiles.com and also forwarded a copy of the same to the Stock Exchanges. There were no specific presentations made to Institutional Investors or to analysts during the period ended 31st March 2018.

9. GENERAL SHAREHOLDER INFORMATION

a. 24th Annual General Meeting

Date : 20th September 2018

Time : 10.30 AM

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

b. Financial Year: : The Company follows April to March as its financial year. The results for every quarter beginning from 01st April 2017 are declared within the time line as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the SEBI Circular CIR/CFD/FAC/62/2016 dated July 5, 2016.

c. Dividend payment date :Dividend, when declared, will be payable on 24th September 2018, to those members whose names are registered as such in the Register of Members of the Company as on 14th September 2018 and to the Beneficiary holders as per the beneficiary list as on 14th September 2018 provided by the NSDL and CDSL.

d. Listing on Stock Exchange: The Company's equity shares are listed on the National Stock Exchange of India Limited (NSE), Exchange Plaza, 5th Floor, C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400051 and are traded in "BSE IndoNext" platform of BSE Limited, P.J.Towers, Dalal Street, Fort, Mumbai - 400001. Annual Listing Fees for the year 2017-18 was paid to National Stock Exchange of India Limited. Custodial Fees to Depositories for the year 2018-2019 were paid to National Securities Depository Limited and Central Depository Services (India) Limited.

e. Stock Code/Symbol :

NSE : LAMBODHARA

BSE Indonext : 590075

ISIN Number for NSDL & CDSL : INE112F01022

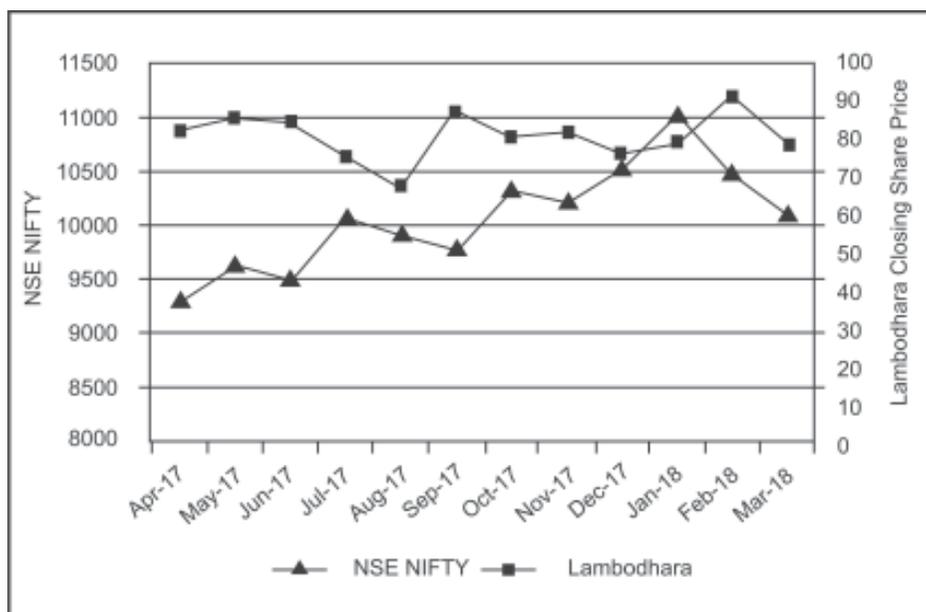


f. **Market price data:** The monthly high and low price of shares traded on the National Stock Exchange of India Limited and BSE-IndoNext are as follows;

Month	National Stock Exchange of India			BSE Indonext		
	High	Low	Volume of Share Traded	High	Low	Volume of Share Traded
Apr-17	82.90	74.30	514816	82.80	74.00	136940
May-17	85.90	73.25	496471	86.05	73.40	195780
Jun-17	84.75	71.00	471196	84.90	70.45	154372
Jul-17	76.00	66.55	272582	75.40	66.60	137576
Aug-17	67.95	52.00	214222	68.00	52.55	76875
Sep-17	87.80	57.20	2445679	87.60	57.55	583598
Oct-17	81.40	60.00	2616939	86.45	60.00	561618
Nov-17	82.50	68.30	988705	82.75	68.50	390982
Dec-17	76.60	67.55	568896	78.40	65.00	530253
Jan-18	79.70	64.10	597588	80.00	64.25	171562
Feb-18	92.10	57.00	2392977	91.70	57.00	636057
Mar-18	78.80	65.00	574873	79.75	64.50	102189

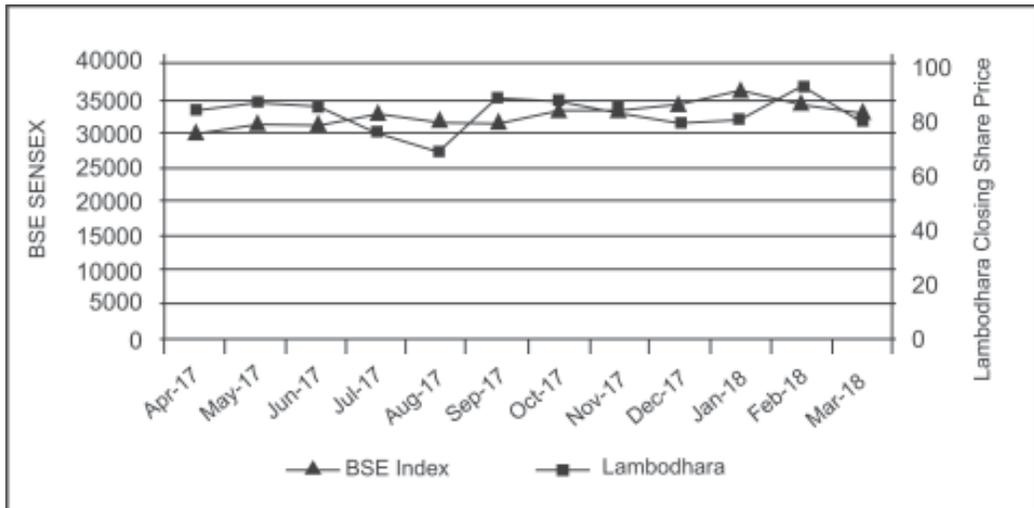
g. Performance of Company's Stock Price vis-à-vis NSE Nifty

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





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



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

M/s. S.K.D.C. Consultants Limited
Kanapathy Towers, III Floor,
1391/A1, Sathy Road,
Ganapathy, Coimbatore - 641 006
Phone: +91 422 4958995 Fax: +91 422 2539837
Email: info@skdc-consultants.com
Website:www.skdc-consultants.com.

j. Share Transfer System

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

**k. Distribution of Shareholding as on 31.03.2018:**

Shareholding range	No of Holders	% of share holders	No of Shares	% of share holding
1 - 500	4999	82.66	621450	6.49
501 - 1000	564	9.33	477167	4.98
1001 - 2000	267	4.41	429301	4.48
2001 - 3000	71	1.17	186791	1.95
3001 - 4000	57	0.94	206790	2.16
4001 - 5000	17	0.28	79638	0.83
5001 - 10000	41	0.68	300458	3.14
10001 and above	32	0.53	7276005	75.97
Total	6048	100.00	9577600	100.00

Shareholding Pattern as on 31.03.2018

Shares held by	No of Holders	No of Shares	% of shareholding
Promoters and Promoters Group	4	67,15,106	70.11
Mutual Funds	-	-	-
Financial Institutions / Banks	2	8,225	0.09
Bodies Corporate	70	2,71,344	2.83
Trusts	1	7,400	0.08
Public	5,692	22,31,538	23.30
Non-Resident Indians:Non-Repatriation	18	42,406	0.44
Non-Resident Indians:Repatriation	58	45,225	0.47
Clearing Members	84	1,10,521	1.15
Hindu Undivided Families	119	1,45,835	1.52
Total	6048	95,77,600	100.00

I. Dematerialisation of shares and liquidity

As on 31st March, 2018 96.52% of the equity shares have been dematerialised. The Company has arrangement with National Securities Depository Ltd. (NSDL) as well as Central Depository Services (India) Limited (CDSL) for demat facility. The Company's shares being in compulsory dematerialised (demat) list are transferable through the depository system. Considering the advantages of demat trading, shareholders are requested to consider dematerialization of their shares so as to avoid inconvenience in future.

Particulars	No. of Holders	No. of Shares	% of shareholding
National Securities Depository Limited	3193	74,86,192	78.16
Central Depository Services Limited	2643	17,58,008	18.36
Physical Form	212	3,33,400	3.48
Total	6048	95,77,600	100.00



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

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

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

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

o. Plant location:

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

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

Windmill Installed at:

1. SF No. 13/1(P) Koodankulam Village, Radhapuram Taluk, Tirunelveli District.
2. SF No. 1051/1, Kundadam Village, Dharapuram Taluk, Tirupur District.

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

p. Address for Correspondence:

Registrar and Share Transfer Agent

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

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

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

Email: info@skdc-consultants.com Website:www.skdc-consultants.com.

Registered Office of the Company

Secretarial Department, Lambodhara Textiles Limited, CIN: L17111TZ1994PLC004929
3A, 3rd 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

10. DISCLOSURES:

(a) Related party Transactions

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

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

The Company has a Related Party Transaction Policy in place, which has been posted on the website of the Company www.lambodharatextiles.com.

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

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



(c) Vigil mechanism and Whistle Blower Policy

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

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

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

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

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

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

The Company has price review mechanism to protect against material movement in price of raw materials.

Disclosure of Accounting Treatment

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

During the Financial Year 2017-2018 the Company has adopted Ind-AS with a transition date of 1st April, 2016.

Risk Management

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

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

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



Certificate from CEO/CFO

The CEO and CFO certification of the financial statements for the year has been submitted to the Board of Directors, in its meeting held on 30th May 2018 as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Code of Conduct

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

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

For and on behalf of the Board

Meenakshi Sundaram Rajkumar

Chairman

(DIN : 06935422)

Date : 30.05.2018

Place : Coimbatore

DECLARATION FOR CODE OF CONDUCT

I, R.Santossh, Managing Director of Lambodhara Textiles Limited, declare that all the members of the Board of Directors and Senior Management have, for the year ended 31st March 2018 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

(sd/-) Santossh. R

Managing Director

(DIN : 00790493)

Place : Coimbatore

Date : 30.05.2018



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of Lambodhara Textiles Limited

1. We have examined the compliance of conditions of Corporate Governance by Lambodhara Textiles Limited ('the Company'), for the year ended 31st March 2018, 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 of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the 'ICAI'), and the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and other Assurance and Related Services Engagements.

Opinion

6. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of Corporate Governance as stipulated in the Listing Regulations during the year ended 31 March 2018. We state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on use

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

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

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

Place : Coimbatore
Date : 30.05.2018



INDEPENDENT AUDITOR'S REPORT

To the Members of Lambodhara Textiles Limited
Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Lambodhara Textiles Limited ('the Company'), which comprise the Balance sheet as at 31 March 2018, the Statement of profit and loss (including Other Comprehensive Income), the cash flow statement and the statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements,



whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2018 and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

The financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting standards) Rules, 2006 (as amended) which were audited and reported by Mohan & Venkataraman, vide their unmodified audit report dated 29th May 2017 and 27th May 2016 respectively, whose report has been relied upon by us for the purpose of our audit of the standalone financial statements. Our Opinion is not modified in respect of this matter. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the order"), and on the basis of such checks off the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) the balance sheet, the statement of profit and loss (including other comprehensive income), the cash flow statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;
- (e) on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 39 to the financial statements;
 - ii. the Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii. there are no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company as at the year end.
 - iv. The disclosure requirements regarding specified bank notes held and transacted during the period from 8th November 2016 to 30 December 2016 has not been made since the requirement does not pertain to the year ended 31st march 2018.

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

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

Place : Coimbatore
Date : 30th May 2018



Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2018, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year (except stock lying with third parties and in transit, confirmation / subsequent receipt has been obtained in respect of such inventory) and no material discrepancies were noted on physical verification.
- (iii) The Company has not granted any loans to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- (vi) The company has maintained the cost records prescribed by the Central Government under Section 148 (1) of the Act, however, we have not made detailed examination of such records.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.



According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

- (b) In our opinion and according to the information and explanations given to us, there are no dues in respect of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax that have not been deposited on account of any dispute except

Nature of the Dues	Amount	Forum where dispute is pending
ESI	₹ 5,62,780	Employee Insurance Court.
TNVAT – 2007 - 2014	₹ 55,67,554	CTO, Enforcement

- (viii) The Company has not defaulted in repayment of loans or borrowings from any financial institution, banks, government or debenture holders during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year and the term loans received during the year were applied for the purposes for which the loans were obtained.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has made preferential allotment during the year and requirements of section 42 of the companies Act, 2013 have been complied with and the amount raised is used for the purposes for which the funds were raised, and the company has not made any private placement of shares or fully or partly convertible debentures during the year.



- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

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

Place : Coimbatore
Date : 30th May 2018



Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Lambodhara Textiles Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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



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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

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

Place : Coimbatore
Date : 30th May 2018

M.No. 023060

STANDALONE BALANCE SHEET AS AT 31st March 2018

Particulars	Note No.	As at 31 st March 2018	As at 31 st March 2017	As at 1 st April 2016
₹ in lakhs				
I ASSETS				
1. Non-current assets				
(a) Property, plant and equipment	1	4,966.72	5,173.56	5,094.66
(b) Capital Work-in-progress	2	87.14	-	288.02
(c) Investment properties	3	1,460.19	1,470.50	1,480.81
(d) Financial assets				
(i) Investments	4	3.51	6.86	20.21
(ii) Others financial assets	5	55.29	51.71	61.86
(e) Current tax assets (net)	6	7.62	7.62	7.62
(f) Other non current assets	7	116.90	170.85	171.72
2. Current assets				
(a) Inventories	8	1,880.81	1,758.87	868.43
(b) Financial Assets				
(i) Trade receivables	9	1,782.90	1,220.56	1,054.93
(ii) Cash and Cash equivalents	10	492.35	21.93	49.22
(iii) Bank Balances other than cash and cash equivalents	11	25.17	112.04	115.73
(iv) Loans	12	5.22	-	-
(v) Other financial assets	13	0.43	7.37	0.13
(c) other current assets	14	575.30	796.60	413.76
TOTAL ASSETS		11,459.56	10798.49	9,627.11
II EQUITY AND LIABILITIES				
1. Equity				
(a) Equity share capital	15	478.88	453.88	453.88
(b) Other Equity	16	4,534.04	3,677.51	3,057.16
2. Liabilities				
Non current liabilities				
(a) Financial liabilities				
(i) Borrowings	17	2,674.10	3,240.10	3,811.22
(ii) Other financial Liabilities	18	46.16	34.99	16.39
(b) Provisions	19	69.57	51.23	43.62
(c) Deferred tax liabilities (Net)		523.60	481.61	449.03
(d) Other non - current liabilities	20	89.80	67.72	49.75
3. Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	21	1,105.40	1,547.59	589.63
(ii) Trade Payables	22	793.57	300.60	303.11
(iii) Other financial liabilities	23	786.03	625.07	572.05
(b) Provisions	24	5.23	2.53	2.29
(c) Liability for current tax (Net)	25	200.10	192.93	140.92
(d) Other current liabilities	26	153.08	122.72	138.07
TOTAL EQUITY AND LIABILITIES		11,459.56	10798.49	9,627.11
SIGNIFICANT ACCOUNTING POLICIES 37				

Vide Our Report of even date

For **JAIN & MOHAN**
Chartered Accountants
FRN:006896S(Sd/-) **C. Amrithalal Jain**
Partner
M.No.023060Place : Coimbatore
Date : 30.05.2018(Sd/-) **Meenakshi Sundaram Rajkumar**
Chairman
(DIN : 06935422)(Sd/-) **Ramesh Shenoy. K**
Chief Financial Officer(Sd/-) **Priyadarshini. V**
Company Secretary(Sd/-) **Santossh. R**
Managing Director
(DIN : 00790493)(Sd/-) **Vimala. R**
Whole-Time-Director
(DIN : 00813706)

**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March 2018**

Particulars	Note No.	₹ in Lakhs	
		Year ended 31 st March 2018	Year ended 31 st March 2017
CONTINUING OPERATIONS			
I INCOME			
Revenue from operations	27	1,6673.33	13,075.19
Other Income	28	62.68	43.79
Total Income		1,6736.01	13,118.98
II EXPENSES			
Cost of Materials consumed	29	9,005.71	7,898.20
Purchase of stock-in-trade	30	1,150.82	166.76
Changes in inventories of finished goods, stock in trade and work in progress	31	48.61	(236.45)
Employee benefits expense	32	991.23	748.73
Finance Cost	33	663.39	276.66
Depreciation and amortisation expenses	34	601.70	608.08
Other expenses	35	3,436.22	2,732.38
Total Expenses		15,897.68	12,194.36
III Profit / (Loss) before exceptional items and tax		838.33	924.62
IV Exceptional items		—	—
V Profit / (Loss) before tax		838.33	924.62
VI Tax expense			
Current Tax	36	200.10	192.39
Deferred tax charge /(credit)	36	41.99	32.58
Tax in respect of earlier years		1.14	-
VII Profit / (Loss) for the year from continuing operations		595.11	699.64
VIII Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans(4.33)		2.66	
(ii) Items that will reclassified to profit or loss		—	—
IX Total Comprehensive income for the Year		590.78	702.30
X Earnings per equity share of Rs. 5 each (for continuing operation)			
Basic (Rs.)		6.52	7.71
Diluted (Rs.)		6.52	7.71

Significant Accounting Policies and

Notes on accounts form part of these financials 37

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

Vide Our Report of even date For JAIN & MOHAN Chartered Accountants FRN:006896S	(Sd/-) Meenakshi Sundaram Rajkumar Chairman (DIN : 06935422)	(Sd/-) Santosh. R Managing Director (DIN : 00790493)
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(Sd/-) **C. Amrithalal Jain**
Partner
M.No.023060

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

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

Place : Coimbatore
Date : 30.05.2018

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



STANDALONE CASH FLOW FOR THE YEAR ENDED 31st March 2018

Particulars	₹ in Lakhs	
	Year ended 31 st March 2018	Year ended 31 st March 2017
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before exceptional items and tax as per statement of profit and loss	838.33	924.62
Adjustments for :		
Depreciation and amortization expenses	601.70	608.08
Finance cost	663.39	276.66
Unrealised exchange difference	(7.44)	5.33
Dividend income	-0.01	-
Interest income	-31.94	-26.63
(Profit) / loss on sale of fixed assets (net)	3.27	-0.38
	<u>2,067.31</u>	<u>1,787.68</u>
Operating profit before working capital changes		
Adjustments for:		
(Increase)/decrease in Trade & other receivables	-201.57	-539.09
(Increase)/decrease in inventories	-121.94	-890.44
Increase/(Decrease) in trade & other Payables	715.28	117.42
Increase/(Decrease) in provisions	16.70	10.93
	<u>2,475.78</u>	<u>486.50</u>
Less : Direct tax paid (net of refunds)	193.53	187.39
	<u>2,282.26</u>	<u>299.11</u>
Less : Exceptional items	-	-
Net cash flows (used in)/generated from operating activities after exceptional items	<u>2,282.26</u>	<u>299.11</u>
CASH FLOW FROM INVESTING ACTIVITIES:		
Inflows		
Sale proceeds of property, plant and equipment	2.50	34.44
Sale of Trade Investments	6.86	18.00
Interest received	38.87	19.38
Dividend received	0.01	-
	<u>48.24</u>	<u>71.82</u>
Outflows		
Purchase of Property, Plant and equipment	477.45	422.71
Purchase of Trade Investments	3.51	4.65
	<u>480.96</u>	<u>427.37</u>
Net cash flows (used in) / generated from financing activities	<u>-432.72</u>	<u>-355.54</u>



Lambodhara Textiles Limited

Particulars	₹ in Lakhs	
	Year ended 31 st March 2018	Year ended 31 st March 2017
CASH FLOW FROM FINANCING ACTIVITIES:		
Inflows		
Proceeds from short -term borrowings (net)	-	957.96
Increase in Paidup Capital & Security premium reserve	400.00	-
	<u>400.00</u>	<u>957.96</u>
Outflows		
Repayment of long term borrowings	566.00	571.12
Repayment of short term borrowings	442.19	-
Dividend paid	88.99	66.77
Dividend distribution tax	18.48	13.86
Interest paid	663.46	277.06
	<u>1779.12</u>	<u>928.82</u>
Net cash flows (used in)/ generated from financing activities	-1379.12	29.15
NET INCREASE/ (DECREASE) IN CASH AND BANK BALANCES	470.42	-27.29
Add : Cash and cash equivalence at beginning of the year	21.93	49.22
Cash and cash equivalence at end of the year	492.35	21.93
Cash and cash equivalent as per above comprises of the following		
Cash and cash equivalent	492.35	21.93
Balances as per statement of cash flows	492.35	21.93

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

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

Place : Coimbatore
Date : 30.05.2018

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

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

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

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

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

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

₹ in Lakhs

	Notes	Amount
As at 1st April, 2016		453.88
Changes in equity share capital	15	–
As at 31st March, 2017		453.88
Changes in equity share capital	15	25.00
As at 31st March, 2018		478.88

B. OTHER EQUITY

Particulars	Reserves and Surplus				Total
	Revaluation reserve	Securities Premium Reserve	General reserve	Retained Earnings	
Balance as at 1st April 2016	769.01	222.60	84.15	1,981.40	3,057.16
Profit for the year				699.64	699.64
Other comprehensive Income for the year				2.66	2.66
Total Comprehensive Income for the year				702.30	702.30
Dividends				(68.09)	(68.09)
Dividend distribution tax				(13.86)	(13.86)
Transferred to General Reserve				(17.37)	(17.37)
Transferred from Retained Earnings			17.37		17.37
Balance as at 31st March, 2017	–	–	17.37	2,584.39	3,677.51
Balance as at 1st April 2017	–	–	17.37	2,584.39	3,677.51
Profit for the year				595.11	595.11
Other comprehensive Income for the year				(4.33)	(4.33)
Total Comprehensive Income for the year				590.78	590.78
Dividends				(90.78)	(90.78)
Dividend distribution tax				(18.48)	(18.48)
Transferred to General Reserve					–
On issue of preferential share		375.00			375.00
Balance as at 31st March 2017	–	375.00	17.37	3,065.91	4,534.04

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

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

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

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

Place : Coimbatore
Date : 30.05.2018

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



Particulars	₹ in Lakhs								
	Land Freehold	Buildings	Wind Mill	Plant & Machinery	Furnitures & Fixtures	Office Equipments	Vehicles	Total	
Gross Carrying amount									
Deemed cost as at 1st April 2016	94.51	833.67	1,217.72	2,773.85	29.57	18.25	127.09	5,094.66	
Additions	-	365.29	-	248.54	0.55	4.85	97.69	716.92	
Disposals	-	-	-	57.87	-	0.24	42.28	100.39	
Reclassification as held for sales	-	-	-	-	-	-	-	-	
Balance as at 31st March 2017	94.51	1,198.96	1,217.72	2,964.52	30.12	22.85	182.50	5,711.19	
Additions	-	-	-	346.63	7.97	8.23	27.47	390.31	
Disposals	-	-	-	-	-	-	25.30	25.30	
Reclassification as held for sales	-	-	-	-	-	-	-	-	
Balance as at 31st March 2018	94.51	1,198.96	1,217.72	3,311.16	38.09	31.08	184.68	6,076.20	
Accumulated Depreciation									
Balance as at 1st April 2016	-	-	-	-	-	-	-	-	
Additions	-	36.21	64.94	456.03	5.75	7.68	27.17	597.77	
Disposals	-	-	-	42.81	-	0.23	17.11	60.15	
Reclassification as held for sales	-	-	-	-	-	-	-	-	
Balance as at 31st March 2017	-	36.21	64.94	413.22	5.75	7.45	10.07	537.63	
Additions	-	43.75	64.94	440.89	5.49	6.17	30.15	591.39	
Disposals	-	-	-	-	-	-	19.53	19.53	
Reclassification as held for sales	-	-	-	-	-	-	-	-	
Balance as at 31st March 2018	-	79.96	129.87	854.11	11.24	13.62	20.68	1,109.48	
Net carrying amount									
Balance as at 1st April 2016	94.51	833.67	1,217.72	2,773.85	29.57	18.25	127.09	5,094.66	
Balance as at 31st March, 2017	94.51	1,162.76	1,152.78	2,551.31	24.37	15.40	172.43	5,173.56	
Balance as at 31st March, 2018	94.51	1,119.00	1,087.85	2,457.05	26.85	17.46	164.00	4,966.72	

Note

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



Particulars	₹ in Lakhs									
	Land Freehold	Buildings	Wind Mill	Plant & Machinery	Furnitures & Fixtures	Office Equipments	Vehicles	Total		
Balance as at 1st April 2016	-	288.02	-	-	-	-	-	288.02		
Additions Capitalised	-	77.27	-	-	-	-	-	77.27		
Balance as at 31st March 2017	-	365.29	-	-	-	-	-	365.29		
Additions Capitalised	-	87.14	-	-	-	-	-	87.14		
Balance as at 31st March 2018	-	87.14	-	-	-	-	-	87.14		



Note - 3 - INVESTMENT PROPERTIES		₹ in Lakhs
Particulars		Amount
Gross Carrying amount		
Deemed cost as at 1st April 2016		1,480.81
Additions		—
Disposals		—
Balance as at 31st March 2017		1,480.81
Additions		—
Disposals		—
Balance as at 31st March 2018		1,480.81
Accumulated Depreciation		
Balance as at 1st April 2016		0.00
Additions		10.31
Disposals		—
Balance as at 31st March 2017		10.31
Additions		10.31
Disposals		—
Balance as at 31st March 2018		20.62
Net carrying amount		
Balance as at 1st April 2016		1,480.81
Balance as at 31st March, 2017		1,470.50
Balance as at 31st March, 2018		1,460.19
Fair value		
As at 01.04.2016		2,518.00
As at 31.03.2017		2,521.75
As at 31.03.2018		2,525.50

Particulars	31.03.2018	31.03.2017
Income derived from investment properties	121.79	78.99
Direct operating expenses (including repairs and maintenance) generating rental income	89.23	37.73
Income arising from investment properties before depreciation	32.56	41.26
Depreciation	11.85	11.65
Income from investment properties (Net)	20.71	29.61

Premises given on operating lease:

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

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

Particulars	As at	As at	As at
	31st March 2018	31st March 2017	1st April 2016
For the period not later than one year	124.56	105.46	77.26
For a period later than one year and not later than five years	330.59	249.36	206.40
For a period later than five years	11.50	45.67	97.27

Estimation of fair value

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

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

Particulars	As at	As at	As at
	31st March 2018	31st March 2017	1st April 2016

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

Mytrah Vayu (Manjira) Private Limited (180000 Equity Shares of Rs. 10 each)	–	–	18.00
OPG Energy Private Limited (6500 Equity shares of Rs. 34 each)	–	2.21	2.21
OPG Power Generation Private Limited (42300 shares of Rs. 11 each)	–	4.65	–
OPG Power Generation Private Limited (31900 shares of Rs. 11 each)	3.51		
Total	3.51	6.86	20.21
Aggregate amount of unquoted investments	3.51	6.86	20.21
Aggregate amount of impairment in the value of investment	3.51	6.86	20.21

Note - 5 - OTHER NON CURRENT FINANCIAL ASSETS

Deposit with others	55.29	51.71	61.86
Total	55.29	51.71	61.86

Note - 6 - NON CURRENT TAX ASSETS (NET)

Excess Income Tax paid	7.62	7.62	7.62
Total	7.62	7.62	7.62

Note - 7 - OTHER NON CURRENT ASSETS

Capital Advances	21.00	21.00	21.00
Other Advances	95.90	149.85	150.72
Total	116.90	170.85	171.72



₹ in Lakhs

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Note - 8 - INVENTORIES			
Raw Materials	1,142.61	1,049.80	409.36
Raw Materials - In Transit	62.75	11.96	-
Work-in-progress	150.97	199.58	158.94
Finished Goods	280.39	487.48	291.67
Stock in Trade	21.43	-	-
Stock in Trade - In Transit	185.66	-	-
Stores and Spares	37.00	10.05	8.46
Total	1,880.81	1,758.87	868.43

Mode of valuation: Refer Note 37 (ii)(h) in significant Accounting Policies

Note - 9 - TRADE RECEIVABLES**Secured, considered good**

Trade receivables	1,782.90	1,220.56	1,054.93
Total	1,782.90	1,220.56	1,054.93

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

Note - 10 - CASH AND CASH EQUIVALENTS

Cash on hand	5.35	1.73	34.98
Balances with Banks - In Current accounts	487.00	20.21	14.24
Total	492.35	21.93	49.22

Note - 11 - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Margin Money deposits	-	9.32	9.32
Investments in Term Deposits	15.65	95.00	100.00
Unclaimed dividends - Earmarked balances with banks	9.52	7.73	6.42
Total	25.17	112.04	115.73

Note - 12 - OTHER CURRENT LOANS

Loan to Employees	5.22	-	-
Total	5.22	-	-

Note - 13 - OTHER CURRENT FINANCIAL ASSETS

Interest receivable	0.43	7.37	0.13
Total	0.43	7.37	0.13

Note - 14 - OTHER CURRENT ASSETS

Export Benefits receivable	15.43	17.13	39.24
Interest Subsidy receivable	22.91	25.52	65.39
Advances to Suppliers	67.73	407.50	69.59
Deposits with customs, excise and other govt. authorities	168.20	210.09	142.59
Claims Receivable	182.00	17.08	29.56
Prepaid Expenses	78.71	59.12	53.32
Advances recoverable in kind for value to be received	12.52	8.29	3.14
Other Advances	27.82	51.86	10.93
Total	575.30	796.60	413.76



Particulars	As at		As at
	31st March 2018	31st March 2017	1st April 2016
Note - 15 - EQUITY SHARE CAPITAL			
Authorised			
2,00,00,000 [31st March 2017:1,00,00,000 and 1st April 2016: 1,00,00,000]			
Equity shares of Rs 5 each	1,000.00	500.00	500.00
Issued, Subscribed and fully paid up			
95,77,600 [31st March 2017 90,77,600 and 1st April 2016 90,77,600]			
Equity shares of Rs 5 each	478.88	453.88	453.88
Total	478.88	453.88	453.88

- a) During the year ended 31st March 2018 the company has increased its Authroised Capital from Rs, 5,00,00,000 to Rs. 10,00,00,000.
- b) During the year ended 31st March 2018 the company has allotted 5,00,000 number of Equity shares at Rs. 80 Per share (Consisting of Rs 5 on Capital and Rs. 75 on premium) under Preferential mode to Strike Right Intergrated Servcies Limited (Member of Promoter Group), due to this preferential issue the Paid up Capital of the Company increased from Rs 4,53,88,000 to 4,78,88,000.

c) **Reconciliation of number of shares**

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
Shares outstanding at the beginning of the year	9,077,600	45,388,000	9,077,600	45,388,000
Add: Allotment of Equity shares on preferential basis	500,000	2,500,000	-	-
Shares outstanding at the end of the year	9,577,600	47,888,000	9,077,600	45,388,000

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

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

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

Details of Shareholders	As at 31st March, 2018		As at 31st March, 2017		As at 1st April 2016	
	%	Number of shares	%	Number of shares	%	Number of shares
Bosco Giulia	-	-	5.11	464,000.00	5.11	464,000.00
Shri. Santosh R	29.05	2,782,506.00	30.65	2,782,506.00	30.65	2,782,506.00
Strike Right Integrated Services Limited	35.71	3,420,600.00	32.17	2,920,600.00	32.17	2,920,600.00



Note - 16 OTHER EQUITY

₹ in Lakhs

Particulars	Reserves and Surplus				Total
	Revaluation reserve	Securities Premium Reserve	General reserve	Retained Earnings	
Balance as at 1st April 2016	769.01	222.60	84.15	1,981.40	3,057.16
Profit for the year				699.64	699.64
Other comprehensive Income for the year				2.66	2.66
Total Comprehensive Income for the year				702.30	702.30
Dividends				(68.09)	(68.09)
Dividend distribution tax				(13.86)	(13.86)
Transferred to General Reserves				(17.37)	(17.37)
Transferred from Retained Earnings			17.37		17.37
Balance as at 31st March, 2017	769.01	222.60	101.52	2,584.39	3,677.51
Balance as at 1st April 2017	769.01	222.60	101.52	2,584.39	3,677.51
Profit for the year				595.11	595.11
Other comprehensive Income for the year				(4.33)	(4.33)
Total Comprehensive Income for the year				590.78	590.78
Dividends				(90.78)	(90.78)
Dividend distribution tax				(18.48)	(18.48)
Transferred to General Reserve					
On issue of preferential share		375.00			375.00
Balance as at 31st March 2018	769.01	597.60	101.52	3,065.91	4,534.04

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 31st March 2018	As at 31st March 2017	As at 1st April 2016
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Note - 17 - NON CURRENT BORROWINGS

Secured

Term Loans from Banks

Foreign Currency Loans	2,118.45	2,190.75	1,788.29
Other Loans	239.43	392.63	1,400.08
Long term maturities of finance lease obligations	36.22	46.68	7.46

Unsecured

Loans from related parties	280.00	610.04	615.40
Total	2,674.10	3,240.10	3,811.22



- 17.1 FCNRB Term loan - I from State Bank of India is secured by First charge on entire assets created out of the term loan. Total outstanding as on 31.03.2018 is ₹ 627.70 lakhs as on 31.03.2017 is ₹ 676.26 lakhs and as on 1st April 2016 is ₹ 877.80 lakhs. Term Loan - I is payable in 36 installments commencing from November 2016. Last installment is due in October 2019.
- 17.2 Term loan - II from State Bank of India is secured by first charge on entire assets created out of the term loan. Total outstanding as on 31.03.2018 is ₹ 324.18 lakhs as on 31.03.2017 is ₹ 470.43 lakhs as on 1st April 2016 is ₹ 605.43 lakhs. Term Loan - II is payable in 84 installments commencing from October 2013. Last installment is due in September 2020.
- 17.3 FCNRB Term loan III from State Bank of India is secured by first charge on entire assets created out of the term loan. Total outstanding as on 31.03.2018 is ₹ 1149.69 lakhs as on 31.03.2017 is ₹ 1018.90 lakhs as on 1st April 2016 is ₹ 1049.94 lakhs. Term Loan - III is payable in 31 installments commencing from April 2017. Last installment is due in October 2019.
- 17.4 FCNRB Term Loan - I from Bank of India is secured by First charge on Windmill and Windmill Land. Total outstanding as on 31.03.2018 is ₹ 345.79 lakhs as on 31.03.2017 is ₹ 365.07 lakhs and as on 1st April 2016 is ₹ 455.46 lakhs. Term Loan is payable in 108 installments commencing from March 2013. Last installment is due in Feb 2022.
- 17.5 Term loan - II from Bank of India is secured by first charge on entire assets created out of the term loan. Total outstanding as on 31.03.2018 is ₹ 163.53 lakhs as on 31.03.2017 is ₹ 172.65 lakhs as on 1st April 2016 is ₹ 215.53 lakhs. Term Loan - II is payable in 84 monthly installments commencing from April 2015. Last installment is due in Mar 2022.
- 17.6 Term loan - III from Bank of India is secured by Residential apartment purchased out of term loan. Total outstanding as on 31.03.2018 is ₹ 56.78 lakhs as on 31.03.2017 is ₹ 62.48 lakhs and as on 1st April 2016 is ₹ 67.30 lakhs. Term Loan - III is payable in 137 installments commencing from April 2014. Last installment is due in Aug 2025.
- 17.7 Term loan - IV from Bank of India is secured first charge on entire assets created out of term loan. Total outstanding as on 31.03.2018 is ₹ 280.62 lakhs, as on 31.03.2017 is ₹ 298.67 lakhs as on 1st April 2016 is ₹ 374.71 lakhs. Term Loan - IV is payable in 72 installments commencing from January 2016. Last installment is due in Dec 2022.
- 17.8. Two directors have given personal guarantee and one of them had given personal assets as security for the term loans and working capital loans from State Bank of India and no Guarantee commission has been paid to any directors in this connection.
- Three directors have given personal guarantee and one of them had given personal assets as security for the term loans and working capital loans from Bank of India and no Guarantee Commission has been paid to any directors in this connection.
- Details of pledge of shares held by directors for availing loan facilities for the company:
The Managing Director has pledged 11.24 lakh shares of the company held by him as collateral security for the loan sanctioned by State Bank of India and 10.5 lakh shares of the company held by him as collateral security for the loan sanctioned by Bank of India.
- Strikeright Intergrated Services Limited has given Corporate Guarantee for State Bank of India Loan and no Guarantee Commission has been paid.
- One of the director has given personal guarantee for the Residential property loan from Bank of India and no Guarantee Commission has been paid to the director in this connection.
- 17.9. Installments falling due in respect of all the above Loans upto 31.03.2018 have been grouped under "Current maturities of long-term debt" (Refer Note 23 (a))
- 17.10 The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 38



₹ in Lakhs

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
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Note - 18 - OTHER NON-CURRENT LIABILITIES

Deposits received for Commercial complex	46.16	34.99	16.39
Total	46.16	34.99	16.39

Note - 19 - NON CURRENT PROVISIONS

Provision for employee benefits			
(i) Provision for gratuity (Unfunded)	69.57	51.23	43.62
Total	69.57	51.23	43.62

Note - 20 - OTHER NON CURRENT LIABILITIES

Rental Advance received	21.29	16.46	19.41
Government Grant #	68.51	51.26	30.34
Total	89.80	67.72	49.75

Represents unamortised amount of duty saved referred to in note no.48

Note - 21 - CURRENT BORROWINGS

(a) Loans repayable on demand			
From banks (Secured)			
Foreign currency Loans	639.76	659.74	1.63
Other Loans	185.08	764.59	587.99
(b) Other loans from banks			
Foreign currency Loans	280.57	123.26	—
Total	1,105.40	1,547.59	589.63

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

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

₹ in Lakhs

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
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Note - 22 - TRADE PAYABLE

Total outstanding dues of Micro enterprises & Small enterprises	—	—	—
Total outstanding dues other than Micro enterprises & Small enterprises	793.57	300.60	303.11
Total	793.57	300.60	303.11



There are no Micro and Small Enterprises, to who the company owes dues, which are outstanding for more than 45 days as at 31st March 2018. This information as required to be disclosed under the MSMED Act 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

₹ in Lakhs

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
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Note - 23 - OTHER CURRENT FINANCIAL LIABILITIES

(a) Current maturities of long-term debt	590.41	481.08	457.83
(b) Current maturities of finance lease obligations	36.53	34.91	24.02
(c) Interest accrued but not due on borrowings	14.64	14.71	15.11
(d) Unpaid dividends (Refer Note (a) below)	9.52	7.73	6.42
(e) Payable to employees	134.92	86.64	68.67
Total	786.03	625.07	572.05

Note: (a) There are no amounts due for payment to the investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.

Note - 24 - PROVISIONS

Provisions for employee benefits (Refer note 41)

Gratuity (Unfunded)	5.23	2.53	2.29
Total	5.23	2.53	2.29

Note - 25 - LIABILITY FOR CURRENT TAX (NET)

Provision for Taxation	200.10	192.93	140.92
Total	200.10	192.93	140.92

Note - 26 - OTHER CURRENT LIABILITIES

Statutory dues	25.19	16.38	17.04
Government Grant #	13.58	9.36	5.06
Other payables	114.31	96.98	115.96
Total	153.08	122.72	138.07

Represents unamortised amount of duty saved referred to in Note 48

₹ in Lakhs

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
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Note - 27 - REVENUE FROM OPERATIONS

Sale of Products		
(i) Manufactured goods	15,034.66	12,326.00
(ii) Stock in trade	1,045.05	96.28
Other operating Income		
(i) Export Incentives, Etc.	82.97	174.91
(ii) Process waste sale	23.92	25.26
(iii) Rental Income	120.77	81.73
(iv) Wind mill - Electricity captive consumption value	366.02	371.87
Excise Duty	0.07	0.86
Total	16,673.33	13,075.19



Particulars	Year ended 31st March 2018	Year ended 31st March 2017
Note - 28 - OTHER INCOME		
Interest Income	31.94	26.63
Dividend Income	0.01	-
Other non-operating income	16.78	5.49
Apportioned income from Government Grant (Refer Note 48)	10.20	7.01
Profit on sale of assets	0.14	0.38
Net gain on fair valuation of financial assets and liabilities through profit and loss	3.62	4.28
Total	62.68	43.79
Note - 29 - COST OF MATERIAL CONSUMED		
Opening stock	1,061.76	409.36
Purchases	9,171.29	8,641.52
Less: Sale	21.97	90.92
Less: Closing stock	1,205.36	1,061.76
Total	9,005.71	7,898.20
Note - 30 - PURCHASE OF STOCK IN TRADE		
Yarn Purchase	1,150.82	166.76
Total	1,150.82	166.76
Note - 31 - CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK IN PROGRESS		
Opening inventories		
Finished goods	487.48	291.67
Work in progress	199.58	158.94
stock in trade	-	-
	687.06	450.61
Closing inventories		
Finished goods	280.39	487.48
Work in progress	150.97	199.58
Stock in trade	207.09	-
	638.45	687.06
Total	48.61	(236.45)
Note - 32 - EMPLOYEE BENEFIT EXPENSES		
Salaries and wages	829.21	605.36
Managerial Remuneration	33.75	26.55
Contribution to Provident funds and other funds	36.97	25.82
Gratuity expense	18.33	11.24
Workmen and Staff welfare expense	72.96	79.75
Total	991.23	748.73



Particulars	Year ended 31 st March 2018	Year ended 31 st March 2017
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Note - 33 - FINANCE COSTS

Interest expenses on Term Loans	145.12	250.20
Interest expenses - Others	90.89	91.07
Applicable net loss on foreign currency transactions and translation	390.46	(94.85)
Other borrowing costs	36.93	30.24
Total	663.39	276.66

Note - 34 - DEPRECIATION AND AMORTIZATION EXPENSE

Depreciation on Property, Plant and Equipment	591.39	597.77
Depreciation on Investment Property	10.31	10.31
Total	601.70	608.08

Note - 35 - OTHER EXPENSES**Manufacturing expenses**

Consumption of stores and spares (Refer Note below)	347.93	344.92
Power and fuel	1,192.74	1,252.58
Conversion charges	1,105.23	413.57
Repairs to Buildings	17.06	31.63
Repairs to Machinery	25.84	2,688.80
		17.812,060.51

Selling and Distribution Expenses

Freight and forwarding	243.04	218.47
Insurance ECGC	5.74	4.65
Sales commission	158.46	83.02
Consignment Expenses	1.91	6.11
Business promotion	40.66	58.22
Discount on Script	1.09	1.27
Advertisement	3.70	454.61
		2.58
		374.32

Establishment Expenses

Rent	9.77	9.63
Repairs and maintenance - Others	139.30	145.75
Insurance	10.91	10.99
Rates and taxes, excluding taxes on income	24.56	27.32
Postage and Telephone	6.28	9.11
Travelling and conveyance	41.06	30.73
Printing and stationery	5.82	3.07
Audit Fees and Expenses	6.02	6.91
Subscription	1.54	0.39
Professional & Consultancy	35.08	14.83
Net loss on foreign currency transactions and translation	(18.67)	16.37
Loss on sale of fixed assets	3.40	6.18
Prior period items (net)	—	—
Bad debts written off	—	—
Miscellaneous expenses	11.01	276.07
Corporate Social Responsibility Expenses		16.73
		4.75
Total	3,436.22	2732.38



Particulars	Year ended 31 st March 2018	Year ended 31 st March 2017
Note - Consumption of stores and spares		
Indigenous	347.93	344.92
Imported	—	—
Total	347.93	344.92
NOTE - 36- TAX EXPENSES		
Tax expense recognised in the Statement of profit and Loss		
Current Tax		
Current Tax on taxable income for the year	200.10	192.39
Total Current Tax expense	200.10	192.39
Deferred Tax		
Deferred Tax charge	109.22	86.75
MAT Credit utilised	(67.23)	(54.17)
Total Deferred Income Tax expense	41.99	32.58
Tax in respect of earlier years	1.14	-
Total Tax expense	201.24	192.39

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

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

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

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

These financial statements for the year ended 31st March, 2018 are the first financials with comparatives, prepared under Ind AS. For all previous periods including the year ended 31st March, 2017, the Company had prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April,



2016 being the date of transition to Ind AS.

(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 Rs. 5000 the policy of the Company is to charge depreciation at 95% of the cost on prorata basis to the period of use, considering the useful life



of assets as less than 1 year.

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

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

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

(d) Investment properties

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

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

(e) Intangible assets

Computer software

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

Amortisation method and useful life

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

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

(f) Lease

Operating Lease

As a lessee

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

As a lessor

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

(g) Cash and Cash Equivalents

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



changes in value.

(h) Inventories

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

(i) Investments and other financial assets

(i) Classification

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

- (1) Those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- (2) Those measured at amortised cost.

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

(ii) Measurement

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

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

Equity instruments:

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

(iii) Impairment of financial assets

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

(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. Interest and other expenses attributable to the liabilities of a disposal Company classified as held for sale continue to be recognised.

(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

Revenue is measured at the value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty upto June 2017 after June 2017 the amount is exclusive of excise duty as changed to GST regime, and net of returns, trade allowances, rebates, discounts, value added taxes and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

Sale of goods

Sales are recognised when substantial risk and rewards of ownership are transferred to customer, In case of domestic customer, generally sales take place when goods are dispatched or delivery is handed over to transporter, in case of export customers, generally sales take place when goods are shipped onboard based on bill of lading.

Sales Return

The Company recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale.

Revenue from services

Revenue from services is recognised in the accounting period in which the services are rendered and based on relevant contractual agreements and arrangement.

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) 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.

Note :- 38 - ASSETS PLEDGED AS SECURITY

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

Particulars	₹ in Lakhs		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Current Assets			
Financial Assets			
Floating Charge			
Receivables	1,782.90	1,220.56	1,054.93
	1,782.90	1,220.56	1,054.93
Non Financial Assets			
Floating Charge			
Inventories	1,880.81	1,758.87	868.43
Total Current assets Pledged as security	1,880.81	1,758.87	868.43
Non Current Assets			
Land	94.51	94.51	94.51
Building	1,119.00	1,162.76	833.67
Plant and Machinery	2,457.05	2,551.31	2,773.85
Wind Mill	1,087.85	1,152.78	1,217.72
Vehicles	164.00	172.43	127.09
Investment property	1460.19	1470.50	1480.81
Total non-current assets Pledged as security	6,382.60	6,604.29	6,527.66
Total assets Pledged as security	10,046.31	9,583.72	8,451.02

Note : 39 - Details of Contingent liabilities and Contingent assets

i. Employees' State Insurance Corporation demand, Appeal before the Employee Insurance Court.	5.63	5.63	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	12.34
iii. Cross Subsidy surcharge to TNGDCL	39.52	39.52	39.52
iv. Demand by DCTO, Enforcement Group	55.68	55.68	55.68
v. Dispute with TNEB on Payment of tax on self generated units	6.90	6.90	6.74



Note 40 - COMMITMENTS

Capital Commitments

Estimated value of contract remaining to be executed on Capital account is Rs36.18 lakhs (Previous year Rs. Nil)

Note :- 41 - POST RETIREMENT BENEFIT PLANS

Defined Benefits Plan

Gratuity

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

In accordance with IND As details are given below which is certified by the actuary and relied upon by the auditors and the company has provided the liability in accounts, to meet its liability from internal generation.

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
I PRINCIPAL ACTUARIAL ASSUMPTIONS			
[Expressed as weighted averages]			
Discount Rate	7.69%	7.10%	7.90%
Salary escalation rate	6.00%	6.00%	6.00%
Attrition rate	5.00%	5.00%	5.00%
Expected rate of return on Plan Assets	7.69%	7.10%	0.00%
II. CHANGES IN THE PRESENT VALUE OF THE OBLIGATION (PVO) -			
RECONCILIATION OF OPENING AND CLOSING BALANCES: (Rs. In Lakhs)			
PVO as at the beginning of the period	53.77	45.90	39.95
Interest Cost	3.76	3.60	3.09
Current service cost	14.57	7.65	7.40
Past service cost	-	-	-
Benefits paid	-1.63	-0.72	-0.66
Actuarial loss/(gain) on obligation (balancing figure)	4.33	-2.66	-3.88
PVO as at the end of the period	74.80	53.77	45.90
III CHANGES IN THE FAIR VALUE OF PLAN ASSETS -			
RECONCILIATION OF PENING AND CLOSING BALANCES:			
Fair value of plan assets as at the beginning of the period	-	-	-
Expected return on plan assets	-	-	-
Contributions	1.63	0.72	0.66
Benefits paid and charges deducted	-1.63	-0.72	-0.66
Actuarial gain/(loss) on plan assets [balancing figure]	-	-	-
Fair value of plan assets as at the end of the period	-	-	-



	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
IV. ACTUAL RETURN ON PLAN ASSETS			
Expected return on plan assets	-	-	-
Actuarial gain (loss) on plan assets	-	-	-
Actual return on plan assets	-	-	-
V. ACTUARIAL GAIN / LOSS RECOGNIZED			
Actuarial gain / (loss) for the period - Obligation	-4.33	2.66	3.88
Actuarial gain / (loss) for the period- Plan Assets	-	-	-
Total (gain) / loss for the period	4.33	2.66	-3.88
Actuarial (gain) / loss recognized in the period	4.33	-2.66	-3.88
Unrecognized actuarial (gain) / loss at the end of the year	-	-	-
VI. AMOUNTS RECOGNISED IN THE BALANCE SHEET AND RELATED ANALYSES.			
Present value of the obligation	74.80	53.77	45.90
Fair value of plan assets	-	-	-
Amount determined under para 63 of Ind AS19	74.80	53.77	45.90
Net Defined benefit liability recognized in the balance sheet	74.80	53.77	45.90
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	-	-	-
VII. EXPENSES RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS:			
Current service cost	14.57	7.65	7.40
Net Interest on Net Defined Benefit Obligations	3.76	3.60	3.09
Net actuarial (gain) / loss recognised during the period	-	-	-
Past service	-	-	-
Expenses recognized in the statement of profit and loss	18.33	11.24	10.49
VIII. AMOUNT RECOGNIZED FOR THE CURRENT PERIOD IN THE STATEMENT OF OTHER COMPREHENSIVE INCOME [OCI]			
Actuarial (gain)/ Loss on Plan obligations	4.33	-2.66	-3.88
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	4.33	-2.66	-3.88
IX. MOVEMENTS IN THE LIABILITY RECOGNIZED IN THE BALANCE SHEET			
Opening net liability	53.77	45.90	39.95
Amount recognized in Profit and Loss Account	18.33	11.24	10.49
Amount recognised in OCI	4.33	-2.66	-3.88
Contribution paid	-1.63	-0.72	-0.66
Closing net liability	74.80	53.77	45.90



Date of valuation	31.03.2018	31.03.2017
Average Duration of defined benefit obligations (In years)	10.9	10.6
Sensitivity analysis		
A. Discount Rate +50 BP	8.19%	7.60%
Defined benefit obligation (PVO)	71.38	51.22
Current Service Cost	15.45	13.69
B. Discount rate -50 BP	7.19%	6.60%
Defined benefit obligation (PVO)	78.49	56.53
Current Service Cost	17.37	15.54
C. Salary Escalation Rate +50 BP	6.50%	6.50%
Defined benefit obligation (PVO)	78.65	56.63
Current Service Cost	17.41	15.57
D. Salary Escalation Rate -50 BP	5.50%	5.50%
Defined benefit obligation (PVO)	71.20	51.11
Current Service Cost	15.41	13.66
EXPECTED CONTRIBUTIONS IN FOLLOWING YEARS		
[MID- YEAR CASH FLOWS]		
YEAR 1	3.70	2.71
YEAR 2	4.16	3.13
YEAR 3	8.00	3.09
YEAR 4	5.20	6.59
YEAR 5	5.69	4.29
NEXT 5 YEARS	42.56	24.10
EXPECTED BENEFIT PAYMENTS IN FOLLOWING YEARS		
[MID - YEAR CASH FLOWS]		
YEAR 1	3.70	2.71
YEAR 2	4.16	3.13
YEAR 3	8.00	3.09
YEAR 4	5.20	6.59
YEAR 5	5.69	4.29
NEXT 5 YEARS	42.56	24.10



Note :- 42 - SEGMENT REPORTING

Operating Segments:

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

Identification of Segments:

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

Segment revenue and results:

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

Segment assets and Liabilities:

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

Segment Reporting	31.03.2018	31.03.2017	01.04.2016
Segment Revenue			₹ in Lakhs
Textiles	16,248.20	12,668.12	11,689.31
Wind Mills	366.02	371.87	209.23
Real Estate	121.79	78.99	14.48
Total	16,736.01	13,118.98	11,913.02
Segment Expenditure			
Textiles	15,467.75	11,914.13	10,935.04
Wind Mills	268.67	184.95	245.65
Real Estate	101.08	49.39	25.85
Total	15,837.51	12,148.47	11,206.54
Add: Unallocable Expenses	60.17	45.89	44.50
Total Expenditure	15,897.68	12,194.36	11,251.04
Profit / Loss before Tax	838.33	924.62	661.98
Segment Assets			
Textiles	8,787.21	8,048.59	6,850.35
Wind Mills	1,166.51	1,245.24	1,268.25
Real Estate	1,504.72	1,503.56	1,507.50
Total	11,458.44	10,797.40	9,626.09
Add: Unallocable Assets	1.12	1.09	1.02
Total Assets	11,459.56	10,798.49	9,627.11

**Segment Liabilities**

Textiles	5,306.84	5,530.35	4,820.23
Wind Mills	684.04	740.36	892.59
Real Estate	454.75	395.48	402.37
Total	6,445.63	6,666.18	6,115.19
Add: Unallocable Liabilities	1.01	0.91	0.88
Total Liabilities	6,446.64	6,667.10	6,116.07

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 *	14,838.08	10,818.89	1,897.94	2,300.09	16,736.01	13,118.98
Carrying Cost of segment assets **	11,049.00	9,400.89	410.56	226.22	11,459.56	9,627.11
Carrying Cost of segment Non Current assets ***	1,730.65	1,707.55	-	-	1,730.65	1,707.55
Additions to Property, plant and equipments	390.31	716.92	-	-	390.31	716.92

* Based on location of Customers

** Based on location of assets

@ Excluding Property, plant and equipments

NOTE 43 RELATED PARTY DISCLOSURES FOR THE YEAR ENDED 31ST MARCH 2018.

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

	Period	Opening Balance	Amount Received	Amount Repaid	Closing balance
Mr.Santossh.R.	(17-18)	256.01	129.93	385.94	Nil
Managing Director	(16-17)	310.71	85.71	140.41	256.01
Ms. Bosco Giulia	(17-18)	23.31	64.13	87.44	Nil
Whole Time Director	(16-17)	4.33	26.68	7.70	23.31
Mr.Babachandrasekhar	(17-18)	330.00	Nil	50.00	280.00
Director	(16-17)	300.00	80.00	50.00	330.00
Ms.Vimala.R.	(17-18)	0.72	Nil	0.72	Nil
Whole Time Director	(16-17)	0.36	0.36	Nil	0.72

b) Remuneration paid to Managing Director, Mr.Santossh.R. is Rs.16.65 lakhs (Previous Year Rs.12.15 lakhs).

c) Remuneration paid to Whole-Time Director, Ms. Bosco Giulia is Rs.11.10 lakhs (Previous Year Rs.8.40 lakhs).

Cash value of perquisites to Whole-Time Director, Ms. Bosco Giulia is Rs.1.58 lakhs (Previous Year Rs.1.31 lakhs)



- d) Remuneration paid to Whole-Time Director, Ms.Vimala.R. is Rs.6.00 lakhs (Previous Year Rs.6.00).
- e) Interest paid to Director Mr.Baba Chandrasekar is Rs.30.97 lakhs (Previous Year Rs.40.15 lakhs)
- f) (i) Polyester and Viscose Fibre purchase from Strikeright Integrated Services Limited during the year for Rs.1,981.45 lakhs (Previous Year Rs.4,183.47 lakhs)
(ii) Cone yarn sales made to Strikeright Intergrated Services Limited during the year for Rs.22.67 Lakhs (Previous Year Rs.Nil)

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

- g) During the year Rs.7.11 lacs is paid as salary to one Key Management Person Mr.Ramesh Shenoy (CFO) (Previous year Rs.7.11 lakhs)
- h) During the year, lease rent on vehicle paid to Whole Time Director, Ms. Bosco Giulia is Rs.2.40 lakhs (Previous Year Rs.1.20 lakhs).

NOTE - 44 FAIR VALUE MEASUREMENTS

Financial Instrument by category and hierarchy

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

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

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

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

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

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

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

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



Note :- 44 - FAIR VALUE MEASUREMENT

₹ in Lakhs

Financial Assets and Liabilities as at 31st March, 2018	Non Current	Current	Total	Routed through Profit and Loss			Routed through OCI			Carried at amortised cost			Total
				Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	
Financial Assets													
Investments	3.51		3.51								3.51		3.51
- Equity instruments	3.51		3.51								3.51		3.51
Other Assets		5.22	5.22								5.22		5.22
Loans to Employees													
Security Deposit													
Loans to Related Parties	55.29	0.43	55.72			55.29					0.43		55.72
Other Financial Assets		1,782.90	1,782.90								1,782.90		1,782.90
Trade receivable		492.35	492.35								492.35		492.35
Cash and Cash equivalents		25.17	25.17								25.17		25.17
Other Bank Balance	55.29	2,306.08	2,361.36			55.29					2,306.08		2,361.36
Financial Liabilities													
Borrowings	2,674.10	1,105.40	3,779.50								3,779.50		3,779.50
Other Financial Liabilities	46.16	786.03	832.18			46.16					786.03		832.18
Trade Payables		793.57	793.57								793.57		793.57
	2,720.26	2,684.99	5,405.25			46.16					5,359.10		5,405.25
Financial Assets and Liabilities as at 31st March, 2017													
Financial Assets													
Investments	6.86		6.86								6.86		6.86
Equity instruments	6.86		6.86								6.86		6.86
Other Assets													
Loans to Employees													
Security Deposit													
Loans to Related Parties													
Other Financial Assets	51.71	7.37	59.08								7.37		59.08
Trade receivable		1,220.56	1,220.56								1,220.56		1,220.56
Cash and Cash equivalents		21.93	21.93								21.93		21.93
Other Bank Balance	51.71	1,361.91	1,413.62			51.71					1,361.91		1,413.62
Financial Liabilities													
Borrowings	3,240.10	1,547.59	4,787.69								4,787.69		4,787.69
Other Financial Liabilities	34.99	625.07	660.06			34.99					625.07		660.06
Trade Payables	3,275.09	2,473.25	5,748.35			34.99					5,713.36		5,748.35



Note :- 44 - FAIR VALUE MEASUREMENT (Cont...)

	Non Current	Current	Total	Routed through Profit and Loss			Routed through OCI			Carried at amortised cost			Total
				Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	
Financial Assets and Liabilities as at 31st March, 2016													
Financial Assets													
- Equity instruments	20.21		20.21	-	-	-	-	-	-	-	-	20.21	20.21
Other Assets	20.21		20.21	-	-	-	-	-	-	-	-	20.21	20.21
Loans to Employees													
Security Deposit													
Loans to Related Parties													
Other Financial Assets	61.86	0.13	61.99			61.86						0.13	61.99
Trade receivable		1,054.93	1,054.93									1,054.93	1,054.93
Cash and Cash equivalents		49.22	49.22									49.22	49.22
Other Bank Balance		115.73	115.73									115.73	115.73
	61.86	1,220.01	1,281.87			61.86						1,220.01	1,281.87
Financial Liabilities													
Borrowings	3,811.22	589.63	4,400.85									4,400.85	4,400.85
Other Financial Liabilities	16.39	572.05	588.44			16.39						572.05	588.44
Trade Payables		303.11	303.11									303.11	303.11
	3,827.61	1,464.79	5,292.40			16.39						5,276.01	5,292.40



NOTE : - 45 - FINANCIAL RISK MANAGEMENT

Financial risk management objectives and policies

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

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

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

Market Risk- Interest rate risk

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

The Company's borrowings are of fixed rate nature only. Hence interest rate risk is not applicable and hence not 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

Particulars	CHF	USD	EURO
As at 31st March 2018			
Trade Receivable		6.31	
Trade payables		1.67	–
Loans taken		9.84	35.43
Advance to import creditors		0.18	
Advance from Debtors		0.37	
Cash and Bank balances		1.03	–

**As at 31st March, 2017**

Trade Receivable		3.49	
Trade payables			
Loans taken		9.01	38.34
Advance to import creditors	0.05	0.62	
Advance from Debtors		0.11	
Cash and Bank balances		0.29	

As at 1st April, 2016

Trade Receivable		1.43	
Trade payables			
Loans taken		29.09	
Advance to import creditors		0.33	
Advance from Export debtors		0.15	
Cash and Bank balances		0.20	

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

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

(b) Foreign Currency Risk Sensitivity

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

	2017-18		2016-17	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	95.21	(95.21)	109.36	(109.36)
EURO	(26.18)	26.18	4.44	(4.44)
Increase / (Decrease) in profit or loss	69.03	-69.03	113.80	-113.80

Credit risk

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

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

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



- 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 receivable is not material hence no additional provision considered.

Trade receivables

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

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

Liquidity Risk

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

(i) Financing arrangements

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

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Fixed rate			
Expiring within one year (bank overdraft and other facilities)	1,675.17	1,075.67	1,510.37
Expiring beyond one year (bank loans)	-	-	-

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



(ii) Maturity patterns of borrowings ₹ in Lakhs

Particulars	As at 31st March, 2018			As at 31st March, 2017			As at 1st April, 2016					
	0-1 years	1-5 years	beyond 5 years	Total	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)	641.59	2,086.76	587.34	3,315.69	530.69	2,461.81	778.29	3,770.79	496.96	2,734.00	1,077.22	4,308.19
Short term borrowings	1,105.40		1,105.40	1,547.59	1,547.59	-	-	1,547.59	589.63	-	-	589.63
Total	1,746.98	2,086.76	587.34	4,421.09	2,078.28	2,461.81	778.29	5,318.39	1,086.59	2,734.00	1,077.22	4,897.81

Maturity patterns of other Financial Liabilities

Particulars	0-3 months		3-6 months		6 months to 12		beyond 12 months		Total
	0-3 months	beyond 3 months	3-6 months	beyond 6 months	6 months to 12	beyond 12 months	Total		
As at 31st March, 2018									
Trade Payable	793.57	-	-	-	-	-	-	793.57	
Other Financial liability (Current and Non Current)	190.60	-	-	-	-	-	-	190.60	
Total	984.17	-	-	-	-	-	-	984.17	
As at 31st March 2017									
Trade Payable	300.60	-	-	-	-	-	-	300.60	
"Other Financial liability (Current and Non Current)	129.37	-	-	-	-	-	-	129.37	
Total	429.96	-	-	-	-	-	-	429.96	
As at 1st April, 2016									
Trade Payable	303.11	-	-	-	-	-	-	303.11	
Other Financial liability (Current and "Non Current)	91.48	-	-	-	-	-	-	91.48	
Total	394.59	-	-	-	-	-	-	394.59	



NOTE : 46 - CAPITAL RISK MANAGEMENT

(a) Risk Management

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

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

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

(b) Dividend	31st March, 2018	31st March, 2017
Equity shares		
Final dividend for the year ended 31st March, 2017	90.78	68.08
Rs. 1 per equity share (20%) of face value Rs. 5 each (31st March 2016 - Rs. 0.75) per fully paid share		
Dividends not recognised at the end of the reporting period		
In addition to the above dividends, since year end the	95.78	90.78
Directors have recommended the payment of a final dividend Of Rs. 1 per fully paid equity share (31st March 2017 - Rs. 1). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.		

NOTE : 47 - EARNINGS PER SHARE	31st March, 2018	31st March, 2017
Earning per share has been computed as under		
Profit / (Loss) for the year	595.11	699.64
Weighted average number of equity shares outstanding	91,33,764	90,77,600
Earnings per shares (Rs.) - Basic (Face value Rs. 5 per share)	6.52	7.71
Diluted earning per share is same as basic earning per share	6.52	7.71

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

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

Note - 49 BREAK UP OF AUDIT FEES

For Audit	3.16	3.87
For Certification	2.00	0.96
For Taxation services	0.71	1.95
For reimbursement of expenses	0.15	0.13



Note - 50. CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENSES

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
Prescribed CSR expenditure as per Section 135 of the Companies Act, 2013	14.85	11.32
(a) Total amount planned to be spent during the year	16.73	11.53
(b) Actual spent during the year	16.73	11.53
(c) Amount unspent (a-b) (to be spent in subsequent year)	-	-
(1) Unspent CSR expenditure of the previous year included in the current year	-	-
(2) Amount paid for		
- Acquisition / Construction of assets	15.00	9.20
- Other purposes	1.73	2.33

Note - 51. EVENT OCCURRING AFTER BALANCE SHEET DATE

The board of directors has recommended Equity dividend of ₹ 1 per share (previous year ₹ 1) for the financial year 2017-18.

Note :- 52 - FIRST-TIME ADOPTION OF Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The Company has adopted Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with a transition date of 1st April, 2016. Ind AS 101-First-time Adoption of Indian Accounting Standards requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements which is for the year ended 31st March, 2017 for the company, be applied retrospectively and consistently for all financial years presented. Consequently, in preparing these Ind AS financial statements, the Company has availed certain exemptions and complied with the mandatory exceptions provided in Ind AS 101, as explained below. The resulting difference in the carrying values of the assets and liabilities as at the transition date between the Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity).

Set out below are the Ind AS 101 optional exemptions availed as applicable and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A. Optional Exemptions availed

(a) Deemed Cost

The Company has opted paragraph D7 AA and accordingly considered the carrying value of property, plant and equipments as deemed cost as at the transition date.

B. Applicable Mandatory Exceptions

(a) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

-Investment in equity instruments carried at FVPL or FVOCI;

-Impairment of financial assets based on expected credit loss model.

(b) Classification and measurement of financial assets

As required under Ind AS 101 the company has assessed the classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.



C. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS as required under Ind AS 101:

- I. Reconciliation of Balance sheet as at April 1, 2016 (Transition Date)
- II. A. Reconciliation of Balance sheet as at March 31, 2017
- B. Reconciliation of Total Comprehensive Income for the year ended March 31, 2017
- III. Reconciliation of Equity as at April 1, 2016 and as at March 31, 2017
- IV. Adjustments to Statement of Cash Flows

The presentation requirements under Previous GAAP differs from Ind AS, and hence, Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

I. Reconciliation of Balance sheet as at April 1, 2016 (Transition Date)

(₹ in Lakhs)

Particulars	Notes to first time adoption	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
I ASSETS				
1. Non-current assets				
(a) Property, plant and equipment	C	5,059.27	35.40	5,094.66
(b) Capital Work - in - progress		288.02		288.02
(c) Investment properties		1,480.81		1,480.81
(d) Financial assets				
(i) Investments		20.21		20.21
(ii) Others financial assets	D	71.10	(9.24)	61.86
(e) Current tax assets (net)		7.62		7.62
(f) Other non current assets	D	162.48	9.24	171.72
2. Current assets				
(a) Inventories		868.43		868.43
(b) Financial Assets				
(i) Trade receivables		1,054.93		1,054.93
(ii) Cash and Cash equivalents		49.22		49.22
(iii) Bank Balances other than cash and cash equivalents		115.73		115.73
(iv) Loans		-		-
(v) Other financial assets	0.13		0.13	
(c) other current assets		413.75		413.75
TOTAL ASSETS		9,591.71	35.40	9,627.10
II EQUITY AND LIABILITIES				
1. Equity				
(a) Equity share capital		453.88		453.88
(b) Other Equity	E	2,975.22	81.94	3,057.16
2. Liabilities				
Non current liabilities				
(a) Financial liabilities				
(i) Borrowings		3,811.22		3,811.22
(ii) Other financial Liabilities	D	35.80	(19.41)	16.39



(₹ in Lakhs)

Particulars	Notes to first time adoption	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
(b) Provisions		43.62		43.62
(c) Deferred tax liabilities (Net)		449.03		449.03
(d) Other non - current liabilities	D	-	49.75	49.75
3. Current Liabilities				
(a) Financial liabilities				
(i) Borrowings		589.63		589.63
(ii) Trade Payables		303.11		303.11
(iii) Other financial liabilities		572.05		572.05
(b) Provisions	A	2.29		2.29
(c) Liability for current tax (Net)	C	222.86	(81.94)	140.92
(d) Other current liabilities	C	133.01	5.06	138.07
TOTAL LIABILITIES		9,591.71	35.40	9,627.10

II. A. Reconciliation of Balance sheet as at March 31, 2017

(₹ in Lakhs)

Particulars	Notes to first time adoption	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
I ASSETS				
1. Non-current assets				
(a) Property, plant and equipment	C	5,105.93	67.63	5,173.56
(b) Capital Work - in - progress		-		-
(c) Investment properties		1,470.50		1,470.50
(d) Financial assets				
(i) Investments		6.86		6.86
(ii) Others financial assets	D	71.10	(19.39)	51.71
(e) Current tax assets (net)		7.62		7.62
(f) Other non current assets	D	151.64	19.21	170.85
2. Current assets				
(a) Inventories		1,758.87		1,758.87
(b) Financial Assets				
(i) Trade receivables		1,220.56		1,220.56
(ii) Cash and Cash equivalents		21.93		21.93
(iii) Bank Balances other than cash and cash equivalents		112.04		112.04
(iv) Loans		-		-
(v) Other financial assets		7.37		7.37
(c) other current assets		796.60		796.60
TOTAL ASSETS		10,731.04	67.45	10,798.49
II EQUITY AND LIABILITIES				
1. Equity				
(a) Equity share capital		453.88		453.88
(b) Other Equity	E	3,560.57	116.95	3,677.51



(₹ in Lakhs)

Particulars	Notes to first time adoption	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
2. Liabilities	-			
Non current liabilities	-			
(a) Financial liabilities	-			
(i) Borrowings		3,240.10		3,240.10
(ii) Other financial Liabilities	D	52.30	(17.31)	34.99
(b) Provisions		51.23		51.23
(c) Deferred tax liabilities (Net)		481.61		481.61
(d) Other non - current liabilities	D	-	67.72	67.72
3. Current Liabilities	-			
(a) Financial liabilities	-			
(i) Borrowings		1,547.59		1,547.59
(ii) Trade Payables		300.60		300.60
(iii) Other financial liabilities		625.07		625.07
(b) Provisions	A	2.53		2.53
(c) Liability for current tax (Net)	C	302.19	(109.26)	192.93
(d) Other current liabilities		113.36	9.36	122.72
TOTAL LIABILITIES		10,731.04	67.45	10,798.49

B. Reconciliation of Total Comprehensive Income for the year ended March 31, 2017

(₹ in Lakhs)

Particulars	Note	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
CONTINUING OPERATIONS				
I INCOME				
Revenue from operations	D	13,072.24	2.95	13,075.19
Other Income	D	32.49	11.30	43.79
Total Income		13,104.73	14.25	13,118.98
II EXPENSES				
Cost of Materials consumed		7,898.20	-	7,898.20
Purchase of stock-in-trade		166.76	-	166.76
Changes in inventories of finished goods, stock in trade and work in progress		(236.45)	-	(236.45)
Employee benefits expense	B	746.07	2.66	748.73
Finance Cost	D	274.56	2.10	276.66
Depreciation and amortisation expenses		608.08	-	608.08
Other expenses	D	2,727.93	4.46	2,732.38
Total Expense		12,185.15	9.21	12,194.36
III Profit / (Loss) before exceptional items and tax		919.59	5.03	924.62



(₹ in Lakhs)

Particulars	Note	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
IV Exceptional items		-	-	-
V Profit / (Loss) before tax		919.59	5.03	924.62
VI Tax expense		-	-	-
Current Tax		192.39	-	192.39
Deferred tax charge /(credit)		32.58	-	32.58
Tax in respect of earlier years		-	-	-
VII Profit / (Loss) for the year from continuing operations		694.61	5.03	699.64
VIII Other Comprehensive Income				
(i) Items that will not be reclassified to profit or loss				
Remeasurements of net defined benefit plans	F	-	2.66	2.66
Income tax relating to above items				
IX Total Comprehensive income for the Year		694.61	7.69	702.30

III. A. Reconciliation of Equity

(₹ in Lakhs)

Particulars	Notes	As at 31st March, 2017	As at 1st April, 2016
Total equity under Previous GAAP		4,014.45	3,429.10
Adjustments impact: Gain/(Loss)			
Reversal of proposed ordinary dividends payable	A	90.78	68.08
Apportioned income from government grant		7.01	
Net movement in fair value of financial assets / financial liabilities		0.68	0.00
Dividend Distribution Tax	A	18.48	13.86
Deferred Tax on Ind as adjustment			
Total IND AS adjustment		116.95	81.94
Total equity under Ind AS		4,131.39	3,511.04

**III. B. Reconciliation of Income statement**

(₹ in Lakhs)

Particulars	Notes	As at 31st March, 2017
Profit after tax under Previous GAAP		694.61
Adjustments Gain/ (Loss)		
Net movement in fair value of financial assets / financial liabilities		0.68
Apportioned income from government grant		7.01
Gratuity Provision revised		-2.66
Total adjustment		5.03
Profit after tax as per Ind AS		699.64
Other comprehensive income (Net of Tax)	E	2.66
Total comprehensive income as per Ind AS		702.30

The following explains the material adjustments made while transition from previous accounting standards to IND AS

A Proposed dividend

Under the previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events and accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend of Rs. 68.08 Lakhs as at 1st April, 2016 and Rs. 90.78 as at 31st March 2017 included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity has been increased by an equivalent amount.

B Remeasurements of post employment benefit obligation

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit and loss. Under the previous GAAP, these remeasurements were forming part of the profit and loss for the year. There is no impact on the total equity as at 31st March, 2017

C Government Grant

Apportionment of Government Grant recognised under Export Promotion Capital Goods (EPCG) scheme and corresponding charge of depreciation on account of grossing-up of Property, Plant & Equipment (Refer Note 48).

D Impact of fair valuation of Financial Assets and Liabilities

Under previous GAAP, the Non current financial assets and liabilities were measured at fair value, if any. All changes in the fair value subsequent to the transition date is recognised in the Statement of profit and loss



E Retained earnings

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments.

F Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

The Ind AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing and financing activities. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended 31st March, 2017 as compared with the previous GAAP.

53. During the year, a fraud had happened on the company wherein, funds paid to the supplier was wrongly transferred to unknown person due to hacking of emails from the client and immediate action was taken to recover the same. The amount involved is Rs. 35.97 lakhs with bank of India and necessary police action was undertaken by the company. The claim made with bank of India was included in the claims receivable under other current assets.
54. Previous year's figures have been regrouped wherever considered necessary.

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

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

Place : Coimbatore
Date : 30.05.2018

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

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

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

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

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

