

Lambodhara Textiles Limited



79th *Annual Report*
2012-2013



Lambodhara Textiles Limited

BOARD OF DIRECTORS

Managing Director	:	Sri. Santossh R.
Whole-Time Director	:	Smt. Giulia Bosco
Non-Executive Directors	:	Smt. Vimala R. Sri. Deepak Malani Sri. Vasthupal R. Mehta Sri. Girish G. Radia
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	:	M/s. Mohan & Venktataraman Chartered Accountants No.9, Bharathi Park, III Cross, Saibaba Mission Post, Coimbatore-11.
Registrar & Share Transfer Agent	:	M/s. SKDC Consultants Limited Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore-6. Phone : 0422-6549995, 2539835 - 836 Fax : 0422-2539837 E-mail : info@skdc-consultants.com

REGISTERED OFFICE

3-A, 3rd Floor, B-Block,
Pioneer Apartments,
1075-B, Avinashi Road, Coimbatore-641 018
Phone : 0422 - 2249038

WORKS

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



Lambodhara Textiles Limited

19th ANNUAL GENERAL MEETING

Date : 26th August 2013
Day : Monday
Time : 12.00 Noon
Venue : The Coimbatore Cosmopolitan Club,
200, Race Course Road, Coimbatore – 641 018

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NOTICE TO SHAREHOLDERS

Notice is hereby given that the Nineteenth Annual General Meeting of the members of Lambodhara Textiles Limited will be held on Monday the 26th day of August 2013 at 12 Noon at The Coimbatore Cosmopolitan Club, 200, Race Course Road, Coimbatore – 641018 to transact the following business :

AGENDA

ORDINARY BUSINESS

1. To receive, consider and adopt the Profit and Loss Statement for the financial year ended 31st March, 2013 and the Balance Sheet as on that date together with the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in the place of Mrs.Vimala Radhakrishnan who retires by rotation and being eligible, seeks reappointment.
3. To appoint a Director in the place of Mr.Girish G Radia who retires by rotation and being eligible, seeks reappointment.
4. To appoint Auditors and fix their remuneration.
5. To declare a dividend on Equity Shares.

SPECIAL BUSINESS

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

Resolved that in partial modification of the resolution passed at the Annual General Meeting held on 30th August 2012 and pursuant to the provisions of Section 198, 269, 309 and 310 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII as amended and pursuant to the provisions of Articles of Association, the consent of the company be and is hereby accord for payment of the following revised remuneration to Ms.Giulia Bosco, Whole-time Director of the Company with effect from 1st January 2013 for the remainder of the tenure of her office as detailed below.

I. SALARY

Salary of Rs.70,000/- 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 lakhs per annum.

Where in any financial year, during the currency of tenure of Mrs.Giulia Bosco as Whole-Time Director, the Company has no profits or its profits are inadequate, the above remuneration and perquisites shall treated/payable as minimum remuneration as specified in Schedule XIII of the Companies Act, 1956, as amended.

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

Resolved that pursuant to the provisions of Sections 198, 269, 309 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force) and pursuant to the provisions of the Articles of Association of the Company the consent of the Company be and is hereby accorded for re-appointment of Ms. Giulia Bosco as Whole Time Director of the Company for a further period of Five years with effect from 1st October 2013 on the terms and conditions mentioned below.

I. SALARY

Salary of Rs.70,000/- 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 lakhs per annum.

Where in any financial year, during the currency of tenure of Mrs.Giulia Bosco as Whole-Time Director, the Company has no profits or its profits are inadequate, the above remuneration and perquisites shall treated/payable as minimum remuneration as specified in Schedule XIII of the Companies Act, 1956, as amended.

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

Resolved that pursuant to Section 149 (2A) and other applicable provisions of the Companies Act, 1956, the company do hereby approves the commencement of new business as enumerated in sub clause 7, 11 and 18 of Object clause III (C) of the Memorandum of Association of the Company.



**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2)
OF THE COMPANIES ACT 1956**

Item No.6

Ms.Giulia Bosco was appointed as Whole-Time Director of the Company for a period of Five years effective from 1st October 2008. Subsequently her remuneration was revised by shareholders at the Annual General Meeting(s) held on 14th July 2010 and 30th August 2012.

On the recommendation of the Remuneration Committee the Board of Directors have approved the revision in remuneration of Ms.Giulia Bosco, Whole-Time Director by increasing the salary from Rs.50,000/- per month to Rs.70,000/- per month from 1st January 2013, for the reminder period of her service subject to the approval of the shareholders. The Directors are of the opinion that the proposed revision is commensurate with her increasing involvement in the Company's business and in line with the package of persons holding similar positions in the industry.

The proposed revised remuneration as stated at Item No. 6 is within the limits provided in terms of Schedule XIII of the Companies Act, 1956, as amended. Your Directors recommend the passing of the said Resolution.

Ms.Giulia Bosco is interested in the proposed resolution to the extent of the additional benefit proposed to be given to her and Sri.R.Santossh and Smt.R.Vimala are interested as relatives to Ms.Giulia Bosco. None of the other Directors of the Company is, in any way, concerned or interested in the said resolution.

The explanation may be treated as an abstract under section 302 of the Companies Act, 1956, in respect of the variation of the terms of appointment of Ms.Giulia Bosco, Whole-Time Director of the Company.

Item No.7

Ms.Giulia Bosco, Post Graduate was appointed as Director on 7th March 2008 and as Whole-Time Director by the members with effect from 1st October 2008. She has vast experience in holding responsible positions. She is in-charge of functional aspects of the Company and monitors the operations of the Plants.

Ms.Giulia Bosco being experienced professional, has substantially contributed to the development of the Company and the Company has derived considerable benefits and achieved growth in terms of turnover and profitability during her tenure.

Pursuant to the recommendation of Remuneration Committee, the Board at its meeting held on 30th May 2013 re-appointed Ms.Giulia Bosco as Whole-Time Director for a period of 5 years from 1st October 2013 subject to the approval of the shareholders, on the remuneration, commission, perquisites and allowances as enumerated in the resolution.

The proposed remuneration as stated at Item No. 7 is within the limits provided in terms of Schedule XIII of the Companies Act, 1956, as amended. Your Directors recommend the passing of the said Resolution.

No Director of the Company except Ms.Giulia Bosco, Mr.R.Santossh and Mrs.R.Vimala are concerned or interested in the above Resolution.

The explanation may be treated as an abstract under section 302 of the Companies Act, 1956, in respect of the terms of appointment of Ms.Giulia Bosco, Whole-Time Director of the Company.



Item No.8

Section 149(2A) of the Companies Act, 1956, requires that the members of the Company should approve of, by a special resolution, of the commencement of any new business by the Company included in other objects of the company in its Memorandum of Association as on that date. The business which the members are being requested to approve of is within the scope of the objects clause of the Memorandum of Association of the Company and is contained in sub-clause 7, 11 and 18 of clause III of the Memorandum of Association.

As the Board is actively thinking of diversifying the activities of the Company further, the Board feels that the proposed activities of the Company will prove to be useful and beneficial to the Company and therefore, commends the special resolution proposed for the members acceptance.

Copies of the Memorandum & Articles of Association of the Company is available for inspection at the Registered Office of the Company on all working days.

None of the Directors of the company is concerned with or interested in any way in the special resolution proposed to be passed.

NOTES

1. **A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.**
2. **Proxies in order to be effective must be lodged at the Registered Office of the Company at 3A, 3rd Floor, B-Block, Pioneer Apartments, 1075-B, Avinashi Road, Coimbatore-641018 at least 48 hours before the time fixed for Annual General Meeting.**
3. Unclaimed dividends will be transferred to the Investor Education and Protection Fund set up the Central Government. Shareholders who have not so far encashed the dividend warrant(s) are requested to seek revalidation/ issue of duplicate warrant(s)/ Demand Drafts by writing to the Registrar and Share Transfer Agents. Also note that no claim shall be made against said fund or Company in respect of any amount which were unclaimed and unpaid for a period of Seven years from the date they become first due for payment and no payment shall be made in respect of such claims.
4. Members/Proxies should bring the Attendance Slip Form duly filled in for attending the meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 21.08.2013 to 26.08.2013 (both days inclusive)
6. The dividend for the year ended 31st March, 2013 as recommended by the board, if approved at the meeting, will be paid to those members whose names appear in the Company's Register of Members on 21st August 2013. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by National Securities Depository Limited and Central Depository Services (India) Limited for this purpose.
7. In terms of provisions of Section 109A of the Companies Act, 1956, nomination facility is available to individual shareholders. The shareholders who are holding



shares in physical form and are desirous of availing this facility may kindly write to the Company's Share Transfer Agent, M/s.SKDC Consultants Limited, Kanapathy Towers, III Floor, 1391/A1, Sathy Road, Ganapathy, Coimbatore- 641 006 for nomination form quoting their folio number. Shareholders holding shares in dematerialised form, should write to their Depository Participant for the purpose.

8. Members who are holding shares in identical order of names in more than one folio, are requested to write to the Company's Share Transfer Agent at the address mentioned hereinabove to consolidate their holding in one folio.
9. Members who are holding shares in physical form are requested to notify change in address, if any, to the Company's Share Transfer Agent M/s.SKDC Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore - 641 006 quoting their folio number. Shareholders holding shares in dematerialized form, should intimate change of their address, if any, to their Depository Participant.

APPOINTMENT OF DIRECTORS

A brief resume, nature of experience in specific functional areas and other directorship of committees in respect of reappointment of Directors are given in terms of Clause 49 of the listing agreement.

1	Name Age Qualifications Expertise Other Directorships	Mrs.Vimala Radhakrishnan 66 years Graduate Has been associated with the Company since inception and has a vast knowledge of the Textile Industry. Strike Right Integrated Services Limited V R Textiles Private Limited
2	Name Age Qualifications Expertise Other Directorships	Mr.Girish G Radia 58 years Graduate Has been in Textile business for the past 23 years. Does not hold directorship in any other company.
3	Name Age Qualifications Expertise Other Directorships	Ms.Giulia Bosco 35 Years Post Graduate Vast knowledge of the Industry. Strike Right Integrated Services Limited

By Order of the Board,

Place : Coimbatore
Date : 30.05.2013

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

DIRECTORS' REPORT

Ladies & Gentlemen,

Your Directors are pleased to present the Nineteenth Annual Report of your Company and the Audited Annual Accounts for the financial year ended 31st March 2013. The Management Discussion and Analysis is included as a part of this Report.

FINANCIAL RESULTS

PARTICULARS	2012-2013	2011-2012
	(₹ in thousands)	
Profit before Depreciation and Amortisation Expenses, Finance Cost and Tax Expenses	160774	97523
Less: Finance Cost	63334	47898
Depreciation and Amortisation Expenses	45452	34068
Profit before Tax	51988	15557
Less: Current Tax	12554	3112
Deferred Tax	7295	19136
Profit for the year	32139	-6691
Add: Balance in Profit & Loss Account	56907	69888
	89046	63197
Less: Appropriation		
Transferred to General Reserve	810	1200
Proposed Dividend on Equity Shares	4380	4380
Tax on Dividend	744	711
Closing Balance	83112	56907

REVIEW OF OPERATIONS

Your Company has achieved a Profit before Tax of Rs.519.88 lacs from operations on a turnover of Rs.9,781.37 lacs for the year ended 31st March 2013. The Company has completed implementation of expansion cum modernisation project at a cost of Rs.1,184.65 lacs and has expanded the capacity by 4,320 spindles. This has resulted in increase in finance cost from Rs.478.98 lacs to Rs.633.34 lacs. The said project is expected to surpass target turnover of Rs.100 Crores and improve the bottomline substantially.

FUTURE PLANS OF THE COMPANY

Your Company has proposed to implement modernization project at a project cost of Rs.3.62 Crores to add back process machineries for improved productivity, slub generators and spindle monitoring system for better value addition during the financial year 2013-14.

OPPORTUNITIES

Your Company is mainly focusing on customized fancy yarn in niche segment and has extended its entry into speciality fibre fancy yarn which should help in the years to come.

THREATS

The economy world over is slowing down may have impact in the performance of textile industry in general.

RISKS AND CONCERN

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

INTERNAL CONTROL SYSTEMS

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

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 50% of power requirement at present level of operation.

DIRECTORS

Mrs.Vimala Radhakirshnan and Mr.Girish.G.Radia, Directors retire at the ensuing Annual General Meeting of the Company and being eligible offers themselves for re-election.

The Board of Directors has re-appointed Ms.Giulia Bosco as Whole-Time Director of the Company for a further period of five years with effect from 1st October 2013 subject to the approval of the shareholders of the Company. Accordingly appropriate resolution seeking your approval to the re-appointment is also included in the notice.

DIVIDEND

Your directors recommend a dividend of 10% (Re.1/- per share of face value of Rs.10/-) subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.

AUDITORS

M/s.Mohan & Venkataraman, Chartered Accountants, Coimbatore retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

AUDITORS' REPORT

With regard to the Auditors' qualification on registration of four vehicles in the name of one of the Directors, the Directors wish to state that appropriate steps will be taken to register the vehicles in the name of the Company.

PUBLIC DEPOSITS

The company has not accepted any deposit from the public during the year under review. Deposits outstanding as on March 31, 2013 amounted to Rs.195.00 Lakhs. There are no overdue deposits as on 31st March 2013.

INFORMATION PURSUANT TO SECTION 217 (1) (e) OF THE COMPANIES ACT, 1956.

As per the requirement of Section 217(1)(e) of The Companies Act, 1956 read with the companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, the information regarding conservation of energy, technology absorption and foreign exchange earned and outgo are appended hereto and form part of this report.

PARTICULARS OF EMPLOYEES

There is no employee who is in receipt of remuneration in excess of the limits set under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employee Rules 1975).

DEMATERIALISATION AND SHARE TRANSFER

The company's shares are traded compulsorily in the dematerialised form and is available for trading under National Securities Depositories Limited (NSDL) and Central Depositories Service (India) Limited (CDSL).

M/s.SKDC Consultants Limited, Coimbatore is the Company's transfer agent for both physical and electronic form of transfers.

CORPORATE GOVERNANCE

The Board of Directors of your Company has taken all necessary steps to comply with Clause 49 of the Listing Agreement entered by the Company with the Stock Exchanges at Chennai, Ahemadabad and BSE IndoNext Segment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 217 (2AA) of The Companies Act, 1956, your Directors have :

- a. followed in the preparation of the Annual Accounts, the applicable accounting standards.
- b. selected such accounting policies and applied them consistently and made judgements 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 financial position of the company for the period.
- c. taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, and,
- d. prepared the attached statement of accounts for the year ended 31st March 2013 on a going concern basis.

COST AUDITOR

As per the requirements of the Central Government and pursuant to the provisions of Section 233 B of the Companies Act, 1956, the audit of the Cost Accounts relating to manufacturing of Synthetic Yarn is being carried out for the financial year 31st March 2013. The Company has appointed Mr.G Sivagurunathan, Cost Auditor, Coimbatore to audit the cost accounts for the year 31st March 2013 for which necessary approval from the Central Government has been received. The Cost Audit Report in respect of financial year 2012-2013 will be filed on or before the due date.



COST COMPLIANCE

Pursuant to Sec. 209 (1)(d) of the Companies Act, 1956 and Rule 5 of The Companies (Cost Accounting Records) Rules, 2011, the Cost Compliance Report for the financial year ended 31st March 2012 was submitted to the Central Government on 21/12/2012.

COMPLIANCE CERTIFICATE

In accordance with Section 383A of the Companies Act, 1956, and Companies (Compliance Certificate) Rules, 2001, the Company has obtained a certificate from a secretary in whole time practice and a copy of such certificate is annexed to this Report

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank the Bankers, Government authorities, shareholders, suppliers and contractors for their support and co-operation extended to the Company.

By Order of the Board,

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

Place : Coimbatore
Date : 30.05.2013

(Sd/-) **VIMALA.R**
Director

ANNEXURE TO DIRECTORS' REPORT
INFORMATION PURSUANT TO THE COMPANIES (DISCLOSURE OF PARTICULARS
IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

FORM A

A. CONSERVATION OF ENERGY

Total Energy Consumption and Energy Consumption per unit of Production

		<u>31.03.2013</u>	<u>31.03.2012</u>
I. Electricity			
(a) Purchased	Units	2,449,339	6,357,122
Total Amount	₹	21,244,516	35,397,018
Rate per unit (Average)	₹	8.67	5.57
(b) Private Power Purchased	Units	341,301	2,861,837
Total Amount	₹	2,543,678	21,710,948
Rate per unit (Average)	₹	7.45	7.59
(c) Own Generation			
Through Diesel Generator	Units	4,372,852	1,830,150
Value of HSD	₹	49,650,975	17,950,647
Rate per unit (Average)	Units	11.35	9.81
Cost per litre	₹	42.04	36.25
(d) Own Generation			
Through Wind Mill	Units	6,032,018	1,225,747
Total Amount	₹	28,143,113	5,169,214
Rate per unit	Units	4.67	4.22
II. Consumption per kg. of production			
Yarn	Kgs.	4,848,082	4,257,959
Electricity Consumed	Units	13,195,510	12,269,058
Units per kg.		2.72	2.88

FORM - B

A. RESEARCH AND DEVELOPMENT

The Company has no separate Research and Development Department.

B. TECHNOLOGY ABSORPTION

The Company is a member of Tamilnadu Spinning Mills Association and is able to get from the said Association, the recent developments in various segments of the Industry.

C. FOREIGN EXCHANGE EARNING AND OUTGO

(i) Expenditure on Foreign Travel	₹	6,01,574/-	Nil
(ii) Foreign Exchange Earned	₹	14,75,32,388/-	2,54,60,936/-

By Order of the Board,

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

(Sd/-) **VIMALA.R**
Director

Place : Coimbatore
Date : 30.05.2013



Lambodhara Textiles Limited

Company Identification Number : L17111TZ1994PLC004929

Authorised Capital - ₹5,00,00,000/-

SECRETARIAL COMPLIANCE CERTIFICATE

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

I have examined the registers, records, books and papers of **Messrs. Lambodhara Textiles Limited** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March 2013 (financial year). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in Annexure 'B' to this certificate with Registrar of Companies, Coimbatore and Central Government with requisite additional fee, wherever necessary, for belated filing prescribed under the Act and the rules made thereunder. However, no forms or returns were required to be filed with the Regional Director, Company Law Board or other authorities.
3. The Company, being a Public Limited Company, has a paid up capital of Rs.4,37,98,000/- (Rupees Four Crores Thirty Seven Lakhs Ninety Eight Thousand).
4. The Board of Directors duly met 9 times respectively on 30.04.2012, 16.07.2012, 06.08.2012, 10.08.2012, 20.09.2012, 09.11.2012, 31.12.2012, 11.02.2013 and 07.03.2013 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members from 25.08.2012 to 30.08.2012 and necessary compliance of section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31.03.2012 was held on 30.08.2012 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No extra-ordinary general meeting(s) was held during the financial year.
8. The Company has not advanced any loans to its Directors or persons or firms or Companies referred to under Section 295 of the Act.
9. The Company has duly complied with the provisions of Section 297 of the Act in respect of contracts specified in the Section.



10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of directors, members or Central Government.
12. The Company has not received any requests for issue of duplicate share certificates during the financial year.
13. The Company has:
 - (i) delivered all the certificates on lodgment thereof for transfer/ transmission or any other purpose in accordance with the provisions of the Act, and not made any allotment of securities during the financial year.
 - (ii) deposited the amount of dividend declared in a separate Bank Account on 7th September 2012.
 - (iii) paid/posted warrant(s) for dividends to all the members within a period of 30 (Thirty) days from the date of declaration and that all unclaimed/ unpaid dividend have been kept in a separate Account.
 - (iv) no amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to be Transferred to Investor Education and Protection Fund.
 - (v) duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year.
15. The Company has a Managing Director and a Whole time Director, who have been appointed in compliance with the provisions of Section 269 read with Schedule XIII of the Act.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company has filed the requisite Form 23C for prior approval from Central Government for appointment of Cost Auditor pursuant to section 233B(2) of the Act vide SRN S08842759 dated 22.06.2012.

Other than above, the Company was not required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.



21. The Company has not issued any preference shares/debentures and hence the question of redemption of preference shares or debentures during the financial year does not arise.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has complied with the provisions of section 58A read with Companies (Acceptance of Deposit) Rules, 1975 in respect of deposit accepted and the Company has filed the copy of Statement in lieu of Advertisement with Registrar of Companies, Coimbatore.
24. The amount borrowed by the Company from Banks and others are within the borrowing limits of the Company and that necessary resolutions as per section 293(1)(d) of the Act have been passed in duly convened Annual General Meeting held on 30th August 2012.
25. The Company has not made any investments, loans or advances or given guarantees or provided securities to other bodies corporate(s).
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. According to the information provided to me, no prosecution steps were initiated against or show cause notices received by the Company for alleged offences under the Companies Act, 1956 and no fines or penalties were paid or any other punishment imposed on the Company during the financial year.
32. The Company has not received any money as security from its employees during the financial year.
33. Since, Employees Provident Fund Act, 1952 is applicable to the Company, compliance of Section 418 does not arise.

Practicing Company Secretary : (Sd/-) **M.D.SELVARAJ**
C.P.No. : **411(FCS.960)**

Place : Coimbatore
Date : 30.05.2013



ANNEXURE A - SECRETARIAL COMPLIANCE CERTIFICATE

Lambodhara Textiles Limited

Company Identification Number : L17111TZ1994PLC004929

Authorised Capital - ₹5,00,00,000/-

REGISTERS AS MAINTAINED BY THE COMPANY

1. Register of Charges under Section 143 & Copies of Instruments Creating Charge under Section 136.
2. Register of Members under Section 150 and Index of Members under Section 151.
3. Register and Returns under Section 163.
4. Register of Particulars of Contracts in which Directors are Interested under Section 301(1) and under Section 301(3).
5. Register of Directors under Section 303.
6. Register of Director's Shareholdings under Section 307.
7. Register of Deposits Under Rule 7 of the Companies (Acceptance of Deposits) Rules 1975.
8. Minutes Book of Board Meetings under Section 193.
9. Minutes Book of General Meeting under Section 193.
10. Minutes Book of Share Transfer Committee.
11. Minutes Book of Audit Committee.
12. Minutes Book of Remuneration Committee.
13. Register of Renewed and Duplicate Certificates Under Rule 7 of the Companies (Issue of Share Certificate) Rules, 1960.
14. Register of Shareholders Attendance.
15. Register of Transfers.
16. Register of Proxies.

**ANNEXURE B - SECRETARIAL COMPLIANCE CERTIFICATE**

Lambodhara Textiles Limited

Company Identification Number : L17111TZ1994PLC004929

Authorised Capital - ₹5,00,00,000/-

Forms and Returns as filed by the Company with Registrar of Companies, Coimbatore, Regional Director, Central Government or other authorities during the financial year ended 31st March 2013.

REGISTRAR OF COMPANIES, COIMBATORE

Sl. No	Form No. Return	Filed under Section	For	Date of Filing & Receipt No.	Whether filed within prescribed time Yes/No	If Delay in filing whether requisite Additional fee paid Yes/No
01	Form 23AC -XBRL & 23ACA-XBRL for 31.03.2012	Section 220	Balance Sheet, Profit & Loss Account in XBRL as on 31st March 2012 along with the notice convening AGM	04.01.2013 Q05527460	Yes	N.A
02	Form 20B for 31.03.2012	Section 159	Annual Return made upto 30.08.2012	12.10.2012 P90016254	Yes	N.A
03	Form 66 for 31.03.2012	Section 383A	Secretarial Compliance Certificate dated 16.07.2012	21.09.2012 P89009450	Yes	N.A
04	Form 62 (Return of deposits) dated 31.03.2011	Section 58A & Rule 10 of the Companies (Acceptance of Deposit) Rules 1975	Return of deposits pursuant to rule 10 of the Companies (Acceptance of Deposits) Rules 1975, for the financial year 31.03.2011	24.05.2012 B39744206	No	Yes
05	Form 62 (Return of Deposits) dated 31.03.2012	Section 58A & Rule 10 of the Companies (Acceptance of Deposit) Rules,1975	Return of deposits pursuant to rule 10 of the Companies (Acceptance of Deposits) Rules, 1975 for the financial year 31.03.2012	22.06.2012 B41726910	Yes	N.A



Sl. No	Form No. Return	Filed under Section	For	Date of Filing & Receipt No.	Whether filed within prescribed time Yes/No	If Delay in filing whether requisite Additional fee paid Yes/No
06	Form 62 (Statement in Lieu of Advertise -ment) dated 16.07.2012	Section 58A & Rule 4A of the Companies (Acceptance of Deposit) Rules, 1975	Statement in Lieu of Advertisement for accepting deposits	<u>29.08.2012</u> B56414204	Yes	N.A
07	Form 25C dated 26.09.2009	Section 269 & Schedule XIII	Return of appointment of Mr.Radhakrishnan Santossh as Managing Director with effect from 26.09.2009	<u>08.05.2012</u> B38575700	No	Yes
08	Form 32 dated 26.09.2009	Section 303	Particulars of appointment of Mr.Radhakrishnan Santossh as Managing Director of the Company from 26.09.2009	<u>08.05.2012</u> B38576369	No	Yes
09	Form 23 dated 27.08.2009	Section 192	Registration of the resolution passed by the Board of Directors for appointment of Mr.Radhakrishnan Santossh as Managing Director of the Company from 26.09.2009	<u>08.05.2012</u> B38575114	No	Yes
10	Form 23 dated 30.08.2012	Section 293 (1)(d) and section 269 & section 192	Registration of the resolution passed by the shareholders at the AGM held on 30.08.2012 for authorizing Board of Directors to borrow upto Rs.100 Crores and revision in remuneration of Ms.Giulia Bosco, Whole-Time Director.	<u>18.09.2012</u> B57856577	Yes	N.A
11	Form 32 dated 31.12.2012	Section 303	Particulars of change in designation of Mrs. Vimala Radhakrishnan from Whole-Time Director to Director.	<u>29.01.2013</u> B66710328	Yes	N.A



Sl. No	Form No. Return	Filed under Section	For	Date of Filing & Receipt No.	Whether filed within prescribed time Yes/No	If Delay in filing whether requisite Additional fee paid Yes/No
12	Form 5 INV for the financial year 31.03.2011	Rule 3 of the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012	Statement of undaimed and unpaid dividend as on 04.07.2011	31.07.2012 S11683307	Yes	N.A
13	Form 5 INV for the financial year 31.03.2012	Rule 3 of the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012	Statement of undaimed and unpaid dividend as on 30.08.2012	31.12.2012 S19708593	Yes	N.A
14	Form 8 dated 21.03.2012	Section 125	Particulars for creation of charge in favour of Bank of India, Coimbatore Main Branch, Coimbatore for availing credit facilities to the extent of Rs.10.43 Crores	19.05.2012 B39463021	No	Yes
15	Form 8 dated 21.09.2012	Section 135	Particulars for modification of charge created in favour of State Bank of India, Specialized Commercial Branch, Tirupur Branch under Charge ID 90001936 due to enhancement of credit limit from Rs.46.55 Crores to Rs.58.07 Crores	15.10.2012 B59639807	Yes	NA



Sl. No	Form No. Return	Filed under Section	For	Date of Filing & Receipt No.	Whether filed within prescribed time Yes/No	If Delay in filing whether requisite Additional fee paid Yes/No
16	Form 8 dated 27.12.2012	Section 135	Particulars for modification of charge created in favour of Bank of India, Coimbatore Main Branch, Coimbatore under Charge ID 10355198 due to variation in sub-limit for cash credit facilities.	03.01.2013 B65180036	Yes	N.A

REGIONAL DIRECTOR

NIL

CENTRAL GOVERNMENT & OTHER AUTHORITIES

Sl. No	Form No. Return	Filed under Section	For	Date of Filing & Receipt No.	Whether filed within prescribed time Yes/No	If Delay in filing whether requisite Additional fee paid Yes/No
01	Form 23C	Section 233B (2)	Application to the Central Government for appointment of Mr.G.Sivagurunathan Cost Auditor for the financial year 31.03.2013.	<u>22.06.2012</u> S08842759	Yes	N.A
02	Form A-XBRL dated 16.07.2012	Section 209(1)(d) & Rule 5 of The Companies (Cost Accounting Records) Rules, 2011.	Documents in respect of Cost Compliance Report in XBRL for the financial year 31.03.2012	<u>21.12.2012</u> S18373589	Yes	N.A

Practicing Company Secretary : (Sd/-) **M.D.SELVARAJ**C.P.No. : **411(FCS.960)**

Place : Coimbatore

Date : 30.05.2013

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

2. BOARD OF DIRECTORS

a. Composition of the Board :

As on 31st March 2013, the Company's Board comprised of 6 Directors. The Board comprises of two Executive Promoter Directors, one Non-Executive Promoter Director and three Independent Non-Executive Directors.. The members of the Board are well experienced. The day-to-day management affairs are managed by the Managing Director subject to the supervision, control and direction of the Board of Directors. The composition of the Company's Board is in conformity with Clause 49 of the Listing Agreement.

b. Category of Directors, Attendance, other directorships and committee membership:

The composition and attendance of Directors at the Board Meetings and the Annual General Meeting held during the financial period ended 31st March 2013 is as under:-

Name of the Director	Category	Attendance Particulars		No. of directorship in other public companies #	No. of Committee Positions held in other companies \$	
		Board Meeting	Last AGM		Chairman	Member
Mr.R.Santossh	Managing Director-Promoter	9	Yes	—	—	—
Mrs.Vimala.R	Non-Executive-Director-Promoter	9	Yes	1	—	—
Ms. Guilia Bosco	Executive Director-Promoter	8	Yes	1	—	—
Mr.Deepak Malani	Non-Executive-Independent	6	Yes	—	—	—
Mr.Vasthupal R Mehta	Non-Executive-Independent	5	No	—	—	—
Mr.Girish G Radia	Non-Executive-Independent	6	No	—	—	—

Excludes directorships in Private Companies and Foreign Companies

\$ Only Audit Committee and Investor Grievance Committee are considered.

Mr.R.Santossh, Mrs.R.Vimala and Ms. Guilia Bosco are related inter-se.

Details of the Board meetings held during the financial year 2012-2013

The Board met Nine times during the financial year on 30th April 2012, 16th July 2012, 6th August 2012, 10th August 2012, 20th September 2012, 09th November 2012, 31st December 2012, 11th February 2013 and 7th March 2013 and the gap between the meetings did not exceed four months.

3. AUDIT COMMITTEE

The Audit Committee is mandated with the same terms of reference as specified in Clause 49 of the Listing Agreements with Stock Exchanges. Besides having access to all the required information from within the Company, the Committee can obtain external professional advice whenever required. The Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors of the Company. It is authorized to select and establish accounting policies, review reports of the Statutory and Internal Auditors and meet with them to discuss their findings, suggestions, and other related matters. The Committee is empowered to recommend the appointment and remuneration payable to the Statutory Auditors.

During the financial year ended 31st March 2013, Five Audit Committee Meetings were held on 30th April, 2012, 16th July 2012, 10th Aug 2012, 09th November 2012 and 11th February 2013. The necessary quorum was present at these meetings.

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

Name of the Members	Category	Designation	No. of Meetings	
			Held	Attended
Mr. Deepak Malani	Non-Executive-Independent	Chairman	5	5
Mr. Vasthupal R Mehta	Non-Executive-Independent	Member	5	4
Mr. Girish G Radia	Non-Executive-Independent	Member	5	5

The Internal Auditor and the Statutory Auditors of the Company are permanent invitees to the meetings of the audit committee. The Minutes of the Audit Committee meetings were circulated to the Board, where it was discussed and taken note of. The Audit Committee considered and reviewed the accounts for the financial period ended 31st March 2013, before it was placed in the Board.

4. REMUNERATION COMMITTEE

The Committee is entrusted to determine and recommend to the Board the remuneration and perquisites payable to the Whole-Time Directors based on overall performance and financial results of the Company during the relevant financial period and in consonance with the existing industrial practice.

The Committee would basically look into and determine the Company's policy on remuneration packages to the Managing Director and other Executive Directors.

During the year, two meetings of the Remuneration Committee were held on 16th July 2012 and 31st December 2012.. The details of the composition and attendance of the members of the Remuneration Committee are as follows:

a. Composition, Name of Members and Chairman and details of meeting attended:

Name of the Member	Status	16.07.12	31.12.12
Mr.Deepak Malani (Chairman)	Non-Executive- Independent	Yes	Yes
Mr.Vasthupal R Mehta	Non-Executive- Independent	Yes	Yes
Mr.Girish G Radia	Non-Executive- Independent	Yes	Yes

Details of Remuneration paid to the Managing Director and Whole Time Director of the Company during the financial period ended 31st March 2013.

Name	Designation	Salary	Perquisites and allowances	Total Remuneration
Mr.R.Santosh	Managing Director	7.80	1.31	₹9.11 Lakhs
Mrs.Vimala.R	Executive Director	1.80	—	₹1.80 Lakhs
Ms.Giulia Bosco	Whole Time Director	6.60	0.69	₹7.29 Lakhs

b. Non Executive Directors:

The Company does not pay Sitting fees to Non-Executive Directors for attending Board Meetings, Audit Committee Meetings, and Shareholders / Investors Relations Committee Meetings.

c. The Company does not have any Employee Stock Option Scheme.

d. Shareholding of Non Executive Directors

Name of the Director	No of Shares held (as on 31.03.2013)
Mr. Deepak Malani	Nil
Mr. Vasthupal R Mehta	Nil
Mr. Girish G Radia	Nil
Mrs. Vimala Radhakrishnan	21,000

There has been no materially relevant pecuniary transaction or relationship between the Company and its non executive Independent Directors during the period.



5. INVESTORS RELATIONS COMMITTEE

The Shareholders and Investors Grievance 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 approve transfer, transmission, transposition, consolidation, split, name deletion and issue of duplicate share certificates.

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

The Shareholders/Investors Grievance Committee consists of the following Directors.

Name of the Member	Category	Designation	No. of Meeting attended
Mr.Deepak Malani (Chairman)	Non-Executive- Independent	Chairman	13
Mr.Vasthupal R Mehta	Non-Executive- Independent	Member	13
Mr.Girish G Radia	Non-Executive-Independent	Member	3

During the year under review, the Committee met 13 times to deliberate on various matters referred above and for redressal of investors complaints.

Mr.Ramesh Shenoy.K, Chief Financial Officer is the 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, 2013, the Company has received one complaint from an investor and replied to the satisfaction of the investor. No investor complaint was pending on 31st March 2013.

Management Discussion and Analysis Report:

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

6. GENERAL BODY MEETINGS

Location and time where the last three annual general meetings were held and details of the special resolutions passed at the last three annual general meetings held:

Details of meeting	Date of meeting	Time of meeting	Venue of meeting	Special Resolution
Annual General Meeting 2009-2010	14.07.2010	9.30 A.M	The Coimbatore Club, East Club Road, Coimbatore – 641018.	—

Details of meeting	Date of meeting	Time of meeting	Venue of meeting	Special Resolution
Annual General Meeting 2010-2011	04.07.2011	12.30 P.M	The Chambers, The Coimbatore Club, East Club Road, Coimbatore – 641018.	—
Annual General Meeting 2011-2012	30.08.2012	10.30 A.M	The Coimbatore Cosmopolitan Club, 200, Race Course, Coimbatore – 641018.	Revision in remuneration of Ms.Giulia Bosco, Whole-Time Director

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

7. DISCLOSURES:

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

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

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

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

- (iii) Notes on Whistle Blower Policy

The Company does not have any Whistle Blower policy. However any employee, if he / she so desires, would have free access to meet Senior Level Management and Report any matter of concern.

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

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

The Company has adopted the non mandatory requirement of corporate governance recommended under Clause 49 of the Listing Agreement and constituted a remuneration committee comprising of three non executive directors. The Company has not adopted the any other non- mandatory requirements.

8. CODE OF CONDUCT

The Company has in place a Code of Conduct applicable to the Board Members as well as the Senior Management and that the same has been hosted on the

Company's website. All the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct, as on 31st March, 2013.

The Company's Managing Director's declaration to this effect forms a part of this report.

Code for prevention of Insider Trading

The Company has framed a Code of Conduct for prevention of Insider Trading based on SEBI (Insider Trading) Regulations, 1992. This code is applicable to all directors / officers / designated employees. The Code ensures the prevention of dealing in shares by persons having access to unpublished price sensitive information.

CEO / CFO certification

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

9. MEANS OF COMMUNICATION:

The quarterly / annual financial results of the Company are published in Business Line (English) and Daily Thanthi (Tamil). The financial results and the annual reports of the Company are uploaded in the Company's website: www.lambodharatextiles.com and in the website : www.bseindia.com.

There were no specific presentations made to Institutional Investors or to analysts during the period ended 31st March 2013.

10. GENERAL SHAREHOLDER INFORMATION

(i) Nineteenth Annual General Meeting

Date	: 26th August 2013
Time	: 12.00 Noon
Venue	: Coimbatore Cosmopolitan Club. 200, Race Course, Coimbatore - 641 018.

(ii) Financial Calender :

Year Ending	: 31st March 2014
First Quarter Results	: 1st week of August 2013
Second Quarter Results	: 1st week of November 2013
Third Quarter Results	: 1st week of February 2014
Annual Results	: 4th week of May 2014
Dividend Payment Date	: 30.08.2013
Date of Book Closure	: 21.08.2013 to 26.08.2013

Listing on Stock Exchanges : Madras Stock Exchange Ltd.,
Ahmedabad Stock Exchange Ltd.,

Stock Code

Stock Code – BSE IndoNext	: 590075
Scrip ID – BSE IndoNext	: LAMBODHARA
International Security Identification Number	: INE112F01014

Listing and Custodial Fee : Annual Listing Fees for the year 2013-14 were paid to Madras Stock Exchange Limited and Ahmedabad Stock Exchange Limited.



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

Custodial Fees to Depositories for the year 2012-13 were paid to National Securities Depository Limited and Central Depository Services (India) Limited.

STOCK MARKET DATA

:

Period	BSE IndoNext	
	High (₹)	Low (₹)
Apr-12	61.50	52.70
May-12	77.90	57.40
Jun-12	74.00	63.30
Jul-12	81.65	62.20
Aug-12	113.75	69.00
Sep-12	146.00	90.50
Oct-12	164.00	134.00
Nov-12	178.00	123.45
Dec-12	155.40	117.00
Jan-13	131.45	78.00
Feb-13	162.85	117.65
Mar-13	115.30	80.50

Registrar & Share Transfer Agent : M/s.SKDC Consultants Limited
(For both physical & demat segments) Kanapathy Towers, III Floor,
1391/A1, Sathy Road, Ganapathy,
Coimbatore – 641 006

Secretarial Audit

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

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 investor relation 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 investors' relation committee generally meets whenever necessary for approving share transfers and other related activities.

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

Shareholding Pattern as on 31.03.2013

Shares held by	No. of Holders	No. of Shares	% of shareholding
Promoters and Promoters Group	5	2999053	68.48
Foreign	—	—	—
FII	—	—	—
Bodies Corporate	27	124306	2.84
Public	816	1149598	26.24
Non Resident Indians	2	150	0.00
Clearing Member	17	69492	1.59
Hindu Undivided Families	15	37201	0.85
Total	882	4379800	100.00

Distribution of Shareholding as on 31.03.2013:

Share holding range	No. of Holders	% of share holders	No. of shares	% of shareholding
Upto 500	550	62.36	156307	3.57
501 – 1000	157	17.80	141223	3.22
1001 – 2000	97	11.00	168259	3.84
2001 – 3000	24	2.72	63151	1.44
3001 – 4000	3	0.34	10480	0.24
4001 – 5000	18	2.04	85614	1.95
5001 – 10000	13	1.47	88857	2.03
10001 and above	20	2.27	3665909	83.71
	882	100.00	4379800	100.00

Dematerialisation of shares and liquidity as on 31st March 2013 :

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

Particulars	No. of Holders	No. of Shares	% of shareholding
National Securities Depository Limited	264	29,33,967	66.99
Central Depository Services Limited	210	10,92,833	24.95
Physical Form	408	3,53,000	8.06
Total	882	43,79,800	100.00

The company's shares are regularly traded on BSE IndoNext.

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

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

Plant location:

826, Thazhaiyuthu, Palani Taluk – 624 618.

Unit II – SKC House, Vinayagar Kovil Street, Neikarapatti, Palani-624615.

Windmill Installed at :

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

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

Address for Correspondence:

Address for Communication: For annual report, transfer of physical/ demat shares, dividend on shares, change of address & other query relating to shares of the Company and investors correspondence, may be addressed to	M/s. SKDC Consultants Limited, Kanapathy Towers, III Floor, 1391/A1, Sathy Road, Ganapathy, Coimbatore 641 006, Tamilnadu
Contact address for Shareholder:	The Secretarial Department Lambodhara Textiles Limited 3A, 3rd Floor, 'B Block' Pioneer Apartments, 1075 – B, Avinashi Road, Coimbatore – 641018.
Telefax Website Address	+91-422-2249038 & 4351083 lambodharatex@gmail.com www.lambodharatextiles.com

Declaration for code of conduct

I hereby affirm and state that all board members and senior management personnel of the company have given a declaration pursuant to clause 49(I) (D) of the Listing Agreement and I hereby affirm compliance with the said code of conduct for the financial year 2012-2013.

Place : Coimbatore

Date : 30.05.2013

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

Managing Director



CERTIFICATE

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

We have examined the compliance of conditions of Corporate Governance by M/s.Lambodhara Textiles Limited, for the year ended on 31st March 2013 as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchanges.

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

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

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

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

for **MOHAN & VENKATARAMAN**

Chartered Accountants

FRN : 007321S

Place : Coimbatore

Date : 30.05.2013

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

Partner

M.No.201229

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF LAMBODHARA TEXTILES LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of Lambodhara Textiles Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the financial statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, subject to Note No.25 - II (14) where in four vehicles shown as fixed assets of the Company amounting to Rs.28,30,799 are not registered in the name of the Company, the 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and



- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "order"), and on the basis of such checks of 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 statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection(3C) of section 211 of the Companies Act, 1956;
 - e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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

Place : Coimbatore
Date : 30.05.2013

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



Annexure to Auditor's Report

Referred to in paragraph 1 of the Auditors Report of even date to the members of Lambodhara Textiles Limited on the financial statements of the company for the year ended 31st March, 2013.

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
(b) Fixed Assets have been physically verified by the Management according to the regular programme of periodical verification in phased manner which in our opinion is reasonable having regard to the size of the Company and the nature of its Fixed Assets. The discrepancies noticed on such physical verification were not material.
(c) No substantial part of Fixed Assets has been disposed off during the year, which has bearing on the going concern assumption.
2. (a) The Inventory of the Company at all its locations (except stocks lying with third parties and in transit, confirmation / subsequent receipt have been obtained in respect of such inventory) have been physically verified by the Management at reasonable intervals.
(b) The procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.
(c) The Company is maintaining proper records of inventory. The discrepancies noticed on such physical verification of inventory as compared to book records were not material.
3. (a) The Company has taken loan from parties listed in the register maintained under Section 301 of the companies Act, 1956 and the rate of interest and other terms and conditions of loan are not prima facie prejudicial to the interest of the company.
During the year, interest free Loan of Rs.1,81,69,271 is received from Managing Director, Loan outstanding balance is Rs. 4,96,20,769. (maximum amount outstanding is Rs.4,99,48,457).
Interest free loan of Rs.47,00,050 received from one of the director is outstanding (Maximum amount outstanding is Rs.47,00,050).
(b) The Company has not given any loan to parties listed in the register maintained under Section 301 of the companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control.
5. (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 58A of the companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. No order has been passed by the Company Law Board in this regard. The company has not accepted deposits during the year as defined under section 58AA of the Companies Act, 1956 and the rules made there under.

7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
8. The company has maintained the cost records prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956; however, we have not made detailed examination of such records.
9. (a) In our opinion and according to the information and explanations given to us, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Excise Duty, Cess and any other statutory dues have been regularly deposited during the year with the appropriate authorities though there were some delay in remitting the dues. There are no undisputed statutory dues payable for a period of more than six months from the date they became payable as at 31st March 2013, except Central Sales Tax of Rs.7,200.
- (b) In our opinion and according to the information and explanations given to us, there are no dues in respect of Income tax, Wealth tax, Sales tax and Excise Duty that have not been deposited on account of any dispute except

Nature of the Dues	Amount	Forum where dispute is pending
ESI	Rs.757748	Employee Insurance Court.
10. The Company does not have accumulated losses as at the end of the financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
11. The Company has not defaulted in repayment of any dues to financial institutions or banks or debenture holders.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi / mutual benefit fund / society, therefore, the clause 4 (xiii) of the Order is not applicable to the Company.
14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments.
15. In our opinion, according to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks and financial institutions.
16. In our opinion, on the basis of information and explanations given to us, the term loans were applied for the purposes for which the loans were obtained.
17. On the basis of an overall examination of the Balance sheet of the Company, no funds raised on short-term basis have been used for long-term investment.
18. The Company has not made any preferential allotment of shares to any parties or companies covered in the register maintained under Section 301 of the Company Act, 1956.
19. The Company did not have any outstanding debentures during the year.
20. The Company has not raised any money through a public issue during the year.
21. Based upon the audit procedures performed and on the basis of information and explanations provided by the Management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

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

Place : Coimbatore
Date : 30.05.2013

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

**BALANCE SHEET AS AT 31st March 2013**

Particulars	Note No.	As at 31 st March 2013	As at 31 st March 2012
I. EQUITY AND LIABILITIES		in ₹ '000	in ₹ '000
1. SHARE HOLDERS FUNDS			
(a) Share Capital	1	43,798	43,798
(b) Reserves and Surplus	2	165,122	138,108
(c) Monies Received against Share Warrants		—	—
		208,920	181,906
2. SHARE APPLICATION MONEY PENDING ALLOTMENT		—	—
3. NON CURRENT LIABILITIES			
(a) Long-term borrowings	3	426,660	359,462
(b) Deferred tax liabilities (net)		44,232	36,937
(c) Other Long term liabilities	4	—	131
(d) Long-term provisions	5	1,648	1,146
		472,540	397,675
4. CURRENT LIABILITIES			
(a) Short-term borrowings	6	165,200	145,955
(b) Trade payables		20,670	8,342
(c) Other current liabilities	7	65,134	51,319
(d) Short-term provisions	8	20,426	11,273
		271,430	216,889
TOTAL		952,890	796,470
II. ASSETS			
1. NON CURRENT ASSETS			
(a) Fixed assets	9		
(i) Tangible assets		591,052	535,309
(ii) Intangible assets		—	—
(iii) Capital work-in-progress		47,454	19,989
		638,506	555,299
(b) Non-current investments		—	—
(c) Long-term loans and advances	10	22,904	19,562
(d) Other non-current assets		—	—
		661,410	574,860
2. CURRENT ASSETS			
(a) Current investments		—	—
(b) Inventories	11	116,950	109,905
(c) Trade receivables	12	113,871	84,515
(d) Cash and cash equivalents	13	6,861	6,074
(e) Short-term loans and advances	14	38,827	15,993
(f) Other current assets	15	14,971	5,123
		291,480	221,609
TOTAL		952,890	796,470
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FORM	25		

Vide Our Report of even date
for **MOHAN & VENKATARAMAN**

Chartered Accountants

FRN : 007321S

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

Partner

M.No.201229

Place : Coimbatore

Date : 30.05.2013

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

(Sd/-) **VIMALA.R**
Director

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH, 2013

Particulars	Note No.	As at 31 st March 2013 In ₹ '000	As at 31 st March 2012 In ₹ '000
I. REVENUE FROM OPERATIONS	16	978,137	756,430
II. OTHER INCOME	17	2,065	2,022
III. TOTAL REVENUE (I + II)		980,202	758,452
IV. EXPENSES			
Cost of Material Consumed	18	586,260	521,319
Purchase of Stock in Trade	19	33,920	6,451
Changes in inventories of finished goods, Work in progress and Stock in Trade	20	172	(31,327)
Employee Benefits Expenses	21	31,577	27,165
Finance Cost	22	63,334	47,898
Depreciation and amortisation expenses		45,452	34,068
Other Expenses	23	167,499	137,322
Total Expenses		928,214	742,895
V. PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX		51,988	15,557
VI. TAX EXPENSE			
Current Tax		12,554	3,112
Deferred Tax	24	7,295	19,136
VII. PROFIT OR LOSS FOR THE YEAR (V) - (VI)		32,139	(6,691)
VIII. EARNINGS PER SHARE		7.34	(1.53)

SIGNIFICANT ACCOUNTING POLICIES
AND NOTES ON ACCOUNTS FORM PART 25
OF THESE FINANCIALS

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

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

Place : Coimbatore
Date : 30.05.2013

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

(Sd/-) **VIMALA.R**
Director

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - SHARE CAPITAL

Particulars	As at 31 st March 2013 in ₹ '000	As at 31 st March 2012 in ₹ '000
(a) Authorised 5000000 Equity shares (P.Y. 5000000) of ₹10 each with voting rights	50000	50000
(b) Issued 4379800 Equity shares (P.Y. 4379800) of ₹10 each with voting rights	43798	43798
(c) Subscribed and fully paid up 4379800 Equity shares (P.Y. 4379800) of ₹10 each with voting rights	43798	43798
Total	43798	43798

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

Particulars	As at 31 st March 2013 No. of shares	As at 31 st March 2012 No. of shares
Shares outstanding at the beginning of the year	4379800	4379800
Shares outstanding at the end of the year	4379800	4379800

Details of Share Holders Holding more than 5% shares

Class of shares / Name of shareholders	As at 31 st March 2013 No. of Shares	%	As at 31 st March 2012 No. of Shares	%
		holding		holding
The company has only one class of equity shares having a par value of ₹10 per share. Each share holder is eligible for one vote per share				
Shri. Santossh R	1314753	30.02	1653000	37.74
Strike Right Integrated Services Limited	1460300	33.34	1460300	33.34

NOTE 2 - RESERVES AND SURPLUS

Particulars	As at 31 st March 2013 in ₹ '000	As at 31 st March 2012 in ₹ '000
(a) Revaluation reserve		
As per last balance sheet	76901	76901
Closing balance	76901	76901

Particulars	As at 31 st March 2013 in ₹ '000	As at 31 st March 2012 in ₹ '000
(b) Other reserve		
General reserve		
Opening balance	4300	3100
Add: Additions during the year	810	1200
Less: Utilised / transferred during the year	—	—
Closing balance	5110	4300
(c) Surplus in Statement of Profit and Loss		
Opening balance	56907	69888
Add: Profit (loss) for the year	32139	— 6691
Transfer to General reserve	810	1200
Proposed Dividend on Equity Shares (Dividend Per Share Rs.1 (Previous Year Rs.1.00))	4380	4380
Tax on Dividend	746	711
Closing balance	83112	56907
Total	165123	138108

NOTE 3 - LONG TERM BORROWINGS

Particulars	As at 31 st March 2013 in ₹ '000	As at 31 st March 2012 in ₹ '000
(a) Secured		
Term Loans from banks	349184	295133
Long term maturities of finance lease obligations	3655	2277
(b) Unsecured		
Deposits	19500	19500
Loans and advances from related parties	54321	42552
Total	426660	359462

Bank borrowings of term loan and working capital

- 3.1 TUFS Term loan - II from State Bank of India is secured by First charge on entire assets created out of the term loan, Factory Land and building. Total outstanding as on 31.03.2013 is (₹ '000) 81100 (Previous year (₹ '000) 96300). Term Loan - II is payable in 91 installments commencing from April 2009. Last installment is due in October 2016.
- 3.2 TUFS Term loan - III from State Bank of India is secured by First charge on entire assets created out of the term loan including Windmill land. Total outstanding as on 31.03.2013 is (₹ '000) 99900 (Previous year (₹ '000) Rs.103500). Term Loan - III is payable in 109 installments commencing from October 2011. Last installment is due in October 2021.
- 3.3 TUFS Term loan - IV from State Bank of India is secured by First charge on entire assets created out of the term loan. Total outstanding as on 31.03.2013 is (₹ '000)



- 51190 (Previous year ('000) Rs.40069. Term Loan - IV is payable in 72 installments commencing from October 2012. Last installment is due in September 2018.
- 3.4 Term loan - V from State Bank of India is secured by first charge on entire assets created out of the term loan. Total outstanding as on 31.03.2013 is (₹ '000) 84073 (Previous year ('000) Rs.Nil. Term Loan - V is payable in 84 installments commencing from October 2013. Last installment is due in September 2020.
- 3.5 Term loan from Bank of India is secured by First charge on Windmill and Windmill Land. Total outstanding as on 31.03.2013 is (₹ '000) 68658 (Previous year ('000) Rs.69300). Term Loan is payable in 108 installments commencing from March 2013. Last installment is due in Feb 2022.
- 3.6 Term loan from Kotak Mahindra Bank is secured by Residential apartment purchased out of term loan. Total outstanding as on 31.03.2013 is (₹ '000) 8149 (Previous year (₹ '000) 8285). Term Loan is payable in 240 installments commencing from Aug 2010. Last installment is due in Aug 2030.
- 3.7 Two directors have given personal guarantee and one of them had given personal assets as security for the loan from State Bank of India and no Guarantee commission has been paid to any directors in this connection. Three directors have given personal guarantee and one of them had given personal assets as security for the loan from State Bank of India and no Guarantee Commission has been paid to any directors in this connection. Details of pledge of shares held by directors for availing loan facilities for the company: The Managing Director has pledged 5.62 lakh shares of the company held by him as collateral security for the loan sanctioned by State Bank of India and 5.25 lakh shares of the company held by him as collateral security for the loan sanctioned by Bank of India. Strikeright Integrated Services Limited has to give Corporated Guarantee for State Bank of India loan and no Guarantee Commission has been paid.
- 3.8 Installments falling due in respect of all the above Loans upto 31.03.2013 have been grouped under "Current maturities of long-term debt" [Refer Note 7 (a)]

NOTE 4 - OTHER LONG TERM LIABILITIES

Particulars	As at 31 st March 2013 in ₹ '000	As at 31 st March 2012 in ₹ '000
(a) Trade payables:	—	—
(b) Others		
(i) Creditors for others (interest received in advance)	—	131
Total	—	131

NOTE 5 - LONG TERM PROVISIONS

Particulars	As at 31 st March 2013 in ₹ '000	As at 31 st March 2012 in ₹ '000
(a) Provision for employee benefits		
(i) Provision for gratuity (Unfunded)	1648	1146
Total	1648	1146

NOTE 6 - SHORT TERM BORROWINGS

Particulars	As at 31 st March 2013 in ₹ '000	As at 31 st March 2012 in ₹ '000
(a) Loans repayable on demand		
From banks (Secured)		
Foreign currency loans	—	107956
Other Loans	165200	37999
Total	165200	145955

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

NOTE 7 - OTHER CURRENT LIABILITIES

Particulars	As at 31 st March 2013 in ₹ '000	As at 31 st March 2012 in ₹ '000
(a) Current maturities of long-term debt	50390	34254
(b) Current maturities of finance lease obligations	2384	3576
(c) Interest accrued but not due on borrowings	3733	3323
(d) Interest accrued and due on borrowings	—	—
(e) Unpaid dividends	390	168
(f) Other payables		
(i) Duties and taxes	1947	1506
(ii) Advances from customers	1203	1523
(iii) Credit balance in Scheduled Banks (Current accounts)	—	—
(iv) Others		
Interest received in advance	132	175
Creditors for capital goods	207	250
Outstanding Expenses	4748	6544
Total	65134	51319

NOTE 8 - SHORT TERM PROVISIONS

Particulars	As at 31 st March 2013 in ₹ '000	As at 31 st March 2012 in ₹ '000
(a) Provision for employee benefits		
(i) Gratuity (Unfunded)	92	57
(ii) Others	4770	3013
(b) Others		
(i) Provision for taxation	1184	3823
(ii) Provision for Dividend	4380	4380
Total	20426	11273

NOTE 9 - FIXED ASSETS

NAME OF THE ASSET	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS ON 01.04.2012	ADDITIONS	SALE / TRANSFER	COST AS AT 31.03.2013	UPTO 31.03.12	DURING THE YEAR	WITH- DRAWN	UPTO 31.03.2013	UPTO 31.03.2013	UPTO 31.03.2012
01. LAND	88162	0	0	88162	0	0	0	0	88162	88162
02. BUILDING	65296	28157	0	93453	14677	2267	0	16944	76509	50619
03. WIND MILL	154693	0	0	154693	3600	8168	0	11768	142925	151093
04. PLANT AND MACHINERY	341095	71293	21945	390443	110653	32904	14080	129476	260967	230443
05. FURNITURE AND FIXTURES	1423	3434	0	4858	700	193	0	892	3965	723
06. OFFICE EQUIPMENT	2803	2257	0	5061	1552	205	0	1757	3304	1251
07. VEHICLES	16353	7074	4020	19407	3335	1716	864	4187	15220	13018
TOTAL OF FIXED ASSETS	669826	112216	25965	756077	134516	45452	14943	165025	591052	535309
PREVIOUS YEAR	488663	195304	14142	669826	110766	34068	10318	134516	535309	377896

WORK IN PROGRESS

NAME OF THE ASSET	GROSS BLOCK			
	AS ON 31.03.12	ADDITIONS	SALE / TRANSFER	COST AS AT 31.03.2013
01. BUILDING - WIP	16792	17250	30672	3371
02 BUILDING - WIP - PEELAMEDU	1341	947	0	2288
03 PLANT & MACHINERY - WIP	1855	79241	39522	41575
04 ELECTRICAL FITTINGS - WIP	0	2800	2579	221
TOTAL	19989	100237	72772	47454
PREVIOUS YEAR	14798	95092	89901	19989

NOTE 10 - LONG TERM LOANS & ADVANCES

Particulars	As at March, 2013 in ₹'000	As at March, 2012 in ₹'000
(a) Capital advances		
Advance for Capital goods (Unsecured considered good)	7183	6554
(b) Security Deposits		
Security Deposits (Unsecured considered good)	14071	11358
(c) Loans and advances to related parties	—	—
(d) Other loans & advances		
Prepaid expenses - AMC (Unsecured considered good)	1650	1650
Total	22904	19562

NOTE 11 - INVENTORIES

Particulars	As at 31 st March 2013 in ₹ '000	As at 31 st March 2012 in ₹ '000
(a) Raw materials		
Yarn	416	1251
Fibre	44385	43782
Cotton	8887	1918
(b) Work-in-progress	14414	17752
(c) Finished goods		
Yarn	43263	42746
Stock in Transit	3089	—
(d) Stock in Trade	—	—
(e) Stores and spares	2020	1540
(f) Others		
(i) Stock of waste	476	914
Total	116950	109905

Mode of valuation : Refer Note 25-I (C) in significant Accounting Policies

NOTE 12 - TRADE RECEIVABLES

Particulars	As at 31 st March 2013 in ₹ '000	As at 31 st March 2012 in ₹ '000
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured & considered good	6202	7949
Other Trade receivables		
Unsecured & considered good	107668	76566
Total	113870	84515

NOTE 13 - CASH AND CASH EQUIVALENTS

Particulars	As at 31 st March 2013 in ₹ '000	As at 31 st March 2012 in ₹ '000
(a) Cash and Cash Equivalents		
(i) Balances with banks	587	3627
(ii) Cash on hand	3288	1071
(b) Other bank balances		
(i) Unpaid dividend	390	168
(ii) Balance with banks to the extend held as margin money (Margin money for bank guarantee) (Maturity after 12 months)	2596	1208
(Margin money for Letter of credit) (Maturity before 12 months)	—	—
Total	6861	6074

NOTE 14 - SHORT TERM LOANS AND ADVANCES

Particulars	As at 31 st March 2013 in ₹ '000	As at 31 st March 2012 in ₹ '000
Unsecured, considered good		
(a) Loans and advances to related parties	—	—
(b) Others		
Advance recoverable in cash or in kind or for value to be received		
(i) For Material Purchase	9567	1903
(ii) For Expenses / Others	3808	2388
(iii) For Duties & Taxes	23327	10120
(iv) Prepaid Expenses	2125	1581
Total	38827	15993

NOTE 15 - OTHER CURRENT ASSETS

Particulars	As at 31 st March 2013 in ₹ '000	As at 31 st March 2012 in ₹ '000
(i) Interest accrued on deposits	302	149
(ii) Export Duty receivable	8965	1675
(iii) Interest receivable on Trade receivables	108	108
(iv) Interest subsidy receivables from banks	5533	3078
(v) Windmill Energy income receivable	63	113
Total	14971	5123

NOTE 16 - REVENUE FROM OPERATIONS

Particulars	For the year ended 31 st March, 2013 in ₹'000	For the year ended 31 st March, 2012 in ₹'000
(a) Sale of products [Refer Note (i) below]	946190	745539
(b) Sale of services	—	—
(c) Other operating revenues		
(i) Wind mill - Electricity captive consumption value	20448	7649
(ii) Sales of waste and scrap	5288	876
(iii) Duty drawback	6211	2366
Total	978137	756430

Note (i) Sale of products
Finished goods

Yarn	905528	726854
Cloth	5707	11948

Traded goods

Yarn	30714	—
Cotton	4241	6738

Total	946190	745539
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NOTE 17 - OTHER INCOME

Particulars	For the year ended 31 st March, 2013 in ₹'000	For the year ended 31 st March, 2012 in ₹'000
(a) Interest income	1691	779
(b) Other non-operating income (net of expenses directly attributable to such income)		
(i) Exchange Flexuation Gain	—	—
(ii) Profit on Sale of Assets	251	1051
(iii) Other income	123	192
Total	2065	2022

NOTE 18 - COST OF MATERIALS CONSUMED

Particulars	For the year ended 31 st March, 2013 in ₹'000	For the year ended 31 st March, 2012 in ₹'000
Opening Stock	46951	55148
Add : Purchases	593689	513123
	640640	568271
Less : Sale of Fibre	693	—
Less: Closing stock	53687	46951
Cost of material consumed (Refer note 1 below)	586260	521319

Note - 1
Details of Raw material consumed

Imported	1861	224
Indigeneous	585092	521096
	586953	521319

Details of Raw material consumed

Yarn	11051	19898
Fibre	570060	499949
Cotton	5842	1473
Total	586953	521319

NOTE 19 - PURCHASE OF STOCK IN TRADE

Particulars	For the year ended 31 st March, 2013 in ₹'000	For the year ended 31 st March, 2012 in ₹'000
Cotton Purchase	4049	6451
Yarn Purchase	29871	—
Total	33920	6451

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

Particulars	For the year ended 31 st March, 2013 in ₹'000	For the year ended 31 st March, 2012 in ₹'000
Opening Stock		
Finished goods	42746	13820
Work-in-progress	17754	14744
Waste	914	1522
Stock in Trade	—	—
	61414	30086
Closing Stock		
Finished goods	43263	42746
Finished goods - Stock in Transit	3089	—
Work-in-progress	14414	17752
Waste	476	914
Stock in Trade	—	—
	61242	61413
Net (increase) / decrease	172	— 31327

NOTE 21 - EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended 31 st March, 2013 in ₹'000	For the year ended 31 st March, 2012 in ₹'000
(a) Salaries Wages, Bonus etc.	23249	19402
(b) Managerial Remuneration	1751	1750
(c) Contribution to Provident fund and other funds	1558	1500
(d) Gratuity as per actuarial valuations	622	115
(e) Staff Welfare Expenses	4397	4398
Total	31577	27165

NOTE 22 - FINANCE COST

Particulars	For the year ended 31 st March, 2013 in ₹'000	For the year ended 31 st March, 2012 in ₹'000
(a) Interest expense	62596	44216
(b) Other borrowing costs	1852	1120
(c) Net (gain) / loss on foreign currency transactions and translation (considered as finance cost)	-1114	2562
Total	63334	47898

NOTE 23 - OTHER EXPENSES

Particulars	For the year ended 31 st March, 2013 in ₹'000	For the year ended 31 st March, 2012 in ₹'000
Manufacturing expenses		
Consumption of stores and spares (Refer Note below)	23708	20021
Power and fuel	103874	82322
Conversion charges	1626	3637
Repairs to Buildings	455	888
Repairs to Machinery	1300	1148
	130963	108016
Selling and Distribution Expenses		
Freight and forwarding	14813	13827
Sales commission	5960	3232
Consignment Expenses	115	639
Business promotion	272	508
Advertisement	385	240
	21545	18446

NOTE 23 - OTHER EXPENSES - Contd...

Particulars	For the year ended 31 st March, 2013 in ₹'000	For the year ended 31 st March, 2012 in ₹'000
Establishment Expenses		
Rent	193	182
Repairs and maintenance - Others	3330	2786
Insurance	997	722
Rates and taxes, excluding taxes on income	3078	1515
Postage and Telephone	605	416
Travelling and conveyance	1308	801
Printing and stationery	262	167
Audit Fees and Expenses	253	165
Subscription	84	58
Professional & Consultancy	1080	676
Net loss on foreign currency transactions and translation (other than considered as financial cost)	-1472	626
Loss on sale of fixed assets	4869	2270
Prior period items (net)	—	18
Miscellaneous expenses	404	459
Total	167499	137322

Note - Consumption of stores and spares

Particulars	For the year ended 31 st March, 2013 in ₹'000	For the year ended 31 st March, 2012 in ₹'000
Indigeneous	23708	20021
Imported	—	—
Total	23708	20021

NOTE 24 - DEFERRED TAX

Particulars	For the year ended 31 st March, 2013 in ₹'000	For the year ended 31 st March, 2012 in ₹'000
Mat Credit Entitlement	- 10402	- 3113
Deferred Tax	17697	22249
Total	7295	19136



NOTES ON ACCOUNTS

NOTE 25

I. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

- i) Revenue Recognition: The Financial Statements are prepared under historical cost. Revenue / Income and Cost / Expenditure are generally accounted for on accrual as they are earned or incurred, except in case of significant uncertainties. The Export Sales are recognized on the date of the Bill of Lading.
- ii) Use of Estimates: The preparation of financial statement in conformity with generally accepted accounting principles required estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

b) Fixed Assets and Depreciation

- i) Fixed Assets are stated at cost and includes all expenditure of Capital nature and net of VAT credit, if any.
- ii) In respect of leased assets all expenses incurred to bring the assets into working condition, including customs duty paid for imported machinery and lease rent upto the date of commercial production or up to the date of commissioning the respective machinery are capitalised.
- iii) Assets acquired under Hire Purchase agreements are capitalised to the extent of principal value while interest on hire purchase are expensed when paid.
- iv) Depreciation on fixed assets is provided on straight-line basis at the rates specified in Schedule XIV of the Companies Act 1956. In respect of assets costing less than Rs.5,000/- the policy of the Company is to charge depreciation at 100% on Prorata basis to the period of use.

c) Inventory valuation

Inventories are valued as follows :

- i) Raw materials, materials in process, finished goods and Goods for Trade are valued at Cost or Net Realizable Value, whichever is lower.
- ii) Stores, Spares, Etc., are valued, either at Cost or at Cost less amounts written off.
- iii) Goods in transit are valued at cost to date.
- iv) 'Cost' comprises all cost of purchase, costs of conversion and other costs incurred in bringing the inventory to their present location and condition. Cost formula used is 'First in First Out' as applicable.

d) Value Added Tax:

The value added tax is accounted for by reducing the Purchase cost of the related items.

e) Retirement Benefits:

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



2. Leave encashment benefit are paid annually as per the policy of the company.
 3. Gratuity liability has been provided in the books of accounts as per the actuarial valuation certificate provided by Consulting Actuary.
- f) Borrowing Cost :
- a) Borrowing costs that are directly attributable to the acquisition / construction of a qualifying asset are capitalized as part of the cost of that asset till the time it is ready to put to use.
 - b) All other Borrowing costs are recognized as expenditure during the period in which these are incurred.
- g) Taxes on income :
- Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.
- Deferred Tax is recognized, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- h) Foreign currency Transactions
- Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the currency and the foreign currency at the date of the transaction.
- Foreign currency monetary assets and liabilities (other than those covered by forward contracts) as on the balance sheet date are revalued in the accounts on the basis of exchange rates prevailing at the balance sheet date and exchange difference arising there from is charged to Profit & Loss Account.
- In the case of transactions covered by forward contracts, the difference between the contract rate and the exchange rate prevailing on the date of transaction is charged to profit & loss Account, proportionately over the contract period. Exchange differences on such contracts are recognized in the statement of Profit & Loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expenses for the year.
- i) Earnings per share
- Earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by weighted average number of equity shares outstanding during the year.
- For the purpose of calculating diluted earnings per share, the net Profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.
- j) Cash Flow Statement :
- The cash Flow statement is prepared by the indirect method set out in Accounting Standard 3 on cash flow statement and presents cashflows by operating, investing and financing activities of the Company.
- Cash and cash equivalents presented in the cash flow statement consists of cash on hand and demand deposits with banks as on the balance sheet date.



- k) Operating lease:
Operating lease payments are recognized as expenditure in the profit & loss Account on a straight line basis, which is representative of the time pattern of benefits received from the use of assets taken on lease.
- l) Contingent Liabilities
Contingent Liabilities as defined in Accounting Standard -29 are disclosed in the notes to accounts. Provisions are made if it became probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability.
- m) Impairment
- The Carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.
 - After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.
 - A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there no impairment.
- n) Government Grants
The company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with and the grants will be received. Grants relating to specific fixed assets are shown as deduction from the gross value of the assets. Grants related to revenue is recognized as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate. The capital grants towards promoters contribution is recognized as capital reserve.

II. OTHER NOTES

- Estimated value of contract remaining to be executed on Capital Account is (₹'000) 9905 [Previous Year (₹'000) 8187]
- Details of contingent liabilities

	31.03.2013	31.03.2012
	(₹'000)	(₹'000)
i. Employees' State Insurance Corporation demand, the case is before the Employee Insurance Court.	758	758
ii. Dispute on outstanding balance against the lease finance and hire purchase, the case is before the High court of Karnataka	1234	1234
- Disclosure in respect of derivative instruments:
 - Derivative instruments outstanding:

Loans taken Principal forward contract	- USD 79000	USD 2199000
	INR 4533	INR 116900

- | | | | |
|-----|--|-------------|-----------|
| (b) | Derivative instruments receivable: | | |
| | Export debtors with forward contract | - USD 96941 | Nil |
| | | INR 5272542 | Nil |
| (c) | All the derivative instruments have been acquired for hedging purposes. | | |
| (c) | Foreign currency exposures that are not hedged by derivative instruments | | |
| | i. Cash and bank balance | USD 46.73 | USD 26.00 |
4. Borrowing cost of (₹'000) 1957 on State Bank of India Term loan and (₹'000) 362 on Kotak Mahindra Bank is capitalized towards Building, Plant & machineries and other capital work-in-progress during the year. Further (₹'000) 344 being exchange fluctuation gain on import of machinery is reduced in the cost of the machinery capitalized.
5. Segment Reporting

	31.03.2013	31.03.2012
Segment Revenue	(₹'000)	(₹'000)
Yarn Manufacturing	959579	750760
Wind Mills	20624	7693
Real Estate	—	—
Total	980202	758452
Segment Expenditure		
Yarn Manufacturing	903013	732410
Wind Mills	25202	10485
Real Estate	—	—
Total	928214	742895
Segment Profit / Loss		
Yarn Manufacturing	56566	18350
Wind Mills	— 4578	— 2793
Real Estate	—	—
Total	51988	15557
Segment Assets		
Yarn Manufacturing	719815	557887
Wind Mills	147487	153941
Real Estate	85588	84641
Total	952890	796470
Segment Liabilities		
Yarn Manufacturing	623862	493862
Wind Mills	120108	120702
Real Estate	—	—
Total	743970	614564

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



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

I. PRINCIPAL ACTUARIAL ASSUMPTIONS [Expressed as weighted averages]	31 03 2013	31 03 2012
Discount Rate	8.20%	8.70%
Salary escalation rate	6.00%	6.00%
Attrition rate	5.00%	5.00%
Expected rate of return on Plan Assets	0.00%	0.00%

In the following tables, all amounts are in Rupees, unless otherwise stated.

II. CHANGES IN THE PRESENT VALUE OF THE OBLIGATION (PVO) - RECONCILIATION OF OPENING AND CLOSING BALANCES: (₹'000)		
PVO as at the beginning of the period	1203	1197
Interest Cost	101	96
Current service cost	305	303
Past service cost - (non vested benefits)	—	—
Past service cost - (vested benefits)	—	—
Benefits paid	-86	-109
Actuarial loss/(gain) on obligation (balancing figure)	217	-285
PVO as at the end of the period	1740	1203

III. CHANGES IN THE FAIR VALUE OF PLAN ASSETS - RECONCILIATION OF OPENING AND CLOSING BALANCES:		
Fair value of plan assets as at the beginning of the period	—	—
Expected return on plan assets	—	—
Contributions	86	109
Benefits paid	-86	-109
Actuarial gain/(loss) on plan assets [balancing figure]	—	—
Fair value of plan assets as at the end of the period	—	—

IV. ACTUAL RETURN ON PLAN ASSETS	31 03 2013	31 03 2012
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	-217	285
Actuarial gain / (loss) for the period- Plan Assets	—	—
Total (gain) / loss for the period	217	-285
Actuarial (gain) / loss recognized in the period	217	-285
Unrecognized actuarial (gain) / loss at the end of the year	—	—

VI. AMOUNTS RECOGNISED IN THE BALANCE SHEET AND RELATED ANALYSIS		
Present value of the obligation	1740	1203
Fair value of plan assets	—	—
Difference	1740	1203
Unrecognised transitional liability	—	—
Unrecognised past service cost - non vested benefits	—	—
Liability recognized in the balance sheet	1740	1203

VII. EXPENSES RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS:		
Current service cost	305	303
Interest Cost	101	96
Expected return on plan assets	—	—
Net actuarial (gain)/loss recognised in the year	217	-285
Transitional Liability recognised in the year	—	—
Past service cost - non-vested benefits	—	—
Past service cost - vested benefits	—	—
Expenses recognized in the statement of profit and loss	623	115

VIII. MOVEMENTS IN THE LIABILITY RECOGNIZED IN THE BALANCE SHEET	31 03 2013	31 03 2012
Opening net liability	1203	1197
Expense as above	622	115
Contribution paid	-86	-109
Closing net liability	1740	1203

7. Related party disclosures for the year ended 31st March 2013.

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

	Opening Balance	Amount Received	Amount Repaid	Closing Balance (₹'000)
Mr.Santossh.R. Managing Director	37852	18169	6400	49621
Ms.Giulia Bosco Whole-Time Director	4700	Nil	Nil	4700

b) Remuneration paid to Managing Director, Mr.Santossh.R. is (₹'000) 911 (Previous Year (₹'000) 910).

c) Remuneration paid to Whole-Time Director, Ms.Giulia Bosco is (₹'000) 660 (Previous Year (₹'000) 600).

Cash value of perquisites to Whole-Time Director, Ms. Giulia Bosco is (₹000) 69 (Previous year (₹000) Rs.Nil)

d) Remuneration paid to Director, Mrs.Vimala.R. is (₹'000) 180 (Previous Year (₹'000) 240).

e) i. Cotton sales to V.R. Textiles Private Ltd., during the year for (₹'000) Rs.Nil (Previous Year (₹'000) 3952).

ii. Polyester purchase from V.R. Textiles Private Ltd., during the year for (₹'000) Rs.Nil (Previous year (₹'000) 7662)

(The Managing Director and one of the Director are the Directors' of the above company)

f) Polyester purchase from M/s.Strikeright Integrated Services Limited., during the year for (₹'000) 25054 [previous year (₹'000) 5696].

Company in which Whole-Time Director and other one Director of Lambodhara Textiles Limited are Directors.

8. Earnings Per share	31.03.2013	31.03.2012
(a) Profits after Tax (₹'000)	32139	-6691
(b) Weighted Average No. of Shares	43,79,800	43,79,800
(c) Face Value per share (₹)	10	10
(d) Earnings per share- Basic & Diluted	7.34	-1.53
9. VALUE OF IMPORTS ON CIF BASIS	(₹'000)	(₹'000)
a) Raw Material	5965	Nil



b) Stores & Spare Parts	Nil	Nil
c) Capital Goods	25924	48952
10. EXPENDITURE IN FOREIGN CURRENCY		
On foreign travel	110	Nil
On Import of raw materials & stores	5965	Nil
Import of machineries	25924	Nil
Advance for Capital goods	Nil	Nil
11. EARNINGS IN FOREIGN CURRENCY	147532	25461
(Export sales)		
12. MANAGERIAL REMUNERATION:		
Paid to Mr.Santossh.R, Managing Director		
Salary	780	780
Allowance	120	120
Club payments	11	10
Paid to Mrs.Vimala.R., Director		
Salary	180	240
Paid to Ms.Giulia Bosco, Whole-Time Director		
Salary	660	600
Perquisite	69	Nil
13. Break up of Audit Fees		
For Audit	156	130
For Limited Review under listing agreement	54	Nil
For Certification	8	5
For Taxation services	28	28
For reimbursement of expenses	7	2
14. Vehicles in the Fixed Assets of the Company include two Trax Jeeps, tractor and a Innova Car purchased in the name of a director valuing (₹'000) 2831.		
15. In the opinion of the Board, Current Assets, Loans and Advances will fetch the amount stated, if realised in the normal course of the business.		
16. There are no Micro and Small Enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at 31st March 2013. This information as required to be disclosed under the MSMED Act 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.		
17. Previous year's figures have been regrouped wherever considered necessary.		

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

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

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

(Sd/-) **VIMALA.R**
Director

Place : Coimbatore
Date : 30.05.2013

CASH FLOW STATEMENT

	(₹'000)		
	2012-2013		2011-2012
(A) CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit / (Loss) before extraordinary items and tax		51988	15557
Adjustments for:			
Depreciation and amortisation	45452		34068
(Profit) / loss on sale / write off of assets	4618		1219
Interest payments	62924		44986
Interest income	-1691	111303	-779
			79494
Operating profit / (loss) before working capital changes		163291	95051
Changes in working capital:			
Adjustments for (increase) / decrease in operating assets:			
Inventories	-7045		-23161
Trade and other receivables	-66369		34498
Trade Payable & Other liabilities	19274	-54140	-3662
			7674
		109151	102726
Direct taxes paid		-11258	-3565
Interest paid		-62924	-44986
Cash Flow before Extra Ordinary items		34969	54175
Extra Ordinary item		—	—
Preliminary Exp / Deferred revenue		—	—
Net cash flow from operating activities		34969	54175
B. Cash flow from investing activities			
Capital expenditure on fixed assets		-139681	-200496
Sale of fixed assets		6404	2605
Interest received		1537	779
Net cash flow from investing activities		-131740	-197113

	(₹'000)	
	2012-2013	2011-2012
C. Cash flow from financing activities		
Proceeds from borrowings	83335	139140
Dividend paid (including dividend distribution tax)	-4868	-5307
Net cash flow from financing activities	78467	133833
Net increase / (decrease) in Cash and cash equivalents	-18305	-9105
Opening Balance of Cash and Cash equivalents		
Cash and Bank Balance	6223	4331
Cash Credit Account	-145955	-134958
	-139732	-130627
Closing Balance of Cash and Cash equivalents		
Cash and Bank Balance	7164	6223
Cash Credit Account	-165200	-145955
	-158037	-139732
	-18305	-9105

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

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

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

(Sd/-) **VIMALA.R**
Director

Place : Coimbatore
Date : 30.05.2013



Lambodhara Textiles Limited

ATTENDANCE SLIP

I hereby record my presence at the 19th Annual General Meeting of the Company held on Monday, the 26th day of August 2013 at 12 Noon at The Coimbatore Cosmopolitan Club, 200, Race Course Road, Coimbatore – 641018 .

.....
Full name of Share Holder (in Block Letters)

.....
Signature of Shareholder

Folio No.:

No. of Shares held :

.....
Full name of the Proxy (in Block Letters)

.....
Signature of Proxy

Note : Shareholders attending the Meeting in Person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the Meeting Hall. Only Members or their Proxies are entitled to be present at the Meeting.



Lambodhara Textiles Limited

PROXY FORM

..... Folio No.

I / We..... of

.....being a member / members of

Lambodhara Textiles Limited do hereby appoint.....

..... or failing him of

as my/our proxy and to vote for me/us on my/our behalf at the 19th Annual General Meeting of the company to be held on Monday, the 26th day of August 2013 and at any adjournment thereof.

Signed

Date

Affix
Revenue
Stamp

Note : Proxy Form duly stamped must reach the Company's Registered Office not less than 48 hours before commencement of the Meeting. The Proxy need not be a member of the Company.

To



If undelivered please return to :

Lambodhara Textiles Limited


3-A, 3rd Floor, B-Block, Pioneer Apartment,
1075-B, Avinashi Road,
Coimbatore-641 018.



Lambodhara Textiles Limited

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

FORM B

1	Name of the Company	LAMBODHARA TEXTILES LIMITED
2	Annual financial statements for the year ended	31 st March 2013
3	Type of Audit qualification	Subject to wherein four vehicles shown as fixed assets amounting to Rs.28,30,799/- are not registered in the name of the Company.
4	Frequency of qualification	Repetitive
5	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	Four Vehicles shown as fixed assets of the Company amounting to Rs.28,30,799/- are not registered in the name of the Company. [Page No. 30] The four vehicles are registered in the name of one of the Directors and appropriate steps will be taken to register the vehicles in the name of the Company. [Page No.8]
6	Additional comments from the board / audit committee chair:	-
7	To be signed by- CEO/Managing Director	
	CFO	
	Auditor of the Company FRN 0073215 M.NO: 201229	For Mohan & Venkataraman Chartered Accountants  Partner
	Audit Committee Chairman	