



Lakshmi Apparels and Wovens Limited
19th Annual Report 2009 - 2010

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Lakshmi Apparels and Wovens Ltd



DIRECTORS

Mr. K. Rajagopal - Chairman
 Mr. A.L. Ramachandra - Managing Director
 Dr. T. Balaji
 Mr. N. Mohan Nambiar
 Capt. K.V. Narayanan

AUDITORS

M/s. Suri & Co
 Chartered Accountants
 Coimbatore

BANKERS

Andhra Bank

REGISTERED OFFICE

10/400, Palghat Road
 Kuniamuthur
 Coimbatore - 641 008

FACTORY

Arakulam, Paruvai Post
 Palladam Taluk
 Coimbatore - 641 658

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Lakshmi Apparels and Wovens Ltd

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 19th Annual General Meeting of the shareholders of the Company will be held on Thursday, the 30th day of September 2010 at 04.00 P.M. at Nani Kalaingarangam, Mani Higher Secondary School, Pappanaickenpalayam, Coimbatore- 641 037 to transact the following business:

ORDINARY BUSINESS:

1. To consider the Profit & Loss Account for the year ending 31st March 2010, the Balance Sheet as on that date, the Report of the Board of Directors and the Report of the Auditors of the Company and to adopt the same.
2. To appoint a Director in the place of Sri. N. Mohan Nambiar who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in the place of Capt. K.V. Narayanan who retires by rotation

and being eligible offers himself for reappointment.

4. To appoint Auditors and to fix their remuneration.

NOTES :

1. The Register of members of the Company and the Share Transfer Books will remain closed from 16th September 2010 to 30th September 2010 (Both days inclusive)
2. A member, who is entitled to attend and vote at the meeting, is entitled to appoint a proxy to attend and vote on a poll instead of himself and such proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.

Coimbatore
31st July, 2010

By and on behalf of the Board
For Lakshmi Apparels and Wovens Ltd

(Sd.) K. Rajagopal
Chairman



DIRECTORS' REPORT

Your Directors have pleasure in presenting the 19th Annual Report together with the Audited Statement of Accounts for the year ended 31st March 2010.

(Rs. in lakhs)

The Operating Results are as follows:	Year ended 31.03.2010	Year ended 31.03.2009
Turnover – Net Sales	153.05	128.11
Gross Profit	99.44	42.80
LESS:		
Depreciation	43.81	67.12
Interest	7.72	19.93
	47.91	(44.25)
Profit on sale of assets	101.72	-
Profit / (Loss) before Tax	149.63	4.58
LESS: Provision for Taxation	26.31	13.75
Provision for FBT	-	0.03
	123.32	(58.03)
<u>ADD:</u>		
MAT credit entitlement	(7.69)	-
Deferred Tax – Current year	(8.91)	11.09
Balance profit carried over previous year	(125.69)	(78.75)
Amt available for appropriation	14.23	(125.69)
Dividend	-	-
Tax on Dividend	-	-
Balance carried over	14.23	(125.69)

Dividend

The Company has earned very low profits during the financial year, and hence your Directors are not in a position to recommend declaration of any dividend.

Review of operations

During the year under review, your company has received lease rental receipts from M/s Vijayeswari Textiles Limited amounting to Rs.1,39,63,000/-. Apart from this the Company made profits on sale of machines amounting to Rs. 1,01,71,913. There were no Domestic sales of fabrics made during the year.

Raw Materials

Raw material consumed for the year 2009-10 in terms of grey yarn was Nil.

Production on the conversion

During the year under review, your company has not indulged in conversion activities and hence there is no conversion production of grey fabric.

Lease Rental Receipts

Lease rental receipts during the year amounted to Rs 1,39,63,000/- as against the previous year receipts of Rs 1,01,18,750/-

Foreign Exchange Earnings

The Foreign exchange earnings during the year is Nil.

Prospects for the Current year

During the current year, the company has envisaged into manufacturing and marketing of

Lakshmi Apparels and Wovens Ltd

yarn dyed shirting fabric. The company intends to acquire a yarn dyeing unit in SIPCOT, Perundurai and install narrow width looms at Arakulum, Palladam enabling manufacturing of the yarn dyed shirting fabric. A detailed project proposal has been prepared and submitted for bank funding.

Directors

Sri. N. Mohan Nambiar and Capt. K.V. Narayanan retire by rotation at the ensuing Annual General Meeting and are eligible for reappointment.

Auditors

M/s.Suri & Co., Chartered Accountants retire at the ensuing Annual General Meeting and they have given their consent for reappointment.

Information pursuant to Section 217 of Companies Act 1956.

There is no person in employment of the company drawing remuneration warranting disclosure under Section 217[2A] of the Companies Act 1956. Information required under Section 217[1] [c] of the Companies Act 1956 is appended hereto and forms part of this report.

Secretarial 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 confirming that the company has complied with all the provisions of the Companies Act, 1956, a copy of such certificate is annexed to this report.

Fixed Deposit

During the year the Company has not accepted/renewed Fixed Deposits from the public.

Coimbatore
31st July, 2010

Directors responsibility statement

The Directors responsibility statement as required under section 217(2AA) of the Companies Act is as follows:

1. The Annual accounts for the year ended 31st March 2010 have been prepared following applicable accounting standards along with proper explanation relating to material departures.
2. The Accounting policies have been selected and applied consistently and reasonable and prudent judgments and estimates have been made which give a true and fair view of the state of affairs of the company as at 31st March 2010 and of the Profit of the company for the year ending on that date.
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. The Annual accounts of the company have been prepared on a going concern basis.

Acknowledgement

Your Directors would like to express their grateful appreciation of the assistance and cooperation received from Andhra Bank during the year under review.

By and on behalf of the Board

(Sd.) K. Rajagopal
Chairman



Information required under the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988.

FORM A

(For rule 2 of the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988)

Form for disclosure of particulars with respect to conservation of energy

A. Power and Fuel Consumption	2009-10	2008-09
1. ELECTRICITY		
a. Purchased		
Units	-	-
Total Amount	Rs. -	-
Rate per Unit	Rs. -	-
b. Own Generation		
i) Through Diesel Generator Units		
Units	-	-
Units per Litre of Diesel Oil	-	-
Cost per Unit	Rs. -	-
2. SUPERIOR KEROSENE OIL		
Quantity (K.Ltrs.)	-	-
Total Amount	Rs. -	-
Average Rate	Rs. -	-
3. OTHERS / INTERNAL GENERATION		
Quantity (K.Ltrs.)	-	-
Total Cost	-	-
Rate per Unit	-	-

FORM B

A. RESEARCH AND DEVELOPMENT (R&D)

- i) In a Weaving Unit, the scope for basic R&D is limited. The R&D efforts for the Company are directed towards Quality Control and Improvement.
- ii) Improvement in product quality will enable the Company to penetrate further in the export market on establishment of an independent R&D facility, efforts are continuing to enlarge the scope of the same as many areas of operations as possible.

B. ABSORPTION OF TECHNOLOGY

Continuous efforts are made towards technology absorption, adaptation and innovation. The thrust areas for improving the quality of the products in increasing productivity through cost effective programmes are being implemented. This will enable the Company to compete effectively in the market.

By and on behalf of the Board

(Sd.) K. Rajagopal
Chairman

Coimbatore
31st July, 2010

Lakshmi Apparels and Wovens Ltd

COMPLIANCE CERTIFICATE

[As required by Rule 3 of The Companies (Compliance Certificate) Rules, 2001]

Reg. No. of the Company: **U18101TZ1991PLC003195**

Nominal Capital:- Rs.50,000,000

Paid Up Capital:- Rs.30,000,000

To,

The Members

M/s. Lakshmi Apparels and Wovens Limited
10/400 Palghat Road, Kuniamuthur,
Coimbatore - 641008.

I have examined the registers, records, books and papers of **LAKSHMI APPARELS AND WOSENS 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 period ended on 31st March 2010. 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 all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder.
2. The Company has filed forms and returns as stated in Annexure 'B' to this Certificate with the Registrar of Companies, Coimbatore.
3. The Company being a Public limited company has Paid-up capital of Rs.30,000,000.
4. The Board of directors has met **5 (Five)** times on the following dates in respect of which the proceedings were recorded in the Minutes Book maintained for the purpose.
 1. 30th June 2009, 2. 3rd September 2009,
 3. 31st December 2009, 4. 30th January 2010,
 5. 2nd March, 2010.

5. The Company has closed its Register of Members from 05th November 2009 to 20th November 2009 during the Financial year.
6. The Annual General meeting for the previous financial year was held on **20th November 2009** and the Resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose, *however no extension was obtained from Registrar of Companies, Coimbatore for convening the Annual General Meeting after the due date.*
7. No Extra Ordinary General meeting was held during the financial year under review.
8. As per the information and explanations given by the officers and agents of the Company, The Company has not advanced any loans to its directors or other persons referred under Section 295 of the Act, during the year under review.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act during the year under review.
10. The Company has made necessary entries in the register to be maintained under section 301 of the Act with respect to disclosure of interest under section 299 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.