

**SRI LAKSHMI SARASWATHI TEXTILES  
(ARNI) LIMITED**

**50 th  
Annual Report 2013 - 2014**

## ANNUAL REPORT 2013-14

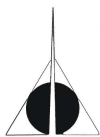


**SRI B. RAJAGOPAL NAIDU 1901 - 73**  
OUR REVERED FOUNDER

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## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### **BOARD OF DIRECTORS**

SRI. BALAKRISHNA S

Wholetime Director

SRI. R.PADMANABAN

Technical Director

SRI. J. M. GROVER

SRI. R. SAMBASIVAN

### **BANKERS**

Indian Overseas Bank  
Chennai House  
Esplanade, Chennai 600 108

State Bank of India,  
Leather & International Branch,  
'MVJ' Towers, 177/1 PH Road,  
Chennai – 600 010

### **AUDITORS**

Messers S.Viswanathan  
17, Bishop Wallers Avenue (West)  
Mylapore, Chennai 600 004.

### **REGISTERED OFFICE**

16, Krishnama Road,  
Nungambakkam, Chennai 600 034.  
Email: [slst@vsnl.com](mailto:slst@vsnl.com)  
Web: [www.slstindia.com](http://www.slstindia.com)

### **FACTORY**

Raghunathapuram,  
Sevoor Village,  
PIN 632 316  
Arni Taluk, Tiruvannamalai District,  
Tamil Nadu

### **REGISTRARS & SHARE TRANSFER AGENTS**

Cameo Corporate Services Limited  
Subramanian Building,  
No.1, Club House Road,  
Chennai 600 002  
Email: [cameo@cameoindia.com](mailto:cameo@cameoindia.com)



## **Sri Lakshmi Saraswathi Textiles (Arni) Limited**

### **NOTICE TO SHAREHOLDERS**

NOTICE is hereby given that the Fiftieth Annual General Meeting of the Company will be held at 02.30 P.M. on Friday, August 1, 2014 at Rani Seethai Hall, 603 Mount Road, Chennai-600 006, to transact the following business:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Profit and Loss Account of the Company for the year ended 31st March 2014, the Audited Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in the place of Sri Balakrishna S (holding DIN 00084524), who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in the place of Sri R.Padmanaban (holding DIN 00084579) who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors and to fix their remuneration.

#### **SPECIAL BUSINESS:**

##### **6. To appoint Sri J M Grover as an Independent Director for a term of 5 years**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Sri.J M Grover (holding DIN 00084735), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five years up to 31st March, 2019.”

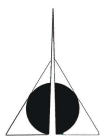
##### **7. To appoint Sri R.Sambasivan as an Independent Director for a term of 5 years**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Sri.R.Sambasivan (holding DIN 02441975), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five years up to 31st March, 2019.”

##### **8. To revise the remuneration payable to Sri Balakrishna S, Wholetime Director for the period of 01.04.2014 to 31.03.2015.**

To consider and if thought fit to pass with or without modification, the following Resolution as ORDINARY RESOLUTION:



## **Sri Lakshmi Saraswathi Textiles (Arni) Limited**

“RESOLVED THAT, pursuant to provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder read with Schedule V to the Companies Act 2013 (Corresponding to Sections 269, 198(4), 309(3) and 310 and other applicable provisions of the Companies Act, 1956, read with Schedule XIII to the Companies Act 1956), the consent of the company be and is hereby accorded to the revision in remuneration payable to Sri Balakrishna S, Wholetime Director as follows with effect from 01.04.2014 to 31.03.2015.

- a) Salary Rs.90,000/- per month
- b) Allowance of 2/3<sup>rd</sup> of salary per month.
- c) Bonus as applicable to other employees of the company.

All other terms of remuneration remain the same as passed by a resolution of the shareholders at the 48<sup>th</sup> AGM of the company held on September 28, 2012.

**9. To revise the remuneration payable to Sri R.Padmanaban, Technical Director for the period of 01.04.2014 to 31.03.2015.**

To consider and if thought fit to pass with or without modification, the following Resolution as ORDINARY RESOLUTION:

“RESOLVED THAT, pursuant to provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder read with Schedule V to the Companies Act 2013 (Corresponding to Sections 269, 198(4), 309(3) and 310 and other applicable provisions of the Companies Act, 1956, read with Schedule XIII to the Companies Act 1956), the consent of the company be and is hereby accorded to the revision in remuneration payable to Sri R.Padmanaban, Technical Director as follows with effect from 01.04.2014 to 31.03.2015.

- a) Salary Rs.60,000/- per month
- b) Allowance of 2/3<sup>rd</sup> of salary per month.
- c) Bonus as applicable to other employees of the company.

All other terms of remuneration remain the same as passed by a resolution of the shareholders at the 48<sup>th</sup> AGM of the company held on September 28, 2012.

**10. To give consent to the Board of Directors for borrowings in excess of the aggregate of Paid up capital and free reserves by Special Resolution.**

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

“Resolved that in supersession of the ordinary resolution adopted at Extraordinary General Meeting held on December 24, 1993 the consent of the company be and is hereby accorded under the provisions of Section 180(1)(c) of the Companies Act 2013 to the Board of Directors of the company for Borrowing moneys for the purpose of the business of the company from time to time even though the monies borrowed together with monies already borrowed by the company (apart from temporary loans obtained from Company's Bankers in the ordinary course of business) exceeds the aggregate of the paid up capital of the company and its free reserves that is to say reserves not set apart for any specific purpose, provided, however, that the total amount of such borrowings shall not exceed the sum of Rs. 50 crores (Rupees Fifty Crores Only).

For and on behalf of the Board

Place : Chennai  
Date : May 29, 2014

**(BALAKRISHNA S)**  
**Wholetime Director**



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### NOTE:

1. The statement pursuant to Section 102 of Companies Act 2013, which sets out details relating to Special Business at the meeting is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
3. The Proxy form duly stamped and executed should be deposited at the Registered Office of the Company atleast forty eight hours before the time fixed for the commencement of the Meeting.
4. Members/ Proxies are requested to bring the attendance slip duly filled in for attending the meeting
5. Members who hold shares in the de-materialised form are requested to bring their depository account number for easier identification of attendance at the meeting
6. The Register of Members and Share Transfer Books of the Company will remain closed from July 25, 2014 to August 1, 2014 (both days inclusive).
7. The ISIN No. allotted to the equity shares of your company for the purpose of de-materialization is **INE456D01010**
8. Members holding shares in physical form are requested to notify the change in address, immediately. Members holding shares in the electronic form are requested to notify the change in address to their depository participants.
9. **a) Members holding shares in physical form are requested to register their email ids with the registrar / company for the purpose of sending Notice, Annual Reports and other communication by electronic mode.**  
**b) Members holding shares in electronic form are requested to register/ update their email ids with the depository participant for the purpose of sending Notice, Annual Reports and other communication by electronic mode.**

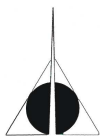
### 10. Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 50th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Ltd, (CDSL):

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

**In case of members receiving e-mail:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the Company "Sri Lakshmi Saraswathi Textiles (Arni) Ltd" from the drop down menu and click on "SUBMIT"



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(iv) Now Enter your User ID:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
User ID	For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company

Then enter the Captcha Code as displayed and Click on Login.

(v) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.

(vi) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.	

**Sequence Number:** Sequence no. has been provided as Sl.No.in the address label"

(Please note that as per below for Default PAN the sequence number refers to the sequence number given for each member in the ROM file by the RTA.

\*Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the sequence number in the PAN field. Incase the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

# Please enter any one of the details in order to login. Incase both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

To avoid this problem of filling a default number in future, members are strongly advised to update their PAN details and dividend bank details immediately with their Depository Participants / RTA – Cameo Corporate Services Limited / Company.

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.



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(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for the company “Sri Lakshmi Saraswathi Textiles (Arni) Ltd “ on which you choose to vote.

(xi) On the voting page, you will see Resolution Description and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) Click on the “Resolutions File Link” if you wish to view the entire Resolutions.

(xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

(xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

(xvi) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.

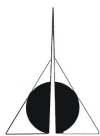
(xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

### **In case of members receiving the physical copy:**

Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

- II. The voting period begins at 09.30 AM on 22<sup>nd</sup> July 2014 and ends at 06.00 PM on 24<sup>th</sup> July 2014. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date for e-voting) of 30<sup>th</sup> June, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- III. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at <https://www.evotingindia.co.in> under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- IV. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date for e-voting) of 30<sup>th</sup> June 2014.





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- V. Mr. Balu Sridhar, partner M/s. A.K. Jain and Associates, Company Secretaries, (CP NO. 3550) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VI. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- VII. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.slstindia.com](http://www.slstindia.com) and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company.
11. Electronic copy of the Annual Report for 2013-14 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2013-14 is being sent in the permitted mode.
12. Electronic copy of the Notice of the 50<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 50<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
13. Members may also note that the Notice of the 50<sup>th</sup> Annual General Meeting and the Annual Report for 2013-14 will also be available on the Company's website [www.slstindia.com](http://www.slstindia.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Chennai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [slst@vsnl.com](mailto:slst@vsnl.com).
14. Dividend of Re.1/- per share recommended by the Board, if declared at the AGM, will be paid to those shareholders, holding shares in physical form, whose names appear in the Register of Members as on 24<sup>th</sup> July 2014 and to those shareholders holding shares in electronic form whose names appear in the beneficiary list provided by NSDL & CDSL on 24<sup>th</sup> July 2014.
15. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company.
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

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17. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
18. Pursuant to the provisions of Sec. 205A and 205C of Companies Act 1956, the dividend for the year 2006-07, which remained unpaid or unclaimed for a period of seven years was transferred to the Investor Education and Protection Fund of the Central Government on 09<sup>th</sup> April 2014.
19. The Equity Shares of the Company are listed in the following Exchanges:
  - a. Madras Stock Exchange Limited,  
Exchange Building  
P B No. 183, 11, 2<sup>nd</sup> Line Beach  
CHENNAI 600 001
  - b. Bombay Stock Exchange Limited,  
Phiroze Jeejeebhoy Towers  
25<sup>th</sup> Floor, Dalal Street  
MUMBAI 400 023

The company has paid the listing fees for 2014-15 to both the stock exchanges.

20. At this Annual General Meeting, Sri Balakrishna S and Sri R.Padmanaban retire by rotation and being eligible, offer themselves for reappointment.

Sri Balakrishna S, is a Commerce Graduate and holder of Master Degree in Business Administration from Connecticut University, USA. He has been with the company since October 1985 and joined the Board as Director in August 1986.

Details of other Directorships / Committee memberships held by him – Nil

Sri R.Padmanaban is an Engineer and has been with the Company since October 2000.

Details of other Directorships / Committee memberships held by him - Nil

For and on behalf of the Board

Place : Chennai  
Date : May 29, 2014

**(BALAKRISHNA S)**  
**Wholetime Director**