

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

**54 th
Annual Report 2017 - 2018**

SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED
(CIN : L17111TN1964PLC005183)

ANNUAL REPORT 2017-18



SRI B. RAJAGOPAL NAIDU 1901 - 73
OUR REVERED FOUNDER

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Sri Lakshmi Saraswathi Textiles (Arni) Limited

(CIN : L17111TN1964PLC005183)

BOARD OF DIRECTORS

SRI. BALAKRISHNA S
Managing Director & Chief Executive Officer

SRI. R.PADMANABAN
Joint Managing Director & Chief Financial Officer

SRI J. M. GROVER
Director

SRI R. SAMBASIVAN
Director

Ms. SIVARANI J
Director

COMPANY SECRETARY

Smt. Geetha Sundararaghavan

REGISTERED OFFICE

16, Krishnama Road,
Nungambakkam,
Chennai 600 034.
Phone No. 044 – 28277344
Email: slst@vsnl.com

Email ID of the grievance redressal division

slstgrievances@gmail.com

Website:

www.slstindia.com

FACTORY ADDRESS

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
Phone No: 044-28460390
Email: investor@cameoindia.com

BANKERS

Indian Overseas Bank
Chennai House
Esplanade
Chennai - 600 108

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

AUDITORS :

STATUTORY AUDITORS

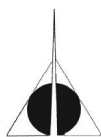
M/s.B.Purushottam & Co.
Chartered Accountants
No.30, Mandira Apartments,
23A, North Boag Road,
T-Nagar, Chennai – 600 017

SECRETARIAL AUDITORS

M/s. A.K.JAIN & ASSOCIATES
Company Secretaries
No. 2, RAJA ANNAMALAI ROAD
FIRST FLOOR,
PURASAWALKAM
CHENNAI - 600 084

COST AUDITOR

Sri R.Sankar
Plot No.6, D.No.5/1153,
L.G.Nagar, Madipakkam,
Chennai – 600 091



Sri Lakshmi Saraswathi Textiles (Arni) Limited

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Fifty Fourth Annual General Meeting of the Company will be held at 02.30 P.M. on Wednesday, August 8, 2018 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 Balance Sheet of the company as at 31st March 2018, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Directors and Auditors thereon.

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

"RESOLVED that the Audited Balance Sheet of the company as at 31st March 2018, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date alongwith the Reports of the Directors and Auditors thereon, be and are hereby approved and adopted"

2. 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.

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

"RESOLVED that Sri R.Padmanaban, (holding DIN 00084579) as Director, who retires by rotation and being eligible for reappointment, be elected as a Director of the Company".

3. To ratify the appointment of Statutory Auditors.

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

"RESOLVED that the appointment of M/s.B.Purushottam & Co, Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of the 54th Annual General Meeting till the conclusion of 58th Annual General Meeting, which was approved by the members at the 53rd Annual General Meeting held on August 30, 2017 be and is hereby ratified.

SPECIAL BUSINESS

4. To appoint Ms. Sivarani J (holding DIN 02304269) as a director of the Company.

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

"RESOLVED that pursuant to the provisions of Sections 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) Ms.Sivarani J (holding DIN 02304269), appointed as an Additional Director of the Company from 02-03-2018 pursuant to the provisions of Section 161 of the Companies Act, 2013 and who holds office upto the date of this Annual General Meeting, and being eligible, offers herself for appointment and in respect of whom the Company has received a notice in writing from a Member, pursuant to the provisions of Section 160 of the Companies Act, 2013 signifying his intention to propose the candidature of Ms.Sivarani J, for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation".



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5. To re-appoint Sri Balakrishna. S, as Managing Director, for a period of 3 years w.e.f 01.04.2018 and to approve his remuneration

To consider and if thought fit, to pass with or without modification(s), the following resolution as an 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, Sri Balakrishna S, be is hereby re-appointed as Managing Director of the company for a period of 3 years from 01.04.2018 to 31.03.2021 and that he may be paid remuneration which is in accordance with Schedule V of Companies Act 2013 as detailed below from 01.04.2018 to 31.03.2021.

- a) Salary Rs.1,20,000/- per month from 01.04.2018 and an annual increment of 10% of salary from 01.04.2019 onwards on a cumulative basis.
- b) Allowance of 2/3rd of salary per month. This allowance is not to be taken into account for the purpose of calculation of employer's contribution to provident fund and gratuity payable.
- c) Bonus as applicable to other employees of the company.
- d) Perquisites
 - i. Contribution to provident fund to the extent not taxable under the Income Tax Act, 1961.
 - ii. Gratuity at the rate not exceeding half-a-months salary for each completed year of service.
 - iii. Medical Reimbursement - Reimbursement of Medical expenses incurred for self and family subject to a ceiling of one month salary in a year or 3 months salary over a period of 3 years.

EXPLANATION: Family means Spouse, Dependent Children and Dependent Parents of the Director

- e) Provision of Car for use on Company's business, telephone at residence and mobile phones will not be considered as perquisites. Personal long distance calls on telephones and use of car for private purpose shall be billed by the Company to the Individual appointee concerned.

6. To re-appoint Sri R Padmanaban, as Joint Managing Director, for a period of 3 years w.e.f. 01.04.2018 and to approve his remuneration

To consider and if thought fit, to pass with or without modification(s), the following resolution as an 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, Sri R.Padmanaban, be and is hereby re-appointed as Joint Managing Director of the Company for a period of 3 years from 01.04.2018 to 31.03.2021 and that he may be paid remuneration which is in accordance with Schedule V of Companies Act 2013 as detailed below from 01.04.2018 to 31.03.2021.

- a) Salary Rs.81,000/- per month from 01.04.2018 and an annual increment of 10% of salary from 01.04.2019 onwards on a cumulative basis.
- b) Allowance of 2/3rd of salary per month. This allowance is not to be taken into account for the purpose of calculation of employer's contribution to provident fund and gratuity payable.
- c) Bonus as applicable to other employees of the company.
- d) Perquisites
 - i. Contribution to provident fund to the extent not taxable under the Income Tax Act, 1961
 - ii. Gratuity at the rate not exceeding half-a-months salary for each completed year of service.
 - iii. Medical Reimbursement - Reimbursement of Medical expenses incurred for self and family subject to a ceiling of one month salary in a year or 3 months salary over a period of 3 years.

EXPLANATION: Family means Spouse, Dependent Children and Dependent Parents of the Director



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- e) Provision of Car for use on Company's business, telephone at residence and mobile phones will not be considered as perquisites. Personal long distance calls on telephones and use of car for private purpose shall be billed by the Company to the Individual appointee concerned.
7. To approve the remuneration of the Cost Auditor for the financial year ending March 31, 2019. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution.

"RESOLVED that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of Rs.75,000/- (Rupees Seventy Five Thousand Only) and government tax/ duty if any on the fee and traveling and out of pocket expenses on actual basis, whenever his services are required out of Chennai, payable to Sri R.Sankar, Cost Auditor, (Firm Registration No.102784) appointed as the Cost Auditor of the Company by the Board of Directors, for the financial year 2018-19 for conducting the audit of the Cost Records of the Company, be and is hereby ratified and confirmed.

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

By order of the Board
For SRI LAKSHMI SARASWATHI
TEXTILES (ARNI) LIMITED

Place : Chennai
Date : May 25, 2018

(BALAKRISHNA S)
Chairman & Managing Director

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-materialized 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 August 2, 2018 to August 8, 2018 (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.



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9. a) Members holding shares in physical form are requested to register their email ids with the Registrars / company for the purpose of sending Notice, Annual Reports and other communication by electronic mode.

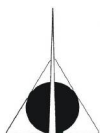
b) Members holding shares in electronic form are requested to register/ update their email ids with the depository participant for the purpose of sending Notice, Annual Reports and other communication by electronic mode.

10. Voting through electronic means

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 54th 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 shareholders voting electronically are as under:

- (i) The voting period begins at 9.00 AM on 5th August 2018 and ends at 5.00 PM on 7th August 2018. 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 August 1, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:



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

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

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.

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the Company "Sri Lakshmi Saraswathi Textiles (Arni) Ltd" on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.



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- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Note for Non – Individual Shareholders and Custodians
 - o Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - o A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - o After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - o The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - o A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.