LAKSHMI
AUTOMATIC LOOM WORKS
LIMITED
LALW
Website : www.lakshmiautomatic.com CIN : L29269TZ1973PLC000680

REGISTERED OFFICE : 686, AVINASHI ROAD PAPPANAICKENPALAYAM COIMBATORE - 641 037
PH : 2245484-85 FAX : 0422-2244887 E-mail : contact@lakshmiautomatic.com TAMILNADU, INDIA

LAL:CS:BSE:AGM: :2020-21 25-08-2020

The Secretary
BSE Ltd
Rotunda Building, P J Towers
Dalal Street, Fort,
Mumbai - 400 001

Dear Sirs,

Scrip Code: 505302

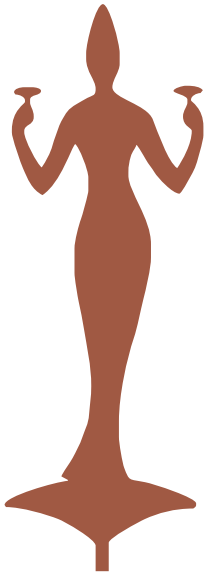
Sub: Submission of Annual Report for the year 2019-20- Regulation 34 of the SEBI (LODR) Regulations, 2015- Reg.

As per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we are enclosing herewith the soft copy of the 46th Annual Report of the Company for the year ended 31.03.2020 for your records.

Thanking you,

Yours faithfully,
For Lakshmi Automatic Loom Works Ltd.,
Company Secretary.

LAKSHMI AUTOMATIC LOOM WORKS LIMITED



46th ANNUAL REPORT
2019-20

LAKSHMI AUTOMATIC LOOM WORKS LIMITED

Contents	Page
Notice to the Shareholders	2
Report of the Board of Directors to the Shareholders	11
Management Discussion and Analysis Report	32
Statutory Auditors' Report	34
Balance Sheet	42
Statement of Profit and Loss	44
Cash Flow Statement	47
Notes to the Financial Statements	49

Lakshmi Automatic Loom Works Limited

Board of Directors

Mr. S. PATHY
Chairman

Smt. AISHWARYA PATHY
Vice Chairperson

Mr. R. SANTHARAM

Mr. R.C.H. REDDY

Mr. R. VARADARAJAN

Mr. C. KAMATCHISUNDARAM

Mr. N. JAYCHANDER

Mr. R.R. BALASUNDHARAM

Chief Financial Officer
Mr. K.P. KRISHNAKUMAR

Company Secretary
Mr. R. MUTHUKUMAR

Registered Office
686, Avanashi Road
Pappanaickenpalayam
Coimbatore - 641 037
Tamilnadu

CIN : L29269TZ1973PLC000680
Website : www.lakshmiautomatic.com
Email : contact@lakshmiautomatic.com

Business Segments :

1. Warehousing Rental Services
   Hosur Industrial Complex
   Hosur - 635 126
   Tamilnadu

2. Engineering Services
   Singarampalayam
   Kinathukadavu Taluk
   Pollachi - 642 109
   Coimbatore District
   Tamilnadu

Statutory Auditors

M/s. SUBBACHAR & SRINIVASAN
Chartered Accountants

Bankers

INDIAN BANK

Registrars and Share Transfer Agents

S.K.D.C. Consultants Ltd
Kanapathy Towers, 3rd Floor,
1391/A1, Sathy Road,
Ganapathy, Coimbatore – 641 006
Phone : +91-422-2539835, 2539836 & 4958995
Email : info@skdc-consultants.com

LAKSHMI AUTOMATIC LOOM WORKS LIMITED

CIN : L29269TZ1973PLC000680, Website: www.lakshmiautomatic.com
686, Avanashi Road, Pappanaickenpalayam, Coimbatore – 641037
Phone No:+91 422 2245484-485, Fax : +91 422 2244887,
E-mail:contact@lakshmiautomatic.com

Notice to the Shareholders

Notice is hereby given that the Forty Sixth Annual General Meeting of the Shareholders of the Company will be held on Wednesday, the 16th day of September, 2020 at 11.00 A.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") for transacting the following business:

Agenda

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company comprising the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including other comprehensive income), the Statement of changes in Equity and the Cash Flow Statement for the Financial Year ended 31st March, 2020 and the Report of the Board of Directors and the Report of the Auditors thereon.
2. To appoint a Director in the place of Sri R.Santharam (DIN No.00151333) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in the place of Sri N.Jaychander (DIN No. 00015091) who retires by rotation and being eligible offers himself for re-appointment.
4. To modify the terms of appointment of the Statutory Auditors of the Company in line with the SEBI Circular No. CIR/CFD/CMD1/114/2019 dated 18-10-2019 and in this regard to pass the following resolution as an Ordinary Resolution:

   "Resolved that pursuant to the SEBI Circular No. CIR/CFD/CMD1/114/2019 dated 18-10-2019, the terms of appointment of the Statutory Auditors of the Company M/s. Subbachar & Srinivasan (Firm Regn. No. 004083S), Chartered Accountants, Coimbatore, be and is hereby partially modified as below:

   A. Conditions to be complied with upon resignation:

   1. If the Statutory Auditor resigns within 45 days from the end of a quarter of a Financial Year, then the Auditor shall, before such resignation, issue the Limited Review/ Audit Report for such quarter;
   2. If the Statutory Auditor resigns after 45 days from the end of a quarter of a Financial Year, then the Auditor shall, before such resignation, issue the Limited Review / Audit Report for such quarter as well as the next quarter;
   3. Notwithstanding the above, if the Auditor has signed the Limited Review / Audit Report for the first three quarters of a Financial Year, then the Auditor shall, before such resignation, issue the Limited Review / Audit Report for the last quarter of such Financial Year as well as the Audit Report for such Financial Year.

   B. Other conditions relating to resignation:

   (i) Reporting of concerns with respect to the Company / its material subsidiary, if any, to the Audit Committee:

   1. In case of any concern with the Management of the Company or its material subsidiary, if any, such as non-availability of information / non-cooperation by the Management which may hamper the audit process, the Auditor shall approach the Chairman of the Audit Committee and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee Meetings.

2. In case the Statutory Auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents shall be brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the Company, the Auditor shall inform the Audit Committee of the details of information / explanation sought and not provided by the Management, as applicable.
3. On receipt of such information from the Auditor relating to the proposal to resign as mentioned above, the Audit Committee / Board of Directors, as the case may be, shall deliberate on the matter and communicate its views to the Management and the Auditor.

(ii) Disclaimer in case of non-receipt of information:

In case the Company / its material subsidiary, if any, does not provide information required by the Auditor, to that extent, the Auditor shall provide an appropriate disclaimer in the Audit Report, which may be in accordance with the Standards of Auditing as specified by ICAI/NFRA.

Resolved further that the above modification in terms of the appointment shall form part of the original appointment letter dated 31-07-2017 and it shall be effective from 18th October, 2019 till the completion of the remaining tenure of your office as the Statutory Auditors of the Company."

By Order of the Board of Directors
(Sd.) R. MUTHUKUMAR
Company Secretary and
Compliance Officer

Place : Coimbatore
Date : 10-08-2020

Notes:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC/ OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Corporate Members intending to authorize their representatives to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting are requested to send a scanned copy (PDF/JPG Format) of the Board Resolution to the Scrutinizer by email through its registered email address to bk.scrutiniser@gmail.com with a copy marked to evoting@nsdl.co.in.
4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

5. In case of joint holders attending the meeting through VC/OAVM, only such joint holder who is higher in the order of names will be entitled to vote.
6. Information of Directors proposed to be re-appointed: Brief resume, nature of their expertise in specific functional areas, Names of Companies / Chairmanships of Board Committees, shareholding and relationships between Directors inter-se as stipulated under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, provided on Page No.9 forms part of the Notice.
7. Members may note that M/s.Subbachar & Srinivasan, Chartered Accountants, (Firm Registration No. 004083S), Coimbatore, the Statutory Auditors of the Company were appointed by the Members at the 43rd Annual General Meeting (AGM) held on 28-07-2017, to hold office for a period of 5 years till the conclusion of AGM to be held during the year 2022, subject to ratification by the Members at every AGM. However, the Ministry of Corporate Affairs vide its notification dated 07-05-2018 has amended Section 139 of the Companies Act, 2013 by omitting the requirement of seeking ratification of the Members for appointment of Statutory Auditors at every AGM. Hence, no resolution is being proposed for ratification of appointment of Statutory Auditors at this 46th Annual General Meeting. However the terms of their appointment requires modification to give effect to the conditions specified under Clause 6 (A) and (B) of the SEBI Circular No. CIR/CFD/CMD1/114/2019 dated 18-10-2019 for which the requisite Resolution is brought before the Members at the ensuing AGM.
8. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the Members at the Registered Office of the Company on all working days, during business hours up to the date of the Meeting.
9. The Company has notified closure of Register of Members and Share Transfer Books from Thursday, September 10, 2020 to Wednesday, September 16, 2020 (both days inclusive).
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / RTA M/s.S.K.D.C. Consultants Ltd.
11. Members whose shareholding is in the electronic mode are requested to update bank account details (Bank Account No., name of the Bank, Branch, IFSC code, MICR code and place with Pincode) to their respective Depository Participants. Members whose shareholding is in the physical mode are requested to sent the above details to the Company or to the RTA.
12. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website at www.lakshmiautomatic.com, under the section "Investors".
13. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the Share Certificates to RTA M/s.S.K.D.C.Consultants Ltd. for consolidation into a single folio.
14. Non-Resident Indian Members are requested to inform RTA M/s.S.K.D.C. Consultants Ltd. immediately of:
    a) Change in their residential status on return to India for permanent settlement.
    b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with Pincode Number, if not furnished earlier.

15. No unpaid and unclaimed Dividend amounts as referred to in sub-section (5) of Section 124 of the Companies Act, 2013 for a period of 7 years, remain to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government.

16. Any member who needs any clarification on accounts or operations of the Company shall write to the Company Secretary, so as to reach him at least 7 days before the Meeting, so that the information required can be made available at the Meeting.

17. **Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc., from the Company electronically.**

18. As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the transfer of shares in physical mode is not allowed from 1st April 2019. Members are requested to dematerialize their shares. However, transmission / transposition of Shareholders name are allowed by following due process and documentation. Necessary intimation has been sent to the concerned Shareholders in this regard.

19. In line with the MCA Circulars and SEBI Circular dated 12th May, 2020, the Notice calling the AGM and Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that Notice and Annual Report 2019-20 will also be made available on the Company's website at www.lakshmiautomatic.com, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (Agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

20. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

A. VOTING THROUGH ELECTRONIC MEANS

I. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide Members the facility to exercise their votes by electronic means for all the resolutions detailed in the Notice of the 46th Annual General Meeting scheduled to be held on Wednesday, the 16th day of September 2020 at 11.00 A.M. The Company has engaged the services of National Securities Depository Limited (NSDL) as the authorized agency to provide the remote e-voting facilities as per instructions below.

II. Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

III. A member even after exercising his right to vote through Remote e-voting may attend the Annual General Meeting through VC/OAVM but shall not be allowed to vote again.

IV. Instructions to Members for e-voting are as under:

(a) Date and time of commencement of voting through electronic means: 13th September, 2020 at 9.00 A.M.

(b) Date and time of end of voting through electronic means beyond which voting will not be allowed : 15th September, 2020 at 5.00 P.M.

(c) Details of Website : www.evoting.nsdl.com

(d) Details of persons to be contacted for issues relating to e-voting:

S.K.D.C. Consultants Ltd,
Kanapathy Towers, 3rd Floor,
1391/A-1, Sathy Road, Ganapathy, Coimbatore - 641 006
Phone : +91 422 4958995, 2539835-36 Fax : +91 422 2539837,
Email Id: info@skdc-consultants.com Website: www.skdc-consultants.com

The Remote e-voting module shall be disabled for voting on 15th September, 2020 at 5.00 P.M. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting right of Members shall be in proportion to their share in the paid up Equity Share Capital of the Company as on 9th September, 2020 (cut-off date).

V. The process and manner for Remote e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)] :

(i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

(ii) Launch internet browser by typing the following URL: https://www.evoting.nsdl.com/

(iii) Click on Shareholder - Login

(iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.

(v) Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vi) Home page of Remote e-voting opens. Click on Remote e-voting: Active Voting Cycles.

(vii) Select "EVEN" of "Lakshmi Automatic Loom Works Limited".

(viii) Now you are ready for Remote e-voting as Cast Vote page opens.

(ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

(x) Upon confirmation, the message "Vote cast successfully" will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xii) Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to bk.scrutiniser@gmail.com with a copy marked to evoting@nsdl.co.in

B. In case of a Member whose email IDs are not registered with the Company / Depository Participant(s) for procuring User id and password and registration of email ids for e-voting for the Resolutions set out in this Notice:

(i) In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the Share Certificate (front and back), PAN (self-attested scanned copy of PAN card), Aadhaar (self-attested scanned copy of Aadhaar Card) by email to green@skdc-consultants.com.



(ii) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), Aadhaar (self-attested scanned copy of Aadhaar Card) to evoting@nsdl.co.in.

(iii) Please follow all steps from Sl. No. (i) to Sl. No. (xii) above, to cast vote.

VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and Remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on Toll Free No.: 1800-222-990.

VII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

VIII. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e 9th September, 2020, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or info@skdc-consultants.com.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following Toll Free No.: 1800-222-990 or you can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

IX. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of Remote e-voting.

X. Sri B.Krishnamoorthi, Practising Chartered Accountant (Membership No. 20439) has been appointed as the Scrutinizer to scrutinize the voting and Remote e-voting process in a fair and transparent manner.

XI. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes casted during the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make a consolidated scrutinizer's report of the total votes cast in favour or against, if any, within 2 days of the conclusion of the AGM, to the Chairman of the Company who shall countersign the same and declare the result of the voting forthwith.

XII. The results declared along with the Scrutinizer's Report shall be available on the Company's website: www.lakshmiautomatic.com and on the website of NSDL and communicated to the BSE Limited, Mumbai immediately after the declaration of the result by the Chairman or the person authorized in this regard.

B. INSTRUCATIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

C. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:

1. Members will be able to attend the AGM through VC or OAVM can view the live webcast of AGM provided by NSDL at https://www.evoting.nsdl.com by using their remote e-voting login credentials and selecting the EVEN for Company's AGM.

   Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further Members can also use the OTP based login for logging into the e-voting system of NSDL.

2. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.

3. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/ 1800 222 990 or contact Ms. Pallavi Mhatre, Manager – NSDL at +91 22 2499 4545.

4. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/Folio Number, PAN, Mobile Number at cs@lakshmiautomatic.com before 09.09.2020. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

By Order of the Board of Directors
(Sd.) R. MUTHUKUMAR
Company Secretary and
Compliance Officer

Place : Coimbatore
Date : 10-08-2020

Details of Directors seeking Re-appointment at the ensuing Annual General Meeting.

[Pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of Director	**Sri R.Santharam**
DIN	00151333
Date of Birth	21-03-1937 *
Date of appointment on the Board	21-02-2003
Relationship with other Directors	Related to Sri S.Pathy, Chairman
Qualifications	Textile Management in USA
Experience	55 Years
Nature of Expertise	Vast Experience in Textile Industry in various fields of Management including Production, Personnel, Finance and Marketing.
Number of Shares held	Nil
Number of Board Meetings attended during the year	4
Terms and Conditions of appointment	Retires by rotation and eligible for re-appointment.
Remuneration sought to be paid	Nil - Other than Sitting Fees
Remuneration last drawn	Nil - Sitting Fees paid ₹ 96,000/-
Directorship held in other Companies	1. The Lakshmi Mills Company Limited 2. LCC Investments Limited 3. Sri Revati Spinning Mills Limited 4. Lakshmi Card Clothing Manufacturing Company Private Limited 5. R.Santharam Marketing and Services Private Limited
Committee Chairmanship / Memberships held in other Companies	**Audit Committee:** Lakshmi Automatic Loom Works Limited - Member The Lakshmi Mills Company Limited - Member
	Stakeholders Relationship Committee: Lakshmi Automatic Loom Works Limited - Chairman The Lakshmi Mills Company Limited - Chairman
	Nomination and Remuneration Committee: Lakshmi Automatic Loom Works Limited - Member The Lakshmi Mills Company Limited - Member

* Sri R.Santharam has attained the age of more than 75 years. The age restriction in terms of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, (as amended) ("SEBI Listing Regulations") is not applicable to Sri R.Santharam in view of the exemption of the said Regulation available to the Company pursuant to Regulation 15(2)(a) of SEBI Listing Regulations.

Name of Director	**Sri N.Jaychander**
DIN	00015091
Date of Birth	08.04.1961
Date of appointment on the Board	30.05.1996
Relationship with other Directors	None
Qualifications	Post Graduate in Business Administration
Experience	32 Years
Nature of Expertise	Intensive experience in various fields of Management and has been associated with the Textile Industry for the past 30 years and possesses Management and Financial expertise.
Number of Shares held	1850 Shares
Number of Board Meetings attended during the year	4
Terms and Conditions of appointment	Retires by rotation and is eligible for re-appointment.
Remuneration sought to be paid	Nil - Other than Sitting Fees
Remuneration last drawn	Nil - Sitting Fees paid ₹ 48,000/-
Directorships held in other Companies	None
Committee Chairmanship / Memberships held in other Companies	**Stakeholders Relationship Committee:** Lakshmi Automatic Loom Works Limited - Member

Report of the Board of Directors to the Shareholders

Your Directors submit their Forty Sixth Annual Report together with the Audited Balance Sheet as at 31st March, 2020 and the Statement of Profit and Loss for the year ended 31st March, 2020.

Financial Summary / Highlights

₹ in lakhs

	2019-20	2018-19
Sales and Other Income	1328.46	895.01
Profit before Depreciation and Amortization Expenses	498.73	224.99
Depreciation and Amortization Expenses	62.25	46.96
	436.48	178.03
Add: Comprehensive Income	(-) 6.67	1.97
	429.81	180.00
Less: Tax Expense		
Current Tax	(-)100.23	(-) 44.17
Deferred Tax	(-) 1.53	(-) 8.03
Net Profit	328.05	127.80
Add: Balance from the Previous year	(-) 440.71	(-) 568.51
Balance Carried Over	(-) 112.66	(-) 440.71

Indian Accounting Standards

In the preparation of Financial Statements, the Company has followed the Indian Accounting Standards (Ind AS) and the Financial Results have been prepared in accordance with the recognition and measurement principles laid down in the said standards.

Operations

The operations during the year have resulted in a net profit of ₹ 429.81 lakhs after providing for depreciation and amortization of expenses of ₹ 62.25 lakhs. The net profit after Tax for the year is ₹ 328.05 lakhs.

The Company has two revenue segments ie. (a) Warehousing Rental Services - Unit 1 at Hosur Industrial Complex, Hosur – 635 126 and (b) Engineering Services - Unit 2 at Pollachi Road, Coimbatore - 642 109.

The Warehousing Rental Services segment consists of Warehousing Rental income on Land and Buildings at Hosur and the Engineering Services segment consists of Manufacture and Sale of Accessories and Spares of Weaving and Knitting Machines and Parts and Accessories for Machine Tools.

Warehousing Rental Services - Unit 1

The income generated from Warehousing Rental Services during the year was ₹ 594.62 lakhs against ₹ 481.34 lakhs in the previous year.

Engineering Services – Unit 2

The sale of Accessories and Spares of Weaving Machines during the year was ₹ 556.54 lakhs against ₹ 131.07 lakhs in the previous year. The sale of Parts and Accessories for Machine Tools during the year was lower at ₹ 107.49 lakhs against ₹ 185.62 lakhs in the previous year.

Outlook

The additional warehouse constructed during the Financial Year has been let out to a corporate tenant for five years. Further addition of warehousing capacity proposed to be taken up depending on the demand post COVID-19 situation.

Steps are being taken for increase in supply of Spares and Accessories of Looms from overseas and domestic consumers. The COVID-19 impact may impair the Company's domestic and export market causing an adverse effect on the revenue generation during the year 2020-21.

Share Capital

As approved by the Shareholders at their meeting held on 19-09-2018 the balance 2,00,000 – 6% Non Cumulative Optionally Convertible Preference Shares (OCPS) of ₹ 100/- each have been converted into 2,91,757 Equity Shares of ₹ 10/- each fully paid up at a premium of ₹ 58.55 per share on the option exercised by the Optionally Convertible Preference Shareholder on 10.05.2019. After the said conversion, the issued and paid-up Equity Capital of the Company stands at ₹ 6,68,75,020/- and the paid-up Preference Capital of the Company was reduced to Nil.

Deposits

The Company has not accepted any deposit from Public falling within the ambit of Section 73 of the Companies Act, 2013.

Extract of Annual Return

The Extract of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 in Form MGT-9 is furnished in Annexure 1 forming part of the Board's Report.

Board and its Committees Meetings conducted during the year under review

Four Meetings of the Board of Directors were held on 23-05-2019, 05-08-2019, 08-11-2019 and 13-02-2020, during the Financial Year from 1st April, 2019 to 31st March, 2020. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Details of Attendance of each Director at the Meetings of the Board and various Committees of the Board during the Financial Year ended 31st March, 2020 are as below:

Sl. No.	Name of Directors	Board Meetings attended	Audit Committee Meetings Attended	Nomination & Remuneration Committee Meeting attended	Stakeholders Relationship Committee Meeting attended	Last AGM Attended (Yes/ No)
1	Sri S.Pathy	4	-	-	-	Yes
2	Sri R.Santharam	4	4	2	1	Yes
3	Sri R.C.H.Reddy	4	4	2	1	Yes
4	Smt.Aishwarya Pathy	3	-	2	-	Yes
5	Sri R.Varadarajan	4	4	2	-	Yes
6	Sri C.Kamatchisundaram	4	-	-	-	Yes
7	Sri N.Jaychander	4	-	-	1	Yes
8	Sri R.R.Balasundharam	4	4	-	-	Yes



Audit Committee

The Independent Audit Committee constituted as below consists of three Independent Directors and one Non-Executive Director as its members. Sri R.C.H.Reddy, Independent Director is the Chairman of the Committee.

1.	Sri R.C.H.Reddy	Chairman	Independent Director
2.	Sri R.Santharam	Member	Non Executive Director
3.	Sri R.Varadarajan	Member	Independent Director
4.	Sri R.R.Balasundharam	Member	Independent Director

The Company Secretary is the Secretary of the Audit Committee.

Four Committee Meetings were held during the Financial Year ended 31st March, 2020 on 23-05-2019, 05-08-2019, 08-11-2019 and 13-02-2020.The Statutory Auditors, Internal Auditors, the Chief Executive Officer and the Chief Financial Officer attend the Audit Committee Meetings on invitation. The Senior Managerial Personnel attend the Meetings as may be required by the Committee.

Nomination and Remuneration Committee

The Committee has been set up as below with four Directors as members of which two members are Independent Directors. The Chairman of the Committee, Sri R.C.H.Reddy is an Independent Director.

1.	Sri R.C.H.Reddy	Chairman	Independent Director
2.	Sri R.Santharam	Member	Non Executive Director
3.	Smt Aishwarya Pathy	Member	Non Executive Director
4.	Sri R.Varadarajan	Member	Independent Director

The Company Secretary is the Secretary of the Committee.

The Committee has met two times during the Financial Year ended 31st March, 2020 on 05-08-2019 and 13-02-2020.

Nomination and Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a Policy for selection and appointment of Directors, Key Managerial Personnel and recommending to the Board of their remuneration in terms of Section 178(3) of the Companies Act, 2013. The Nomination and Remuneration Policy as approved by the Board is disclosed on the Company's website at the link at : http://www.lakshmiautomatic.com/investors/policies/nomination-and- remuneration-policy/ in terms of the proviso to Section 178(4) of the Companies Act, 2013.

Salient Features of the Policy include:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer Companies, in the manufacturing sector.
- To carryout evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To compensate them to their effort, performance, dedication and achievement relating to the Company's operations.

- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons.
- To perform such other functions as may be necessary as appropriate for the performance of the Directors.

Annual Performance Evaluation

The Nomination and Remuneration Committee has laid down the criteria and the manner for effective evaluation of the performance of the Board, its Committees and individual Directors for the Financial Year 2019-20. By a questionnaire circulated, each Board member was requested to give his/her views in evaluation of the Company performance, strategy and the performance of the Board, its Committees and individual Directors. Some of the performance parameters on which the Independent Directors were evaluated include their contribution, commitment, Initiative, Integrity, Independence, Independent views and judgment, fulfillment of functions, Qualifications, Knowledge, Experience and Competency and Role in active participation in Board and Committee Meetings. A peer evaluation excluding the Director evaluated was carried out by the Board on 13-02-2020.

The Independent Directors at their meeting held on 13-02-2020 reviewed the performance of Non-Independent Directors, the Board and the Chairperson of the Company.

The performance of the Key Managerial and Senior Management Personnel of the Company was evaluated based on their qualifications, experience and the duties and responsibilities carried out by them.

Directors Responsibility Statement

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company state that:

a) in the preparation of the Annual Accounts for the year ended 31st March, 2020, the applicable Accounting Standards had been followed along with proper explanation relating to material departure, if any;

b) the Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and of the profit of the Company for the year ended 31st March, 2020;

c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors had prepared the Annual Accounts for the Financial Year ended 31st March, 2020 on a going concern basis.

e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Declaration by Independent Directors

The Company has received declaration from all the Independent Directors of the Company in terms of Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 confirming that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



Auditors' Report

There are no qualifications, reservations or adverse remarks made by the Statutory Auditors, M/s.Subbachar & Srinivasan, Chartered Accountants, (Membership No.004083S) in the Auditors' Report on the financial statements for the year ended 31-03-2020.

Secretarial Auditor

The Board has appointed Mr.M.R.L.Narasimha, Practising Company Secretary, (Membership No.2851, CP 799) to conduct Secretarial Audit for the Financial Year 2019–20. The Secretarial Audit Report for the Financial Year ended March 31, 2020 is annexed to this Report as Annexure 2. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Particulars of Loans, Guarantees or Investments

The Company has not given any loans or guarantees covered under the provisions of Section 186 of the Companies Act, 2013.

Related Party Transactions

All Related Party Transactions entered into during the Financial Year were on arm's length basis in the ordinary course of the business. No materially significant Related Party Transactions were made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of the Company at large. Hence Form AOC–2 pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8 (2) of the Companies (Accounts) Rules, 2014 is not applicable.

The Policy on materiality of Related Party Transactions and dealing with Related Party Transactions as approved by the Board may be accessed on the Company's website at the link at www.lakshmiautomatic.com/investors/policies related-party-transaction-policy/

Dividend

The Directors were unable to recommend a Dividend on the Equity shares for the year on account of carried over previous years' losses.

Risk Management

The Company has laid down the Risk Assessment and Minimisation Procedures and on evaluation by the Audit Committee, are reviewed by the Board from time to time.

Corporate Social Responsibility

Your Company is not coming under the purview of the Corporate Social Responsibility under Section 135 of the Companies Act, 2013.

Directors and Key Managerial Personnel

Sri R.Santharam and Sri N.Jaychander, Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. A brief profile of the Directors retiring by rotation and seeking re-election, is annexed to the Notice of the ensuing Annual General Meeting.

Casual vacancy was caused by the sudden demise of Mr.J.Balasubramaniam, Chief Executive Officer of the Company on 19-05-2020 and there was no other change in the Key Managerial Personnel (KMP) during the year.

The details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are furnished in Annexure 3 forming part of the Board's Report.

Internal Financial Controls

The Company has in place adequate internal financial controls with reference to financial statements. The Internal Audit objectives, scope, functioning, periodicity and methodology is defined in the Internal Audit Programme. The quarterly Internal Audit Report is placed before the Audit Committee of the Board. The Internal Auditors monitor the adequacy of internal control systems, Accounting Procedures and Policies of the Company and corrective actions based on the observations are taken wherever necessary. During the year, such controls were reviewed and no reportable material weakness in the system or operation was observed by the Audit Committee.

Auditors

M/s.Subbachar & Srinivasan, Chartered Accountants, have been appointed as the Statutory Auditors of the Company, for a term of five Financial Years, commencing from 2017-18 at the 43rd Annual General Meeting held on 28th July 2017 and pursuant to the amendment of Section 139 of the Companies Act, 2013 and the approval of the Members, the Company is not required to seek the ratification of the appointment of the Auditors at every Annual General Meeting. The Company has received a Certificate from the Statutory Auditors to the effect that their continued appointment as the Statutory Auditors of the Company, would be within the limits prescribed under Section 139 of the Companies Act, 2013.

Report on Corporate Governance and Management Discussion and Analysis

The report on Management Discussions and Analysis (Annexure 4) forms part of the Annual Report.

Pursuant to Regulation 15(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the compliance with the Corporate Governance provisions as specified in Regulations 17,17A,18,19,20,21,22, 23,24,24A,25,26,27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V shall not apply to the Company. Hence the reporting on Corporate Governance in a separate section is not furnished. The Certificate from the Auditors of the Company to this effect is furnished as Annexure 5 to the Annual Report. However, as a good Corporate Governance practice the Company is implementing the Corporate Governance Provisions and shall report the same in the Annual Report when it becomes applicable to the Company.

Vigil Mechanism

The Company has adopted the Vigil Mechanism/Whistle Blower Policy for Directors and Employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. No personnel is denied access to the Audit Committee. No protected disclosures were received by the Nodal Officer during the year ended 31st March, 2020.

A copy of the Vigil Mechanism / Whistle Blower Policy is posted on the Company's website at www.lakshmiautomatic.com.

Disclosure under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal)

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No complaints reported during the year under review.

Demat Suspense Account / Unclaimed Suspense Account

The Share Certificates of the Company issued to the Shareholders on amalgamation of the erstwhile The Coimbatore Pioneer Machine Works Limited in exchange of the Share Certificates held by them, remained unclaimed were transferred to the Unclaimed Suspense Account. The details of the said Shares in Demat Suspense Account of the Company are:

Sl. No.	Particulars	No. of Shareholders	No. of Shares
(a)	Aggregate Number of Shareholders and the outstanding shares held in demat Suspense Account lying at the beginning of the year.	1106	3185
(b)	Number of Shareholders who approached the Company for transfer of shares from Suspense Account during the year	2	26
(c)	Number of Shareholders to whom share were transferred from Suspense Account during the year	2	26
(d)	Aggregate Number of Shareholders and the outstanding Shares in the Suspense Account lying at the end of the year	1104	3159
(e)	The Voting Rights on these Shares shall remain frozen till the rightful owner of such shares claims the Shares.	1104	3159

General

Information with respect to conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts)Rules, 2014 is appended hereto.

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to Deposits covered under Chapter V of the Companies Act, 2013.
2. Issue of Equity Shares with differential rights as to dividend, voting or otherwise in terms of Section 43 and 47 of the Companies Act, 2013 and the Rules made there under.
3. Issue of shares (including Sweat Equity Shares) to Employees of the Company under any scheme.

Your Directors further state that during the year under review:

1. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
2. There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the Financial Year under review and the date of this report.
3. In view of the nationwide lock down due to COVID-19 in the last quarter of the year, the Company's operations were shut down which marginally impacted the performance for the quarter. The Company has considered internal and external sources of information, economic forecasts and industry reports, upto the date of approval of financial statements in determining the impact of COVID-19 pandemic on various elements of its business operations and financial statements. The Company has used the principles of prudence in applying judgements, estimates and assumptions and based on the current estimates, the Company expects to recover the carrying amount of its current and non-current assets, and does not anticipate any impairment to these assets. The Company has since resumed its operations in a phased manner from 06-05-2020 conforming with the Guidelines of the Government. The Company will continue to closely monitor any material changes to future economic conditions.
4. The Annual Listing Fees for the year 2020-21 has been paid by the Company to BSE Limited.
5. No penalty or strictures have been imposed on the Company by the Capital Market Authorities for non-compliance of law, during the last three years.

By Order of the Board
(Sd.) S. PATHY
Chairman
DIN No.00013899

Place : Coimbatore
Date : 10-08-2020

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo.

[Section 134(3)(m) of The Companies Act,2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A. Conservation of Energy:

a) The Manufacture of Spares and Accessories for Textile Machinery and Parts for Machine Tools is not energy intensive. Efforts are continuously made to reduce the waste of energy to the minimum.

b) The Company currently manufactures Spares and Accessories for 'C' type Shuttle Weaving and Circular Knitting Machines and Parts for Machine Tools and the consumption of energy is minimal. There was no significant capital investment on energy conservation equipments during the year.

B. Technology Absorption:

(i) Efforts made towards technology absorption.

The Company has fully absorbed the technology in manufacturing Spares and Accessories for 'C' type Shuttle Weaving and Circular Knitting Machines.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution:

The quality Spares and Accessories for 'C' type Shuttle Weaving and Circular Knitting Machines and Parts for Machine Tools supplied by the Company at market price are well received by the users.

(iii) The Company has not imported any new technology during the last three Financial Years.

(iv) The expenditure incurred on R&D during the year was not material.

C. Foreign Exchange Earnings and Outgo:

Total Foreign Exchange earned by the Company during the year	:	₹ 528.05 Lakhs
Total Foreign Exchange outgo during the year	:	₹ 12.98 Lakhs

By Order of the Board
(Sd.) S. PATHY
Chairman
DIN No.00013899

Place : Coimbatore
Date : 10-08-2020



Annexure - 1

Form No. MGT - 9

EXTRACT OF ANNUAL RETURN

as on the Financial Year ended on 31-03-2020

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	CIN	L29269TZ1973PLC000680
ii)	Registration Date	12-12-1973
iii)	Name of the Company	Lakshmi Automatic Loom Works Limited
iv)	Category of the Company	Public Company
	Sub Category of the Company	Limited by Shares
v)	Address of the Registered Office and Contact details	686, Avanashi Road, Pappanaickenpalayam, Coimbatore - 641 037 Phone : +91 422 2245484-485 Fax No. : +91 422 2244887 E-Mail ID : contact@lakshmiautomatic.com Website : www.lakshmiautomatic.com
vi)	Whether listed Company	Yes
vii)	Name, Address and contact details of Registrar & Transfer Agent. (RTA)	M/s. S.K.D.C. Consultants Limited 3rd Floor, Kanapati Towers, 1391/A-1, Sathy Road, Ganapathy, Coimbatore - 641 006 Phone : +91 422 2539835-36 & 4958995 Fax No. : +91 422 2539837 E-Mail ID : info@skdc-consultants.com Website : www.skdc-consultants.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main Products / Services	NIC Code of the Product/Service	% to total turnover of the Company
1	Accessories & Spares for Weaving & Knitting Machines	3538	43.82%
2	Parts & Accessories for Machine Tools including Tool Holders	3570	9.36%
3	Receiving Services (Receipt of Warehousing rental charges)	5210	46.82%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

The Company does not have any Holding, Subsidiary or Associate Companies.

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

i) Category-wise Share Holding

Category Code	Category of Shareholders	No. of Shares held at the beginning of the year [as on 1st April, 2019]				No. of Shares held at the end of the year [as on 31st March, 2020]				% Change during the year
		Demat	Physical	Total	% Total Shares	Demat	Physical	Total	% Total Shares	
A.	Promoters									
1	Indian									
a)	Individual/ HUF	58440	-	58440	0.914	58440	-	58440	0.874	(-)0.040
b)	Central Govt									
c)	State Govt(s)									
d)	Bodies Corporates	548817	-	548817	8.581	840574	-	840574	12.569	(+)3.988
e)	Banks / FI									
f)	Any other									
f-i)	Directors & their Relatives	1288287	-	1288287	20.143	1288287	-	1288287	19.264	(-)0.879
	Sub Total (A)(1)	1895544	-	1895544	29.638	2187301	-	2187301	32.707	(+)3.069
2	Foreign									
a)	NRIs – Individuals									
b)	Other individuals									
c)	Bodies Corporate									
d)	Banks / FI									
e)	Any other									
	Sub Total (A)(2)	-	-	-	-	-	-	-	-	-
	Total shareholding of Promoter (A) = (A)(1)+(A)(2)	1895544	-	1895544	29.638	2187301	-	2187301	32.707	(+)3.069
B.	Public Shareholding									
1	Institutions									
a)	Mutual Funds									
b)	Banks / FI	20000	3000	23000	0.360	-	3000	3000	0.045	(-)0.315
c)	Central Govt									
d)	State Govt(s)									
e)	Venture Capital Funds									
f)	Insurance Companies	1382211	-	1382211	21.611	1376335	-	1376335	20.581	(-)1.030
g)	FIIs									
h)	Foreign Venture Capital Funds									
i)	Others (specify)									
	Sub-total (B)(1)	1402211	3000	1405211	21.971	1376335	3000	1379335	20.626	(-)1.345

Category Code	Category of Shareholders	No. of Shares held at the beginning of the year [as on 1st April, 2019]				No. of Shares held at the end of the year [as on 31st March, 2020]				% Change during the year
		Demat	Physical	Total	% Total Shares	Demat	Physical	Total	% Total Shares	
2	Non-Institutions									
a)	Bodies Corporates									
i)	Indian	626167	533895	1160062	18.138	1066625	92785	1159410	17.337	(-)0.801
ii)	Overseas									
b)	Individuals									
i)	Individual Shareholders holding nominal Share Capital upto ₹ 1 lakh	218015	388452	606467	9.482	241415	373684	615099	9.198	(-)0.284
ii)	Individual Shareholders holding nominal Share capital in excess of ₹ 1 lakh	12099	-	12099	0.189	12099	-	12099	0.181	(-)0.008
c)	Others (specify)									
c-i)	Trusts	2	-	2	0.000	2	-	2	0.000	0.000
c-ii)	Directors & their Relatives	27948	-	27948	0.437	27948	-	27948	0.418	(-)0.019
c-iii)	Non Resident Indians	4235	139630	143865	2.249	17534	139130	156664	2.343	(+)0.094
c-iv)	Overseas Corporate Bodies	-	1125000	1125000	17.590	-	1125000	1125000	16.822	(-)0.768
c-v)	Clearing Members	7601	-	7601	0.119	11230	-	11230	0.168	(+)0.049
c-vi)	Hindu Undivided Families	8761	-	8761	0.137	10255	-	10255	0.153	(+)0.016
c-vii)	Unclaimed Shares Suspense Account	3185	-	3185	0.050	3159	-	3159	0.047	(-)0.003
	Sub-total (B)(2)	908013	2186977	3094990	48.391	1390267	1730599	3120866	46.667	(-)1.724
	Total Public Share holding (B)= (B)(1)+ (B)(2)	2310224	2189977	4500201	70.362	2766602	1733599	4500201	67.293	(-) 3.069
C.	Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
	Grand Total (A+B+C)	4205768	2189977	6395745	100.000	4953903	1733599	6687502	100.000	-

ii) Shareholding of Promoters

Sl. No.	Shareholders Name	No. of Shares held at the beginning of the year 01-04-2019			No. of Shares held at the end of the year 31-03-2020			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Sri S Pathy	470178	7.351	-	470178	7.031	-	(-)0.320
2	Smt Rajshree Pathy	5000	0.078	-	5000	0.075	-	(-)0.003
3	Sri Aditya Krishna Pathy	200	0.003	-	200	0.003	-	0.000
4	Smt Aishwarya Pathy	812909	12.710	-	812909	12.156	-	(-)0.554
5	Sri K Arjun	38966	0.609	-	38966	0.583	-	(-)0.026
6	Sri K Nithin	17166	0.268	-	17166	0.257	-	(-)0.011
7	Ms.Shivali Jayavarthanavelu	2308	0.036	-	2308	0.035	-	(-)0.001
8	The Lakshmi Mills Company Limited	330000	5.160	-	330000	4.935	-	(-)0.225
9	Lakshmi Card Clothing Mfg. Company Private Limited	145877	2.281	-	437634	6.544		(+)4.263
10	Infocus Marketing and Services Private Limited	72940	1.140	-	72940	1.091	-	(-)0.049
	Total	1895544	29.638	-	2187301	32.707	-	(+)3.074

iii) Change in Promoters' Shareholding

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Lakshmi Card Clothing Mfg.Co.P.Ltd				
	At the beginning of the year 01-04-2019	145877	2.281	145877	2.181
	Allotted / Bought during the year on the following date:				
	23-05-2019 - Allotment of Equity Shares on conversion of OCPS	291757	4.363	437634	6.544
	At the End of the year			437634	6.544

Note: There is no change in the Shareholding of the Promoters other than indicated.

The Changes in Percentage of total Shares is due to increase in Equity Share Capital on conversion of Optionally Convertible Preference Shares (OCPS).



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

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year 01-04-2019	3563521	55.717		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (eg. allotment/transfer/bonus/sweat equity etc):				
1	ITEMA (SWITZERLAND) LIMITED	1000000	15.635	1000000	14.953
2	VOLTAS LIMITED.,	615200	9.619	615200	9.199
3	LAKSHMI MACHINE WORKS LIMITED	441110	6.897	441110	6.596
4	UNITED INDIA INSURANCE COMPANY LIMITED	300186	4.694	300186	4.489
5	THE NEW INDIA ASSURANCE COMPANY LIMITED	300000	4.691	300000	4.486
6	GENERAL INSURANCE CORPORATION OF INDIA				
	At the beginning of the year 01-04-2019	284695	4.451	284695	4.257
	Sold during the year on the following date				
	12-04-2019 Transfer (Sold)	(-)5861	(-)0.092	278834	4.169
	At the end of the year 31-03-2020			278834	4.169
7	LIFE INSURANCE CORPORATION OF INDIA				
	At the beginning of the year 01-04-2019	200000	3.127	200000	2.991
	Sold during the year on the following date				
	01-07-2019 Transfer (Sold)	(-)15	(-)0.000	199985	2.990
	At the end of the year 31-03-2020			199985	2.990
8	NATIONAL INSURANCE COMPANY LIMITED	160000	2.502	160000	2.393
9	THE ORIENTAL INSURANCE COMPANY LIMITED	137330	2.147	137330	2.054
10	TERROT STRICKMASCHINEN GmbH GERMANY	125000	1.954	125000	1.869
	At the end of the year 31-03-2020			3557645	53.198

v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	DIRECTORS				
1	Sri S.Pathy				
	At the beginning of the year	470178	7.351	470178	7.031
	Bought or Sold during the year	-	-	-	-
	At the end of the year			470178	7.031
2	Sri R.Santharam	-	-	-	-
3	Sri R.C.H.Reddy				
	At the beginning of the year	594	0.009	594	0.009
	Bought or Sold during the year	-	-	-	-
	At the end of the year			594	0.009
4	Smt. Aishwarya Pathy				
	At the beginning of the year	812909	12.710	812909	12.156
	Bought or Sold during the year	-	-	-	-
	At the end of the year			812909	12.156
5	Sri R.Varadarajan	-	-	-	-
6	Sri C.Kamatchisundaram	-	-	-	-
7	Sri N.Jaychander				
	At the beginning of the year	1850	0.029	1850	0.028
	Bought or Sold during the year	-	-	-	-
	At the end of the year			1850	0.028
8	Sri R.R.Balasundharam				
	At the beginning of the year	10304	0.161	10304	0.154
	Bought or Sold during the year	-	-	-	-
	At the end of the year			10304	0.154
	KEY MANAGERIAL PERSONNEL				
9	Sri J.Balasubramaniam	-	-	-	-
10	Sri K.P.Krishnakumar	-	-	-	-
11	Sri R.Muthukumar	-	-	-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment : ₹ in Lakhs

		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
	Indebtedness at the beginning of the Financial Year				
i)	Principal Amount	151.19	200.00	10.00	361.19
ii)	Interest due but not paid	-	-	1.06	1.06
iii)	Interest accrued but not due	-	-	-	-
	Total (i+ii+iii)	151.19	200.00	11.06	362.25
	Change in Indebtedness during the Financial Year				
	* Addition	418.12	-	-	418.12
	* Reduction	-	200.00	11.06	211.06
	Net Change	569.31	0.00	0.00	569.31
	Indebtedness at the end of the Financial Year				
i)	Principal Amount	569.31	-	-	569.31
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	-	-	-	-
	Total (i+ii+iii)	569.31	-	-	569.31

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

₹ in Lakhs

Sl. No.	Particulars	Name of MD/ WTD/ Manager	Total Amount
1	Gross salary	NIL	NIL
	(a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961		
	(b) Value of perquisites u/s 17(2) of the Income-Tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income-Tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others	-	-
5	Others	-	-
	Total (A)	NIL	NIL
	Ceiling as per the Act	-	-

B. Remuneration to Other Directors :

Amount in ₹

Sl. No.	Name of Directors	Particulars of Remuneration			
		Fee for attending Board / Committee Meetings	Commission	Others, please specify	Total Amount
1	Independent Directors				
	Sri R.C.H. Reddy	1,04,000	-	-	1,04,000
	Sri R. Varadarajan	96,000	-	-	96,000
	Sri C. Kamatchisundaram	48,000	-	-	48,000
	Sri R.R. Balasundharam	80,000	-	-	80,000
	Total (1)	3,28,000	-	-	3,28,000
2	Other Non-Executive Directors				
	Sri S. Pathy	40,000	-	-	40,000
	Sri R. Santharam	96,000	-	-	96,000
	Smt Aishwarya Pathy	38,000	-	-	38,000
	Sri N. Jaychander	48,000	-	-	48,000
	Total (2)	2,22,000	-	-	2,22,000
	Total (B)=(1+2)	5,50,000	-	-	5,50,000
	Total Managerial Remuneration	Nil	Nil	Nil	Nil
	Overall Ceiling as per the Act	-	-	-	-



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

Amount in ₹

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Chief Executive Officer	Company Secretary	Chief Financial Officer	
1	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	14,87,970	10,93,021	12,19,974	38,00,965
	(b) Value of perquisites u/s 17(2) of the Income-Tax Act, 1961,				
	i) Motor car with Driver	32,400	-	-	32,400
	ii) Medical expenses reimbursed	-	36,288	-	36,288
	iii) Electric energy reimbursed	16,841	-	-	16,841
	(c) Profits in lieu of salary under Section 17(3) of the Income-Tax Act, 1961	NA	NA	NA	NA
2	Stock Option	NA	NA	NA	NA
3	Sweat Equity	NA	NA	NA	NA
4	Commission	NA	NA	NA	NA
	- as % of profit	NA	NA	NA	NA
	- others, specify	NA	NA	NA	NA
5	Others, please specify	NA	NA	NA	NA
	Total	15,37,211	11,29,309	12,19,974	38,86,494

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES : NIL

LAKSHMI AUTOMATIC LOOM WORKS LIMITED

Annexure - 2

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020
FORM No. MR-3

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,
Lakshmi Automatic Loom Works Limited
[CIN:L29269TZ1973PLC000680]
686, Avanashi Road
Pappanaickenpalayam
Coimbatore – 641037

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

I am issuing this report based on my verification of the books, papers, minute books and other records maintained by the Company, forms and returns filed, compliance related action taken by the Company, during the Financial Year ended 31st March, 2020 and the information provided by the Company, its officers, agents and authorized representatives during my conduct of Secretarial Audit.

I hereby report that, in my opinion, during the audit period covering the Financial Year ended on 31st March, 2020 (hereinafter referred to as "the year"), the Company has complied with the statutory provisions listed hereunder and also has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The members are requested to read this report along with my letter of even date annexed to this report as Annexure - A.

1. I have examined the books, papers, minute books and other records maintained by the Company and the forms and returns filed during the year according to the applicable provisions of:
   - (i) The Companies Act, 2013 (the Act), the rules made thereunder.
   - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
   - (iii) The Depositories Act, 1996 and the regulations and bye-laws framed there under.
   - (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
     - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
     - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
     - (c) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client; and
     - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements Regulations, 2018.

2. I am informed that, for the Financial Year ended on March 31, 2020 that there were no transaction under:

   (a) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

   (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations 2008;

   (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations 2018;

   (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2009;

   (e) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

3. The Company is not engaged in an industry regulated by a Sectoral Regulator.

   (i) I have also examined compliance with the Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.

   (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

   (iii) During the period under review, and also considering the compliance related action taken by the Company after 31st March, 2020 but before the issue of this report, the Company has complied with the provisions of the Acts, Rules, Regulations mentioned under paragraph 1 above, to the extent applicable.

4. I further report that:

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

   (ii) Adequate notice is given to all Directors to schedule the Board Meetings. Notice of Board Meetings along with Agenda and detailed notes on Agenda were sent at least seven days in advance before the Meeting.

   (iii) A system exists for Directors to seek and obtain further information and clarifications on the Agenda items before the Meetings and for their meaningful participation at the meetings. Majority decision is carried through. I am informed that there were no dissenting Directors' views on any of the matters during the year that were required to be captured and recorded as part of the Minutes.

   (iv) There are adequate systems and processes in the Company commensurate with its size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

(Sd/-)
M.R.L. NARASIMHA
Practicing Company Secretary
Membership No: F2851
Certificate of Practice No.799
34-C, 3rd Cross, R.L.Nagar
K. K. Pudur, Coimbatore – 641 038
UDIN : F002851B000551181

Place : Coimbatore
Date. : 05-08-2020

LAKSHMI AUTOMATIC LOOM WORKS LIMITED

Annexure - A to Secretarial Audit Report of even date

To

The Members,
Lakshmi Automatic Loom Works Limited
[CIN:L29269TZ1973PLC000680]
686, Avanashi Road
Pappanaickenpalayam
Coimbatore – 641037

My Secretarial Audit Report (Form MR-3) of even date for the Financial Year ended 31st March, 2020 is to be read along with this letter.

1. Maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management of the Company. My responsibility is to express an opinion on the secretarial records produced for my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. I have verified the records on a test basis to see whether the correct facts are reflected in the secretarial records. I also examined the compliance procedures followed by the Company on a test basis. I believe that the processes and practices followed by me provide a reasonable basis for my opinion.
4. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
5. I have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
6. My Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

(Sd/-)
M.R.L. NARASIMHA
Practicing Comp any Secretary
Membership No: F2851
Certificate of Practice No.799
34-C, 3rd Cross, R.L.Nagar
K .K.Pudur, Coimbatore – 641 038
UDIN : F002851B000551181

Place : Coimbatore
Date. : 05-08-2020



Annexure - 3

Disclosure pertaining to remuneration and other details required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Annual Report.

1. The ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for the Financial Year:

   Directors were not paid any Remuneration other than Sitting Fees during the Financial Year.

2. The Number of permanent Employees on the rolls of the Company as on 31-03-2020 : 54 (fifty four only).

3. Average percentile increase in the salaries other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and if there are any exceptional circumstances for increase in the managerial remuneration:

   Directors were not paid any Managerial Remuneration other than Sitting Fees during the Financial Year.

4. Affirmation that the remuneration is as per the remuneration policy of the Company: YES

5. Particulars of Employees

   a) Details of Employees, employed throughout the Financial Year, was in receipt of remuneration for that year which, in the aggregate, was not less than Rupees One Crore and Two Lakhs: None

   b) Details of Employees, employed for a part of the Financial Year, was in receipt of remuneration for any part of that year, at a rate which in the aggregate, was not less than Rupees Eight Lakhs and Fifty Thousand per month: None

   c) Details of Employees, if employed throughout the Financial Year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be at a rate which in the aggregate, is in excess of that drawn by the Managing Director or Whole Time Director or Manager and holds himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company: None

Annexure - 4

Management Discussion and Analysis Report

I. Industry Structure and Development

On the advent of shuttleless technology, the demand for High Speed Automatic 'C' type Shuttle Weaving Machines manufactured by the Company was affected. As the market for the Company's 'C' type Shuttle Loom was eroded, only Spares and Accessories of Shuttle Looms and Parts for Machine Tools were manufactured by the Company during the year.

In order to augment the revenue, the idle building space at Hosur has been rented out to logistic services providers. In the industry Logistic/Warehouse Services play a vital role in the entire value chain from raw material to final product especially in the manufacturing sector. Hosur being proximate to Bangalore the demand for building space on rental is growing.

The Indian warehouse market was said to be worth INR 615 Billion in 2019. Warehousing involves storage of goods and merchandise in order to protect the quality and quantity of the stored products awaiting future use. It is an integral part of the logistics value chain, looking forward the Indian warehouse market is to exhibit moderate growth during 2020-2025.

II. Opportunities and Threats

A. Warehousing Rental Services

The Company is concentrating on Warehousing Rental Services for augmenting its revenue on constructing additional Buildings.

The entry of more Warehouses developers with additional facilities may have an adverse impact on the rental rate. However the location advantage of the Company's buildings may offset the impact.

B. Engineering Services

The orders received from the Export Oriented Unit for supply of Parts for Machine Tools including Tool Holders are based on the export orders bagged by them. Your Company has taken steps to supply spares and accessories to C-Type Loom by identifying the Mills using such looms both domestically and overseas.

III. Outlook

The income from Warehouse Rental Services at Hosur will tend to increase. The new warehouse constructed in the Financial Year has been leased out. Further addition of warehousing capacity depends on the demand post COVID-19 situation.

Your Company's efforts in increasing the supply of loom spares and accessories to domestic and overseas consumers by identifying users of genuine parts at competitive rates are yielding results.

IV. Internal Control System and the adequac

The Company has adequate internal control system commensurate with its size and nature of its business. The Management has overall responsibility for the Company's internal control systems to safeguard the assets and to ensure reliability of financial records. The Audit Committee reviews the Financial Statements and ensures adequacy of internal control systems.

V. Discussion of Financial Performance with respect to Operational Performance

The Company has achieved a Revenue of ₹ 1328.46 Lakhs from operations and the net profit for the year under review is ₹ 328.05 Lakhs after providing ₹ 62.25 Lakhs for Depreciation and ₹ 101.76 Lakhs towards taxation.

VI. Material development in Human Resources / Industrial relations front, including number of people employed

The number of Employees engaged during the year was in line with operational requirement of the Company. The relation with labour continued to be cordial during the year. The permanent Employees on Roll as on 31-03-2020 were fifty four (54).



Annexure - 5

Auditors' Certificate on Corporate Governance

To

The Members of
LAKSHMI AUTOMATIC LOOM WORKS LIMITED
Coimbatore-641037

We hereby certify that the paid up Equity Share Capital of LAKSHMI AUTOMATIC LOOM WORKS LIMITED ('the Company') is ₹ 6.40 crores and the Networth of the Company is ₹ 8.28 crores as on the last day of the previous Financial Year ie 31-03-2019. As per Regulation 15(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the compliance with the Corporate Governance provisions as specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paras C,D and E of Schedule V of the Listing Regulations shall not apply in respect of:

a) the listed entity having paid up Equity Share Capital not exceeding Rupees Ten Crores and Networth not exceeding Rupees Twenty Five Crores, as on the last day of the previous Financial Year, provided that where the provisions of the regulations specified in this regulation becomes applicable to a listed entity at a later date, such listed entity shall comply with the requirements of those regulations within six months from the date on which the provisions became applicable to the listed entity.

Accordingly Corporate Governance provisions are not applicable to the Company for the Financial Year ended March 31,2020.

For M/s Subbachar & Srinivasan
Chartered Accountants
(Firm Regn. No.004083S)
(Sd.) T.S.V.RAJAGOPAL
Partner
(Membership No. 200380)
UDIN : 20200380AAAAHF4422

Place : Coimbatore
Date : 25-06-2020

LAKSHMI AUTOMATIC LOOM WORKS LIMITED

Independent Auditors' Report

To The Members of M/s. Lakshmi Automatic Loom Works Limited

Report on the audit of standalone Financial Statements

Opinion

We have audited the standalone financial statements of **LAKSHMI AUTOMATIC LOOM WORKS LIMITED** ("the Company"), which comprise the Balance Sheet as at **March 31, 2020**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement and for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information. (hereinafter referred to standalone financial statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ["the Act"], in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at **March 31, 2020**, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone financial statements section of our report, including in relation to these matters.

S.No	Key Audit Matter	Auditor's Response
1.	**Evaluation of uncertain tax positions** The Company did not have material uncertain tax positions other than an uncertain position of service tax dues under dispute, which involves significant judgment to determine the possible outcome of these disputes.	**Principal Audit Procedures** We obtained details of completed tax assessments and demands received from management. We analysed the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. We considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of material uncertain tax positions and other uncertain position of service tax dues under dispute, to evaluate whether any change was required to management's position on these uncertainties

We have determined that there are no other key audit matters to communicate in our report.



Information other than the standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (IND AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditors' Responsibility

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, based on our audit we report that:

   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   c) the balance sheet, the statement of profit and loss (including other comprehensive income), statement of changes in equity and the cash flow statement dealt with by this report are in agreement with the books of account;

   d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules 2014;

   e) on the basis of the written representations received from the Directors of the Company as on **March 31, 2020** taken on record by the Board of Directors, none of the Directors are disqualified as on **March 31, 2020** from being appointed as a Director in terms of Section 164 (2) of the Act;

   f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure "B"** and

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

      The Company has not paid any remuneration to its Directors during the year, except sitting fees, and hence in our opinion and to the best of our information and according to the explanations given to us, reporting on whether the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of Section 197 of the Act does not arise.

   h) with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer **Note No 28** to the standalone financial statements.

      ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There has been no delay in transferring amounts, required to be transferred, to the investor Education and Protection Fund by the Company.

For Subbachar & Srinivasan
Chartered Accountants
Firm Registration No. 004083S

(Sd.) T.S.V. Rajagopal
Partner
Membership No. 200380
UDIN : 20200380AAAAHE3569

Coimbatore
June 25, 2020

Annexure – "A" to the Independent Auditors' Report

(Referred to in Paragraph 1 under "Report on Other legal and regulatory requirements" section of our report to the members of **LAKSHMI AUTOMATIC LOOM WORKS LIMITED** of even date).

We report that,

1. In respect of its Fixed Assets:

   a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   b. As explained to us, fixed assets have been physically verified by the management at regular intervals, in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals having regard to the size of the Company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

   c. According to the information and explanations given to us and the records examined by us, the title deeds of all freehold immovable properties are held in the name of the Company.

2. In respect of its inventories:

   As explained to us, physical verification of inventories has been conducted at reasonable intervals by the management during the year and no material discrepancies were noticed.

3. The Company has not granted any loan, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013, during the Financial Year and hence sub-clauses (a) to (c) of clause (iii) of the Order are not applicable to the Company.

4. The Company has not granted loans or made investments or given guarantees and securities during the year and hence compliance with Section 185 and 186 are not applicable.

5. The Company has not accepted any deposits from the public during the year to which the provisions of Sections 73 to 76 of the Act are applicable and as such clause 3(v) of the Order is not applicable.

6. The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules 2014 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

7. According to the information and explanations given to us and on the basis of our examination of the records of the Company in respect of the statutory dues:

   a. The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, and any other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at **31st March, 2020** for a period of more than six months from the date they became payable.

   b. According to the information and explanations given to us, the details of disputed statutory dues that have not been deposited on account of dispute is as under:

Name of Statute	Nature of the Dues	Amount (₹ in Lakhs)	Amount paid / adjusted (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act / Service Tax Act	Service Tax	8.86	Nil	February 2007 to September 2008	Customs, Excise & Service Tax Appellate Tribunal, Chennai.

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any Financial Institution, Bank, Government or dues to Debenture holders.

9. In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of term loan for the purposes for which it was raised. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year.

10. To the best of our knowledge and belief and according to the information and explanations given to us during the course of our examination of the books and records of the Company carried out in accordance with the auditing standards generally accepted in India, no fraud on or by the Company was noticed or reported during the year that causes the standalone financial statements to be materially misstated.

11. The Company has not paid any managerial remuneration during the year and hence the requirement of getting requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013 is not applicable.

12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has converted 2,00,000 - 6% Non Cumulative Optionally Convertible Preference Shares [OCPS] of ₹ 100/- each into 2,91,757 Equity Shares of ₹ 10/- each at a Premium of ₹ 58.55 per share on preferential basis to the Promoter group, and the requirements of Section 42 and other applicable provisions of the Companies Act, 2013 in this regard have been complied with.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with Directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable.

16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For Subbachar & Srinivasan
Chartered Accountants
Firm Registration No. 004083S

(Sd.) T.S.V. Rajagopal
Partner
Membership No. 200380
UDIN : 20200380AAAAHE3569

Coimbatore
June 25, 2020

Annexure – "B" to the Independent Auditors' Report

(Referred to in Paragraph 2(f) under "Report on Other legal and regulatory requirements" section of our report to the members of **LAKSHMI AUTOMATIC LOOM WORKS LIMITED** of even date).

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

We have audited the internal financial controls over financial reporting of **LAKSHMI AUTOMATIC LOOM WORKS LIMITED** as of **31st March, 2020** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in



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

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at **31st March, 2020,** based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Subbachar & Srinivasan
Chartered Accountants
Firm Registration No. 004083S

(Sd.) T.S.V. Rajagopal
Partner
Membership No. 200380
UDIN : 20200380AAAAHE3569

Coimbatore
June 25, 2020

LAKSHMI AUTOMATIC LOOM WORKS LIMITED

Balance Sheet as at March 31, 2020

₹ in Lakhs

	Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
	ASSETS			
1	**Non-current assets**			
	(a) Property, plant and equipment	3	129.48	132.12
	(b) Right-of-use assets	3A	73.12	-
	(c) Capital work-in-progress		-	61.21
	(d) Investment Property	4	1,300.10	681.47
	Non-current financial assets			
	(e) Financial assets			
	- Other financial assets	5	55.12	23.95
	(f) Other non-current assets	6	17.08	85.02
	Total non-current assets		**1,574.90**	**983.77**
2	**Current assets**			
	(a) Inventories	7	42.06	71.25
	(b) Financial assets			
	(i) Trade receivables	8	121.30	124.85
	(ii) Cash and cash equivalents	9	41.27	25.38
	(iii) Bank balances other than cash and cash equivalents	9	626.48	438.25
	(iv) Other financial assets	5	13.63	11.16
	(c) Current tax assets (net)		7.04	6.50
	(d) Other current assets	6	16.07	9.21
	Total Current Assets		**867.85**	**686.60**
	TOTAL ASSETS		**2,442.75**	**1,670.37**
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity share capital	10	668.75	639.57
	(b) Other equity	11	686.91	188.04
	Total Equity		**1,355.66**	**827.61**
	LIABILITIES			
1	**Non-current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings (includes Preference Share Capital)	12	332.34	304.55
	(ii) Lease liablities	15	60.28	-
	(iii) Other financial liabilities	15	115.54	221.34
	(b) Provisions	13	58.97	53.21
	(c) Deferred tax liabilities (Net)	24	31.28	32.00
	Total Non-Current Liabilities		**598.41**	**611.10**

Balance Sheet as at March 31, 2020 (Contd..)

₹ in Lakhs

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
2 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	0.02	3.74
(ii) Trade payables	14		
Total outstanding dues of Micro enterprises and Small enterprises		1.05	3.09
Total outstanding dues creditors other than Micro enterprises and Small enterprises		11.49	11.14
(iii) Lease liablities	15	14.19	-
(iv) Other financial liabilities	15	221.12	68.08
(b) Provisions	13	25.93	22.63
(c) Other current liabilities	16	214.88	122.98
Total current liabilities		**488.68**	**231.66**
Total Liabilities		**1,087.09**	**842.76**
TOTAL EQUITY AND LIABILITIES		**2,442.75**	**1,670.37**

See accompanying notes to the financial statements 1 to 34

For and on behalf of the Board of Directors

(Sd.) **S. PATHY**
Chairman (DIN:00013899)

(Sd.) **AISHWARYA PATHY**
Vice Chairperson (DIN:00062114)

(Sd.) **R. SANTHARAM**
Director (DIN:00151333)

Coimbatore
June 25, 2020

(Sd.) **N. JAYCHANDER**
Director (DIN:00015091)

(Sd.) **K.P. KRISHNAKUMAR**
Chief Financial Officer

(Sd.) **R. MUTHUKUMAR**
Company Secretary

In terms of our report attached
For **SUBBACHAR & SRINIVASAN**
Chartered Accountants
Firm Registration No. 004083S
(Sd.) **T.S.V. RAJAGOPAL**
Partner
(Membership No. 200380)

LAKSHMI AUTOMATIC LOOM WORKS LIMITED

Statement of Profit and Loss for the year ended March 31, 2020

₹ in Lakhs

	Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
	Income			
I	Revenue from operations	17	1,269.98	817.12
II	Other income	18	58.48	77.89
III	**Total Income (I + II)**		**1,328.46**	**895.01**
IV	**Expenses**			
	Cost of materials consumed	19.a	109.43	86.45
	Changes in inventories of finished goods and work-in-progress	19.b	2.18	3.46
	Employee benefits expense	20	297.68	274.99
	Finance costs	21	58.72	20.39
	Depreciation and amortisation expense	22	62.25	46.96
	Other expenses	23	361.72	284.73
	Total Expenses (IV)		**891.98**	**716.98**
V	**Profit before Exceptional Items and Tax (III - IV)**		**436.48**	**178.03**
VI	Exceptional Items		-	-
VII	**Profit Before Tax (V - VI)**		**436.48**	**178.03**
VIII	**Income Tax expense**	24		
	Current tax		100.23	44.17
	Deferred tax		1.53	8.03
	Total tax		**101.76**	**52.20**
IX	**Profit for the year (VII - VIII)**		**334.72**	**125.83**
X	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to the statement of profit or loss:			
	(a) Remeasurement of employee defined benefit plans		(8.92)	2.73
	(b) Income tax on (a) above		2.25	(0.76)
	(ii) Items that will be reclassified to the statement of profit or loss		-	-
	Total Other Comprehensive Income		**(6.67)**	**1.97**
XI	**Total Comprehensive Income for the year (IX + X)**		**328.05**	**127.80**
XII	Earnings per equity share of ₹ 10/-			
	Basic	26	5.04	2.02
	Diluted	26	5.04	1.97

See accompanying notes to the financial statements 1 to 34

For and on behalf of the Board of Directors

(Sd.) **S. PATHY**
Chairman (DIN:00013899)

(Sd.) **AISHWARYA PATHY**
Vice Chairperson (DIN:00062114)

(Sd.) **R. SANTHARAM**
Director (DIN:00151333)

Coimbatore (Sd.) **N. JAYCHANDER**
June 25, 2020 Director (DIN:00015091)

(Sd.) **K.P. KRISHNAKUMAR**
Chief Financial Officer

(Sd.) **R. MUTHUKUMAR**
Company Secretary

In terms of our report attached
For **SUBBACHAR & SRINIVASAN**
Chartered Accountants
Firm Registration No. 004083S
(Sd.) **T.S.V. RAJAGOPAL**
Partner
(Membership No. 200380)

Statement of changes in Equity for the year ended March 31, 2020

A. Equity Share Capital

Particulars	₹ in Lakhs
Balance as at March 31, 2018	**610.40**
Changes in equity share capital during the year	29.17
Balance as at March 31, 2019	**639.57**
Changes in equity share capital during the year	29.18
Balance as at March 31, 2020	**668.75**

B. Other Equity

₹ in Lakhs

Particulars	Reserves & Surplus			Total other equity
	Securities premium reserve	Capital redemption reserve	Retained earnings	
Balance as at March 31, 2018	**7.92**	**450.00**	**(568.51)**	**(110.59)**
Issue of equity shares at premium	170.83	-	-	170.83
2,00,000 - 6% Non Cumulative Compulsorily Convertible Preference Shares converted into 2,91,757 Equity shares of ₹ 10/- each at a premium of ₹ 58.55 per share				
Profit for the year (net of taxes)	-	-	125.83	125.83
Other Comprehensive Income for the year (net of taxes)	-	-	1.97	1.97
Total Comprehensive Income for the year	**-**	**-**	**127.80**	**127.80**
Balance as at March 31, 2019	**178.75**	**450.00**	**(440.71)**	**188.04**
Issue of equity shares at premium	170.82	-	-	170.82
2,00,000-6% Non Cumulative Optionally Convertible Preference Shares converted into 2,91,757 Equity shares of ₹ 10/- each at a premium of ₹ 58.55 per share.				
Profit for the year (net of taxes)	-	-	334.72	334.72
Other Comprehensive Income for the year (net of taxes)	-	-	(6.67)	(6.67)
Total Comprehensive Income for the year	**-**	**-**	**328.05**	**328.05**
Balance as at March 31, 2020	**349.57**	**450.00**	**(112.66)**	**686.91**

Note:

1. **Securities Premium**: Amounts received on issue of shares in excess of the par value has been classified as securities premium. This is utilised in accordance with the provisions of the Companies Act, 2013.
2. **Capital Redemption Reserve***:* Statutory reserve created at amounts equal to the face value of the shares bought back as per the provisions of Companies Act, 2013.
3. **Retained earnings:** Retained earnings comprise of the Company's undistributed earnings after taxes.
4. **Other Comprehensive Income:** Items of other comprehensive income consists of remeasurement of net defined benefit liability / asset.

For and on behalf of the Board of Directors

(Sd.) **S. PATHY**
Chairman (DIN:00013899)

(Sd.) **AISHWARYA PATHY**
Vice Chairperson (DIN:00062114)

(Sd.) **R. SANTHARAM**
Director (DIN:00151333)

(Sd.) **K.P. KRISHNAKUMAR**
Chief Financial Officer

Coimbatore
June 25, 2020

(Sd.) **N. JAYCHANDER**
Director (DIN:00015091)

(Sd.) **R. MUTHUKUMAR**
Company Secretary

In terms of our report attached
For **SUBBACHAR & SRINIVASAN**
Chartered Accountants
Firm Registration No. 004083S
(Sd.) **T.S.V. RAJAGOPAL**
Partner
(Membership No. 200380)

Cash Flow Statement for the year ended March 31, 2020

₹ in Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A. Cash flow from operating activities		
Profit before tax	436.48	178.03
Adjustments for:		
Depreciation and amortisation expense	62.25	46.96
Net loss/(gain) on disposal of property, plant and equipment	-	(6.00)
Interest income	(56.64)	(29.22)
Finance cost	58.72	20.39
Operating profit before working capital changes	**500.81**	**210.16**
Adjustments for:		
(Increase)/decrease in inventories	29.19	(10.24)
(Increase)/decrease in trade receivables	3.55	(23.10)
(Increase)/decrease in other current assets	(6.86)	2.68
(Increase)/decrease in other non-current financial assets	(31.17)	(0.41)
(Increase)/decrease in other non-current assets	7.57	-
Increase/(decrease) in trade payables	(1.69)	0.74
Increase/(decrease) in provisions	9.06	5.12
Increase/(decrease) in other non-current financial liabilities	(105.80)	69.35
Increase/(decrease) in other financial liabilities	135.23	(16.09)
Increase/(decrease) in other current liabilities	91.90	106.32
	631.79	**344.53**
Net income tax (paid) / refunds	(108.33)	(49.74)
Net cash flow from operating activities (A)	**523.46**	**294.79**
B. **Cash flow from investing activities**		
Capital expenditure on property, plant and equipment (including capital advances)	(563.60)	(183.85)
Proceeds from sale of property, plant and equipment	-	10.08
Bank balances other than cash and cash equivalents	(188.23)	(24.94)
Interest received	54.17	28.06
Net cash used in investing activities (B)	**(697.66)**	**(170.65)**

Cash Flow Statement for the year ended March 31, 2020 (Contd..)

₹ in Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
C. Cash flow from financing activities		
Proceeds from non-current borrowings	439.76	-
Repayment of non-current borrowings	(179.10)	(35.11)
Current borrowings (net)	(3.72)	(69.93)
Finance costs	(55.06)	(20.39)
Interest portion of lease liabilities	(3.66)	-
Payment of Lease liablities	(8.13)	-
Net cash flow used in financing activities (C)	**190.09**	**(125.43)**
Net increase in Cash and cash equivalents (A+B+C)	**15.89**	**(1.29)**
Cash and cash equivalents at the beginning of the year (refer note 9)	25.38	26.67
Cash and cash equivalents at the end of the year (refer note 9)	41.27	25.38
Net increase in Cash and cash equivalents	**15.89**	**(1.29)**
Cash and cash equivalents which are restricted and not available for use by the company	-	-

See accompanying notes to the financial statements 1 to 34

For and on behalf of the Board of Directors

(Sd.) **S. PATHY**
Chairman (DIN:00013899)

(Sd.) **AISHWARYA PATHY**
Vice Chairperson (DIN:00062114)

(Sd.) **R. SANTHARAM**
Director (DIN:00151333)

Coimbatore (Sd.) **N. JAYCHANDER**
June 25, 2020 Director (DIN:00015091)

(Sd.) **K.P. KRISHNAKUMAR**
Chief Financial Officer

(Sd.) **R. MUTHUKUMAR**
Company Secretary

In terms of our report attached
For **SUBBACHAR & SRINIVASAN**
Chartered Accountants
Firm Registration No. 004083S
(Sd.) **T.S.V. RAJAGOPAL**
Partner
(Membership No. 200380)

Notes to the financial statements for the year ended March 31, 2020

1. CORPORATE INFORMATION

Lakshmi Automatic Loom Works Limited was incorporated under the Companies Act, 1956. The company's shares are listed with BSE Limited, Mumbai. The company is manufacturing spares and accessories for C type automatic weaving machines, circular knitting machines and parts for machine tools. The revenue from operations includes warehousing rental services.

2. SIGNIFICANT ACCOUNTING POLICIES

(i) Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standard ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 read with section 133 of the Companies Act, 2013.

(ii) Basis of preparation and presentation

The financial statements have been prepared on accrual basis under the historical cost convention except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(iii) Use of estimates and judgement

In the application of the Company's accounting policies, the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, else in the period of the revision and future periods if the revision affects both current and future periods.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may diverge from these estimates.

Estimation uncertainty relating to COVID-19 outbreak:

The Company has considered internal and certain external sources of information including credit reports, economic forecasts and industry reports up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The Company has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates, the Company expects to fully recover the carrying amount of trade receivables including unbilled receivables, goodwill, intangible assets and investments. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements.

(iv) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

(v) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for rebates, and similar allowances.

Sale of goods and services: Revenue from the sale of goods and services is recognised when the company transfers control of goods or services to its customers at the amount to which the company expects to be entitled.

Interest income: Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

The Company has evaluated the impact of COVID – 19 resulting from (i) the possibility of constraints to render services which may require revision of estimations of costs to complete the contract because of additional efforts;(ii) onerous obligations;(iii) penalties relating to breaches of service level agreements, and (iv) termination or deferment of contracts by customers. The Company has concluded that the impact of COVID – 19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

(vi) Leases

As Lessor

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rental income and expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. However, where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

As Lessee

The Company's leased asset classes primarily consist of leases for buildings. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after April 1, 2019.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term.

In the comparative period, leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments and receipts under operating leases are recognised as an expense and income respectively, on a straight line basis in the



statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

(vii) Foreign currencies

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except for exchange differences on transactions designated as fair value hedge.

(viii) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are added to the cost of those assets, until such time the assets are substantially ready for their intended use or sale.

Borrowing costs that are not directly attributable to a qualifying asset are amortised over the term of the related borrowing and is included in finance costs.

(ix) Employee benefits

The Company participates in various employee benefit plans. The employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial risks fall on the Company. The present value of the defined benefit obligations is calculated using the projected unit credit method.

Short-term employee benefits

All short-term employee benefits such as salaries, wages, bonus, and other benefits which fall within 12 months of the period in which the employee renders related services which entitles them to avail such benefits and non-accumulating compensated absences are recognised on an undiscounted basis and charged to the statement of profit and loss.

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Defined contribution plan

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plan

In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The gratuity benefit is unfunded. The Company's obligation in respect of the gratuity, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method. Actuarial gains or losses are recognized in other comprehensive income.

Remeasurement, comprising actuarial gains and losses is reflected immediately in the balance sheet with charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected in retained earnings and is not reclassified to the statement of profit and loss.

(x) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

a) Current tax: Current tax is the amount of tax

payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

b) Minimum Alternate Tax (MAT): MAT paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

c) Deferred tax: Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(xi) Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is not depreciated.

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price / acquisition cost, net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Machinery spares which can be used only in connection with an item of Property, plant and equipment and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Depreciation on Property, plant and equipment (other than freehold land) has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

The estimated useful life of the tangible assets are reviewed at the end of the each financial year and the depreciation period is revised to reflect the changed pattern, if any.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.



(xii) Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Depreciation on investment properties (other than land) has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

(xiii) Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If the recoverable amount of the assets are estimated to be less than their carrying amounts, the carrying amounts of those assets are reduced to their recoverable amounts. Impairment losses are recognised immediately in the Statement of Profit and Loss. When impairment losses are subsequently reversed, the carrying amount of those assets are increased to their revised estimates of their recoverable amounts, so that the increased carrying amounts do not exceed the carrying amounts that would have been determined had no impairment losses recognised for those assets in prior years. The reversal of impairment losses are recognised immediately in the Statement of Profit and Loss.

(xiv) Inventories

Inventories are stated at the lower of cost or net realisable value after providing for obsolescence and other losses, where considered necessary. Cost is determined using weighted average basis.

Cost comprises all costs of purchase including duties and taxes (other than those subsequently recoverable by the Company), freight inwards and other expenditure directly attributable to acquisition. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, taxes, if any.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(xv) Provisions and contingencies

Provisions: A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities: Contingent liabilities are not recognised but are disclosed in notes to accounts.

(xvi) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to financial assets and liabilities [other than financial assets and liabilities measured at Fair Value Through Profit and Loss (FVTPL)] are added to or deducted from the fair value of the financial assets or liabilities, as appropriate on initial recognition. Transaction costs directly attributable to acquisition of financial assets or liabilities measured at FVTPL are recognised immediately in the statement of profit and loss.

(a) Non-derivative Financial assets:

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Financial assets at amortised cost

A financial asset is measured at amortised cost if both of the following conditions are met:

(a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Effective interest method:

The rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

(b) Derecognition of financial assets:

A financial asset is derecognised only when the:- Company has transferred the rights to receive cash flows from the financial asset; or- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

When the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. When the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(c) Foreign exchange gains and losses: The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in Statement of Profit and Loss.

(d) Financial liabilities:

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through the Statement of Profit and Loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised and through the amortisation process.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.



(xvii) Segment reporting

Operating segments are reported in the manner consistent with the internal reporting to the Chief Operating Decision Maker (CODM) as per Ind AS 108. The Company is reported at an overall level, and hence there are two reportable segments viz., "Warehousing Rental Services" and "Other Engineering Services". Geographic information is based on business sources from that geographic region. Accordingly the geographical segments are determined as Domestic ie., within India and External ie., Outside India.

(xviii) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition) and highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits (with an original maturity of three months or less from the date of acquisition) with banks.

(xix) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment.

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the company deals with and the countries where it operates.

In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID - 19.

(xx) Trade Payables

Trade and other payables represent liabilities for goods or services provided to the Company prior to the end of financial year which are unpaid.

(xxi) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. Cash and cash equivalents include cash on hand, cash with banks in current and deposit accounts with necessary disclosure of cash and cash equivalent balances that are not available for use by the Company.

(xxii) Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Notes to the financial statements for the year ended March 31, 2020

NOTE 3 - PROPERTY, PLANT AND EQUIPMENT

₹ in Lakhs

Description of Assets	Freehold Land	Buildings	Plant & Equipment	Vehicles	Office Equipment	Total Property, Plant and Equipment
(I) Gross Carrying Amount						
Balance as at April 1, 2019	**24.91**	**72.52**	**75.31**	**4.34**	**7.93**	**185.01**
Additions	-	-	14.85	-	2.28	17.13
Disposals	-	-	-	-	-	-
Balance as at March 31, 2020	**24.91**	**72.52**	**90.16**	**4.34**	**10.21**	**202.14**
(II) Accumulated Depreciation and Impairment						
Balance as at April 1, 2019	**-**	**29.80**	**20.14**	**(1.81)**	**4.77**	**52.90**
Charge for the year	-	9.94	7.30	0.75	1.77	19.76
Withdrawal on Disposals	-	-	-	-	-	-
Balance as at March 31, 2020	**-**	**39.74**	**27.44**	**(1.06)**	**6.54**	**72.66**
Net block (I-II)						
Balance as at March 31, 2020	**24.91**	**32.78**	**62.72**	**5.40**	**3.67**	**129.48**
Balance as at March 31, 2019	24.91	42.72	55.18	6.15	3.16	132.12

NOTE 3A - RIGHT-OF-USE ASSETS

₹ in Lakhs

Particulars	Buildings
Gross carrying amount	
As at April 1, 2019	-
Additions	81.25
Disposals	-
As at March 31, 2020	81.25
Accumulated amortisation	
As at April 1, 2019	
Transition impact of Ind AS 116	-
Additions	8.13
Disposals	-
As at March 31, 2020	8.13
Net book value	
As at March 31, 2020	73.12

The company has adopted Ind AS 116, effective from annual reporting period beginning April 1,2019 and applied the standard to its leases using modified retrospective approach, with the cumulative effect, if any, of intially applying the standard, as recognised on the date of intial application (April 1,2019). Accordingly,the company has not restated comparitive information. There is no cumulative effect of initially applying this standard as the leases outstanding on the effective date of application of the Standard were short term in nature. This accounting treatment has resulted in recognition of right of use asset of ₹ 81.25 Lakhs and correspoding lease liablity of ₹ 81.25 Lakhs as at 31st March 2020.

Notes to the financial statements for the year ended March 31, 2020

NOTE 4 - INVESTMENT PROPERTY

₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Cost or deemed cost		
Balance at beginning of year	735.90	728.14
Additions/(Disposals)	652.99	7.76
Balance at end of year	**1,388.89**	**735.90**
Accumulated depreciation		
Balance at beginning of year	54.43	25.39
Charge for the year / (withdrawal on disposals)	34.36	29.04
Balance at end of year	**88.79**	**54.43**
Net Block	**1,300.10**	**681.47**

Information regarding income and expenditure of investment property

₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Rental Income derived from investment properties	594.62	481.34
Direct operating expenses (including repairs and maintenance)	(52.92)	(46.68)
Profit arising from investment properties before depreciation	541.70	434.66
Depreciation	34.36	29.04
Profit arising from investment properties	507.34	405.62

The Company's investment properties consist of properties in the nature of land and buildings in India. As at March 31, 2020 and March 31, 2019 the fair values of the properties are ₹ 8,654.46 lakhs and ₹ 6,213.56 Lakhs (excluding leasehold land). These are based on valuations performed by independent valuers. The fair value hierarchy is at level 2, which is derived using the market comparable approach based on recent market prices without any significant adjustments being made to the market observable data.(refer note 31.2B for note on fair value hierarchy)

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to either purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

NOTE 5 - OTHER FINANCIAL ASSETS

(Unsecured and considered good)

₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Measured at amortised cost		
Security Deposits	49.56	23.95
Deferred Rent Advance	5.56	-
Total	**55.12**	**23.95**
Current		
At cost		
Interest accrued on fixed deposits	13.63	11.16
Total	**13.63**	**11.16**

Notes to the financial statements for the year ended March 31, 2020

NOTE 6 - OTHER ASSETS

(Unsecured and considered good) ₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Capital advance	-	60.37
Balances with revenue authorities		
- Central Excise	7.40	7.40
- Income Tax	5.41	14.91
Other assets	4.27	2.34
Total	**17.08**	**85.02**
Current		
Balances with revenue authorities	6.30	4.43
Prepaid expenses	4.73	2.12
Advance to Suppliers	0.32	0.17
Advance for expenses	1.64	1.82
Other assets	3.08	0.67
Total	**16.07**	**9.21**

NOTE 7 - INVENTORIES

(Lower of cost or net realisable value) ₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Raw materials	5.03	12.65
Components	12.56	19.49
Work-in-progress	5.96	4.34
Finished goods	2.76	6.56
Stock of stores and spares	15.75	28.21
Total	**42.06**	**71.25**

The mode of valuation of inventories has been stated in note 2(xiv) of Significant Accounting Policies

The cost of inventories recognised as an expense amounted to ₹109.43 Lakhs (Previous year ₹ 86.45 Lakhs).

NOTE 8 - TRADE RECEIVABLES

₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
(a)Trade Receivables Considered good - Secured	-	-
(b)Trade Receivables Considered good - Unsecured with no significant increase in Credit Risk		
from related parties	-	0.05
from others	121.30	124.80
(c)Trade Receivables which have significant increase in Credit Risk	-	-
(d)Trade Receivables - Credit impaired	-	-
Total	**121.30**	**124.85**

Notes to the financial statements for the year ended March 31, 2020

NOTE 9 - CASH AND BANK BALANCES

₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalents		
Cash in hand	1.11	0.30
Balances with banks in Current accounts	40.16	25.08
Total	**41.27**	**25.38**
Other bank balances		
(i) Fixed deposits held as security against borrowings (maturity of not more than 12 months from the balance sheet date)	273.63	166.87
(ii) Fixed deposits (maturity of not more than 12 months from the balance sheet date)	352.85	271.38
Total	**626.48**	**438.25**

NOTE 10 - SHARE CAPITAL

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount ₹ in Lakhs	No. of shares	Amount ₹ in Lakhs
(a) Authorised				
Equity shares of ₹10 each with voting rights	1,15,00,000	1,150.00	1,15,00,000	1,150.00
6% Non Cumulative Compulsorily Convertible Preference Shares of ₹100 each	2,00,000	200.00	2,00,000	200.00
6% Non Cumulative Optionally Convertible Preference Shares of ₹100 each	2,00,000	200.00	2,00,000	200.00
(b) Issued, Subscribed and fully paid up				
Equity shares of ₹10 each with voting rights	66,87,502	668.75	63,95,745	639.57
Total	**66,87,502**	**668.75**	**63,95,745**	**639.57**

(c) Rights, preferences and restrictions attached to shares

The company has only one class of equity shares having a par value of ₹10/- per share. Each share holder is entitled for one vote. As per the terms of the share issued, dividend is payable to the share holders in proportion to the respective equity shares held by them on a fully diluted basis. Repayment of share capital on liquidation will be in proportion to the number of equity shares held.

Notes to the financial statements for the year ended March 31, 2020

(d) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	Opening Balance	Fresh Issue / Conversion/ Redemption	Bonus Issue	Closing Balance
Equity shares with voting rights				
Year ended March 31, 2020				
- Number of shares	63,95,745	2,91,757	-	66,87,502
- Amount (in lakhs)	639.57	29.18	-	668.75
Year ended March 31, 2019				
- Number of shares	61,03,988	2,91,757	-	63,95,745
- Amount (in lakhs)	610.40	29.17	-	639.57

(e) Shareholders holding more than 5% shares in the Company

Class of shares / Name of shareholder	As at March 31, 2020		As at March 31, 2019	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Mr S. Pathy	4,70,178	7.03%	4,70,178	7.35%
Mrs Aishwarya Pathy	8,12,909	12.16%	8,12,909	12.71%
The Lakshmi Mills Company Ltd	3,30,000	4.93%	3,30,000	5.16%
Lakshmi Machine Works Ltd	4,41,110	6.60%	4,41,110	6.90%
Lakshmi Card Clothing Manufacturing Company P Ltd	4,37,634	6.54%	1,45,877	2.28%
Voltas Ltd	6,15,200	9.20%	6,15,200	9.62%
ITEMA (Switzerland) Ltd	10,00,000	14.95%	10,00,000	15.64%

(f) The Company has not issued any bonus shares during the period of 5 years immediately preceeding the balance sheet date

NOTE 11 - OTHER EQUITY

₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Securities premium reserve		
(Amounts received on issue of shares in excess of the par value has been classified as securities premium)	349.57	178.75
Capital redemption reserve		
(Statutory reserve created at amounts equal to the face value of the shares bought back as per the provisions of Company Law)	450.00	450.00
Retained earnings		
(Retained earnings comprise of the Company's undistributed earnings after taxes)	(112.66)	(440.71)
Total	**686.91**	**188.04**
Securities premium reserve		
Balance at beginning of year	178.75	7.92
Add: 291757 Equity Shares of ₹ 10/-each issued at a Premium of ₹ 58.55 per share	170.82	170.83
Balance at end of year	**349.57**	**178.75**

Notes to the financial statements for the year ended March 31, 2020

₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Capital Redemption reserve		
Balance at beginning of year	450.00	450.00
Transfer from securities premium reserve	-	-
Balance at end of year	**450.00**	**450.00**
Retained earnings		
Balance at beginning of year	(440.71)	(570.27)
Profit attributable to owners of the Company	334.72	125.83
Remeasurement of defined benefit obligations (net of tax)	(6.67)	-
Transfer from other comprehensive income	-	3.73
Balance at end of year	**(112.66)**	**(440.71)**
Other comprehensive income		
Balance at beginning of year	-	1.76
Remeasurement of defined benefit obligations (net of tax)	-	1.97
Balance	**-**	**3.73**
Transfer to retained earnings	-	(3.73)
Balance at end of year	**-**	**-**

NOTE 12 - BORROWINGS

Non-current

₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Measured at amortised cost		
Unsecured		
6% Non Cumulative Optionally Convertible Preference Shares	200.00	
(P.Y.6% Cumulative Redeemable Preference Shares)		400.00
Less: Altered as		
(a) 2,00,000-6% Non Cumulative Compulsorily Convertible Preference Shares and converted to Equity Shares	-	(200.00)
(b) 2,00,000-6% Non Cumulative Optionally Convertible Preference Shares and converted to Equity Shares	(200.00)	200.00
	-	**200.00**
Secured borrowing from bank		
Term Loan	418.11	-
Rent Encashment Loan	-	147.45
Current maturities of long term borrowings	(85.77)	(52.90)
	332.34	**94.55**
Unsecured Loan		
Agency deposit (Rate of interest - 10.50%)	-	10.00
Total	**332.34**	**304.55**

Notes to the financial statements for the year ended March 31, 2020

(i) Details of terms of repayment of long-term borrowings and interest thereon are as follows:

₹ in Lakhs

Particulars	Limits / Terms of repayment	As at March 31, 2020	As at March 31, 2019
Indian Bank	Limit ₹ 436 Lakhs(P.Y. NIL). Repayable in 60 monthly instalments upto December 2024. The loan carries an interest rate of MCLR 1 Yr + Sp 2.00%. Presently 10.65%	418.11	147.45

Current

₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Secured - at amortised cost		
Loans from bank	0.02	3.74
Total	**0.02**	**3.74**

Details of loans from bank

₹ in Lakhs

Particulars	Limits / Rate of Interest	As at March 31, 2020	As at March 31, 2019
Indian Bank			
Overdraft facility	Limit ₹ 230 Lakhs (P.Y. ₹ 130 Lakhs), Interest rate 7.75%	0.02	3.74
Open Cash Credit	Limit ₹ 50 Lakhs (P.Y. ₹ 50 Lakhs), Interest rate 8.25%	-	-
Total		**0.02**	**3.74**

Details of security for non-current and current borrowings from bank:

The open cash credit facility from bank is secured by exclusive charge on the current assets and extension of charge on fixed assets of the Company. The overdraft facility from the bank is secured by pledge of fixed deposits. Term loan is secured by Equitable Mortgage of land and buildings at Hosur and Kinathukadavu. The loans from bank other than overdraft facility is further secured by personal guarantee of the Chairman.

NOTE 13 - PROVISIONS

₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Provision for employee benefits:		
Gratuity	52.19	41.18
Leave encashment	6.78	12.03
Total	**58.97**	**53.21**
Current		
Provision for employee benefits:		
Gratuity	4.38	7.36
Leave encashment	8.63	4.21
Bonus	12.92	11.06
Total	**25.93**	**22.63**

Notes to the financial statements for the year ended March 31, 2020

NOTE 14 - TRADE PAYABLES

₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Current		
Total outstanding dues of micro enterprises and small enterprises	1.05	3.09
Total outstanding dues of creditors other than micro enterprises and small enterprises	11.49	11.14
Total	**12.54**	**14.23**

Note: (i) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 are given below **:**

₹ in Lakhs

	Particulars	As at March 31, 2020	As at March 31, 2019
(a)	(i) Principal amount remaining unpaid to MSME suppliers as at the end of each accounting year	1.05	3.09
	(ii) Interest due on unpaid principal amount to MSME suppliers as at the end of each accounting year	-	-
(b)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the Supplier beyond the appointed day during each accounting year.	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest speciifed under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the Small Enterpise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Deveopment Act, 2006	-	-
	Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information received and available with the Company. This has been relied upon by the auditors.	-	-

(ii) The average credit period on purchases is 30 days. No interest is charged on the trade payables. The Company ensures that payables are paid within the credit terms.

Notes to the financial statements for the year ended March 31, 2020

NOTE 15 - LEASE AND OTHER FINANCIAL LIABILITIES

₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Lease liablities		
Non-current	60.28	-
Current	14.19	-
(ii) Other Financial Liabilities		
Non-current		
Rental security deposit	95.14	221.34
Deferred Income	2.37	-
Deferred Rent Advance	18.03	-
Total	**115.54**	**221.34**
Current		
Current maturities of long term borrowings from Bank	85.77	52.90
Rental security deposit	135.23	-
Payable on purchase of fixed assets	0.12	15.18
Total	**221.12**	**68.08**

NOTE 16 - OTHER CURRENT LIABILITIES

₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory remittances	6.20	9.10
Liability for expenses	80.24	41.40
Other liabilities	1.86	1.03
Advance from customers	126.58	71.45
Total	**214.88**	**122.98**

NOTE 17 - REVENUE FROM OPERATIONS

₹ in Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from sale of goods	664.45	315.87
Other operating revenue (refer note below)	605.53	501.25
Total	**1,269.98**	**817.12**

Note

₹ in Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Other operating revenue comprises:		
Fabrication income	10.91	19.91
Warehousing Rental Income	594.62	481.34
Total	**605.53**	**501.25**

Notes to the financial statements for the year ended March 31, 2020

NOTE 18 - OTHER INCOME

₹ in Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest income on financial assets at Amortised Cost	38.16	29.22
Deferred Income	18.48	-
Profit on disposal of fixed assets	-	6.00
Net gain on foreign currency transactions	0.26	2.01
Realisation of scrap	1.08	37.83
Miscellaneous income	0.50	2.83
Total	**58.48**	**77.89**

NOTE 19.a - COST OF MATERIALS CONSUMED

₹ in Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening stock	32.14	25.47
Add: Purchases	94.88	93.12
	127.02	118.59
Less: Closing stock	(17.59)	(32.14)
Total	**109.43**	**86.45**

NOTE 19.b - CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

₹ in Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Inventories at the end of the year:		
Finished goods	2.76	6.56
Work-in-progress	5.96	4.34
	8.72	**10.90**
Inventories at the beginning of the year:		
Finished goods	6.56	7.02
Work-in-progress	4.34	7.34
	10.90	**14.36**
Net decrease / (increase)	**2.18**	**3.46**

NOTE 20 - EMPLOYEE BENEFITS EXPENSE

₹ in Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and wages	262.18	239.44
Contribution to provident and other funds	16.37	15.76
Contribution to Gratuity	6.57	7.38
Contribution to Leave encashment	5.90	2.67
Staff welfare expenses	6.66	9.74
Total	**297.68**	**274.99**

Notes to the financial statements for the year ended March 31, 2020

NOTE 21 - FINANCE COSTS

₹ in Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest Expenses	55.06	20.39
Interest cost of lease liabilities	3.66	-
Total	**58.72**	**20.39**

NOTE 22 - DEPRECIATION AND AMORTISATION EXPENSE

₹ in Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation of Property, Plant and Equipment	19.76	17.92
Depreciation of Investment Property	34.36	29.04
Depreciation of Right of Use Assets	8.13	-
Total	**62.25**	**46.96**

NOTE 23 - OTHER EXPENSES

₹ in Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Material fabrication charges	22.25	13.81
Power and fuel	34.29	36.91
Consumption of stores and spares	47.95	27.22
Repairs and maintenance - Buildings	55.15	48.69
Repairs and maintenance - Machinery	11.56	6.76
Repairs and maintenance - Others	1.17	1.26
Consumption of Packing Materials	6.87	1.29
Maintenance charges to SIPCOT	8.64	14.34
Printing and stationery	3.74	3.82
Postage and Telephone	4.83	6.07
Travelling and maintenance of Motor Vehicles	37.15	23.72
Bank charges and Filing Fees	4.28	1.67
Advertisement and Subscription	2.74	2.84
Insurance charges	1.72	1.49
Rates and Taxes	8.66	11.89
Sales Commission	25.27	2.72
Sales Expenses	0.35	0.15
Export Expenses	7.49	1.61
Directors Sitting Fees	5.50	4.86
Remuneration to Auditors [Refer Note (i) below]	3.07	2.46
Legal and other professional costs	33.18	23.10
Water Charges	2.17	1.49
Rent	16.72	24.25
Donations	-	1.00
Transport Vehicles Hire Charges	4.45	4.45
Business development expenses	-	8.98
Miscellaneous expenses	12.52	7.88
Total	**361.72**	**284.73**

Notes to the financial statements for the year ended March 31, 2020

Note (i) Remuneration to Auditors

₹ in Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Audit fees	2.50	2.20
Certifications	0.45	0.18
Reimbursement of expenses	0.12	0.08
Total	**3.07**	**2.46**

NOTE 24 - INCOME TAX EXPENSE

₹ in Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax		
In respect of the current year	101.93	44.17
In respect of earlier years	(1.70)	-
Deferred tax	1.53	8.03
Total income tax expense recognised in the current year	**101.76**	**52.20**

The reconciliation between the provision made for income tax by the Company and the tax computed by applying the rate of income tax on profit before taxes is as follows:

₹ in Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current Tax:		
Profit before tax	436.48	178.03
Enacted income tax rate	25.17%	27.82%
Computed expected tax expense	109.86	49.53
Effect of:		
Depreciation	(10.21)	(6.30)
Disallowance under 43B of Income Tax Act (Net)	2.28	0.94
Income tax expense recognised on the profit	**101.93**	**44.17**
Deferred Tax:		
Relating to the origination and reversal of temporary differences (See below)	1.53	8.03
Tax expense reported in the Statement of Profit and Loss	**103.46**	**52.20**
Deferred tax		
Opening balance	**32.00**	**23.21**
Recognised in Profit or loss		
Property, plant and equipment	1.80	8.69
Section 43B disallowance	(0.27)	(0.66)
	1.53	**8.03**
Recognised in Other Comprehensive Income		
Defined benefit obligation	(2.25)	0.76
Closing balance	**31.28**	**32.00**

Notes to the financial statements for the year ended March 31, 2020

NOTE 25 - SEGMENT INFORMATION

The CEO of the company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108 Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by industry classes. Accordingly, segment information has been presented.

The Company is structured into two reportable business segments – "Warehousing Rental Services" and "Other Engineering Services". The Company has restructured its verticals and accordingly, as required by accounting standards, comparatives have been restated and presented in line with the current segments. The reportable business segments are in line with the segment wise information which is being presented to the CODM.

Each segment item reported is measured at the measure used to report to the chief operating decision maker for the purposes of making decisions about allocating resources to the segment and assessing its performance.

Geographic information is based on business sources from that geographic region. Accordingly the geographical segments are determined as Domestic ie., within India and External ie., Outside India.

Income and direct expenses in relation to segments are categorized based on items that are individually identifiable to that segment, while the remainder of costs are apportioned on an appropriate basis. Certain expenses are not specifically allocable to individual segments as the underlying services are used interchangeably. The management therefore believes that it is not practicable to provide segment disclosures relating to such expenses and accordingly such expenses are separately disclosed as "unallocated" and directly charged against total income.

Business Segment

₹ in Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Segment Revenue		
Net Sales/Income		
(a)Warehousing Rental Services	620.18	516.30
(b)Other Engineering Services	670.12	349.49
Total	**1,290.30**	**865.79**
Less: Inter-Segment Revenue	-	-
Net Sales/Income	**1,290.30**	**865.79**
Segment Results		
Profit / (Loss)		
(a)Warehousing Rental Services	317.59	232.83
(b)Other Engineering Services	181.08	(24.31)
Total	**498.67**	**208.52**
Less: Finance costs	58.72	20.39
Add /(Less): Other unallocable Income net of unallocable expenses	(3.47)	(10.10)
Total Profit / (Loss) before Tax	**436.48**	**178.03**
Segment Assets		
(a)Warehousing Rental Services	2,236.41	1,392.65
(b)Other Engineering Services	195.59	256.58
(c)Unallocated	10.75	21.14
Total	**2,442.75**	**1,670.37**

Notes to the financial statements for the year ended March 31, 2020

₹ in Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Segment Liabilities		
(a)Warehousing Rental Services	867.08	476.21
(b)Other Engineering Services	188.73	134.55
(c)Unallocated	31.28	232.00
Total	**1,087.09**	**842.76**
Capital Expenditure	563.60	183.85
Depreciation	62.25	46.96
Geographical Segment		
Revenues		
(a)Domestic	762.25	782.10
(b)External	528.05	83.69
Total	**1,290.30**	**865.79**
Less: Inter-Segment revenue	-	-
Net Sales/ Income from operations	**1,290.30**	**865.79**

Note: There are Two customers and Three customers who contributed 10% or more to the company's revenue for 2019-20 and 2018-19 respectively.

NOTE 26 - EARNINGS PER SHARE (EPS)

₹ in Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit after tax	334.72	125.83
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	66,45,255	62,37,710
Weighted Average number of equity shares used in the calculation of diluted EPS	66,45,255	63,71,433
Earnings per share of ₹ 10/- each		
- Basic (in ₹)	5.04	2.02
- Diluted (in ₹)	5.04	1.97

Notes to the financial statements for the year ended March 31, 2020

NOTE 27 - ASSETS GIVEN ON OPERATING LEASES

27.1 The above includes following assets given on operating lease : ₹ in Lakhs

Particulars	Land	Buildings	Plant & Equipment
As at 31 March 2020			
Gross Block	17.33	1313.50	58.06
Accumulated Depreciation	-	78.08	10.71
Net Block	17.33	1,235.42	47.35
Depreciation for the year	-	29.72	4.64
As at 31 March 2019			
Gross Block	4.25 *	693.06	38.59
Accumulated Depreciation	-	48.36	6.07
Net Block	4.25	644.70	32.52
Depreciation for the year	-	25.30	3.74

* includes leasehold land of ₹ 1.12 lakhs.

NOTE 28 - CONTINGENT LIABILITIES AND COMMITMENTS

A. Contingent liabilities

₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Other monies for which the Company is contingently liable:		
(i) Claims for refund of security deposit	5.42	5.42
(ii) Disputed service tax on appeal (Disputed tax dues are under appeal before the concerned Appellate Authorities. The Company is advised that the matters are likely to be disposed off in favour of the Company.)	8.86	8.86

Future cash flows in respect of the above matters are determinable only on receipt of judgements/decisions pending at respective Forums/Authorities. Management is hopeful of successful outcome in the Appellate proceedings.

B. Commitments

₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	464.80

C. 4,00,000 - unlisted 6% Cumulative Redeemable Preference Shares of ₹ 100/- each was altered as (a) 2,00,000 - 6% Non Cumulative Compulsorily Convertible Preference Shares (CCPS) of ₹ 100/- each and (b) 2,00,000 - 6% Non Cumulative Optionally Convertible Preference Shares (OCPS) of ₹ 100/- each. The OCPS have been converted into 2,91,757 Equity Shares of ₹ 10/- each at a premium of ₹ 58.55 per Share during the year.

Notes to the financial statements for the year ended March 31, 2020

NOTE 29 - EMPLOYEE BENEFIT PLANS

(a) Defined Contribution Plan

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs towards the benefits. The Company has recognised ₹ 12.25 Lakhs (for the year ended March 31, 2019: ₹ 10.64 Lakhs) as contribution to Provident Fund, and ₹ 4.12 Lakhs (for the year ended March 31, 2019: ₹ 5.12 Lakhs) as payment under Employee State Insurance Scheme in the Statement of Profit and Loss. These contributions have been made at the rates specified in the rules of the respective schemes and has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plans:

Gratuity

The Company has not funded its gratuity obligations. The following table sets out the status of the defined benefit schemes and the amount recognised in the financial statements as per the Actuarial Valuation done by an Independent Actuary.

Reconciliation of opening and closing balances of Defined Benefit Obligation

₹ in Lakhs

Particulars	As at March 31, 2020		As at March 31, 2019	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Defined Benefit Obligation at beginning of the year	48.54	16.23	47.55	14.77
Current service cost	3.75	3.26	3.95	3.54
Interest cost	2.82	0.81	3.44	1.07
Actuarial (Gain) / Loss	8.92	1.83	(2.73)	(1.94)
Benefits paid	(7.46)	(6.72)	(3.67)	(1.21)
Defined Benefit Obligation at year end	**56.57**	**15.41**	**48.54**	**16.23**

Reconciliation of opening and closing balances of fair value of Plan Assets

₹ in Lakhs

Particulars	As at March 31, 2020		As at March 31, 2019	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Fair value of Plan Assets at beginning of year	-	-	-	-
Employer contributions	7.46	6.72	3.67	1.21
Expected Return on Plan Assets	-	-	-	-
Actuarial Gain / (Loss)	-	-	-	-
Benefits paid	(7.46)	(6.72)	(3.67)	(1.21)
Fair value of Plan Assets at year end	**-**	**-**	**-**	**-**

Notes to the financial statements for the year ended March 31, 2020

Expenses recognised during the year

₹ in Lakhs

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	Gratuity	Leave encashment	Gratuity	Leave encashment
In Income Statement				
Current service cost	3.75	3.26	3.95	3.54
Interest on net defined benefit liability/ (asset)	2.82	0.81	3.44	1.07
Immediate recognition of (gain) /loss - other long term benefits	-	1.83	-	(1.94)
Net Cost	**6.57**	**5.90**	**7.39**	**2.67**
In Other Comprehensive Income				
Actuarial (Gain) / Loss	8.92	-	(2.73)	-
Net (Income)/ Expense for the period recognised in OCI	**8.92**	**-**	**(2.73)**	**-**

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss.

The remeasurement of the net defined liability is included in other comprehensive income.

Actuarial assumptions for both gratuity and leave encashment

Particulars	As at March 31, 2020	As at March 31, 2019
Discount Rate (per annum)	6.30%	7.52%
Rate of escalation in Salary (per annum)	5.00%	5.00%
Attrition rate (per annum)	10.00%	10.00%

The retirement age of employees of the Company is 58 years.

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary. The mortality rates considered are as per the published rates in the Indian Assured Lives Mortality (2006-08) Ultimate table.

Sensitivity analysis

The key actuarial assumptions to which the defined benefit plans are particularly sensitive to are discount rate and full salary escalation rate. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

Notes to the financial statements for the year ended March 31, 2020

₹ in Lakhs

Particulars	Gratuity		
	Discount rate	Salary escalation rate	Attrition rate
As at March 31, 2020			
Defined benefit obligation on plus 100 basis points	53.88 (-4.75%)	59.55 (5.26%)	56.61 (0.06%)
Defined benefit obligation on minus 100 basis points	59.55 (5.26%)	53.84 (-4.83%)	56.53 (-0.07%)
As at March 31, 2019			
Defined benefit obligation on plus 100 basis points	46.15 (-4.92%)	50.84 (4.75%)	48.55 (0.01%)
Defined benefit obligation on minus 100 basis points	50.82 (4.71%)	46.10 (-5.03%)	48.18 (-0.75%)

₹ in Lakhs

Particulars	Leave encashment		
	Discount rate	Salary escalation rate	Attrition rate
As at March 31, 2020			
Defined benefit obligation on plus 100 basis points	15.05 (-2.37%)	15.81 (2.56%)	15.34 (-0.49%)
Defined benefit obligation on minus 100 basis points	15.82 (2.65%)	15.05 (-2.33%)	15.49 (0.49%)
As at March 31, 2019			
Defined benefit obligation on plus 100 basis points	15.86 (-2.29%)	16.60 (2.27%)	16.28 (-0.28%)
Defined benefit obligation on minus 100 basis points	16.65 (2.53%)	15.90 (-2.10%)	16.19 (0.02%)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Maturity profile of defined benefit obligation

₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
	Gratuity		Leave encashment	
Expected total benefit payments				
Within 1 year	4.58	7.68	0.39	3.13
1 year to 2 years	2.71	4.22	0.33	0.87
2 years to 3 years	5.20	2.30	0.40	0.76
3 years to 4 years	1.63	4.80	0.26	0.78
4 years to 5 years	4.67	1.52	0.59	0.47
5 years and above	37.78	28.02	13.44	10.22

Notes to the financial statements for the year ended March 31, 2020

The employee benefit obligations expose the Company to actuarial risks such as: longevity risk and salary risk.

Longevity Risk: The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of the participants during their employment. An increase in the life expectancy of the participants will increase the obligation.

Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of the participants. As such, an increase in the salary of the participants will increase the obligation.

NOTE 30 - RELATED PARTY DISCLOSURES

List of related parties where control exists and also related parties with whom transactions have taken place and relationships

Names of the Related Parties	Relationship
The Lakshmi Mills Company Limited	Directors hold more than 2% shares
Infocus Marketing and Services Limited	Directors hold more than 2% shares
Balakumar Shipping & Clearing Agency Pvt Ltd	Directors are Directors
Aloha Tours & Travels (India) Private Limited	Director is a Director
Prathista Weaving and Knitting Company Private Limited	Director is a Member
Texcity Sales and Services Private Limited	Director is a Director
Sans Craintes Knitters	Director is a Partner
Lakshmi Card Clothing Manufacturing Company Private Ltd	Directors are Directors
Mrs.Aishwarya Pathy	Director
Mr. J. Balasubramaniam	Key Managerial Personnel - Chief Executive Officer
Mr. K. P. Krishnakumar	Key Managerial Personnel - Chief Financial Officer
Mr. R. Muthukumar	Key Managerial Personnel - Company Secretary

Transactions with related parties during the year are set out in the table below ₹ in Lakhs

Nature of transaction	For the year ended March 31, 2020	For the year ended March 31, 2019
Purchase of goods	**1.45**	**7.89**
Texcity Sales and Services Private Limited	1.12	0.89
The Lakshmi Mills Company Limited	0.03	7.00
Sans Craintes Knitters	0.30	-
Sale of goods	**0.49**	**1.16**
Prathista Weaving and Knitting Company Private Limited	0.49	1.16
Receipt of services	**60.49**	**44.27**
The Lakshmi Mills Company Limited	33.28	30.40
Aloha Tours & Travels (India) Private Limited	2.85	0.69
Texcity Sales and Services Private Limited	9.94	5.37
Balakumar Shipping & Clearing Agency Pvt Ltd	14.37	7.81
Lakshmi Card Clothing Manufacturing Company Private Ltd	0.05	-
Rendering of services	**1.77**	**-**
The Lakshmi Mills Company Limited	1.77	-
Agency arrangement	**-**	**0.12**
Infocus Marketing and Services Limited	-	0.12
Issue of Equity shares on conversion of Preference shares	**200.00**	**200.00**
Mrs.Aishwarya Pathy	-	50.00
Lakshmi Card Clothing Manufacturing Company Private Ltd	200.00	100.00
Infocus Marketing and Services Limited	-	50.00

Notes to the financial statements for the year ended March 31, 2020

₹ in Lakhs

Nature of transaction	For the year ended March 31, 2020	For the year ended March 31, 2019
Remuneration to Key Managerial Personnel	**38.86**	**34.25**
Mr. J. Balasubramaniam	15.37	14.30
Mr. K. P. Krishnakumar	12.20	10.68
Mr. R. Muthukumar	11.29	9.27
Balances oustanding as at the year end		
Payable	**8.13**	**4.13**
The Lakshmi Mills Company Limited	3.35	0.59
Balakumar Shipping & Clearing Agency Pvt Ltd	0.81	0.81
Texcity Sales and Services Private Limited	0.82	-
Mr. J. Balasubramaniam	1.25	1.10
Mr. K. P. Krishnakumar	1.00	0.89
Mr. R. Muthukumar	0.90	0.74
Receivable	**17.40**	**13.69**
Texcity Sales and Services Private Limited	-	0.05
The Lakshmi Mills Company Limited	17.40	13.64

The remuneration of Directors and other members of Key Managerial Personnel during the year was as follows:

₹ in Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Short-term employee benefits	38.86	34.25
Post-employment benefits	4.44	2.04

NOTE 31 - FINANCIAL INSTRUMENTS

31.1 Capital management

The Company's management objectives are:

- to ensure the Company's ability to continue as a going concern
- to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term expansion plans. The funding needs are met through equity, cash generated from operations, long term and short term bank borrowings.

The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company. Net debt includes interest bearing instruments less cash and cash equivalents and other bank balances (including non-current earmarked balances).

The table below summarises the capital, net debt and net debt to equity ratio (Gearing ratio) of the Company

₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Net Debts	-	-
Total Equity	1,355.66	827.61
Gearing ratio (in %)	0%	0%

31.2 Categories of Financial Instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments. The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, and financial liability are disclosed in Note 2(xvi) of Significant Accounting Policies.

Notes to the financial statements for the year ended March 31, 2020

A. Financial assets and liabilities

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

₹ in Lakhs

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Measured at amortised cost				
Other financial assets-non current	55.12	55.12	23.95	23.95
Trade receivables	121.30	121.30	124.85	124.85
Cash and cash equivalents	41.27	41.27	25.38	25.38
Bank balances other than cash and cash equivalents	626.48	626.48	438.25	438.25
Other financial assets - current	13.63	13.63	11.16	11.16
Total Financial Assets	**857.80**	**857.80**	**623.59**	**623.59**
Financial liabilities				
Measured at amortised cost				
Borrowings	332.36	332.36	308.29	308.29
Trade payables	12.54	12.54	14.23	14.23
Other financial liabilities - current	221.12	221.12	68.08	68.08
Total financial liabilities	**566.02**	**566.02**	**390.60**	**390.60**

The management has assessed that the fair values of cash and cash equivalents, bank balances, trade receivables, other financial assets, trade payables and other financial liabilities recorded at amortised cost is considered to be a reasonable approximation of fair value.

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

Fair values of the Company's interest-bearing instruments are determined by using Effective Interest Rate (EIR) method. The own non- performance risk as at March 31, 2020 was assessed to be insignificant.

B. Fair value hierarchy

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

31.3 - Financial risk management objective

The Company's activities expose it to certain / reasonable financial risks. The Company's primary focus is to foresee the unpredictability of such risks and seek to minimize potential adverse effects on its financial performance.

The Company has a risk management process and framework in place. This process is coordinated by the Board, which meets regularly to review risks as well as the progress against the planned actions. The Board seeks to identify, evaluate business risks and challenges across the Company through such framework. These risks include market risks, credit risk and liquidity risk.

Notes to the financial statements for the year ended March 31, 2020

The risk management process aims to:

- improve financial risk awareness and risk transparency
- identify, control and monitor key risks
- identify risk accumulations
- provide management with reliable information on the Company's risk situation
- improve financial returns

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements:

Risk	Exposure arising from	Risk management
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (₹)	Periodic review by management
Market risk - interest rate	Borrowings at variable rates	Mix of borrowings taken at fixed and floating rates
Credit risk	Cash and cash equivalents, trade receivables and other financial assets	Bank deposits, diversification of asset base, credit limits, etc.
Liquidity risk	Borrowings and other liabilities	Availability of committed credit and borrowing facilities

Market risk - Foreign exchange

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to Euro. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency. Exposures to foreign currency balances are periodically reviewed to ensure that the results from fluctuating currency exchange rates are appropriately managed.

Market risk - Interest rate

(i) Liabilities:

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At March 31, 2020, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. Below is the overall exposure of the Company to interest rate risk:

₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Variable rate borrowing from Banks	418.11	147.45
Fixed rate borrowing		
- 6% Non cumulative OCPS	-	-
- 6% Cumulative Redeemable Preference Shares	-	200.00
- Banks	0.02	3.74
- Others	-	10.00
Total borrowings	**418.13**	**361.19**

Interest rate sensitivity analysis:

For non derivative instruments there is no change in the floating rate borrowings during the year. Hence there is no impact in the Company's profit for the year ended March 31, 2020 (year ended March 31, 2019 : Nil).

Notes to the financial statements for the year ended March 31, 2020

(ii) Assets:

The Company's financial assets are carried at amortised cost and are at fixed rate only. They are, therefore, not subject to interest rate risk since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Company causing financial loss. It arises from cash and cash equivalents, deposits with banks, security deposits, loans given and principally from credit exposures to customers relating to outstanding receivables. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at reporting date.

In respect of trade and other receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any company of counterparties having similar characteristics. The Company has very limited history of customer default, and considers the credit quality of trade receivables, that are not past due or impaired, to be good.

Therefore, the Company does not expect any material risk on account of non performance by any of the Company's counterparties.

The credit risk for cash and cash equivalents, bank deposits, security deposits and loans is considered negligible, since the counterparties are reputable organisations.

Liquidity risk

The Company requires funds both for short-term operational needs as well as for long-term expansion programmes. The Company remains committed to maintaining a healthy liquidity ratio, deleveraging and strengthening the balance sheet. The Company manages liquidity risk by maintaining adequate support of facilities and by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The Company's Finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The Company's financial liability is represented significantly by long term and short term borrowings from banks and trade payables. The maturity profile of the Company's short term and long term borrowings and trade payables based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

(i) Financing Arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period: ₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Floating rate		
- Expiring within one year (bank overdraft and other facilities)	279.98	228.81

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings,the bank loan facilities may be drawn at any time in INR and have an average maturity of 1 year.

(ii) Maturities of Financial Liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

a) all non-derivative financial liabilities, and

b) net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Notes to the financial statements for the year ended March 31, 2020

Contractual maturities of Financial Liabilites

₹ in Lakhs

Particulars	Less than 1 year	1-3 year	More than 3 year	Total
March 31, 2020				
Borrowings	0.02	257.31	75.03	**332.36**
Trade payable	12.54	-	-	**12.54**
Other financial liabilities	221.12	-	-	**221.12**
Total	**233.68**	**257.31**	**75.03**	**566.02**
March 31, 2019				
Borrowings	203.74	94.55	10.00	**308.29**
Trade payable	14.23	**-**	**-**	**14.23**
Other financial liabilities	154.19	-	-	**154.19**
Total	**372.16**	**94.55**	**10.00**	**476.71**

32 The financial statements of Lakshmi Automatic Loom Works Limited were approved by the Board of Directors and authorised for issue on June 25, 2020.

33 Details of leasing arrangements as Lessor:

The Company has entered into operating lease arrangements which are non-cancellable for a period 3 to 5 years and may be renewed for a further period based on mutual agreement of the parties.

₹ in Lakhs

Future minimum lease payments	As at March 31, 2020	As at March 31, 2019
Not later than one year	582.04	594.62
Later than one year and not later than 5 years	452.60	1034.64

34 The figures of the previous year have been regrouped / rearranged wherever necessary to correspond with the current year figures.

For and on behalf of the Board of Directors

(Sd.) **S. PATHY**
Chairman (DIN:00013899)

(Sd.) **AISHWARYA PATHY**
Vice Chairperson (DIN:00062114)

(Sd.) **R. SANTHARAM**
Director (DIN:00151333)

Coimbatore (Sd.) **N. JAYCHANDER**
June 25, 2020 Director (DIN:00015091)

(Sd.) **K.P. KRISHNAKUMAR**
Chief Financial Officer

(Sd.) **R. MUTHUKUMAR**
Company Secretary

In terms of our report attached
For **SUBBACHAR & SRINIVASAN**
Chartered Accountants
Firm Registration No. 004083S
(Sd.) **T.S.V. RAJAGOPAL**
Partner
(Membership No. 200380)