

LAGNAM SPINTEX PRIVATE LIMITED
REGD. OFF.:- 17, HEERA PANNA MARKET
PUR ROAD, BHILWARA - 311001 (RAJ)

CIN : U17119RJ2010PTC032089
Email Id : dpm@lagnam.com
Mob. No. : 99290-91010

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NOTICE

NOTICE is hereby given that the Annual General Meeting of the Members of M/S LAGNAM SPINTEX PRIVATE LIMITED will be held at Registered Office of the company at 17, Heera Panna Market, Pur Road, Bhilwara-311001 (Raj) on Tuesday, 30th September, 2014 at 11.00 A.M. to transact the following business:-

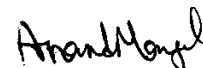
ORDINARY BUSINESS

1. To receive, consider and adopt the Directors Report and the Audited Statement of Accounts together with Auditor's Report thereon for the financial year ended March 31, 2014.
2. To appoint auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT subject to the provision of section 139 and other applicable provision, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time **M/s SSMS & Associates**, Chartered Accountants, (Firm Registration No. **019351C**) be and is hereby appointed as Auditors of the Company, to hold office from the conclusion this Annual General Meeting (AGM) till the conclusion of the AGM of the Company to be held in the year 2019 (subject to ratification of their appointment at every AGM held after this AGM), at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Auditors."

3. Any other business which may lawfully transacted in the meeting.

FOR & ON BEHALF OF THE BOARD



ANAND MANGAL
[DIN : 03113542]
DIRECTOR

Dated : 15.04.2014
Place : Bhilwara

Note:-

A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote (on poll) instead of himself. The proxy from should be lodged with the company at the registered office at least 48 hour before the time of meeting.

LAGNAM SPINTEX PRIVATE LIMITED

Director's Report

To

The Member's

Your Directors is pleased to present the Fourth Annual Report of your Company together with the Audited Statement of Accounts for the financial year ended 31st March 2014.

DIVIDEND

Being the second year of operation and to conserve funds for the proposed expansion plans, your directors are unable to recommend any dividend.

COMPANY'S PERFORMANCE

Your Company's performance during the Financial Year 2013-2014 is summarized below:

FINANCIAL RESULTS

(Rs.in Lac)

	<u>This Year</u>	<u>Previous Year</u>
Turnover		
Export	152.09	-
Domestic	4031.25	3646.00
Total	4183.25	3646.00
Profit Before Interest, Depreciation & Tax	587.70	480.46
Profit Before Depreciation & Tax	310.67	200.63
Less; Depreciation	136.70	132.18
Profit Before Tax	173.97	68.45
Profit After Tax	119.92	47.09

OPERATIONS AND FUTURE PLANNING

The Company registered an increase of 14.74% in its gross turnover from Rs.3646.0 Lacs to Rs.4183.25 Lacs during the year 2013-2014. Production of Yarn Increased to 2921 MT in 2013-2014 from 2601 MT in the previous year through better utilization, product mix and without adding any additional capacity. The operating profits of the Company (PBDIT) increased by 22.32% from Rs.480.46 Lac to Rs.587.70 Lac during the year 2013-2014 and the Cash Profit (PBDT) increased by 54.84% from Rs.200.63 Lacs to Rs.310.67 Lacs during the year 2013-2014.

EXPANSION AND MODERNISATION

Considering the Textile Policy by the Government of Rajasthan and the performance of your company in the first year of operations, your directors are planning to expand the production capacity from 960 Rotors to 1920 Rotors at the estimated cost of Rs. 3127.0 Lacs including Building & Site Development, Plant & Machinery, Miscellaneous Fixed assets, Pre Operative Expenses, Interest during construction. Working Capital Margin and Provision for Contingency. Your Company also proposes to buy sophisticated quality control equipments to maintain and improve the quality of yarn with the increase in production. As per the Policy Guidelines the company is liable to receive 5% interest subsidy plus 1% additional subsidy as the total expansion planned is above Rs.2500.0 Lacs. Your company will also eligible to receive 2% RRTUFS subsidy as the Term Loan will be eligible under the same.

The expansion is planned in two phase manner with first phase commercial production schedule to start from October 2014 and second phase from October 2015. The company has achieved financial closure for the expansion plan with the Bankers with The Lead Bank, State Bank of Bikaner & Jaipur sanctioning Term Loan of Rs.1289.0 Lacs and Bank of Baroda Rs.900.0 Lacs respectively. In Carrying out its expansion plan, your Company has incurred a capital expenditure of Rs.264.25 Lacs till 31st March 2014.

PARTICULARS OF EMPLOYEES U/s. 217 (2A)

None of the employee has been given remuneration more than the limits prescribed u/s 217(2A) of the Companies Act, 1956. Hence particulars of employees as required under this section are not given.

PERSONNEL

During the year under review, Company's relations with the staff & workers at all levels have been cordial.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUT GO

The company has taken effective steps for energy conservation. Your company is constantly upgrading its research & Development department. Foreign currency transactions are given in notes to the accounts prepared for the year and attached with this report.

AUDITORS

M/s. A.L. Chechani & Co. will cease to hold office as an Auditor of the company in the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the companies Act, 1956, with respect to Directors' Responsibility statement, it is hereby confirmed :

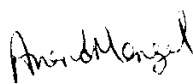
- (i) That in the preparation of the accounts for the financial year ended 31st March, 2014 the applicable accounting standards have been followed along with proper explanation relating to material departures:
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review :
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities:
- (iv) That the Directors have prepared the accounts for the financial year ended 31st March, 2014 on a 'going concern' basis.

APPRECIATION

The Board records its grateful appreciation for the sincere co-operation and valuable guidance received from the Banks, Central & State Government authorities and Shareholders. Your company also place on record sincere and dedicated services of its all staff & workers due to which your company could achieve these results.

For and on behalf of Board of Directors

Place: Bhilwara
Date : 15th April, 2014


(ANAND MANGAL)
Managing Director

ANNEXURE-1 TO DIRECTOR'S REPORT

1. STATEMENT OF PARTICULARS RELATED TO ENERGY CONSERVATION PIUSUANT TO COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES 1988 AND FORMING PART OF DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2014

A. POWER & FULE CONSUMPTION

(Rs in Lac)

	Current Year	Previous Year
1) Electricity		
a) Purchased		
Units (Lac)	44.81	42.40
Total Amount (Lac Rs.)	256.41	248.72
Rate /Unit	5.72	5.87
b) Own Generation		
(I) Through Diesel Generator	-	-
Units (Lac)	-	-
Units per Liter of Diesel Oil	-	-
Cost/ Unit	-	-
(II) Through HFO Generator		
Units (Lac)	-	-
Units per Liter of Diesel Oil	-	-
Cost/ Unit	-	-
B) CONSUMPTION PER UNIT OF PRODUCTION		
Electricity Unit per Kg.	1.53	1.64

	Current Year	Previous Year
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2. TECHNOLOGY ABSORPTION

Details of Expenditure incurred in Research and Development during the year is as follows:

Capital	-	-
Recurring	6.51	7.36
Total Expenses as % of Total Turnover	0.16	0.20

3. FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of foreign exchange earnings and outgo

During the year are as under:

Earning	152.09	-
Outgo:		
(Revenue A/c)	12.04	4.26
(Capital A/c)	-	-

SANJAY SOMANI & ASSOCIATES

COMPANY SECRETARIES,
29, 1ST Floor, Badal Textile Market, Pur Road,
BHILWARA-311001

Secretarial Compliance Certificate

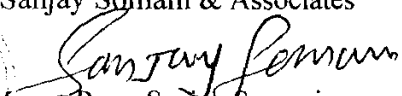
To,
The Members
Lagnam Spintex Private Limited
17, Heera Panna Market,
Pur Road,
Bhilwara 311001
(CIN : U17119RJ2010PTC032089)

I have examined the Registers, Records, books and papers of Lagnam Spintex Private Limited as required to be maintained under the Companies Act, 1956 and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the company for the financial year ended on 31ST March, 2014. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial year :

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the registrar of companies, Regional Director, Central Government, Company law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The company being private limited company has the minimum prescribed paid-up capital and its maximum number of members during the said financial year was less than fifty excluding its present and past employees and the company during the year under scrutiny
 - i) has not invited public to subscribe for its shares or debentures; and
 - ii) has not invited or accepted any deposits from persons other than its members, directors or their relatives.
4. The Company has complied with the requirement of section 285 of companies act 1956, in respect of board meetings held during the financial year and in respect of which meetings proper notices were given and the proceedings recorded and signed in the Minutes Book maintained for the purpose.
5. The company has not closed its Register of members.
6. The annual general meeting for the financial year ended on 31.03.2013 was held on 10TH August 2013 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Books maintained for the purpose.
7. Two Extra ordinary general meeting was held during the financial year.
8. The provisions of section 295 of the Companies Act, 1956 is not applicable to the Company till 11.09.2013 and thereafter the Company has not advanced any loans or give any guarantee or provide any security in connection with any loan to its directors or persons or firms or companies referred to under Section 185 of the Companies Act, 2013.
9. The company has made duly complied with provisions of section 297 of the Act in respect of contracts specified in that section.
10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling the purview of section 314 of the act. The company has not obtained any approvals from the Board of Directors, members and Central Government.
12. The company has not issued duplicate share certificates during the financial year.

13. The company has.
- (i) delivered all the certificates on lodgment thereof for transfer or any other purpose in accordance with the provisions of the act,
 - (ii) Not deposited any amount of dividend as no dividend was declared during the financial year.
 - (iii) Not posted any warrants to any member of the company as no dividend was declared during the financial year.
 - (iv) Not transferred any amounts to investor education and protection fund as there was no unpaid dividend, application money due for refund, Matured deposits, matured debentures and the interest accrued thereon, which have remained unclaimed or unpaid for a period of seven years
 - (v) Duly complied with the requirements of section 217 of the act.
14. The board of directors of the company is duly constituted and there was no appointment of additional director, director during the financial year. But Mr Shubh Mangal was cease to be director due to vacation of office of director during the financial year.
15. The company being a private company provision of section 269 of the act with regard to appointment of managing director/whole-time director/manger are not applicable.
16. The company has not appointed any sole- selling agent during the financial year.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other firms/companies of the board of directors pursuant to the provisions of the Act and the rules made hereunder.
19. The company has issued 200000 equity shares during the financial year.
20. The company has not bought back any shares/debentures during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the company to kept in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The company has not invited/accepted any Deposits including any unsecured Loan falling within the purview of section 58A during the financial year.
24. The provisions of section 293 (1) (d) of the Companies Act, 1956 is not applicable to the Company till 11.09.2013 and thereafter the company has not made any borrowings pursuant to section 180 (1) (c) of the Companies Act, 2013.
25. The Company being a private company provisions of section 372A of the Act is not applicable
26. The company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the financial year.
27. The company has not altered the provisions of the memorandum with respect to the objects of the company during the financial year.
28. The company has not altered the provisions of the memorandum with respect to name of the company during the year.
29. The company has altered the provisions of the memorandum with respect to share capital of the company during the year.
30. The company has not altered its articles of association during the year
31. There was no prosecution initiated against or show cause notice received by the company no fines or penalties or any other punishment was imposed on the company during the financial year.
32. The company has not received any security from its employees during the year.
33. The company has not constituted provident Fund pursuant to section 418 of the Act.

Place: Bhilwara
Date : 15.04.2014

For: Sanjay Somani & Associates

Prop. Sanjay Somani
Company Secretaries
C.O.P. No. : 5270

ANNEXURE 'A'(List of registers maintained)

1. Register of Members u/s 150
2. Register of charges u/s 143
3. Minutes Book of Board meetings u/s 193
4. Minutes Book of General Meetings u/s 193
5. Register of Directors u/s 303
6. Register of Directors Shareholdings u/s 307
7. Register of Share Transfers
8. Register of contracts u/s301

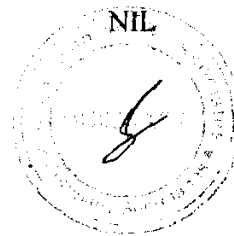
ANNEXURE 'B'

Form And Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Govt., or other authorities during the financial year ending on 31st March 2014

A) Registrar of Companies,

S.No.	Form No.	Date of Filing	Whether duly Filed
1	Form No 23 AC & 23 ACA	03.09.2013	Yes
2	Form No 20 B	03.09.2013	Yes
3	Form No 66	03.09.2013	Yes
4	Form No 2	07.03.2014	Yes
5	Form No 32	30.04.2013	Yes
6	Form No 32	02.09.2013	Yes
7	Form No 5	27.01.2014	Yes

B) Regional Director, Central Govt., or other Authorities .



15.04.2014
No. Aud/07

Independent Auditor's Report

To,
The Members,
Lagnam Spintex Private Limited

Report on Financial Statement

We have audited the accompanying financial statements of **Lagnam Spintex Private Limited**, which comprise the Balance Sheet as at 31st March 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management Responsibility for the financial Statements

The Company's management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in section 211(3C) of the Companies Act, 1956, and in accordance with the accounting principles generally accepted in India. The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

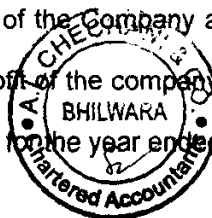
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014; and
- b) In the case of the Statement of Profit and Loss, of the profit of the company for the year ended on that date;
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

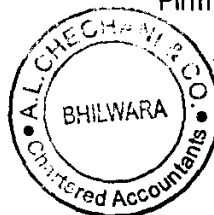


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Report on other Legal & Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - f) since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For A.L. Chechani & Co.
Chartered Accountants
Firm Reg. No. 05341C

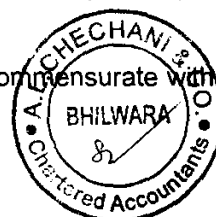


Sunil Surana
Sunil Surana
Partner
M.No. 036093

Place: Bhilwara
Date: 15th April, 2014

The Annexure referred to in our report of even date to the members of Lagnam Spintex Private Limited on the accounts of the company for the year ended 31st March, 2014. We report that:

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets
- (b) The Fixed Assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (c) During the year, the company has not disposed off any major part of fixed assets.
- (ii) (a) The inventory has been physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable.
- (b) The procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the books records were not material.
- (iii) (a) The Company has not granted any loan to companies, firms or other parties covered in the register maintained under section 301 of the companies Act 1956.
- (b) As the company has not granted any loan to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, the provisions of clause 4 (iii) (d) of the companies(Auditors Report) order 2003 are not applicable to the company.
- (c) The Company has not taken any loans from the parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- (d) As the company has not taken any loan from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, the provisions of clause 4 (iii) (f) & clause 4 (iii) (g) of the companies(Auditors Report) order 2003 are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system.
- (v) (a) According to the information and explanation given to us, No contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered by company during the year.
- (b) The company has not entered any contracts or arrangements referred in section 301 of the Companies Act, 1956, hence the provisions of clause 5 (b) of the Companies (Auditors Report) Order, 2003 are not applicable to the company.
- (vi) (a) According to the information and explanation given to us, no contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered by company during the year.
- (b) The company has not entered any contracts or arrangements referred in section 301 of the Companies Act, 1956, hence the provisions of clause 5 (b) of the Companies (Auditors Report) Order, 2003 are not applicable to the company.
- (vii) The Company has not accepted any deposits during the year from the public within the meaning of the provision of section 58A and 58 AA of the Companies Act, 1956 and the rules made there under. Hence, the provisions of clause 4 (vi) of the Companies (Auditors report) order, 2003 are not applicable to the company.
- (viii) In our opinion, the Company has an Internal Audit System commensurate with its size and nature of its business.



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- (viii) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956, and we are of the opinion that prima-facie the prescribed accounts and records have been made and maintained.
- (ix) (a) the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
- (b) According to the records of the company, there is no such dues of sales tax, income-tax, customs, wealth-tax, service tax, excise duty, cess which have not been deposited on account of disputes.
- (x) There are no accumulated losses in the Company as on March 31, 2014. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- (xii) Based on our examination of records and the information and explanations given to us the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Company is not a chit fund or nidhi/mutual benefit fund/society. Therefore, the provisions of clauses 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditors Report) order, 2003 are not applicable to the companies.
- (xv) In our opinion, the terms and conditions on which the Company has given guarantee for loans taken by others from banks or financial institutions are not prejudicial to the interest of the Company.
- (xvi) In our opinion, the term loans raised during the year have been applied for the purpose for which they are raised.
- (xvii) According to the information and explanation given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long term investment.
- (xviii) The Company has not made any preferential allotment of shares during the year.
- (xix) The Company has not issued any debentures during the year.



Contd.... 3

A. L. Chechani & Co.
CHARTERED ACCOUNTANTS

:: 3 ::

- (xx) The Company has not raised any money by public issue during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For A.L. Chechani & Co.
Chartered Accountants
Firm Reg. No. 05341C



Sunil Surana
Partner
M.No. 036093

Place: Bhilwara
Date: 15th April, 2014

LAGNAM SPINTEX PRIVATE LIMITED
BALANCE SHEET AS AT 31st MARCH ,2014

		(Rupee)	
Particulars	Note	As at March 31,2014	As at March 31,2013
1. EQUITY & LIABILITIES			
(I) Shareholders' Funds			
(a) Share Capital	2	18380000	16380000
(b) Reserves and Surplus	3	101321178	81329300
		119701178	97709300
(2) Share application money pending allotment			
(3) Non-current Liabilities			
(a) Long-term borrowings	4	194998599	206498599
(b) Deferred tax liabilities (Net)	5	2750000	826000
(c) Other long term liabilities		-	-
(d) Long-term provisions		-	-
		197748599	207324599
(4) Current Liabilities			
(a) Short-term borrowings	6	68253382	56576543
(b) Trade payables	7	5395246	5632417
(c) Other current liabilities	8	21417604	15995860
(d) Short-term provisions		-	-
		95066232	78204819
TOTAL		412516008	383238718
II. ASSETS			
(1) Non - current assets			
(a) Fixed Assets	9		
(i) Tangible Assets		250986594	265291321
(ii) Intangible Assets		1950955	2339063
(iii) Capital work-in-progress		26425173	-
(iv) Intangible Assets under development		-	-
		279362721	267630384
(b) Non-current Investments	10	1570000	920000
(c) Deferred tax Assets (Net)		-	-
(d) Long-term loans and advances	11	4490359	1028767
(e) Other non-current assets	12	834728	605228
		286257808	270184379
(2) Current Assets			
(a) Current Investments		-	-
(b) Inventories	13	41709103	41840113
(c) Trade Receivables	14	58747970	49856971
(d) Cash & Bank balances	15	13370909	10605934
(e) Short-term loans and advances	16	4581204	1608948
(f) Other current assets	17	7849014	9142373
		126258200	113054339
TOTAL		412516008	383238718

See accompanying notes 1 to 33 forming part of financial statements
As per our report of even date

For A. L. Chechani & Co.
Chartered Accountants
Firm Reg. No. 05341C

Sunil Surana
Sunil Surana
(Partner)
Membership No. 036093
Place : Bhilwara
Date : 15th April ,2014



For and on behalf of the board

D.P. Mangal
D.P. Mangal
(Director)

Anand Mangal
Anand Mangal
(Managing Director)

Notes annexed to and forming part of the accounts

(Rupee)

	As at March 31,2014	As at March 31,2013
--	------------------------	------------------------

NOTE 2 : SHARE CAPITAL

AUTHORISED

25,00,000 Equity Shares of Rs 10/- each (Previous Year
21,00,000 Equity Share)

25000000 21000000

25000000 21000000

ISSUED

22,98,000 Equity Shares of Rs 10/- each (Previous Year
20,98,000 Equity Share)

22980000 20980000

SUBSCRIBED & FULLY PAID UP

18,38,000 Equity Shares of Rs.10/- each (Previous year :
16,38,000 Equity Shares of Rs.10/- each)

18380000 16380000

18380000 16380000

1. Shareholders holding more than 5 % of shares

Name of share holder	As on 31.03.2014		As on 31.03.2013	
	Number of Shares	Percentage of holding	Number of Shares	Percentage of holding
Shri D P Mangal	353500	19.23%	493500	30.13%
Shri Shubh Mangal	206000	11.21%	140000	8.55%
Lagnam Infotech Solutions Pvt. Ltd	768000	41.78%	598000	36.51%
V S Bhapna	200000	10.88%	100000	6.11%
ASKK Mercantile Pvt Ltd.	200000	10.88%	200000	12.21%

2. Reconciliation of shares

Particulars	As on 31.03.2014	As on 31.03.2013
Opening	1638000	2012000
Issued during the year - Fully paidup	200000	86000
Forfited during the year	0	460000
Closing	1838000	1638000



	As at March 31,2014	(Rupee) As at March 31,2013
NOTE 3 : RESERVES AND SURPLUS		
(a) Capital Reserve	0.00	0.00
(b) Preference Share Capital Redemption Reserve	0.00	0.00
(c) Securities Premium Reserve	82320000	74320000
(d) Share forfeited Account	2300000	2300000
(f) Profit & Loss Account	16701178	4709300
Total Reserves & Surplus	101321178	81329300



(Rupee)

	As at March 31,2014	As at March 31,2013
--	------------------------	------------------------

Note 4 : Long-term borrowings**SECURED**

(a) Bonds / Debentures	0	0
(b) Term Loans		
From Banks	194998599	206498599
From Other Parties (FIs)	0	0
(c) Deferred payment Liabilities	0	0
(d) Deposits	0	0
(e) Long term maturities of finance lease obligations	0	0
(f) Other Loans and Advances	0	0
	194998599	206498599

Secured**Conditions of Term Loans are summarised below:**

Security - First pari passu charge on all immovable and movable assets of the company including equitable mortgage of factory land and building. The loans are further secured by equitable mortgage of personal assets of the relatives of the director.

Floating Rate - Carrying floating interest rate of Base Rate + 2.5% to 3% as on 31.03.14

Current Year

Date of Maturity	Outstanding as on 31.03.2014			
	Total Outstanding	Long term maturity	Current maturity	No. of installment
* 01.01.2022	120851598.58	114121598.58	6730000.00	31
01.01.2022	85647000.00	80877000.00	4770000.00	30
Total	206498598.58	194998598.58	11500000.00	

* The loan is further secured by personal guarantee of the director and corporate guarantee of M/s Lagnam Infotech Solutions Private Limited.

Previous Year

Date of Maturity	Outstanding as on 31.03.2013			
	Total Outstanding	Long term maturity	Current maturity	No. of installment
* 01.01.2022	125827598.58	120851598.58	4976000.00	35
01.01.2022	89171000.00	85647000.00	3524000.00	34
Total	214998598.58	206498598.58	8500000.00	

* The loan is further secured by personal guarantee of the director and corporate guarantee of M/s Lagnam Infotech Solutions Private Limited.



(Rupee)

As at March
31,2014

As at March
31,2013

Note 5 : Deferred Tax Liability

Deferred tax liability has been calculated as per Accounting Standard 22 "Accounting for Taxes on Income" of ICAI.

Major components are as under:

Deferred Tax Liability for

Depreciation	2750000.00	826000.00
Total	2750000.00	826000.00
Deferred Tax Liability	2750000.00	826000.00

Note 6 : Short-term borrowings

SECURED

(a) Loan repayable on demand

From Banks	68253382	56576543
From Others	0	0

(b) Deposits

0 0

(c) Other Loans & Advances

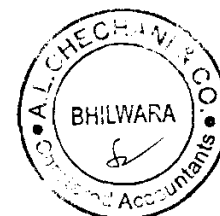
0 0

68253382 56576543

Conditions of Working Capital Loan are summarised below:

Security - Hypothecation of stocks, book debts and other current assets of the company and second charge on fixed assets of the company on pari passu basis. Further collateral security of equitable mortgage of land of director/relative and corporate guarantee of M/s Lagnam Infotech Private Limited is given.

Floating Rate - Carrying floating interest rate of Base Rate + 2.5% to 3% as on 31.03.14



(Rupee)

	As at March 31,2014	As at March 31,2013
Note 7 : Trade Payables		
(a) Trade Payable to Related Party	0	0
(b) Trade Payable Others	5395246	5632417
	5395246	5632417

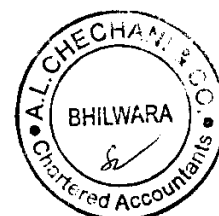
Based on the information so far obtained by the company, payment to enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006. (MSMED ACT) has been made within 45 days and disclosure in accordance with Section 22 of MSMED ACT is as under:-

1. Principal Amount remaining unpaid	0	0
2. Principal Amount remaining unpaid above 45 days* *	0	0
3. Interest due on above	0	0
4. Total of (1) and (2) (included in trade payable others)	0	0
5. Interest paid in terms of section 16	0	0
6. Interest due and payable for the period of delay in payment	0	0
7. Interest accrued and remaining unpaid	0	0
8. Interest due and payable even in succeeding years	0	0

* The amounts unpaid are on account of detention due to non-resolution of quality claims.

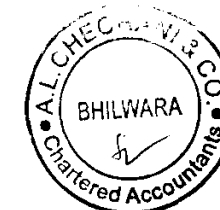
Note 8 : Other Current Liabilities

(a) Current Maturities of long-term debt	11500000	8500000
(b) Current maturities of deferred payment liabilities	0	0
(c) Interest Accrued but not due on borrowing	0	0
(d) Interest accrued and due on borrowings	0	0
(e) Income received in advance	0	0
(f) Un-paid dividend	0	0
(g) Application money received for allotment of securities and due for refund and interest accrued there on	0	0
(h) Unpaid matured deposits and interest accrued thereon	0	0
(i) Unpaid matured debentures and interest accrued thereon	0	0
(j) Security Deposits	0	0
(k) Advance from customers	0	0
(l) Liability towards staff and worker	642606	510409
(m) Government dues	444526	477022
(n) Other Payables	8830472	6508429
	21417604	15995860



NON-CURRENT ASSETS
NOTE 9 : FIXED ASSETS

Sl. Particulars	GROSS BLOCK					DEPRECIATION / AMORTISATION					Rupee NET CARRYING VALUE		NET CARRYING VALUE
	As at	Additions	Acquisitions through business combination	Total	Disposals *	As at	Up to	Deductions **	Impairment loss/ reversal of impairment loss (Net)	For the Year	Total Up to	As at	As at
	31.03.2013			6.(3+4+5)	7	31.03.2014	31.03.2013			2013-14	31.03.2014	31.03.2014	31.03.2013
1. 2.	3.	4	5	6.(3+4+5)	7	8 (6-7)	9	10	11	12	13 10+11+12	14	(8-13) (3-9)
A) Tangible Assets													
Lease Hold Land	4151155	0	0	4151155	0	4151155	0	0	0	0		4151155	4151155
Buildings (Including Roads)	51509090	0	0	51509090	0	51509090	1288838	0	0	1680093	2968931	48546158	50220251
Plant and Machinery	208451599	0	0	208451599	1073871	207377728	10900219	55604	0	10840164	21684780	185692849	197551380
Furniture Fixture and Other	1525676	0	0	1525676	0	1525676	136102	0	0	93695	229797	1295879	1389573
Vehicles	1709680	0	0	1709680	0	1709680	133051	0	0	162420	295470	1414210	1576629
Office Equipments	1171216	13360	0	1184576	0	1184576	39465	0	0	61137	100802	1083974	1131750
Electric Fitting and Water Supply Installation	9732894	0	0	9732894	0	9732894	462312	0	0	462312	924625	8808269	9270581
Total (A)	278251309	13360	0	278264669	1073871	277190798	12959988	55604	0	13299821	26204205	250986594	265291321
B) Intangible Assets (Acquired)						0					0	0	0
Computer Software	2597095	37200	0	2634295	0	2634295	258032	0	0	425309	683340	1950955	2339063
Non-competition Rights	0	0	0	0	0	0	0	0	0	0	0	0	0
Enabling Assets	0	0	0	0	0	0	0	0	0	0	0	0	0
Total (B)	2597095	37200	0	2634295	0	2634295	258032	0	0	425309	683340	1950955	2339063
Total (A + B)	280848404	50560	0	280898964	1073871	279825093	13218020	55604	0	13725129	26887545	252937548	267630384
C) Capital Work in Progress :		0				0	0	0		0	0	0	0
Building Under Construction	0	26425173	0	26425173	0	26425173						26425173	0
Plant & Machinery Under Erection/Commissioning	0	0	0	0	0	0	0	0	0	0	0	0	0
Furniture, equipments & Other installation	0	0	0	0	0	0	0	0	0	0	0	0	0
Pre-operative Expenses pending allocation	0	0	0	0	0	0	0	0	0	0	0	0	0
Total (C)	0	26425173	0	26425173	0	26425173	0	0	0	0	0	26425173	0
D) Intangible Assets under development	0	0	0	0	0	0							
Total	280848404	26475733	0	307324137	1073871	306250266	13218020	55604	0	13725129	26887545	279362721	287630384
Previous Year	4196947	274100154	0	280848404	0	280848404	0	0	0	13218020	13218020	267630384	268817290



	(Rupee)	
	As at March 31,2014	As at March 31,2013
NOTE 10 : NON CURRENT INVESTMENT (AT COST)		
Unquoted Non-Trade		
National Saving Certificates	20000	20000
SBI Life Insurance Co.	1100000	600000
India First Life Insurance	450000	300000
Total Value of unquoted Non-Trade Investments	1570000	920000

**NOTE 11 : LONG TERM LOANS & ADVANCES
UNSECURED, CONSIDERED GOOD**

(a) Capital Advances	0	0
(b) Security Deposits	4490359	1028767
(c) Loans & Advances to Related Parties	0	0
(d) Other Loans & Advances		
- To directors of the company	0	0
- To Officers & staff of the company	0	0
- To Firm or company under the same management	0	0
- To Others	0	0
	4490359	1028767

NOTE 12 : OTHER NON CURRENT ASSETS

(Unsecured, considered good unless otherwise stated)	0	0
(i) Long Term DoubtfullTrade Receivable	0	0
(ii) Others	0	0
(a) Duty claims and other receivables	0	0
(b) Advance Against Supply	0	0
(c) Bank deposits with more than 12 months maturity	766450	536950
(d) Interest receivable on bank FDR	68278	68278
	834728	605228



(Rupee)

	As at March 31,2014	As at March 31,2013
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NOTE 13 : INVENTORIES (at lower of the Cost or Realisable Value - refer Accounting Policy No.IV - Note 1)

Raw Material

- Cotton	22426514	34744068
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Work in Prograss

- Cotton	2811493	2242793
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Finished Goods

- Yarn	13919853	2975068
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Stores & Spares

	1512566	921603
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Others - Waste

	1038677	956580
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	41709103	41840113
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NOTE 14 : TRADE RECEIVABLES (CURRENT)

(Unsecured considered good)

Trade Receivable

	58747970	49856971
--	----------	----------

Due by Directors

	0	0
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Due by Officers

	0	0
--	---	---

Due by firms/companies under the same management

	0	0
--	---	---

Due from Related Parties

	0	0
--	---	---

	58747970	49856971
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NOTE 15 : CASH AND BANK BALANCE

(a) Balance with bank

(i) Current accounts

	12158335	10096000
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(ii) Un-paid dividend account

	0	0
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(iii) Margin money account

	0	0
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(b) Cheques, Drafts in hand

	0	0
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(c) Cash-in-hand

	1212574	509934
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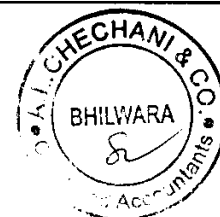
(d) Others

	0	0
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(e) Bank deposits with in 3 months maturity

	0	0
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	13370909	10605934
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(Rupee)

	As at March 31,2014	As at March 31,2013
NOTE 16 : SHORT- TERM LOANS & ADVANCES		
A Loans & Advances (Unsecured considered good)		
(a) To related Parties	0	0
(b) To Directors	0	0
(c) To Officers	0	0
(d) To Director/Partners in Companies/Firms under the same management (Unsecured considered doubtful)	0	0
B Loans & Advances		
(a) To related Parties	0	0
(b) To Directors	0	0
(c) To Officers	0	0
(d) To Director/Partners in company/firm under the same management	0	0
	0	0
C. Other Loans & Advances (Unsecured considered good)		
(a) Security Deposit	0	0
(b) Advance tax	2034885	342362
(c) Advance against supply	238842	674861
(d) Others	2307477	591725
	4581204	1608948
	4581204	1608948
NOTE 17 : OTHER CURRENT ASSETS		
Duties, Claims and Other Receivables	3591398	4583504
Subsidies Receivable	4257616	4558869
	7849014	9142373



	Rupee
As at March	As at March
31,2014	31,2013

NOTE 27 : Previous year's figures have been rearranged and regrouped wherever found necessary to make these comparable with current year's figures.

NOTE 28 : CONTIGENT LIABILITY NOT PROVIDED FOR:

a) Claims against the company not acknowledged as debt	Nil	Nil
b) Future Export obligation against EPCG	Nil	Nil
c) Estimated value of contracts remaining to be executed on capital account	Nil	Nil
d) Export Bill Discounted with banks	9990754	Nil
e) Guarantees given by the company's Bankers	5348058	5348058

NOTE 29 : EXPENDITURE IN FOREIGN CURRENCY

a) Travelling Expenses	904503	425531
------------------------	--------	--------

NOTE: 30 VALUE OF IMPORTS CALCULATED ON CIF BASIS IN RESPECT OF

Particulars

i) Raw Materials	Nil	Nil
ii) Components and Spare Parts	Nil	Nil
iii) Capital Goods	Nil	Nil

Total

NOTE:31 VALUE OF RAW MATERIALS, COMPONENTS AND SPARE PARTS CONSUMED

Particulars	Year ended March 31, 2014		Year ended March 31, 2013	
	Rupees	Percentage	Rupees	Percentage
Raw Materials :				
a) Imported	-	-	-	-
b) Indigenous	305655477	100	249138839	100
Total	305655477	100	249138839	100
Components and Spare Parts:				
a) Imported	-	-	-	-
b) Indigenous	2701920	100	274756	100
Total	2701920	100	274756	100
Heavy Fuel Oil:				
a) Imported	-	-	-	-
b) Indigenous	-	-	-	-



	As at March 31,2014	Rupee As at March 31,2013
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NOTE:32 EXPENDITURE IN FOREIGN CURRENCY

Particulars

i) Travelling Expenses		
ii) Commission / Claims / Ocean Freight		
a) Commission	109336	-
b) Claims	-	-
c) Ocean Freight	190571	-
Total	299907	-
iii) Others	-	-
Total	299907	-

NOTE:33 EARNING IN FOREIGN CURRENCY

Particulars

FOB value of Export	15199513	-
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As per our report of even date

For A. L. Chechani & Co.

Chartered Accountants

Firm Reg. No. 05341C

Sunil Surana

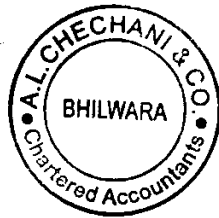
Sunil Surana

(Partner)

Membership No. 036093

Place : Bhilwara

Date : 15th April, 2014



For and on behalf of the board

D.P. Mangal

(D.P. Mangal)
Director

Anand Mangal

(Anand Mangal)
Managing Director

LAGNAM SPINTEX PRIVATE LIMITED

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

1. Accounting Conventions

The financial statements are prepared on historical cost convention and on the accounting principles of going concern, in accordance with Generally Accepted Accounting Principles ('GAAP'), comprising of the mandatory Accounting Standards, Guidance Notes, etc. issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956, on accrual basis, as adopted consistently by the company.

2. Revenue Recognition

- (a) Sales revenue is recognized when property in the goods with all significant risk and rewards as well as the effective control of goods usually associated with ownership are transferred to the buyer, at a price and includes excise duty.
- (b) The Government subsidies and Interest Subsidy under TUFs are recognized on accrual basis and adjusted against the respective expenses.

3. Inventory Valuation

- (a) Inventories are valued at cost and net realizable value whichever is lower.
- (b) Cost is determined on FIFO/Weighted average method.
- (c) Cost of raw materials is net of cenvat claims, wherever applicable.
- (d) The cost of inventories comprises all cost of purchase, cost of conversion, and other costs incurred in bringing the inventories to their present location and condition.

4. Fixed Assets

Fixed assets are stated at their original cost of acquisition including freight, incidental expenses and other non refundable taxes or levies related to acquisition and installation of the concerned assets, interest on borrowed funds attributable to acquisition/construction of fixed assets and related pre-operative expenses up to the date of commencement of commercial production, are also capitalized wherever appropriate. cenvat availed has been deducted from the cost of respective assets.

5. Provisions, Contingent Liability & Contingent Assets

- (a) Provisions involving substantial degree of estimation in measurement, are recognized when the present obligation of or past events gives rise to a probable outflow embodying economic benefits on settlement and the amount of obligation can be reliably estimated.
- (b) Contingent liabilities are disclosed after a careful evaluation of facts and legal aspects of the matter involved.
- (c) Contingent assets are neither recognized nor disclosed in financial statements.
- (d) Provisions and contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

