



SREE
AKKAMAMBA
TEXTILES LIMITED
TANUKU
64th ANNUAL REPORT
2017 - 2018

SREE AKKAMAMBA TEXTILES LIMITED

Venkatarayapuram, Tanuku.

Board of Directors

Sri P.Narendranath Chowdary
Sri M.S.R.V.K. Rangarao
Sri M. Narendranath
Sri J. Murali Mohan
Sri N.V. Somaraju
Sri J. Suresh

Chairman
Managing Director

C.F.O.

Sri N. Satyanarayana

General Manager (Finance & Admn.)

Bankers :

Andhra Bank
State Bank of India

Auditors :

M/s. Brahmaya & Co.,
Chartered Accountants
Vijayawada.

Registered Office & Mills :

Venkatarayapuram,
Tanuku - 534 215
Andhra Pradesh.

Cost Auditors :

M/s. Narasimha Murthy & Co.,
Hyderabad.

Company CIN :

U51909AP1954PLC000525

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Notice to Shareholders

NOTICE is hereby given that 64th Annual General Meeting of the Company will be held on 25th July, 2018 at 10.00 AM at the Registered Office of the Company at Venkatarayapuram, Tanuku, Andhra Pradesh, to transact the following business.

ORDINARY BUSINESS:

1. To consider and adopt the Statement of Profit and Loss for the year ended 31st March, 2018 and Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To declare Dividend on the equity shares.
3. To appoint a Director in place of Sri P.Narendranath Chowdary who retires by rotation and being eligible offers himself for re-appointment.
4. To ratify the appointment of M/s. Brahmayya & Co., Vijayawada (Reg.No.000513S) as statutory auditors of the Company for the year 2018-19 and to fix their remuneration.

SPECIAL BUSINESS:

5. To consider and if thought fit to pass with or without modification the following Resolution as a Special Resolution:
"RESOLVED THAT pursuant to the provisions of Section 73 and other applicable provisions of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014, the consent of the Members be and is hereby accorded to the Board of Directors of the company for accepting Fixed Deposits from Members within the limits prescribed in the Act."
"RESOLVED FURTHER THAT the Board of Directors or any person authorized thereof be and is hereby authorized to take all such steps as per the provisions of the Companies Act, 2013 and Rules made thereunder in this regard to give effect to this Resolution".
6. To consider and if thought fit to pass with or without modification the following Resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Sec.148 of the Companies Act, 2013 and other applicable provisions if any and rules made there under, the Company hereby ratifies the payment of remuneration of Rs.70,000/- (Rupees Seventy thousand only) per annum to M/s.Narasimha Murthy & Co., Cost Accountants, Hyderabad, who were appointed as Cost Auditors by the Board at its meeting held on 21st May, 2018 for conducting the Cost Audit for the year 2018-19 in respect of the products viz., Cotton and Blended Yarns".
7. To consider and if thought fit to pass with or without modification the following Resolution as an Ordinary Resolution:
"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Sri J.Murali Mohan (DIN: 00114341),

Independent Director of the Company whose term of office shall expire on 31-03-2019, be and is hereby re-appointed as an Independent Director of the Company to hold office for a further period of five consecutive years from 1st April, 2019 to 31 March, 2024."

8. To consider and if thought fit to pass with or without modification the following Resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Sri J.Suresh (DIN:01343147), Independent Director of the Company, whose term of office shall expire on 31-03-2019, be and is hereby re-appointed as an Independent Director of the Company to hold office for a further period of five consecutive years from 1st April, 2019 to 31 March, 2024".

9. To consider and if thought fit to pass with or without modification the following Resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Sri N.V.Somaraju (DIN:00352229), Independent Director of the Company, whose term of office shall expire on 31-03-2019, be and is hereby re-appointed as an Independent Director of the Company to hold office for a further period of five consecutive years from 1st April, 2019 to 31 March, 2024."

(BY ORDER OF THE BOARD)

Registered Office:
Venkatarayapuram,
TANUKU - 534 215,
21st May, 2018

for SREE AKKAMAMBA TEXTILES LTD.

(M.S.R.V.K.RANGARAO)
Managing Director

NOTES:

1. A member entitled to attend and vote can appoint a proxy to attend and vote instead of himself and that a proxy need not be a member. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company. A member holding more than ten percent of the total share capital of the company may appoint a single person as proxy and such person cannot act as a proxy for any other person or shareholder.
2. The Register of Members of the Company will remain closed from 20th July, 2018 to 25th July, 2018 (both days inclusive).
3. Members are requested to intimate to the Company, changes if any, in their registered addresses at an early date.
4. Dividends, if sanctioned, at the meeting will be payable to those shareholders, whose names are on the Company's Register on 25th July, 2018.

5. As per the provisions of Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, the un-claimed Dividend in respect of Dividend for the year 2009-10 has been transferred to Investor Education and Protection Fund as envisaged in Section 125 (2) (c) of the Companies Act, 2013. Shareholders, who have not encashed the Dividends, may make a request to the Company for the payment of un-encashed Dividend amount in respect of Dividend declared from the years 2010-11 onwards in order to enable the Company to proceed with their request in case the dividend warrants remain un-encashed.

ANNEXURE TO NOTICE:

Explanatory Statement as required under section 102 (1) of the Companies Act, 2013.

Item No.5:

As per the provisions of the Companies Act, 2013, the company can accept fixed deposits only from its members. As such your Board of Directors considers it advisable to continue acceptance of Fixed Deposits from Members which would enable the Company to augment its Financial Resources for working capital requirements.

Your Directors therefore recommend the resolution for your approval.

Directors and Key Managerial Personnel may be deemed to be interested in the resolution in the event they place Fixed Deposits with the Company.

Item No.6:

The Board on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s.Narasimha Murthy & Co., the Cost Auditors to conduct the audit of the Cost records of the company for the financial year ending 31 March, 2019 and remuneration of Rs.70,000/- plus applicable taxes, out-of-pocket and travelling expenses have been fixed for this purpose.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, ratification for the remuneration payable to the Cost Auditors for the financial year 2018-19 by way of Ordinary Resolution is being sought from the members.

Your Directors therefore recommend the Resolution for approval.

None of the Directors or Key Managerial Personnel of the company or their relatives are concerned or interested in the resolution.

ITEN No.7:

Sri J.Murali Mohan joined as a Director on the Board on 30-09-1985.

Sri J.Murali Mohan is a Graduate in Chemical Engineering and Post Graduate in Business Management and an Industrialist with considerable experience. He is the Managing Director of M/s.Jocil Ltd. He is the Chairman of the Audit Committee constituted by the Board of your Company and holds 4000 Equity Shares in the company.

The tenure of office of Sri J.Murali Mohan as an Independent Director of this company expires by 31 March, 2019. Being eligible for re-appointment for a further period of 5 years. in terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Sri J.Murali Mohan is proposed to be re-appointed as an Independent Director to hold office for a term of five consecutive years from 1st April, 2019 to 31 March, 2024.

In the opinion of the Board, Sri J.Murali Mohan fulfils the conditions specified in the Act and the rules made thereunder for his re-appointment as an Independent Director of the Company and is independent of the management. Considering his vast knowledge and experience and that his continued association would be of immense benefit to the Company, it is desirable to continue to avail services of Sri J.Murali Mohan as an Independent director. Accordingly, the Board recommends the resolution in relation to re-appointment of Sri J.Murali Mohan as an Independent Director, for the approval by the Members of the Company.

Except Sri J.Murali Mohan, the appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, in the Resolution.

ITEM No. 8:

Sri J.Suresh joined as a Director on the Board on 28-07-2008. He is also a Member of the Audit Committee constituted by the Board of the Company. He holds no equity shares in the company.

The tenure of office of Sri J.Suresh as an Independent Director of this company expires by 31 March, 2019. Being eligible for re-appointment for a further period of 5 years. in terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Sri J.Suresh is proposed to be re-appointed as an Independent Director to hold office for a term of five consecutive years from 1st April, 2019 to 31 March, 2024.

In the opinion of the Board, Sri J.Suresh fulfils the conditions specified in the Act and the rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Considering his knowledge and experience and that his continued association would be of immense benefit to the Company, it is desirable to continue to avail services of Sri J.Suresh as an Independent director. Accordingly, the Board recommends the resolution in relation to re-appointment of Sri J.Suresh as an Independent Director, for the approval by the Members of the Company.

Except Sri J.Suresh, the appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, in the Resolution.

ITEM No. 9:

Sri N.V.Somaraju joined as a Director on the Board on 20-12-1988. Sri N.V.Somaraju is a Graduate in Science. He is also a Member of the Audit Committee constituted by the Board of the Company. He holds 1000 Equity Shares in the Company.

The tenure of office of Sri N.V.Somaraju as an Independent Director of this company expires by 31 March, 2019. Being eligible for re-appointment for a further period of 5 years. in terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Sri N.V.Somaraju is proposed to be re-appointed as an Independent Director to hold office for a term of five

Sree Akkamamba Textiles Ltd.,

consecutive years from 1st April, 2019 to 31 March, 2024.

In the opinion of the Board, Sri N.V.Somaraju fulfils the conditions specified in the Act and the rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Considering his knowledge and experience and that his continued association would be of immense benefit to the Company, it is desirable to continue to avail services of Sri N.V.Somaraju as an Independent director. Accordingly, the Board recommends the resolution in relation to re-appointment of Sri N.V.Somaraju as an Independent Director, for the approval by the Members of the Company.

Except Sri N.V.Somaraju, the appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, in the Resolution.

(BY ORDER OF THE BOARD)

Registered Office:
Venkatarayapuram,
TANUKU - 534 215,
21st May, 2018

for SREE AKKAMAMBA TEXTILES LTD.

(M.S.R.V.K.RANGARAO)
Managing Director

Directors' Report :

Your Directors have pleasure in presenting the 64th Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2018.

FINANCIAL RESULTS:

	This Year Rs.	Previous year Rs.
Profit/(Loss) for the year	(3,24,87,102)	1,16,,66,244
Add: Balance brought forward from prev. year	7,02,82,973	6,30,66,743
	3,77,95,871	7,47,32,987
Less: Provision for taxation :		
- Current	-	24,26,494
- Deferred	(3,67,80,710)	43,89,509
- for earlier years	-	-
Add: Excess provision for earlier year	-	-
Add: MAT credit entitlement	-	23,78,613
Total available for appropriation	7,45,76,581	7,02,95,597
Less: Amount utilized for Buy back of shares	39,92,770	
Tax paid on Buy back of shares	9,21,212	-
Transfer to Capital Redemption Reserve	3,55,450	-
Dividend paid for 2016-17	17,36,352	
Tax on Dividend for 2016-17	3,53,480	
Tax on Dividend of earlier year	-	12,624
Balance carried forward	6,72,17,317	7,02,82,973
	7,45,76,581	7,02,95,597

Dividend:

Your Directors recommend a Dividend of 10% for the year ended 31st March, 2018.

Performance:

During the year under review, your company achieved a turnover of Rs.106.74 crores as compared to Rs.110.95 crores in the previous year showing a decline of about 4% over the previous year owing to low price realization for the Yarn and lower capacity utilization due to more absenteeism. On the other hand, the cotton prices were high during the year under

Sree Akkamamba Textiles Ltd.,

review resulting in a loss of Rs.3.25 crores as against the profit of Rs.1.17 crores achieved in the previous year.

Capital investment:

During the year under review, the company has procured 6 nos. of LK64Z Combers, LUWA Humidification system for comber shed, Cotton contamination cleaning machine, VXL Waste Collection System, LD2 Draw Frame, End milling machine etc. against the Term Loan sanctioned by Andhra Bank in the previous year.

Outlook for the Current Year:

The market conditions for Cotton Yarn are expected to improve slightly due to marginal increase in export price realizations owing to strengthening of Dollar currency against the Rupee. However, the drop in capacity utilization levels due to more absenteeism and shortage of labour are becoming the major cause of concern and your company is taking all necessary steps to minimize the impact.

Fixed Deposits:

The details of Fixed Deposits accepted by the company from its members under section 73(2) of the Companies Act, 2013 are as under:

i)	Deposits accepted/renewed during the year:	Rs.7,80,27,000/-
ii)	Remained unpaid or unclaimed as at the end of the year:	Rs.29,71,000/-
iii)	Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved:	NIL
iv)	The details of deposits which are not in compliance with the requirements of Chapter V of the Act:	NIL

Conservation of Energy, Technology Absorption and Foreign Exchange earning and outgo:

Information pursuant to Section 134(3) (m) of the Companies Act, 2013 read with rule 8 of The Companies (Accounts) Rules, 2014 is given in Annexure 'A' forming part of this Report.

Particulars of Employees:

None of the employees have drawn the salary in excess of the amount specified in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Directors' responsibility statement:

Pursuant to section 134 (3)(c) of the Companies Act, 2013, your Directors state that -

- a. In the preparation of annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- 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 at the end of the financial year and of the profit and loss of the company for that period;

- c. The proper and sufficient care has been taken for maintenance of accounting records in accordance with provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. The annual accounts of the company have been prepared on a going concern basis; and
- e. 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.

Extract of Annual Return:

An extract of Annual Return in Form MGT-9 as on 31 March, 2018 is attached as Annexure- B to this report.

Board Meetings held during the year:

During the year under review, 4 meetings of the Board of Directors of the Company were held on 20-05-2017, 26-07-2017, 25-11-2017 and 03-02-2018.

Nomination and Remuneration Policy:

The Board of Directors of your company has, on recommendation of the Nomination & Remuneration Committee, adopted a Nomination & Remuneration Policy which lays down the framework in relation to the criteria for selection and appointment of Board members and remuneration of Directors/Key Managerial Personnel and Senior Management of the company. This policy can be accessed on the company's website www.akkamamba.com.

Particulars of loans, guarantees or investments:

During the year under review, the company has neither given any loans/ guarantees nor made any investments covered under the provisions of Section 186 of the Companies Act, 2013.

Related party transactions:

The particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 are furnished in Annexure-C (in form AOC 2) forming part of this report.

Material changes and commitments affecting the financial position of the Company which have occurred between end of the financial year and the date of Report:

There were no material changes and commitments affecting the financial position of the Company between end of the financial year (31st March, 2018) and the date of the Report (21st May, 2018).

Risk Management Policy:

The company has not developed any risk management policy, as in the opinion of the Board,

the elements which may threaten the existence of the company are insignificant.

Corporate Social Responsibility:

As part of CSR initiatives, your company during the financial year 2017-18 spent an amount of Rs.6.09 lakhs as per the details given in the report on CSR activities attached as Annexure-D to this report.

Directors:

Under Article 111 of the Articles of Association of the company, Sri P. Narendranath Chowdary retires by rotation at the ensuing Annual General Meeting and being eligible for re-appointment.

The Independent Directors of the company have declared that they meet the criteria of Independence in terms of Section 149(6) of the Companies Act, 2013 and that there is no change in their status of Independence.

The tenure of appointment of all the three independent directors viz., Sri J.Murali Mohan, Sri N.V.Somaraju and Sri J.Suresh would expire by 31st March, 2019 and are eligible for re-appointment for a further period of 5 years subject to approval in the ensuing Annual General Meeting.

Names of Companies which have become or ceased to be Subsidiaries/ Joint Ventures/ Associates:

There are no Subsidiaries / Joint Ventures / Associates existing / become/ ceased during the year.

Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status or operations of the Company.

Adequacy of internal financial controls:

Your company conducts a review of the financial and operating controls. The internal control system of your company commensurate with its size and nature of the business.

Audit committee:

Audit Committee comprises of 3 non whole-time Independent Directors Sri J.Murali Mohan, Sri N.V.Somaraju, Sri J.Suresh and 1 whole-time Director Sri.M.S.R.V.K.Rangarao. Sri J.Murali Mohan is the Chairman of the Committee.

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises of 3 non whole-time Independent Directors Sri J.Murali Mohan, Sri N.V.Somaraju and Sri J.Suresh. Sri J.Murali Mohan is the Chairman of the Committee.

Auditors:

At the 63rd Annual General Meeting (AGM) held on 26th July, 2017, M/s.Brahmayya & Co., Chartered Accountants, Vijayawada, were appointed as the statutory auditors of the company for a period of 5 years from the conclusion of 63rd AGM until the conclusion of 69th AGM.

In terms of Section 139 (1) of the Companies Act, 2013, the said appointment shall be subject to ratification by members in the ensuing AGM to carry the statutory audit for the financial year 2018-19.

The Auditors Report to the shareholders for the year under review does not contain any qualification.

Cost Auditors:

M/s.Narasimha Murthy & Co., Cost Accountants, Hyderabad are re-appointed by the Board as Cost Auditors of the Company for the financial year 2018-19. .

Industrial relations:

The relations with the employees at all levels are continued to be cordial.

Acknowledgement:

The Directors wish to place on record their appreciation for the co-operation the company received from various departments of Central and State Governments, Consortium of Banks, Deposit holders, Insurance Companies, A.P. Gas Power Corpn. Ltd. APEPDCL, GAIL and a host of customers, for their continued support and assistance. The Directors also wish to place on record their appreciation to employees at all levels for their hard work, dedication and commitment.

Venkatarayapuram
Tanuku - 534 215
Date: 21st May, 2018

For and on behalf of the Board of Directors
(P.NARENDRANATH CHOWDARY)
Chairman

Annexure 'A' to Directors' Report

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange.

A. Conservation of Energy:

Efforts to conserve and optimise the use of energy through operational methods and other means are continued.

Significant Initiatives

- Use of Indian Energy Echange (IEX) power has resulted in savings of Rs.79.42 lakhs.
- Replaced 400 nos. of 40W tube lights with LED tube lights of 18W in various departments for lighting purpose and saved about 55% power.
- Replaced Reciprocating Air Compressor with VFD screw compressor in Rieter shed and achieved a power saving of around 8%.
- Modification made to Fan blades in HVAC Plants to reduce the power consumption by about 5%.

B. Disclosure of particulars with respect to Absorption of Technology, Research & Development:

Research and Development activities are carried out on an ongoing basis for improving the efficiency and also for improving quality of its products. No separate expenditure was incurred for R & D.

C. Foreign Exchange earnings and outgo:

There were no foreign exchange earnings during the year. The company incurred expenditure in foreign currency equivalent to Rs.5,41,58,207/- (previous year Rs. 6,82,38,292/-) towards import of raw materials, capital goods, spares etc.

Annexure 'B' to Directors' Report**FORM NO. MGT 9**

"Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
“(Management & Administration) Rules, 2014.”

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31/03/2018

I REGISTRATION & OTHER DETAILS

i	CIN	U51909AP1954PLC000525
ii	Registration Date	8-Apr-1954
iii	Name of the Company	SREEAKKAMAMBATEXTILES LIMITED.
iv	Category of the Company	Public Company
v	Address of the Registered office & contact details	
	Address :	Venkatarayapuram
	Town / City :	Tanuku
	State :	Andhra Pradesh - 534215
	Country Name :	India
	Telephone (with STD Code) :	08819-224945
	Fax Number :	--
	Email Address :	akkamamba@gmail.com
	Website, if any:	www.akkamamba.com
vi	Whether listed company	No
vii	Name and Address of Registrar & Transfer Agents (RTA):-	
	Name of RTA:	NA
	Address :	--
	Town / City :	--
	State :	--
	Pin Code:	--
	Telephone :	--
	Fax Number :	--
	Email Address :	--

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

"All the business activities contributing 10 % or more of the total turnover"

Spinning Mill

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Spun Yarn	5205	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

No. of Companies for which information is being filled	Nil
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IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	0	967120	967120	55.70%	0	967120	967120	56.86%	1.16%
b) Central Govt	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) State Govt(s)	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Bodies Corp.	0	8880	8880	0.51%	0	8880	8880	0.52%	0.01%
e) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
f) Any other	0	0	0	0.00%	0	0	0	0.00%	0.00%
(2) Foreign									
a) NRI - Individual/	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Other - Individual/	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Bodies Corp.	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Any Others	0	0	0	0.00%	0	0	0	0.00%	0.00%
Total shareholding of Promoter (A)	0	976000	976000	56.21%	0	976000	976000	57.38%	1.17%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Central Govt	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) State Govt(s)	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
f) Insurance Companies	0	0	0	0.00%	0	0	0	0.00%	0.00%
g) FIs	0	0	0	0.00%	0	0	0	0.00%	0.00%
h) Foreign Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
i) Others (Bodies Corp.)	0	0	0	0.00%	0	0	0	0.00%	0.00%
Sub-total (B)(1):-	0	0	0	0.00%	0	0	0	0.00%	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	140000	140000	8.06%	0	140000	140000	8.23%	0.17%
ii) Overseas	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	423312	423312	24.38%	0	387767	387767	22.80%	-1.58%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	197040	197040	11.35%	0	197040	197040	11.59%	0.24%
c) Others (specify)	0	0	0	0.00%	0	0	0	0.00%	0.00%
Sub-total (B)(2):-	0	760352	760352	43.79%	0	724807	724807	42.62%	-1.17%
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	760352	760352	43.79%	0	724807	724807	42.62%	-1.17%
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00%	0	0	0	0.00%	0.00%
Grand Total (A+B+C)	0	1736352	1736352	100.00%	0	1700807	1700807	100.00%	0.00%

ii. Shareholding of Promoters

S.No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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	B. BULLIRAMIAH	24000	1.38%	0.00%	24000	1.41%	0.00%	0.03%
2	M. VIKRAM PRASAD	10800	0.62%	0.00%	10800	0.63%	0.00%	0.01%
3	M.SATYANARAYANAMMA	55677	3.21%	0.00%	55677	3.27%	0.00%	0.07%
4	PNARENDRANADH CHOWDARY	40000	2.30%	0.00%	40000	2.35%	0.00%	0.05%
5	P. V KRISHNA RAO	20000	1.15%	0.00%	20000	1.18%	0.00%	0.02%
6	P.ATCHYUTARAMAYYA	4000	0.23%	0.00%	4000	0.24%	0.00%	0.00%
7	J. USHA RANI	14857	0.86%	0.00%	14857	0.87%	0.00%	0.02%
8	S.RANGANAYAKI	12000	0.69%	0.00%	12000	0.71%	0.00%	0.01%
9	M. KAMALA DEVI	12000	0.69%	0.00%	12000	0.71%	0.00%	0.01%
10	P.S.R.V.K.RANGA RAO	40000	2.30%	0.00%	40000	2.35%	0.00%	0.05%
11	M. THIMMARAJA	2000	0.12%	0.00%	2000	0.12%	0.00%	0.00%
12	M. RENUKA	38000	2.19%	0.00%	38000	2.23%	0.00%	0.05%
13	G. DEVI	20000	1.15%	0.00%	20000	1.18%	0.00%	0.02%
14	G. ANURADHA	20000	1.15%	0.00%	20000	1.18%	0.00%	0.02%
15	M. NARENDRANADH	2000	0.12%	0.00%	2000	0.12%	0.00%	0.00%
16	M. NARAYANAMMA	38000	2.19%	0.00%	38000	2.23%	0.00%	0.05%
17	M. VIKRAM PRASAD	16000	0.92%	0.00%	16000	0.94%	0.00%	0.02%
18	J. ANANTHA LAKSHMI	2000	0.12%	0.00%	2000	0.12%	0.00%	0.00%
19	M.S.R.V.K RANGA RAO	49600	2.86%	0.00%	49600	2.92%	0.00%	0.06%
20	M. HARISCHANDRA PRASAD	49600	2.86%	0.00%	49600	2.92%	0.00%	0.06%
21	P. VENKATARAYUDU	10000	0.58%	0.00%	10000	0.59%	0.00%	0.01%
22	P. RAVI	10000	0.58%	0.00%	10000	0.59%	0.00%	0.01%
23	M. NARENDRANADH	59200	3.41%	0.00%	59200	3.48%	0.00%	0.07%
24	M. THIMMARAJA	81600	4.70%	0.00%	81600	4.80%	0.00%	0.10%
25	S. V. INV & FIN. CO LTD.,	1760	0.10%	0.00%	1760	0.10%	0.00%	0.00%
26	T. M. INV & FINANCE CO (P) LTD.,	200	0.01%	0.00%	200	0.01%	0.00%	0.00%
27	S.T. INV & FINANCE CO (P) LTD	200	0.01%	0.00%	200	0.01%	0.00%	0.00%
28	S.V.DEVELOPERS & SEC PLTD.	3360	0.19%	0.00%	3360	0.20%	0.00%	0.00%
29	V. FINANCE PRIVATE LIMITED	3360	0.19%	0.00%	3360	0.20%	0.00%	0.00%
30	M. SRIVANI	2500	0.14%	0.00%	2500	0.15%	0.00%	0.00%
31	E. RAMALAKSHMI	2858	0.16%	0.00%	2858	0.17%	0.00%	0.00%
32	N. ANANTALAKSHMI DEVI	2857	0.16%	0.00%	2857	0.17%	0.00%	0.00%
33	S.B.RADHIKA	2857	0.16%	0.00%	2857	0.17%	0.00%	0.00%
34	M.KAMALADEVI	2857	0.16%	0.00%	2857	0.17%	0.00%	0.00%
35	P. VENKATA RAYUDU	4000	0.23%	0.00%	4000	0.24%	0.00%	0.00%
36	P. RAVI	4000	0.23%	0.00%	4000	0.24%	0.00%	0.00%
37	M. VENKATARAYUDU	7000	0.40%	0.00%	7000	0.41%	0.00%	0.01%
38	M. THIMMARAJA (IND)	32000	1.84%	0.00%	32000	1.88%	0.00%	0.04%
39	M. NARENDRANATH (IND)	139800	8.05%	0.00%	139800	8.22%	0.00%	0.17%
40	M. MRUTYUMJAYA PRASAD	107800	6.21%	0.00%	107800	6.34%	0.00%	0.13%
41	P. SUJATHA	952	0.05%	0.00%	952	0.06%	0.00%	0.00%
42	T. RAJKUMAR	952	0.05%	0.00%	952	0.06%	0.00%	0.00%
43	M.ASHA RANI	953	0.05%	0.00%	953	0.06%	0.00%	0.00%
44	M. RENUKA	5200	0.30%	0.00%	5200	0.31%	0.00%	0.01%
45	M. NARAYANAMMA	5200	0.30%	0.00%	5200	0.31%	0.00%	0.01%
46	M. RUKMINI	7000	0.40%	0.00%	7000	0.41%	0.00%	0.01%
47	M. RAMYATARA	7000	0.40%	0.00%	7000	0.41%	0.00%	0.01%
	TOTAL	976000	56.21%	0.00%	976000	57.38%	0.00%	1.17%

Sree Akkamamba Textiles Ltd.,

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

Sl. No.: 1 For Each of the Top 10 Shareholders	Shareholding at the		Cumulative Shareholding	
	No. of	% of total	No. of shares	% of total
1)BOLLA SESHAI SAI				
At the beginning of the year	36,000	2.07%		
Changes During the Year	-			
At the End of the year	36,000	2.07%	36,000	2.12%
2)VASIREDDY BHARATH				
At the beginning of the year	26,240	1.51%		
Changes During the Year	-			
At the End of the year	26,240	1.51%	26,240	1.54%
3)VADLAPATLA KANAKADURGA DEVI				
At the beginning of the year	22,000	1.27%		
Changes During the Year	-			
At the End of the year	22,000	1.27%	22,000	1.29%
4)V V N M RAMAKRISHNA KARTHIK				
At the beginning of the year	21,200	1.22%		
Changes During the Year	-		-	
At the End of the year	21,200	1.22%	21,200	1.25%
5)PAMULAPATI SAKUNTALA DEVI				
At the beginning of the year	18,000	1.04%		
Changes During the Year	-			
At the End of the year	18,000	1.04%	18,000	1.06%
6)YARLAGADDA UMA DEVI				
At the beginning of the year	17,600	1.01%		
Changes During the Year	-			
At the End of the year	17,600	1.01%	17,600	1.03%
7)B V V S RAMESH KUMAR				
At the beginning of the year	16,000	0.92%		
Changes During the Year	-			
At the End of the year	16,000	0.92%	16,000	0.94%
8)B V V S RAMESH KUMAR				
At the beginning of the year	16,000	0.92%		
Changes During the Year	-			
At the End of the year	16,000	0.92%	16,000	0.94%
9)VEMANA INDIRA				
At the beginning of the year	12,000	0.69%		
Changes During the Year	-			
At the End of the year	12,000	0.69%	12,000	0.71%
10) JAGARLAMUDI MOHINI DEVI				
At the beginning of the year	12,000	0.69%		
Changes During the Year	-			
At the End of the year	12,000	0.69%	12,000	0.71%

v Shareholding of Directors and Key Managerial Personnel:

1. PENDYALA NARENDRNATH CHOWDARY		Shareholding at the beginning of the year		Cumulative Shareholding 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		40000	2.30	40000	2.35
Changes During the Year					
Increase					
Date	Reason for Increase				
	Allotment				
	Bonus				
	Sweat				
	Other				
Decrease					
Date	Reason for Decrease				
	Transfer				
	Other				
At the End of the year				40000	2.35

2 SRI MULLAPUDI NARENDRANATH		Shareholding at the beginning of the year		Cumulative Shareholding 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		201000	11.58	201000	11.82
Changes During the Year					
Increase					
Date	Reason for Increase				
	Allotment				
	Bonus				
	Sweat				
	Other				
Decrease					
Date	Reason for Decrease				
	Transfer				
	Other				
At the End of the year				201000	11.82

Sree Akkamamba Textiles Ltd.,

3. SRI MULLAPUDI SRI RAMACHANDRA VENKATA KRISHNA RANGARAO		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the	No. of shares	% of total shares of the
At the beginning of the year		49600	2.86%	49600	2.92
Changes During the Year					
Increase					
Date	Reason for Increase				
	Allotment				
	Bonus				
	Sweat				
	Other				
Decrease					
Date	Reason for Decrease				
	Transfer				
	Other				
At the End of the year				49600	2.92

4. SRI JAGARLAMUDI MURALI MOHAN		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the	No. of shares	% of total shares of the
At the beginning of the year		4000	0.23%	4000	0.24
Changes During the Year					
Increase					
Date	Reason for Increase				
	Allotment				
	Bonus				
	Sweat				
	Other				
Decrease					
Date	Reason for Decrease				
	Transfer				
	Other				
At the End of the year				4000	0.24

5. SRI NULI VENKATA SOMARAJU		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of	No. of shares	% of total shares of
At the beginning of the year		1000	0.06%	1000	0.06%
Changes During the Year					
Increase					
Date	Reason for Increase				
	Allotment				
	Bonus				
	Sweat				
	Other				
Decrease					
Date	Reason for Decrease				
	Transfer				
	Other				
At the End of the year				1000	0.06%

6. SRI JAGARLAMUDI SURESH		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the	No. of shares	% of total shares of the
At the beginning of the year		0	0.00%	0	0.00%
Changes During the Year					
Increase					
Date	Reason for Increase				
	Allotment				
	Bonus				
	Sweat				
	Other				
Decrease					
Date	Reason for Decrease				
	Transfer				
	Other				
At the End of the year				0	0.00%

Sree Akkamamba Textiles Ltd.,

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

Indebtedness at the beginning of the financial	Secured Loans	Unsecured Loans	Deposits	Total Indebtness
i) Principal Amount	295452461	10180164	95473000	401105625
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	7910562	7910562
Total (i+ii+iii)	295452461	10180164	103383562	409016187
Change in Indebtedness during the financial year	Secured Loans	Unsecured Loans	Deposits	Total Indebtness
* Addition	31394695	60000000	78027000	169421695
* Reduction	116050841	10002324	49488000	175541165
Net Change	-84656146	49997676	28539000	-6119470
Indebtedness at the end of the financial year	Secured Loans	Unsecured Loans	Deposits	Total Indebtness
i) Principal Amount	210796315	60177840	124012000	394986155
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	11190420	11190420
Total (i+ii+iii)	210796315	60177840	135202420	406176575

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

a	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		MSRVK Rangarao, Managing Director		
1	Gross salary	3107985		3107985
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2940284		2940284
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	167701		167701
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	---		---
2	Stock Option	---		---
3	Sweat Equity	---		---
4	Commission	---		---
	- as % of profit	---		---
	- others, specify	---		---
5	Others, please specify	---		---
	Total (A)	3107985		3107985
	Ceiling as per the Act(excluding commission)	4200000		4200000

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount
		J.Murali Mohan	N V Somaraju	J Suresh	
1	Independent Directors				
	Fee for attending board/ committee meetings	40000	30000	20000	90000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	40000	30000	20000	90000
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	40000	30000	20000	90000
	Total Managerial Remuneration				3197985
	Overall Ceiling as per the Act		-	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)	
A. COMPANY						
Penalty	-	-	-	-	-	-
Punishment	-	-	-	-	-	-
Compounding	-	-	-	-	-	-
B. DIRECTORS						
Penalty	-	-	-	-	-	-
Punishment	-	-	-	-	-	-
Compounding	-	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT						
Penalty	-	-	-	-	-	-
Punishment	-	-	-	-	-	-
Compounding	-	-	-	-	-	-

Annexure 'C' to Directors' Report**FORM NO.AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rule, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of the section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis.
 - a) Name(s) of the related party and nature of relationship: NIL
 - b) Nature of contracts/arrangements/transactions: NIL
 - c) Duration of the contracts/arrangements/transactions: NIL
 - d) Salient terms of the contracts/arrangements/transactions including the value, if any: NIL
 - e) Justification for entering into such contracts/arrangements/transactions: NIL
 - f) Date(s) of approval by the Board: NIL
 - g) Amount paid as advances, if any: NIL
 - h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: NIL

2. Details of material contracts/arrangement/transactions at arm's length basis

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts/ arrangements/ transactions including the value, if any (Rs. Lakhs)	Date(s) of approval by the Board, if any	Amount paid as advance, if any
M/s. Sree Venkataraya Printers & Packers Pvt. Ltd	Purchase of paper cones and boxes / pads Rental payment	01.04.2017 to 31.03.2018	103.44 -	04-02-2017	Nil
M/s. Sree Venkataraya Threads Pvt. Ltd.	Processing Charges (Reeling & Doubling)	01.04.2017 to 31.03.2018	108.69	04-02-2017	Nil
M/s.Royal Printing Works	Printing & supply of stationery	01.04.2017 to 31.03.2018	1.54	04-02-2017	Nil
M/s VSM Spg. Mills Pvt. Ltd.	Payment of Rent	01.04.2017 to 31.03.2018	9.30	04-02-2017	Nil

Annexure 'D' to Directors' Report

ANNUAL REPORT ON CSR ACTIVITIES

A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The Composition of the CSR Committee:

Sri M. Narendranath, Chairman - Non-executive Director

Sri J. Murali Mohan - Independent Director and

Sri M.S.R.V.K. Rangarao,- Executive Director

The Committee met once during the year under review.

Average net profit of the company for last three financial years

Average Net profit Rs.2,85,14,063/-

Prescribed CSR expenditure (2% of the average net profit of last three financial years)

Since the profit during last 3 consecutive years is less than Rs.5 crores, the company during the financial year 2017-18 is not required to spend any amount towards CSR.

Details of CSR spent during the financial year;

- (a) Amount to be spent for earlier year: Rs. 6,08,727/-
 (b) Amount spent during the year Rs. 6,08.727/-
 (c) Balance unspent amount; NIL
 (d) Manner in which the amount spent during the financial year is detailed below:

Sl. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or programs-wise	Amount spent on the projects or programs Sub-heads (1) Direct expenditure on projects or programs (2) overheads	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency
1	Medical Services	Promoting Health care	Contribution to medical services by SMVM Hospital, Venkatarayapuram, Tanuku.	Rs.6,08,727/-	Rs.6,08,727/-	Rs.6,08,727/-	Implementing agency

Responsibility Statement by the Corporate Responsibility Committee:

The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.

Tanuku
21st May, 2018

(M.S.R.V.K. Rangarao)
Managing Director

(P. Narendranath Chowdary)
Chairman

INDEPENDENT AUDITORS' REPORT

To the Members of **SREE AKKAMAMBA TEXTILES LIMITED, TANUKU.**

Report on the Financial Statements:

We have audited the accompanying financial statements of SREE AKKAMAMBA TEXTILES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and 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's Responsibility for the Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements in estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that we are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act and the rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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 the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors 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 on the financial statements.

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, of the state of affairs of the Company as at 31st March, 2018, and its Profit and its Cash Flows for the year ended on that date.

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 of India in terms of sub-section (11) of section 143 of the Act, We give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanation 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 it appears from our examination of those books
 - c. The Balance sheet, the statement of Profit and Loss, and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of 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 Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 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 financial statements-Refer Note 24 to the financial statements;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March 2018.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For BRAHMAYYA & CO.,
Chartered Accountants
Firm Reg. No. 000513S
T.V. RAMANA
Partner
(ICAI Membership No. 200523)

Place : TANUKU,
Date : 21.05.2018.

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT:

The Annexure referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date, to the members of **SREE AKKAMAMBA TEXTILES LIMITED** ("the Company"), for the year ended 31 March 2018. We report that:

- 1.1 The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- 1.2 The Fixed Assets are physically verified by the management according to a phased program designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- 1.3 The title deeds of immovable property are held in the name of the Company.
- 2.1 The inventory has been physically verified by the management at reasonable intervals during the year under report. In our opinion, the frequency of such verification is reasonable.
- 2.2 On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of its inventory. The discrepancies noticed on physical verification of inventories as compared to book records were not material.
- 3.1 The Company has not granted any loans to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act 2013. Therefore the provisions of clause 3(iii), (iii)(a), and (iii)(b) of the said order are not applicable to the Company.
4. The Company has not granted any loans, investments, guarantees and security as per the Section 185 and 186 of the Companies Act 2013. Therefore the provisions of clause 3(iv) of the said order are not applicable to the Company.
5. In our opinion the Company has complied with the provisions of section 73 to 76 and other applicable provisions of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 with regard to the deposits accepted from the public. According to the information furnished to us, no order has been passed on the Company by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal for non-compliance with the provisions of Sections 73 to 76 of the Companies Act 2013.
6. We have broadly reviewed the books of account and records maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of Cost Records under section 148 of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- 7.1 According to the information and explanations given to us and the basis of our examination of the records of the Company, in our opinion, the Company is regular in depositing with the appropriate authorities, the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Goods and Service Tax, Service Tax, Duty of Customs, Value added tax, Cess and other material statutory dues applicable to it.

Sree Akkamamba Textiles Ltd.,

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Goods and Service Tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31st March 2018 for a period of more than six months from the date they became payable.

- 7.2 According to the information and explanations given to us, there were no amounts of Sales Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess, Income Tax, Wealth Tax, and Service Tax that have been disputed by the Company, and hence, were not remitted to the concerned authorities at the date of the Balance Sheet under report.
8. According to the records of the Company examined by us, and the information and explanations given to us, there were no defaults in repayment of dues to financial institutions, banks or debenture holders at the date of the Balance Sheet.
9. In our opinion, and according to the information and explanations given to us, the term loans/debt instruments taken by the Company have been applied for the purpose for which they were raised.
10. According to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its employees or officers noticed or reported during the year, nor have we been informed of any such case by the management.
11. According to the information and explanations given to us, the managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
12. In our opinion, and according to the information and explanations furnished to us, the Company is not a chit fund or a nidhi/mutual benefit fund/society and hence, the requirements of clause 3(xii) of the Companies (Auditors Report) Order 2016 are not applicable to the Company during the year under report.
13. According to the information and explanations given to us, all the transactions with the related parties are in compliance with section 188 and 177 of the Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc as required by the accounting standards.
14. According to the records of the Company examined by us, and the information and explanations given to us, there are no preferential allotment / private placement of shares or fully or partly convertible debentures during the year as per the Section 42 of the Companies Act 2013.
15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with him as per Section 192 of the Companies Act 2013.
16. According to the information and explanations given to us, the Company is not required to be registered under the section 45-IA of the Reserve Bank of India Act, 1934.

Place : TANUKU,
Date : 21.05.2018.

For BRAHMAYYA & CO.,
Chartered Accountants
Firm Reg. No. 000513S
T.V. RAMANA
Partner
(ICAI Membership No. 200523)

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls 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 **SREE AKKAMAMBA TEXTILES LIMITED** ("the Company"), as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended as on that date.

Management's Responsibility for Internal Financial Controls:

The Company's management 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". 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 have conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting 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, both applicable to an audit of Internal Financial Controls issued by the Institute of Chartered Accountants of India.

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 decisive factor, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence so 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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent 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, 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 March 31, 2018, 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".

Place : TANUKU,
Date : 21.05.2018.

For BRAHMAYYA & CO.,
Chartered Accountants
Firm Reg. No. 000513S
T.V. RAMANA
Partner
Membership No. 200523

Balance Sheet As at 31st March, 2018

Equity and Liabilities	Notes	As at 31st March 2018 Rs.	As at 31st March 2017 Rs.
<u>Shareholders' Funds</u>			
Share Capital	2	1,70,08,070	1,73,63,520
Reserves and Surplus	3	36,75,72,767	37,02,82,973
		38,45,80,837	38,76,46,493
<u>Non-Current Liabilities</u>			
Long-term Borrowings	4	15,18,62,616	11,35,16,921
Other Long-term liabilities	5	1,85,94,120	1,90,09,427
Deferred Tax Liability (Net)	6	9,29,21,411	12,97,02,121
Long-term Provisions	7	22,68,812	14,50,657
		26,56,46,959	26,36,79,126
<u>Current Liabilities</u>			
Short-term Borrowings	8	24,10,44,155	23,75,88,704
Trade Payables	9.1	12,38,19,681	9,52,27,236
Other Current Liabilities	9.2	12,65,10,911	10,70,94,026
Short term Provisions	7	13,78,953	46,55,351
		49,27,53,700	44,45,65,317
TOTAL		114,29,81,496	109,58,90,936
<u>Assets</u>			
<u>Non current Assets</u>			
<u>Fixed Assets</u>			
Tangible Assets (Net Block)	10	70,47,88,089	64,94,29,106
Capital Work in Progress		--	6,02,97,099
Non-current Investments	11	3,88,22,298	3,88,22,298
Deferred Tax Assets (net)	12	5,50,58,098	6,33,11,798
Long term Loans and Advances	13.1	--	--
Trade Receivables	13.2	--	--
Other Non Current assets		79,86,68,485	81,18,60,301
<u>Current Assets</u>			
Inventories	14	20,53,63,341	17,29,61,605
Trade Receivables	13.1	10,34,70,140	8,49,64,506
Cash and Bank Balances	15	2,28,71,144	84,52,858
Short term Loans and Advances	12	1,09,44,265	1,11,33,144
Other Current Assets	13.2	16,64,121	65,18,522
		34,43,13,011	28,40,30,635
TOTAL		114,29,81,496	109,58,90,936
Summary of Significant Accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date for BRAHMAYYA & CO. Chartered Accountants Firm Regn.No.000513S T.V.Ramana, Partner Membership No. : 200523 Place : Venkatarayapuram, Tanuku Date : 21st May, 2018

For and on behalf of the Board of Directors
P.Narendranath Chowdary, Chairman
M.S.R.V.K.Rangarao, Managing Director
N.Satyanarayana, General Manager (Fin & Admn.)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2018

Particulars	Notes	Current Reporting Period 2017-18 Rs.	Previous Reporting Period 2016-17 Rs.
<u>Income:</u>			
Revenue from operations	16	106,74,20,146	110,95,13,957
Other Income	17	75,46,800	30,24,874
Total Revenue (I)		107,49,66,946	111,25,38,831
<u>Expenses:</u>			
Cost of raw materials and components consumed	18	56,51,08,219	57,15,86,065
[Increase]/Decrease in Inventories of finished goods	19	47,12,998	(79,83,975)
Employee benefits expense	20	14,69,04,863	14,21,82,952
Other expenses	21	29,34,81,674	30,22,36,619
Depreciation and amortization expense	22	4,18,48,651	4,22,00,912
Finance Costs	23	5,53,97,643	5,06,50,014
Total Expenses (II)		110,74,54,048	110,08,72,587
Profit/(Loss) before exceptional items & tax		(3,24,87,102)	1,16,66,244
Exceptional items		--	--
Profit/(Loss) before tax		(3,24,87,102)	1,16,66,244
Less : <u>Tax expenses:</u>			
Tax		--	24,26,494
Current tax		--	24,26,494
Deferred tax		(3,67,80,710)	43,89,509
Less: MAT credit entitlement		--	23,78,613
Total tax expense		(3,67,80,710)	44,37,390
Profit/(Loss)(after tax) for the year from continuing operations		42,93,608	72,28,854
Earning per Equity Share:			
Basic and diluted		2.47	4.16
Summary of Significant Accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date for BRAHMAYYA & CO.
Chartered Accountants
Firm Regn.No.000513S
T.V.Ramana, Partner
Membership No. : 200523
Place : Venkatarayapuram, Tanuku
Date : 21st May, 2018

For and on behalf of the Board of Directors
P.Narendranath Chowdary, Chairman
M.S.R.V.K.Rangarao, Managing Director
N.Satyanarayana, General Manager (Fin & Admn.)

CASH FLOW STATEMENT FOR THE YEAR 2017 - 18

	2017-2018 Rs.	2016-2017 Rs.
I. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax	(3,24,87,102)	1,16,66,244
Add/Less:		
Adjustments for:		
Depreciation	4,18,48,651	4,22,00,912
Interest paid	5,36,55,142	4,96,93,761
Interest received	(20,67,117)	(23,93,492)
Dividends received	(30,19,400)	–
Profit on sale of assets	(12,86,363)	–
Loss on sale of assets/written off	–	–
Operating Profit before working capital changes	5,66,43,811	10,11,67,425
Adjustments for		
Inventories	(3,24,01,736)	2,75,66,882
Investments	–	–
Long Term Liability	(4,15,307)	(1,08,34,765)
Long Term Provision	8,18,155	40,818
Trade Payables	2,85,92,445	(75,80,439)
Current Liability	94,16,885	(87,99,525)
Short term Provision	(8,49,904)	(1,80,720)
Trade Receivables	(1,85,05,634)	86,01,294
Long term Loans & Advances	82,53,700	(26,93,200)
Short term Loans & Advances	(8,43,758)	42,17,739
Current Assets	48,54,401	(62,910)
Cash Generated from operations	5,55,63,058	11,14,42,599
Less: Direct Taxes paid/Refund (Net)	23,15,069	44,97,532
Net Cash from operating activities before extra ordinary items	5,32,47,989	10,69,45,067
Net cash from Operating activities (A)	5,32,47,989	10,69,45,067

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	2017-2018 Rs.	2016-2017 Rs.
II. CASH FLOW FROM INVESTMENT ACTIVITIES:		
Purchase of Fixed Assets	(3,71,77,134)	(6,36,20,039)
Proceeds from sale of assets	15,52,962	–
Interest received	20,67,117	23,93,492
Dividends received	30,19,400	–
Net cash used in Investment activities (B)	(3,05,37,655)	(6,12,26,547)
III. CASH FLOW FROM FINANCING ACTIVITIES:		
Acceptance/(Repayment) of loans	5,18,01,146	85,42,358
Buy back of shares	(43,48,220)	–
Dividends paid	(17,36,352)	(34,72,704)
Dividend Tax paid	(3,53,480)	(7,06,961)
Interest paid	(5,36,55,142)	(4,96,93,761)
Net cash used for Financing activities (C)	(82,92,048)	(4,53,31,068)
Net increase in cash and its equivalentents (A+B+C)	1,44,18,286	3,87,452
Opening cash & bank balances as on 1-4-2017	84,52,858	80,65,406
Closing cash & bank balances as on 31-3-2018	2,28,71,144	84,52,858
	(1,44,18,286)	(3,87,452)

The accompanying notes are an integral part of the financial statements

As per our report of even date
for BRAHMAYYA & CO.
Chartered Accountants
Firm Regn.No.000513S
T.V.Ramana, Partner
Membership No. : 200523

For and on behalf of the Board of Directors
P.Narendranath Chowdary, Chairman
M.S.R.V.K.Rangarao, Managing Director
N.Satyanarayana, General Manager (Fin & Admn.)

Place : Venkatarayapuram, Tanuku
Date : 21st May, 2018

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 1 - ACCOUNTING POLICIES

i. GENERAL

- a. The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards as prescribed under section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules 2014 and the provisions of the Act (to the extent notified). The financial statements have been prepared under the historical cost convention on accrual basis.
- b. Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in India requires management, where necessary, to make the estimates and assumptions that effect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from the estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised.

ii. PROPERTY, PLANT AND EQUIPMENT

Freehold Land is carried at historical cost. All other items of Property Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation / amortization and impairment, if any. Cost includes purchase price, taxes and duties, labor cost and directly attributable overheads incurred up to the date the asset is ready for its intended use. However, cost excludes Excise Duty, Value Added Tax and Service Tax, to the extent credit of the duty or tax is availed of.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to Profit or Loss during the reporting period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

Depreciation and Amortization:

Depreciation is provided under straight line method in accordance with Schedule II to the Companies Act, 2013 treating the plant as a continuous process plant. Depreciation is computed at a uniform rate treating each Machine/Equipment as a single unit, since the value of components forming part thereof is insignificant.

Residual values and useful lives are reviewed and adjusted if appropriate for each reporting period.

Advances paid towards the acquisition of Property, Plant and Equipment outstanding

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at each Balance Sheet date is classified as capital advances under other Non-current assets and the cost of assets not put to use before such date are disclosed under capital work-in-progress.

Assets to be disposed off are reported at the lower of carrying value or fair value less cost of sales.

iii. INVESTMENTS

Investments are stated at cost and income thereon is accounted for on accrual. Provision towards decline in the value of investments is made only when such decline is other than temporary.

iv. BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to get ready for their intended use or sale are capitalized as part of cost of such assets. Other borrowing costs are recognized as an expense in the period in which they are incurred.

v. INVENTORIES

- a) Inventories are valued at lower of cost or net realizable value. In respect of Raw Materials and Stores and Spares, cost is determined using FIFO and weighted average methods respectively except, where the net realizable value of the finished goods in which they are used is less than the cost of finished goods and in such event, if the replacement cost of such materials etc., is less than their book values, they are valued at replacement cost. Cost of work-in-progress and finished goods include appropriate portion of overheads etc.,
- b) Stock of scrap and cotton waste are valued at estimated net realizable value.
- c) Tools and implements are valued at cost after providing for obsolescence.
- d) Machinery spares which can be used only in connection with an item of fixed assets and whose use is expected to be irregular are amortized over the life of the principal asset.

vi. SALES

Sales are inclusive of packing charges, freight and handling charges and are exclusive of Sales Tax/GST.

vii. EMPLOYEE BENEFITS:

- a) Company's contributions to Employees' Provident fund and Employee State Insurance are made under a Defined Contribution Plan, and are accounted for at actual cost in the year of accrual.
- b) The company's liability to gratuity on retirement of its eligible employees is funded with the Life Insurance Corporation of India. The incremental expense thereon for each year is arrived at as per actuarial valuation and is recognized and charged to the Profit and Loss Account in the year in which the employee has rendered service.
- c) Expense on account of unutilized/ unencashed leave is arrived at as per actuarial

valuation and is recognized and charged to the Profit and Loss Account in the year in which employee has rendered services in lieu of such leave.

- d) Gains/losses arrived at in the above actuarial valuations are charged to the profit and loss account immediately in each year.

viii. FOREIGN EXCHANGE TRANSACTIONS

- a) Export sales are initially accounted at the exchange rate prevailing on the date of documentation/invoicing and the same is adjusted with the difference in the rate of exchange arising on actual receipt of proceeds in foreign exchange.
- b) Import of materials/capital equipment is accounted at the rates at which the actual payments are affected.
- c) Assets and liabilities arising out of foreign exchange transactions, as mentioned above, are translated at the rates of exchange ruling on the date of Balance Sheet and are suitably adjusted to the appropriate revenue/capital account.

ix. DIVIDEND

Final dividends on shares are recorded as liability on the date of approval by the shareholders and interim dividend are recorded as liability on the date of declaration by the company Board of Directors.

x. TAXATION

Provision is made for income tax liability estimated to arise on the results for the year at the current rate of tax in accordance with the Income Tax Act, 1961.

- Deferred tax resulting from timing differences between book and tax profits is accounted for under the liability method, at the current rate of tax.
- Deferred tax assets arising on account of brought forward losses and unabsorbed depreciation are recognized only when there is virtual certainty supported by convincing evidence that such assets will be realized. Deferred tax assets arising on other temporary timing differences are recognized only if there is a reasonable certainty of realization.
- Minimum alternate tax payable under the provisions of the Income Tax Act, 1961 is recognized as an asset in the year in which credit become eligible and is set off to the extent allowed in the year in which the company becomes liable to pay income taxes at the enacted tax rates.

xi. IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of the same exceeds its recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

xii. CONTINGENT LIABILITIES

Contingent liabilities are not recognized in the accounts, but are disclosed after a careful evaluation of the concerned facts and the legal issues involved.

Sree Akkamamba Textiles Ltd.,

Note 2 - Share Capital	As At 31st March 2018 Rs.	As At 31st March 2017 Rs.
<u>Authorised Shares :</u>		
2750000(31 March 2017 : 2750000) equity shares of Rs.10/-each	2,75,00,000	2,75,00,000
25000 (31-03-2017: 25000) 9.50% Cumulative redeemable preference shares of Rs.100/- each.	25,00,000	25,00,000
	3,00,00,000	3,00,00,000
<u>Issued Shares :</u>		
1769308(31 March 2017 :1769308) equity shares of Rs.10/- each.	1,76,93,080	1,76,93,080
	1,76,93,080	1,76,93,080
<u>Subscribed and fully paid-up shares :</u>		
1700807(31 March 2017 :1736352) equity shares of Rs.10/- each.	1,70,08,070	1,73,63,520
Total issued, subscribed and fully paid-up capital	1,70,08,070	1,73,63,520

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.	As At 31st March 2018 (Rs.)		As At 31st March 2017 (Rs.)	
	No.	Rs.	No.	Rs.
<u>Equity Shares:</u>				
At the beginning of the period	17,36,352	1,73,63,520	17,36,352	1,73,63,520
Issued during the period - Bonus issue	-	-	-	-
Issued during the period - ESOP	-	-	-	-
Bought back during the period	35,545	3,55,450	-	-
Outstanding at the end of the period	17,00,807	1,70,08,070	17,36,352	1,73,63,520

During the year 2017-18, the Company had bought back 35,545 shares of Rs.10/- each at a premium of Rs. 112.33/- each in the course of buy-back offer given by the Company as to facilitate removal of Company name from the Dissemination Board of National Stock Exchange under SEBI Circular No. SEBI/HO/MRD/DSA/CIR/P/2016/110, dated 10.10.2016.

b. Details of shareholders holding more than 5% shares in the company

Equity shares of Rs. 10/- each fully paid	As At 31st March 2018 (Rs.)		As At 31st March 2017 (Rs.)	
	No.	% holding in the class	No.	% holding in the class
1) The Andhra Sugars LTD	1,40,000	8.23%	1,40,000	8.06%
2) Sri Mullapudi Narendranath	2,01,000	11.82%	2,01,000	11.58%
3) Sri Mullapudi Thimmaraja	1,15,600	6.80%	1,15,600	6.66%
4) Sri Mullapudi Mrutyumjaya Prasad	1,07,800	6.34%	1,07,800	6.21%
Total	5,64,400	33.18%	5,64,400	32.50%

Note 3 - Reserves and Surplus	As At 31st March 2018 Rs.	As At 31st March 2017 Rs.
General Reserve		
Balance as per the last Financial Statements	30,00,00,000	30,00,00,000
Add : Transfer from Surplus balance in the Statement of Profit and Loss.	-	-
Closing Balance	30,00,00,000	30,00,00,000
Capital redemption reserve	3,55,450	-
Surplus / (Deficit) in Profit and Loss Statements	7,02,82,973	6,30,66,743
Profit/Loss(-) for the year	42,93,608	72,28,854
	7,45,76,581	7,02,95,597
Less : Appropriations		
Dividend for 2016-17	17,36,352	-
Tax on distributed Profits	3,53,480	-
Tax on distributed Profit of earlier year	-	12,624
Amount utilized for Buy back of shares	39,92,770	-
Tax on buy back of shares	9,21,212	-
Transfer to Capital redemption reserve	3,55,450	-
Total Appropriations	73,59,264	12,624
Net Surplus in statement of Profit and Loss	6,72,17,317	7,02,82,973
Total Reserves and Surplus taken to Balance Sheet	36,75,72,767	37,02,82,973

Sree Akkamamba Textiles Ltd.,

Note 4 - Long Term Borrowings	Non-current portion		Current maturities	
	As At 31st March 2018 Rs.	As At 31st March 2017 Rs.	As At 31st March 2018 Rs.	As At 31st March 2017 Rs.
Term Loans				
Rupee loan from banks (secured)				
i) Term Loan from Andhra Bank	-	2,00,00,000	2,00,00,000	2,00,00,000
ii) Term Loan from Andhra Bank	4,17,91,616	3,03,96,921	2,00,00,000	2,00,00,000
	4,17,91,616	5,03,96,921	4,00,00,000	4,00,00,000
Inter Corporate Loan (Unsecured)	4,00,00,000	-	2,00,00,000	1,00,00,000
<u>Other Loans and advances:</u>				
Deposits (unsecured)				
Deposit from Directors	-	13,07,000	-	-
Deposits from share holders	7,00,71,000	6,18,13,000	-	-
	11,00,71,000	6,31,20,000	2,00,00,000	1,00,00,000
Total Amount	15,18,62,616	11,35,16,921	6,00,00,000	5,00,00,000
The above amount includes				
Secured borrowings	4,17,91,616	5,03,96,921	4,00,00,000	4,00,00,000
Unsecured borrowings	11,00,71,000	6,31,20,000	2,00,00,000	1,00,00,000
Amount disclosed under the head "other current liabilities"(note 9)	-	-	6,00,00,000	5,00,00,000
Net Amount	15,18,62,616	11,35,16,921	-	-

Term Loans from Banks comprise of:

	i Andhra Bank	ii Andhra Bank
a) Loan availed (Rs.)	12,00,00,000	10,00,00,000
b) No. of instalments	24	20
c) Instalment commencing from	30-06-2013	30-06-2017
d) Rate of Interest	MCLR+1.95%+TP	MCLR+1.95%+TP
e) Instalment amount per quarter (Rs.)	5000000	5000000

(The above loans are secured by exclusive first charge on assets created out of the respective loan)

Note 5 - Other Long Term Liabilities	As At 31st March 2018 Rs.	As At 31st March 2017 Rs.
Trade payables	-	-
Total	-	-
Others		
Outstanding Liabilities for expenses	1,36,70,334	1,48,15,315
Trade Deposits	1,24,842	1,24,842
Advance from customers	-	-
Interest accrued but not due on deposits	47,98,944	40,69,270
Unearned revenue	-	-
Total	1,85,94,120	1,90,09,427

Note 6 - Deferred Tax Liability (Net)	As At 31st March 2018 Rs.	As At 31st March 2017 Rs.
<u>Deferred Tax Liability</u>		
Fixed assets: Impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting others	11,54,89,866	13,84,12,994
Gross deferred tax liability	11,54,89,866	13,84,12,994
<u>Deferred tax asset</u>		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	60,64,992	77,89,193
Provision for diminution in the value of investments	-	-
Provision for doubtful debts and advances	1,85,371	2,35,728
Others - Un-absorbed depreciation loss	1,63,18,091	6,85,952
Gross deferred tax asset	2,25,68,455	87,10,873
Net Deferred Tax Liability	9,29,21,411	12,97,02,121

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Note 7 - Provisions	Long Term		Short Term	
	As At 31st March 2018 Rs.	As At 31st March 2017 Rs.	As At 31st March 2018 Rs.	As At 31st March 2017 Rs.
<u>Provision for employee benefits:</u>				
Provision for gratuity	-	-	-	-
Provision for leave benefits	22,68,812	14,50,657	13,78,953	22,28,857
	22,68,812	14,50,657	13,78,953	22,28,857
<u>Other Provisions:</u>				
Provision for Income tax	-	-	-	24,26,494
	-	-	-	24,26,494
	22,68,812	14,50,657	13,78,953	46,55,351

The directors propose a dividend of Re. 1/- per share, on all the fully paid equity shares for the year ended 31st March, 2018 subject to approval by shareholders at the AGM. The total dividend amount payable works out to Rs. 17.01 lakhs.

Note 8 - Short Term Borrowings	As At 31st March 2018 Rs.	As At 31st March 2017 Rs.
Cash credit from Banks (Secured)	18,98,96,315	20,50,55,540
Loan repayable on demand (Unsecured)		
- from Directors	1,77,840	1,80,164
Deposits (unsecured)		
- from Directors	13,07,000	-
- from Shareholders	4,96,63,000	3,23,53,000
	24,10,44,155	23,75,88,704
<u>The above amount includes</u>		
Secured borrowings	18,98,96,315	20,50,55,540
Unsecured borrowings	5,11,47,840	3,25,33,164

Note : The above Cash Credit loan from Banks are secured by way of first charge on Cotton, Yarn, Stock-in-process, Stores and spares and book debts and second charge on the fixed assets. The same is repayable on demand.

Note 9 - Other Current Liabilities	As At 31st March 2018 Rs.	As At 31st March 2017 Rs.
9.1 - Trade payables		
Due to Micro, Small and Medium Enterprises (See Note No.11)	-	-
Due to Others	12,38,19,681	9,52,27,236
	12,38,19,681	9,52,27,236
9.2 - Other Liabilities:		
Current maturities of long term borrowings	6,00,00,000	5,00,00,000
Interest accrued but not due on borrowings	63,91,476	38,41,292
Advance from customers	5,52,646	18,12,435
Unclaimed dividend	8,49,059	8,16,617
Unclaimed Fixed Deposits	29,71,000	-
Interest accrued on unclaimed FDs	11,05,041	-
Accrued Salaries and Benefits	1,71,62,533	1,71,25,586
Statutory Dues	-	4,74,785
Outstanding Liabilities for expenses	1,75,33,510	1,74,23,881
Other payables	1,99,45,646	1,55,99,430
	12,65,10,911	10,70,94,026
	25,03,30,592	20,23,21,262

Note 10 - Tangible Assets

Sl. No.	Description	Cost upto 31.03.17	Gross Block			Depreciation				Net Block		
			Additions during the year	Deductions during the year	Cost upto 31.03.18	upto 31.03.17	for the year	on Deductions	upto 31.03.18	W.D.V. AsAt 31.03.18	W.D.V. AsAt 31.03.17	
1.	Land	22,61,750	--	--	22,61,750	--	--	--	--	--	22,61,750	22,61,750
2.	Buildings	7,71,37,811	--	--	7,71,37,811	21,45,678	3,40,03,829	3,61,49,507	4,09,88,304	4,31,33,982	4,09,88,304	4,31,33,982
3.	Roads	2,36,149	--	--	2,36,149	--	2,24,342	2,24,342	11,807	11,807	11,807	11,807
4	Plant & Machinery	118,90,56,821	9,74,33,983	53,31,932	128,11,58,872	3,67,11,310	60,34,84,301	63,51,30,278	64,60,28,594	58,55,72,521	64,60,28,594	58,55,72,521
5	Electrical Installations	3,20,10,317	--	--	3,20,10,317	9,49,905	2,40,01,306	2,49,51,211	70,59,106	80,09,011	70,59,106	80,09,011
6	Laboratory Equipment	2,64,45,318	--	--	2,64,45,318	15,64,530	1,78,99,648	1,94,64,178	69,81,140	85,45,670	69,81,140	85,45,670
7	Computers	28,96,388	40,250	--	29,36,638	21,591	27,32,647	27,54,238	1,82,400	1,63,740	1,82,400	1,63,740
8	Furniture & Fittings	20,29,833	--	--	20,29,833	33,008	17,72,812	18,05,820	2,24,013	2,57,021	2,24,013	2,57,021
9	Motor Vehicles	37,49,200	--	--	37,49,200	4,22,630	22,75,595	26,98,225	10,50,975	14,73,605	10,50,975	14,73,605
	Total	133,58,23,587	9,74,74,233	53,31,932	142,79,65,888	4,18,48,652	68,63,94,480	72,31,77,799	50,65,333	64,94,29,107	70,47,88,089	64,94,29,107
	Previous year	133,25,00,647	33,22,940	--	133,58,23,587	4,22,00,912	64,41,93,569	68,63,94,480	64,94,29,107	68,83,07,080	64,94,29,107	68,83,07,080

Note: (1) No impairment of assets, hence, the relevant disclosure was not made herein above.

Note 11 - Non-current Investments	As At 31st March 2018 Rs.	As At 31st March 2017 Rs.
Trade Investments (valued at cost unless stated otherwise)		
<u>Unquoted equity instruments</u>		
1268000 (31 March 2017:1268000) Equity shares of Rs. 10/- each, fully paid up in Andhra Pradesh Gas Power Corporation Ltd.,	3,50,87,500	3,50,87,500
Non-trade investments (valued at cost unless stated otherwise)	3,50,87,500	3,50,87,500
Investment in equity instruments(quoted)		
301940(31 March2017:301940) Equity shares of Rs.10/-each, fully paid up in The Andhra Sugars Ltd., Tanuku	36,82,298	36,82,298
<u>Equity Shares (Unquoted)</u>		
5100 (31 March 2017:5100) Equity Shares of Rs. 10/-each, fully paid up in The Andhra Farm Chemicals Corporation Ltd.,Kovvur	51,000	51,000
<u>Government and Trust securities (unquoted)</u>		
Investment in government securities	1,500	1,500
	37,34,798	37,34,798
	3,88,22,298	3,88,22,298
Aggregate amount of quoted Investments		
- Market Value Rs.	12,33,42,490	4,18,33,787
- Cost Rs.	36,82,298	36,82,298
Aggregate amount of unquoted investments	3,51,40,000	3,51,40,000
Aggregate provision for diminution in value of investments	-	-

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Note 12 - Loans and advances	Non-current		Current	
	As At 31st March 2018 Rs.	As At 31st March 2017 Rs.	As At 31st March 2018 Rs.	As At 31st March 2017 Rs.
<u>Capital Advances</u>				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	-	24,40,750
(A)	-	-	-	24,40,750
<u>Security Deposit</u>				
Secured, considered good	-	-	-	-
Unsecured, considered good	1,63,35,637	2,45,89,337	-	-
Doubtful	1,63,35,637	2,45,89,337	-	-
Provision for doubtful security deposit	1,63,35,637	2,45,89,337	-	-
(B)	1,63,35,637	2,45,89,337	-	-
Loans and advances to related parties				
Unsecured, considered good	-	-	-	-
(C)	-	-	-	-
<u>Advances recoverable in cash or kind</u>				
Secured, considered good				
Unsecured, considered good			64,86,957	50,10,295
Doubtful			64,86,957	50,10,295
Provision for doubtful advances				-
(D)	-	-	64,86,957	50,10,295
<u>Other Loans and Advances</u>				
Foreign Currency				
MAT Credit	3,87,22,461	3,87,22,461	-	-
Advances to Trade Payables	-	-	-	1,21,500
Advance Income-tax / TDS	-	-	8,29,485	18,62,122
Interest subsidy receivable (TUFS)	-	-	2,73,151	4,73,151
Prepaid expenses	-	-	5,25,000	6,08,970
Loans and Advance to employees	-	-	-	-
Balances with Statutory / government authorities	-	-	28,29,672	6,16,356
(E)	3,87,22,461	3,87,22,461	44,57,308	36,82,099
Total [A+B+C+D+E]	5,50,58,098	6,33,11,798	1,09,44,265	1,11,33,144

Note 13.1 - Trade receivables	Non-current		Current	
	As At 31st March 2018 Rs.	As At 31st March 2017 Rs.	As At 31st March 2018 Rs.	As At 31st March 2017 Rs.
Unsecured, considered good, unless stated otherwise: Outstanding for a period exceeding six months from the due date of payment				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	21,375	21,375
Doubtful			7,12,967	7,12,967
Provision for doubtful receivables	-	-	7,34,342	7,34,342
(A)	-	-	7,12,967	7,12,967
Other receivables			21,375	21,375
Secured, considered good			-	-
Unsecured, considered good			10,34,48,765	8,49,43,131
Doubtful			-	-
Provision for doubtful receivables	-	-	10,34,48,765	8,49,43,131
(B)	-	-	10,34,48,765	8,49,43,131
Total [A+B]	-	-	10,34,70,140	8,49,64,506

Note 13.2 - Other assets	Non-current		Current	
	As At 31st March 2018 Rs.	As At 31st March 2017 Rs.	As At 31st March 2018 Rs.	As At 31st March 2017 Rs.
<u>Unsecured, considered good unless stated otherwise</u>				
Non-current bank balances	-	-	-	-
[A]	-	-	-	-
Others				
Gratuity Fund (Net planned assets)	-	-	1,24,873	48,94,382
Interest accrued	-	-	15,39,248	16,24,140
[B]	-	-	16,64,121	65,18,522
Total [A+B]	-	-	16,64,121	65,18,522

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Note 14 - Inventories (valued at lower of cost and net realizable value)	As At 31st March 2018 Rs.	As At 31st March 2017 Rs.
Raw materials and components at Cost	13,51,49,149	9,76,13,354
Work-in-progress at Cost	2,99,22,117	3,00,58,278
Finished goods at Cost	1,56,85,015	2,02,61,852
Stores and spares at Cost (including in transit Rs.14,42,546/- (Prev.year Rs.3,05,920))	2,42,62,589	2,46,56,651
Loose tools & Implements	3,44,471	3,71,470
Total	20,53,63,341	17,29,61,605

Note 15 - Cash and Bank balances	Non-current		Current	
	As At 31st March 2018 Rs.	As At 31st March 2017 Rs.	As At 31st March 2018 Rs.	As At 31st March 2017 Rs.
<u>Cash and Cash Equivalents :</u>				
Balances with Banks:				
In current accounts			1,51,55,777	24,52,032
Deposits with original maturity of less than 3 months			42,74,000	-
In unclaimed dividend accounts			8,49,059	8,16,617
Cash on hand			47,808	1,98,709
			2,03,26,644	34,67,358
<u>Other Bank Balances :</u>				
Deposits with original maturity for more than 12 months	-	-	-	-
Deposits with original maturity for more than 3 months but less than 12 months	-	-	-	-
Margin money deposit	-	-	25,44,500	49,85,500
	-	-	25,44,500	49,85,500
Amount disclosed under non-current assets(Note: 13.2)	-	-	-	-
Total	-	-	2,28,71,144	84,52,858

Note 16 - Revenue from operations	2017-2018 Rs.	2016-2017 Rs.
<u>Sale of products:</u>		
Finished goods	101,60,37,278	106,85,48,440
Sale of Cotton Waste	5,11,30,462	4,01,06,105
	106,71,67,740	110,86,54,545
<u>Other Operating Revenue</u>		
Packing&Forwarding charges collected	2,52,406	8,59,412
Revenue from operations	106,74,20,146	110,95,13,957

Details of products sold	2017-2018 Rs.	2016-2017 Rs.
<u>Finished goods sold:</u>		
Cotton Yarn	101,60,37,278	106,85,48,440
Cotton Waste	5,11,30,462	4,01,06,105
	106,71,67,740	110,86,54,545

Note 17 - Other Income	2017-2018 Rs.	2016-2017 Rs.
<u>Interest income on:</u>		
Bank deposits	6,35,857	7,55,790
Others	14,31,260	16,37,702
Dividend received	30,19,400	-
Other non-operating income #	24,60,283	6,31,382
	75,46,800	30,24,874

Note :

# Other non-operating income includes	2017-2018 Rs.	2016-2017 Rs.
Miscellaneous Receipts	5,83,872	2,31,771
Rent received	3,64,570	3,99,611
Net gain on sale of assets	12,86,363	-
Credit Balance written back	2,25,478	-
Total	24,60,283	6,31,382

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Note 18 - Cost of raw material consumed	2017-2018 Rs.	2016-2017 Rs.
Inventory at the beginning of the year	9,76,13,354	13,39,39,227
Add:Purchases	60,26,44,014	53,52,60,192
	70,02,57,368	66,91,99,419
Less: Inventory at the end of the year	13,51,49,149	9,76,13,354
Cost of raw material consumed	56,51,08,219	57,15,86,065

Details of raw material consumed	2017-2018 Rs.	2016-2017 Rs.
i) Cotton	56,51,08,219	57,15,86,065
Total	56,51,08,219	57,15,86,065

Details of Inventory	2017-2018 Rs.	2016-2017 Rs.
<u>Raw materials:</u>		
i) Cotton	13,51,49,149	9,76,13,354
Total	13,51,49,149	9,76,13,354

Note 19 - (Increase) / Decrease in inventories	2017-2018 Rs.	2016-2017 Rs.	(Increase) / Decrease Rs.
Inventories at the end of the year			2017-18
Work in progress	2,99,22,117	3,00,58,278	1,36,161
Finished goods	1,52,15,338	1,90,65,374	38,50,036
Cotton waste	4,69,677	11,96,478	7,26,801
	4,56,07,132	5,03,20,130	47,12,998
Inventories at the beginning of the year			2016-17
Work in progress	3,00,58,278	2,12,47,084	(88,11,194)
Finished goods	1,90,65,374	2,07,42,539	16,77,165
Cotton waste	11,96,478	3,46,532	(8,49,946)
	5,03,20,130	4,23,36,155	(79,83,975)

Details of Inventory	2017-2018 Rs.	2016-2017 Rs.
<u>Work-in-progress</u>		
Cotton -in-process	2,99,22,117	3,00,58,278
	2,99,22,117	3,00,58,278
<u>Finished goods</u>		
Cotton waste	4,69,677	11,96,478
Yarn at factory	1,52,15,338	1,90,65,374
	1,56,85,015	2,02,61,852

Note 20 - Employee benefit expense	2017-2018 Rs.	2016-2017 Rs.
Salaries, wages and bonus	12,05,70,622	11,81,43,723
Contribution to provident and other fund	1,62,29,729	1,61,00,783
Gratuity expense	52,93,898	30,95,246
Staff welfare expenses	48,10,614	48,43,200
	14,69,04,863	14,21,82,952

Note 21 - Other expenses	2017-2018 Rs.	2016-2017 Rs.
Consumption of stores and spares	1,53,09,673	1,60,96,875
Processing Charges	1,08,68,713	1,60,59,024
Power and fuel	19,04,57,372	18,05,97,006
Freight and forwarding charges	77,75,537	80,79,134
Rent	9,29,250	13,44,000
Rates and taxes	7,31,030	17,83,898
Insurance	14,05,390	13,54,989
Repairs and maintenance		
Plant and machinery	3,51,53,579	4,42,62,006
Buildings	30,41,400	21,49,555
Others	24,62,365	25,40,122
Expenditure on CSR	6,08,727	16,09,949
Sales commission	88,52,284	1,00,58,489
Travelling and conveyance	23,55,958	28,86,172
Communication costs	1,19,828	1,34,100
Hank Yarn Obligation charges	10,73,510	9,04,860
Directors' sitting fee	1,45,500	1,51,500
Payment to auditors (Refer details below)	3,52,600	4,31,816
Tools written off	38,279	41,273
Bank Charges	2,71,144	8,88,793
Miscellaneous expenses	1,15,29,535	1,08,63,058
	29,34,81,674	30,22,36,619

Payment to Auditors	2017-2018 Rs.	2016-2017 Rs.
<u>As Auditor:</u>		
Audit fee	1,50,000	1,43,750
Tax audit fee	52,500	83,375
Other services (certification fees)	56,975	96,275
Reimbursement of expenses	23,125	39,116
Cost Auditors Fee	70,000	69,300
Total	3,52,600	4,31,816

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Note 22 - Depreciation and amortization expense	2017-2018 Rs.	2016-2017 Rs.
Depreciation of tangible assets	4,18,48,651	4,22,00,912
	4,18,48,651	4,22,00,912

Note 23 - Finance Costs	2017-2018 Rs.	2016-2017 Rs.
Interest	5,36,55,142	4,96,93,761
Other Borrowing cost	17,42,501	9,56,253
	5,53,97,643	5,06,50,014

Note 24	2017-2018 Rs.	2016-2017 Rs.
1. Contingent liabilities not provided for:		
a) Counter guarantees given to bankers for issue of Bank guarantees in favour of Government authorities.	49,95,859	49,95,859
b) Estimated amount of contracts to be executed on Capital accounts.	-	2,64,91,451
c) Claims against the company not acknowledged as debts;		
- Income tax matters	5,92,781	5,92,781
d) Bills discounted with Banks	NIL	NIL
2. Earnings in Foreign Currency	NIL	NIL
3. Expenditure incurred in Foreign Currency :		
- on account of foreign travel (excluding tickets purchased in Indian currency)	11,32,872	13,59,834
- CIF value of Imports made during the year :-		
- Raw materials	5,18,27,697	2,17,60,183
- Components and spare parts	11,97,638	38,71,111
- Capital Goods	-	4,12,47,164

4. Sales :	2017-18		2016-17	
	Quantity (Kgs.)	Value Rs.	Quantity (Kgs.)	Value Rs.
Cotton yarn	24,84,938	101,62,89,684	26,97,269	106,94,07,852
Waste	12,28,823	5,11,30,462	13,08,093	4,01,06,105
		106,74,20,146		110,95,13,957

	2017-18		2016-17	
	Quantity (Kgs.)	Value Rs.	Quantity (Kgs.)	Value Rs.
5. Raw Material Consumed Cotton	37,47,326	56,51,08,219	40,64,491	57,15,86,065
6. Opening Stock of Finished goods:				
Yarn	52,585	1,90,65,374	59,354	2,07,42,539
Waste	28,915	11,96,478	41,450	3,46,532
7. Closing stock of finished goods:				
Yarn	37,573	1,52,15,338	52,585	1,90,65,374
Waste	18,323	4,69,677	28,915	11,96,478

8. Details of Licenced, installed and actual production :

	2017-2018	2016-2017
a) Capacity registered with the Government: Spindles (Nos.)	80,208	86,928
b) Installed Capacity: Spindles (Nos.)	80,208	86,928
c) Actual Production:		
Yarn (Kgs.)	24,69,926	26,90,500
Waste (Kgs.)	12,18,231	12,95,558

Note : The licenced and installed capacities are as certified by the Management.

9. Comparison between indigeneous and imported raw materials, components and spare parts during the year :

a) Raw materials :	2017-18		2016-17	
	Quantity	Value	Quantity	Value
Imported	4,36,69,072	7.73	1,79,26,521	3.14
Indigenous	52,14,39,147	92.27	55,36,59,543	96.86
	56,51,08,219	100%	57,15,86,064	100%
b) Components and spare parts: (charged to appropriate heads)				
Imported	14,75,918	4.40	41,06,058	9.88
Indigenous	3,20,76,971	95.60	3,74,68,947	90.12
	3,35,52,889	100%	4,15,75,005	100%

10. The balances in the accounts of various parties are subject to confirmation by and reconciliation with the concerned parties.

11. Disclosures on payments and dues to suppliers as defined in Micro, Small and Medium enterprises Development Act, 2006:

- i) Amount remaining unpaid beyond the appointed/agreed date at the end of the year.
- | | |
|---|-----|
| a) Principal amount of bills to be paid | Nil |
| b) Interest due thereon | Nil |

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- ii) a) Payments made to suppliers, during the year, but beyond appointed/agreed date Nil
Interest thereon in terms of sec.16 of the Act Nil
b) Interest paid along with such payments during the year Nil
c) Interest due and payable at the end of the year on such payments during the year Nil
iii) Amount of interest, for the year, u/s 16 of the Act, including accrued and remaining unpaid at the end of year Nil
iv) The total amount of interest, u/s 16 of the Act, including that arising in earlier years, accrued and remaining unpaid at the end of the year Nil

Note: For the purpose of the above details of the status of the suppliers under the Act has been determined, to the extent of and based on information furnished by the respective parties and has accordingly, been relied upon by the company and its auditors.

12. DISCLOSURE REQUIRED BY ACCOUNTING STANDARD-15 (REVISED) - EMPLOYEE BENEFITS

	2017-18		2016-17	
	GRATUITY	Leave Encashment	GRATUITY	Leave Encashment
a) Reconciliation for present value of obligations				
Present value of obligations as at beginning of year	6,89,57,587	36,79,514	7,07,49,034	38,19,416
Interest Cost	55,16,607	1,99,416	56,59,923	2,58,357
Current Service Cost	32,56,332	3,29,235	33,72,638	(1,45,176)
Benefits paid	1,28,63,654	9,47,790	1,08,29,552	10,14,283
Actuarial (gain)/loss on obligation	19,90,043	3,87,390	5,544	7,61,200
Present value of obligations as at end of year	6,68,56,915	36,47,765	6,89,57,587	36,79,514
b) Reconciliation for Fair Value of Plan Assets				
Fair value of plan assets at beginning of year	7,38,51,969		7,54,13,361	
Expected return on plan assets	55,03,901		59,42,859	
Contributions	4,89,572		33,25,301	
Benefits paid	(1,28,63,654)		(1,08,29,552)	
Actuarial gain on plan assets	--		--	
Fair value of plan assets at the end of year	6,69,81,788		7,38,51,969	
c) Expenses Recognised in statement of Profit & loss a/c				
Current Service cost	32,56,332	3,29,235	33,72,638	(1,45,176)
Interest Cost	55,16,607	1,99,416	56,59,923	2,58,357
Expected return on plan assets	55,03,901	-	59,42,859	-
Net Actuarial gain recognized in the year	19,90,043	3,87,390	5,544	7,61,200
Expenses to be recognised in the profit & loss	52,59,081	9,16,041	30,95,246	8,74,381
d) Net Liability Recognised in the Balance Sheet				
Present value of obligations as at the end of year	6,68,56,915	36,47,765	6,89,57,587	36,79,514
Fair value of plan assets as at the end of the year	6,69,81,788	-	7,38,51,969	-
Funded status	1,24,873	(36,47,765)	48,94,382	(36,79,514)
Net Liability Recognized in the Balance Sheet	(1,24,873)	36,47,765	(48,94,382)	36,79,514
e) Actuarial Assumptions				
Assumptions				
Discount Rate	8.00%	7.55%	8.00%	7.30%
Salary Escalation	7.00%	6.00%	7.00%	8.00%
Mortality rate	LIC 1994-96 Ultimate Mortality Table			

13. As the company is engaged in manufacture of a single line of products, identification of the company's business into segments does not arise, as contemplated in Accounting Standard (AS-17) "Segment reporting" issued by the Institute of Chartered Accountants of India.

14. Related Party Disclosures.

A. List of related parties

1	Key Managerial Personnel	Sri M.S.R.V.K. Rangarao
2	Relatives of Key Managerial Personnel	<p>Smt. M.Satyanarayanamma - Mother of Sri M.S.R.V.K.Rangarao</p> <p>Smt. M.Srivani - Wife of Sri M.S.R.V.K. Rangarao</p> <p>Sri M.Harischandra Prasad - Brother of Sri M.S.R.V.K.Rangarao</p> <p>Master M.Venkatarayudu - Son of Sri MSRVK Rangarao</p> <p>Ms.M.Rukmini - Daughter of Sri MSRVK Rangarao</p> <p>Mr. M Rushyant -Son in law of Sri MSRVK Rangarao</p> <p>Ms.M.Ramya Tara - Daughter of Sri MSRVK Rangarao</p>
3	Enterprises controlled by Key Managerial Personnel and Relatives of Key Managerial Personnel	<p>The Andhra Sugars Ltd., Jocil Ltd., VSM Spinning Mills Pvt. Ltd., Sree Venkataraya Printers and Packers Pvt. Ltd. Sree Venkataraya Threads Private Ltd., Royal Printing Works</p>

Sree Akkamamba Textiles Ltd.,

B. Transactions with the related parties :

Sl. No.	Nature of transaction	Enterprises Controlled by Key Managerial Personnel and relatives of Key Managerial	Key Managerial Personnel	Relative of Key Managerial Personnel
1.	Purchase of Goods from Sree Venkataraya Printers & Packers Pvt. Ltd.	1,03,44,360 (1,00,61,832)		
	The Andhra Sugars Ltd.	14,620 -		
2.	Sale of Goods to The Andhra Sugars Ltd.	1,04,562 (2,64,295)		
3.	Dividends received from The Andhra Sugars Ltd.	30,19,400 -		
4.	Services Rendered by The Andhra Sugars Ltd.	5,750 (10,926)		
	Royal Printing Works	1,54,810 (1,40,500)		
	Sree Venkataraya Threads Pvt. Ltd.	1,08,68,713 (1,60,59,024)		
5.	Remuneration paid to Sri M.S.R.V.K. Rangarao		34,72,406 (26,81,658)	
6.	Interest paid to The Andhra Sugars Ltd.	2,16,986 -		
	Jocil Limited	1,57,534 (21,93,493)		
	Sri M.S.R.V.K. Rangarao		19,141 (15,393)	
	Smt. M.Satyanarayanamma			2,89,572 (2,92,355)
	Kum. M Rukmini			2,75,810 (1,58,404)
	Kum M Ramya Tara			1,68,628 (1,80,240)
	Sri Mullapudi Venkata Rayudu			8,125 -
7	Loan Repaid to Jocil Ltd.,	1,00,00,000 (2,00,00,000)		

Sree Akkamamba Textiles Ltd.,

Sl. No.	Nature of transaction	Enterprises Controlled by Key Managerial Personnel and relatives of Key Managerial	Key Managerial Personnel	Relative of Key Managerial Personnel
8	Rent paid to Sree Venkataraya Printers & Packers Pvt. Ltd.	-		
		(5,25,000)		
	VSM Spinning Mills Pvt. Ltd.	9,29,250		
		(8,19,000)		
	<u>Balances as at 31.3.2018 :</u>			
9	Share capital of the Company held by The Andhra Sugars Ltd.	14,00,000		
		(14,00,000)		
	Sri M.S.R.V.K. Rangarao		4,96,000	
			(4,96,000)	
	Dr. M. Harischandra Prasad			4,96,000
				(4,96,000)
	Smt. Mullapudi Satyanarayanamma			5,56,770
				(5,56,770)
	Smt. Mullapudi Srivani			25,000
				(25,000)
	Sri Mullapudi Venkata Rayudu			70,000
				(70,000)
	Ms. Mullapudi Rukmini			70,000
				(70,000)
	Ms. Mullapudi Ramya Tara			70,000
				(70,000)
10	Investments held in The Andhra Sugars Ltd.	36,82,298		
		(36,82,298)		
	The Andhra Farm Chemicals Corp. Ltd.	51,000		
		(51,000)		
11	Amount due to The Andhra Sugars Ltd.	6,00,00,000		
		-		
	Jocil Ltd.,	-		
		(1,00,01,541)		
	Sri M.S.R.V.K. Rangarao		1,77,840	
			(1,80,164)	
	Smt. Mullapudi Satyanarayanamma			33,51,927
				(30,63,120)
	Kum. M Rukmini			39,15,802
				(16,55,255)
	Kum M Ramya Tara			9,77,550
				(18,82,265)
	Sri Mullapudi Venkata Rayudu			5,08,125
				-

Sree Akkamamba Textiles Ltd.,

Sl. No.	Nature of transaction	Enterprises Controlled by Key Managerial Personnel and relatives of Key Managerial	Key Managerial Personnel	Relative of Key Managerial Personnel
12	Dividends paid to The Andhra Sugars Ltd. Sri M.S.R.V.K. Rangarao Dr. M. Harischandra Prasad Smt. Mullapudi Satyanarayanamma Smt. Mullapudi Srivani Sri Mullapudi Venkata Rayudu Ms. Mullapudi Rukmini Ms. Mullapudi Ramya Tara	1,40,000 (2,80,000)	49,600 (99,200)	49,600 (99,200) 55,677 (1,11,314) 2,500 (5,000) 7,000 (14,000) 7,000 (14,000) 7,000 (14,000)

15. Earning Per Share - the numerators and denominators used to calculate Basic and Diluted Earning per Share for the Years:

Particulars		2017-2018 Rs.	2016-2017 Rs.
Profit attributable to the Shareholders	A	42,93,608	72,28,854
Basic/Weighted Average No of Equity Shares Outstanding during the year	B	17,35,573	17,36,352
Nominal value of Equity Share Rs.		10	10
Basic and Diluted Earning Per Share	A/B	2.47	4.16

16. Corporate Social Responsibility(CSR)

As per section 135 of Companies Act, 2013 the CSR committee has been formed by the company. The areas of CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, health and care, destitute care and rehabilitation and rural development projects

	Rs.
Unspent amount of previous year	608,727
Amount spent during the year	608,727
Balance unspent amount	Nil

17. Previous year figures have been regrouped wherever necessary and figures have been rounded off to the nearest rupee.

18. Previous year figures have been shown in brackets.

As per our report of even date
for BRAHMAYYA & CO.
Chartered Accountants
Firm Regn.No.000513S
T.V.Ramana, Partner
Membership No. : 200523
Place : Venkatarayapuram, Tanuku
Date : 21st May, 2018

For and on behalf of the Board of Directors
P.Narendranath Chowdary, Chairman
M.S.R.V.K.Rangarao, Managing Director
N.Satyanarayana, General Manager (Fin & Admn.)

PROXY FORM

SREE AKKAMAMBA TEXTILES LIMITED

Registered Office :
 Venkatarayapuram, TANUKU - 534 215. W.G.Dt., (A.P.)
 CIN : U51909 AP1954 PLC 000525
 Email: akkamamba@gmail.com, Website: www.akkamamba.com
 Phone: 08819-224945 / 224946

I/We being the member(s) of shares of the above named Company hereby appoint:

- (1) Name:Address:
 E-mail ID Signature or failing him
- (2) Name:Address:
 E-mail ID Signature or failing him
- (3) Name:Address:
 E-mail ID Signature

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 64th Annual General Meeting of the Company to be held on Wednesday, 25th July, 2018 at 10.00 A.M at the Regd. Office, Venkatarayapuram, Tanuku and any adjournment thereof in respect of such Resolutions as are indicated below:

Resolution No.	Resolutions	Optional	
		for	against
	Ordinary Business		
1.	Adoption of Financial Statements for the year ended 31st March,2018		
2.	Approval of Dividend for 2017-18		
3.	Re-appointment of Sri P.Narendranath Chowdary as Director who retires by rotation.		
4.	Ratification of Appointment of M/s. Brahmayya & Co., Chartered Accountants as Auditors and fixing their remuneration.		
	Special Business		
5.	Acceptance of Fixed Deposits		
6.	Ratification of remuneration of Cost Auditors		
7.	Re-appointment of Sri J.Murali Mohan as Independent Director		
8.	Re-appointment of Sri J.Suresh as Independent Director		
9.	Re-appointment of Sri N.V.Somaraju as Independent Director		

Signed this day of2018.

Signature of shareholder:.....

Signature of Proxy holder (s)

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 64th Annual General Meeting.
- It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the For or Against column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Please complete all details including details of member(s) in above box before submission.