



*Lakshmi*

FINANCE & INDUSTRIAL CORPORATION LTD.

Registered Office : 1-10-60/3, "Suryodaya", 1st Floor, Begumpet, HYDERABAD - 500 016.

Phone: 040-2776 0301, 2776 7794, Fax: 040-2776 7793

E-mail: lakshmi\_lfic@yahoo.com Website: www.lakshmifinance.org

CIN: L65920AP1923PLC000044

LFIC/AR-2016-17/NSE/SEC/2017-18

1<sup>st</sup> August, 2017

To  
National Stock Exchanges of India Limited  
5<sup>th</sup> Floor, Exchange Plaza,  
Bandra(E)  
**Mumbai - 400 051**

Dear Sir/Madam,

**Sub: Annual Report for FY 2016-17**

**Ref: Regulation 34(1) of SEBI (Listing Obligation Disclosure Requirements) Regulations, 2015.**

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With Reference to the above cited subject, please find enclosed PDF copy of Annual Report of the Company for the Financial Year 2016-17, which the members of the Company have adopted in their 93<sup>rd</sup> Annual General Meeting held on 28<sup>th</sup> July, 2017 at 9.30 A.M. at "Kamat Lingapur Hotel, Begumpet, Hyderabad-500 016.

This is for your information and records

Thanking you,

Yours faithfully,

**For Lakshmi Finance and Industrial Corporation Limited**

**K.HARISHCHANDRA PRASAD  
MANAGING DIRECTOR**



NINETY THIRD

93

ANNUAL REPORT 2016-17



Lakshmi

FINANCE & INDUSTRIAL CORPORATION LIMITED



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FINANCE & INDUSTRIAL CORPORATION LIMITED

ANNUAL REPORT 2016-2017

## Company Information

### BOARD OF DIRECTORS

Sri. R.Surender Reddy	(DIN:00083972)
Sri. Kapil Bhatia	(DIN:00090776)
Sri. Keshav Bhupal	(DIN:00123184)
Sri. K.Kapil Prasad	(DIN:02940558)
Sri. K. Harishchandra Prasad,	(DIN:00012564)
Managing Director	
Smt. Madhurika Nalluri Venkat	(DIN:07147974)
Chief Financial Officer	
Sri. U.Vijaya Kumar	
Company Secretary & Compliance Officer	
Ms.Prity Bokaria	

### AUDITORS

M/s. M. Anandam & Co.  
Chartered Accountants, Secunderabad.  
M/s.Brahmayya & Co.,  
Chartered Accountants, Hyderabad.

### Internal Auditors

M/s. M. Bhaskara Rao & Co.,  
Chartered Accountants, Hyderabad

### Secretarial Auditors

Smt.N. Madhavi,  
Company Secretary in Practice

### BANKERS

Indusind Bank Ltd  
Andhra Bank  
HDFC Bank Ltd  
Bank of Bahrain and Kuwait, B.S.C

### REGISTERED OFFICE

1st FLOOR, "SURYODAYA", 1-10-60/3, BEGUMPET  
HYDERABAD-500 016. Ph.No.040-27760301/27767794  
Fax.No.040-27767793. E-mail: lakshmi\_lfic@yahoo.com  
Website: www.lakshmifinance.org

Corporate Identity Number : L65920AP1923PLC000044

Demat ISIN No in NSDL & CDSL : INE 850 E0 1012

### REGISTRARS & SHARE TRANSFER AGENTS

Venture Capital & Corporate Investments Pvt. Ltd  
12-10-167,BHARAT NAGAR, HYDERABAD-500 018.  
Ph.No.040-23818475/23818476/23868023.  
Fax No.040-23868024. E-mail: info@vccilindia.com

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## 93<sup>rd</sup> Annual General Meeting



Day Friday

Date 28th July, 2017

Time 9.30. A.M

Venue "Anupama Banquet Hall" Kamat Lingapur  
Hotel, 1-10-44/2, Chikoti Gardens,  
(Lane Opp. to Allauddin Building)  
Begumpet, Hyderabad- 500 016.

## BOARD COMMITTEES

### Audit Committee

Sri. R.Surender Reddy	Chairman
Sri. Kapil Bhatia	Member
Sri. Keshav Bhupal	Member
Sri. K.Kapil Prasad	Member
Smt. Madhurika Nalluri Venkat	Member

### Stakeholders Relationship Committee

Sri. Keshav Bhupal	Chairman
Sri. Kapil Bhatia	Member
Sri. R.Surender Reddy	Member
Sri. K.Kapil Prasad	Member
Sri. K.Harishchandra Prasad	Member

### Nomination and Remuneration Committee

Sri. Keshav Bhupal	Chairman
Sri. Kapil Bhatia	Member
Sri. R.Surender Reddy	Member
Smt. Madhurika Nalluri Venkat	Member

### Corporate Social Responsibility Committee

Sri. Keshav Bhupal	Chairman
Sri. Kapil Bhatia	Member
Sri. R.Surender Reddy	Member
Sri. K.Harishchandra Prasad	Member

### Independent Directors Committee

Sri. R.Surender Reddy	Chairman
Sri. Kapil Bhatia	Member
Sri. Keshav Bhupal	Member
Smt. Madhurika Nalluri Venkat	Member

### Risk Management Committee

Sri. Keshav Bhupal	Chairman
Sri. Kapil Bhatia	Member
Sri. R.Surender Reddy	Member
Sri. K. Harishchandra Prasad	Member

## NOTICE

Notice is hereby given that the 93rd Annual General Meeting of the members of LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED will be held on Friday the 28th July, 2017 at 9.30.A.M. at "Anupama Banquet Hall" Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, (Lane Opp. To Allauddin Building) Hyderabad 500 016 to transact the following business.

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2017 and the Statement of Profit and Loss & Cash Flow Statement of the Company for the year ended on that date and the Reports of the Directors and Auditors for the financial year 2016-17.
2. To declare a Dividend of 35% i.e Rs.3.50 on Equity Shares for the year ended 31st March, 2017.
3. To appoint a Director in place of Sri. K. Kapil Prasad (DIN 02940558), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors of the Company, and to fix their remuneration and to pass the following resolution as an Ordinary Resolution thereof:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 141 and 142 of the Companies Act, 2013 and the rules made thereof, M/s. K. S. RAO & CO., Chartered Accountants, Hyderabad, (ICAI Firm Registration No.003109S), be appointed as Statutory Auditors of the Company for a period of 5 years commencing from the conclusion of 93rd Annual General Meeting till the conclusion of 98th Annual General Meeting of the Company subject to ratification at every subsequent Annual General Meeting of the Company and that Sri K.Harischandra Prasad, the Managing Director is hereby authorized to fix their remuneration as per the recommendations from Audit Committee & Board of the Company and such remuneration may be paid on progressive billing including the service tax, as may be mutually agreed".

### SPECIAL BUSINESS:

#### 1). RE-APPOINTMENT OF MANAGING DIRECTOR:

To consider and if thought fit, to pass with or without modification(s), the following Resolution, as a **Special Resolution**:

**"RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the re-appointment of Sri K Harischandra Prasad, as Managing Director of the Company with effect from April 1, 2017 to March 31, 2020 as well as the payment of salary, and perquisites (herein after referred to as "remuneration"), upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Sri K Harischandra Prasad."

**"RESOLVED FURTHER THAT** the remuneration payable to Sri K Harischandra Prasad, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution."

Registered Office  
1st Floor, Suryodaya 1-10-60/3  
Begumpet, Hyderabad - 16.  
CIN: L65920 AP 1923 PLC 000044.  
Email: lakshmi\_ific@yahoo.com  
Website: www.lakshmiifinance.org

For and on behalf of the Board  
**Lakshmi Finance & Industrial Corporation Limited**  
Sd/-  
**K.Harishchandra Prasad**  
Managing Director  
DIN: 00012564

Place: Hyderabad  
Date: 17-05-2017

**NOTES:**

1. A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.
2. The Instrument of Proxy should however be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Annual General Meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 22nd July, 2017 to 28th July, 2017 (both days inclusive) for annual closing and determining the entitlement of the shareholders to the final dividend for 2016-17. The dividend if declared will be paid to the Members, whose names appear in the register of members as on 21.07.2017.
4. A dividend of Rs. 3.50/- per share (35% on the face value of equity share) has been recommended by the Board of Directors for the year ended 31st March, 2017 and subject to the approval of the shareholders at the ensuing Annual General Meeting, is proposed to be paid on or before 30 days from the date of Annual General Meeting.
5. Members holding shares in physical form are requested to immediately notify any change in their address to the Registered Office of the Company and members holding shares in the dematerialized form are requested to notify the changes to their depository participant(s).
6. In order to avoid fraudulent encashment of dividend warrants, Members holding shares in physical forms are requested to send to the Registrar and Transfer Agents of the Company, on or before 19th July 2017 a Bank Mandate (providing details of name and address of banker, branch, PIN code and particulars of bank accounts) or changes thereon, if not provided earlier, under the signature of the sole / first holders along with the folio numbers. This information will be printed on the dividend warrants. You may avail of the Electronic Clearing Service (ECS) mandate facilities provided by the company.  
Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank account details. ECS mandates, nominations, power of attorney, change of address/ name etc. to their depository participant only and not to the company or its Registrar and Transfer Agent. The said nominations will be automatically reflected in the Company's records.
7. (a) Shareholders who have not yet surrendered the existing Share Certificates representing equity shares of Rs.100/- each paid-up of your total shareholdings for exchange of new share certificates representing equity shares of Rs.10/-each paid-up for any reason may please contact Shares Department of the Company.  
(b) Shareholders/Legal heirs of shareholders, who have not collected/ received the Bonus Shares issued by the Company in 1996 and in 2009, are requested to contact Shares Department of the Company for necessary action to obtain the unclaimed Bonus Shares.
8. Shareholders holding shares in identical order of names in more than one folio are requested to write to the Company, enclosing their share certificates to enable the Company to consolidate their holdings in one folio to facilitate better service.
9. As per provisions of the Section 124 read with Section 125 of the Companies Act, 2013 the Company is required to transfer unpaid dividends remaining unclaimed and unpaid for a period of 7 years from the due date (s) to the Investor Education and Protection Fund (IEPF) set up by the Central Government. Accordingly, the unclaimed dividend amounts in respect of period 2008-09 has been transferred to the said fund on 21.10.2016 upon expiry of 7 years period. Unclaimed dividend for the year 2009-2010 is due for transfer to IEPF on or before 19.09.2017. Those members who have not en-cashed their dividend warrants(s) for the said year and for the years mentioned below are requested to make the claims to the Company without any further delay. It may be noted that once the unclaimed dividend is transferred to the IEPF as above, no claim shall lie against the IEPF or the Company in respect of any amounts which were unclaimed/unpaid for a period of 7 years from the dates they first became due for payment and no payment shall be made in respect of any such claims.

Given below are the proposed dates for transfer of the unclaimed dividend to IEPF by the Company:

<b>Financial Year ended</b>	<b>Date of Declaration Of Dividend</b>	<b>Last date for Claiming Unpaid Dividend amount (on or before)</b>	<b>Last date for Transfer to IEP Fund</b>
31.03.2010	20.09.2010	19.09.2017	18.10.2017
31.03.2011	06.08.2011	05.08.2018	04.09.2018
31.03.2012	13.08.2012	12.08.2019	11.09.2019
31.03.2013	03.08.2013	02.08.2020	01.09.2020
31.03.2014	05.08.2014	04.08.2021	03.09.2021
31.03.2015	13.08.2015	12.08.2022	11.09.2022
31.03.2016	12.08.2016	11.08.2023	10.09.2023

Shareholders who have not yet claimed the dividends for the above periods are requested to contact the Secretarial Department at the Registered Office of the Company.



10. Members desiring any information as regards the accounts are requested to write to the Company at least seven days before the date of the meeting to enable the management to keep the information ready at the meeting.
11. The Securities & Exchange Board of India (SEBI) has made it mandatory for all Companies to use the Bank account details furnished by the Depositories for depositing dividend through Electronic Clearing Services (ECS) to investors where ECS and Bank details are available. Members may, therefore, give instructions regarding Bank Accounts in which they wish to receive dividend, directly to their Depository Participants. The Company will not entertain any direct request from such members for deletion of/change in such Bank details. Further instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to dividend paid on shares in electronic form. Prescribed Form (ECS) is annexed to this report which may be duly filled in and sent to the Company.
12. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
14. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.
15. Ministry of Corporate Affairs has undertaken a "Green Initiative in Corporate Governance" and allowed companies to send documents such as Notice of the Annual General Meeting, Audited Financial Statements, Directors' Report, Auditors' Report, etc., to the shareholders in electronic form instead of the paper form. Members are requested to send/ update their email address with their Depository or Registrar and Transfer Agents of the Company.
16. Pursuant to the requirements on the Corporate Governance under the listing agreement entered into with stock exchanges, the information about the Directors proposed to be appointed /re- appointed is given in the annexure to the notice.
17. All the documents referred to in the Notice and explanatory statement will be available to the members at the Registered Office of the Company between 10.30 A.M to 12.30 P.M on all working days from the date hereof up to the date of the Meeting.
18. The Notice of the 93rd AGM and instructions for e-voting along with the Attendance Slip and proxy Form is being sent by electronic mode to all members whose email addresses are registered with the Company/ Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
19. Members may also note that the Notice of the 93rd Annual General Meeting and the Annual Report for 2016-17 will also be available on the Company's website [lakshminfinance.org](http://lakshminfinance.org) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor Email ID at [lakshmi\\_ific@yahoo.com](mailto:lakshmi_ific@yahoo.com).

**E-Voting for transaction of Business:**

The business as set out in the Notice may be transacted and that:

- A. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44(1) of the Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 93rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the 93rd Annual General Meeting (AGM) ("remote e-voting") will be provided by Central Depository Securities Limited (CDSL).
- B. The Facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote may exercise their vote through ballot paper.



- C. The members who have cast their vote by remote e-voting prior to the 93rd Annual General Meeting (AGM) may also attend the 93rd Annual General Meeting (AGM) but shall not be entitled to cast their vote again.

**The procedure and instructions for members for voting electronically are as under:**

- i) The voting period begins at 9.00 A.M. on 25th July, 2017 and ends at 5 P.M. on 27th July, 2017. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21st July, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) Open your web browser during the voting period and log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iii) Now click on "Shareholders" to cast your votes
- iv) Now Enter you User ID.
  - a) For CDSL. 16 digits beneficiary ID.
  - b) For NSDL:- 8 Character DPID followed by 8 Digits Client ID.
  - c) For Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v) Next enter the Image Verification as displayed and Click on Login.
- vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vii) If you are a first time user follow the steps given below:

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

- viii) After entering these details appropriately, click on "SUBMIT" tab.
- ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi) Click on the EVSN for the relevant < LAKSHMI FINANCE AND INDUSTRIAL CORPORATION LIMITED (EVSN - 170606006 ) > on which you choose to vote.
- xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.



**xix) Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

**xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).**

The Company has appointed Smt. N.Madhavi, Practicing Company Secretary, who in the opinion of the Board is a duly qualified person, as a Scrutinizer who will collate the electronic voting process in a fair and transparent manner. The Scrutinizer shall within a period of three working days from the date of conclusion of the shareholders meeting, submit her report after consolidation of e-voting and the votes in the shareholders meeting, cast in favour of or against, if any, to the Chairman of the Company. Results will be uploaded on the Company's website as well as intimated to the Stock Exchange (NSE).

The Chairman shall, at the 93rd Annual General Meeting (AGM), at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Poling Paper" for all those members who are present at the 93rd Annual General Meeting (AGM) but have not cast their votes by availing the remote e-voting facility.

The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the 93rd Annual General Meeting (AGM) a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company : [www.lakshminfinance.org](http://www.lakshminfinance.org) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the NSE Ltd., Mumbai.

**EXPLANATORY STATEMENT:**

(Pursuant to Section 102 of the Companies Act, 2013)

The term of office of Shri K. Harishchandra Prasad, Managing Director expired on 31st March, 2017. Shri K. Harishchandra Prasad has been in the office as Managing Director since 11th May 1985 thus completing a period of 32 Years. During the tenure of Shri K. Harishchandra Prasad as Managing Director, the Company has made considerable progress in all the spheres and is optimistic on the future progress. He is also on the Board of Directors of several Public/Private Limited Companies. In the interest of the Company, the Board of Directors reappointed Shri K. Harishchandra Prasad as Managing Director, from 1st April 2017 for a further period of 3 years. The Nomination and Remuneration Committee and the Board of Directors of the Company recommended the re-appointment of Shri K. Harishchandra Prasad in accordance with the terms and conditions and guidelines specified in Schedule V of the Companies Act, 2013.

Pursuant to the provisions of Section 197 read with Schedule V of the Companies Act, 2013 any such remuneration needs to be ratified by the members in their General Meeting. The main terms of the agreement to be entered into by the Company with Shri K. Harishchandra Prasad are as follows:

**The main terms of agreement are: -**

1. **SALARY:** Rs.4,50,000/- per month in the scale of Rs.4,50,000/- Rs.5,00,000/- Rs.5,50,000/-
2. **COMMISSION:**  
Two percent of the net profit computed in accordance with Section 198 of the Companies Act, 2013, subject to a ceiling of fifty percent of the salary.
3. **PERQUISITES:**  
In addition to salary and commission, he shall be entitled to the allowances and other perquisites provided that the value thereof shall be restricted to an amount equal to the annual salary as set out below:
4. **Medical Reimbursement for self and family:** Reimbursement of expenses actually incurred for self and family, the total cost of which to the Company shall not exceed two month's salary in a year;





5. **Leave Travel Allowance:** For self and family, once in a year either in India or Abroad travel shall not exceed one month's salary in a year;
6. **Club fees:** Fees of clubs, subject to a maximum of two clubs;
7. **Personal accident insurance:** Premium not to exceed Rs.50,000/- per annum;
8. **Car:** Free use of Company's car with driver;
9. Contribution to Provident Fund, Superannuation Fund or Annuity Fund, as per the rules of the Company;
10. Gratuity payable shall not exceed, half a month's salary, for each completed year of service;
11. **Communication Facilities:** Free communication facilities like Telephones / Internet / Mobiles at residence;
12. The expenditure incurred by the Company on gas, electricity, water will be subject to a ceiling of 10% of the salary.
13. Leave on full pay and allowances as applicable to other employees of the Company.
14. He shall also be entitled to reimbursement of expenses actually incurred for the business of the Company;
15. **Minimum Remuneration:** Notwithstanding herein, in the event of absence or inadequacy of profits of the Company in any financial years, the Company may remunerate to Shri.K Harishchandra Prasad by way of Salary and perquisites in accordance with the limits prescribed in Section II of Part II of Schedule V of the Companies Act, 2013 or any statutory modifications, substitutions, re-enactments or amendment thereof as may be agreed to by the Board of Directors and Shri.K. Harishchandra Prasad.

The draft agreement between the Company and Shri. K.Harishchandra Prasad is available for inspection by the members of the Company at its Registered Office between 10.30 A.M to 12.30 P.M. on any working day prior to the date of the Annual General Meeting and will also be available at the Annual General Meeting.

None of the Directors, Key Managerial Persons or their relatives, except Shri. K.Harishchandra Prasad and Shri K. Kapil Prasad are in any way concerned or interested in the Resolution set out in special Business Item No.1.

Your Directors recommend the resolution for approval.

#### **STATEMENT PURSUANT TO PART II of SECTION II OF SCHEDULE V, OF THE COMPANIES ACT, 2013**

##### **I GENERAL INFORMATION**

##### **(1) Nature of Industry: Non-Banking Finance Company**

The Company's primary business activity is to invest in shares and mutual funds.

##### **(2) Date of commencement of commercial production/Business activity: 16.04.1980.**

##### **(3) Financial performance during last three years: (Rs. in lakhs)**

Financial Parameter	2016-17	2015-16	2014-15
<b>Total Income</b>	449.14	492.23	688.19
<b>Profit After Tax</b>	314.60	363.01	499.97
<b>Book Value in Rs.</b>	129.14	118.65	110.76
<b>EPS in Rs.</b>	10.49	12.10	16.67

##### **(4) Foreign investments or collaborations, if any: NIL**

##### **II. INFORMATION ABOUT THE APPOINTEE:**

##### **1. Background of the Appointee:**

Shri Kanuri Harishchandra Prasad, was born on September 15, 1952. After his B.Tech., (Chemical Technology) from Madras University in 1973, Shri.K.Harishchandra Prasad did M.S., in Chemical Engineering at Washington University., St., Louis in USA(1975). He was a Research Assistant at the University. Later, he did his M.B.A., (special emphasis on Finance) from, St.Louis University, St.Louis, USA (1977).

Shri.K.Harishchandra Prasad worked in United States of America as Plant Manager, Senior Manufacturing Engineer and Manager (Plating Operations) Industrial Electro Plating Labs and later at Allied Corporation.

He is on Board of Andhra Pradesh State Financial Corporation, besides being a Director of several Public and Private Limited Companies.

Shri K.Harishchandra Prasad is actively involved in social and philanthropic activities. He is a member on the Governing Council of the Vignana Jyothi Educational Society. He is the Past President of FTAPCCI (Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry) and President elect for Hyderabad Management Association for the year 2017-18.



*Lakshmi*

**FINANCE & INDUSTRIAL CORPORATION LIMITED**

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**2. Past remuneration (including contribution to PF, Superannuation fund and Gratuity fund) for last 3 years:**

2016-17	2015-16	2014-15
68,12,604	61,76,277	53,84,519

**3. Recognition and award:**

He received "Outstanding performance Award" while working in Allied Corporation, USA in 1983.

**4. Job profile and his suitability:**

**(a) Job Profile**

- He will exercise the management control over the whole of the affairs of the Company.
- Providing leadership and strategic guidance to the Company
- Profitable operations of the Company through efficient and optimum utilization of Company's resource viz., man, material and money.
- Entering into strategic tie-ups and alliances for advancement of the business of the Company.
- Development of new businesses.
- Employee satisfaction.
- Customer satisfaction.

**(b) Suitability**

Shri K. Harishchandra Prasad belongs to the promoter group of the Company. He has been at the helm of the affairs of the Company since 1985. Under his able leadership and guidance the Company has been making steady progress and has been maintaining continuous dividend payment track record. He has vast experience in the field of Finance. Given the profile of Shri K. Harishchandra Prasad, it is imperative that he be shouldered with responsibility of Managing Director and draw the remuneration as proposed.

**5. Remuneration proposed:** As detailed in the Explanatory Statement.

**6. Comparative remuneration profile with respect to industry, size of the Company, Profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)**

The proposed remuneration to the appointee is in line with the remuneration comparable to the size of the Company and also that of the industry and of the position and person.

**7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:**

Shri K. Harishchandra Prasad has no pecuniary relationship directly or indirectly with the Company except to the extent of his remuneration in the Company. Shri K. Kapil Prasad is the son of Shri K. Harishchandra Prasad, who is the Non- Executive Director of the Company.

**III. OTHER INFORMATION:**

**(1) Reason of inadequate profits:**

The Company has achieved profits from its operations during the year and it is expected to earn profits in the future years also. The Company is seeking the permission of the shareholders for paying remuneration to Shri K. Harishchandra Prasad, Managing Director, in accordance with the provisions as laid down in Schedule V of the Companies Act, 2013, in the event the Company has no profit or inadequate profits in any such financial year.

**(2) Steps taken or proposed to be taken for improvement:** The Company is striving hard to get new business and the Directors of the Company have been working towards getting new business activities.

**(3) Expected increase in productivity and profits in measurable terms:** Not Applicable as the Company is not into production activities.

**IV. DISCLOSURES:** The details of the remuneration package, benefits and details are provided in Corporate Governance Report.

**For and on behalf of the Board**  
**Lakshmi Finance & Industrial Corporation Limited**  
**Sd/-**  
**K. Harishchandra Prasad**  
**Managing Director**  
**DIN: 00012564**

Place: Hyderabad

Date: 17-05-2017

**Additional information of Director seeking appointment/**

**Re-appointment at the Annual General Meeting.**

**Pursuant to Regulation 36(3) of SEBI(Listing Obligation and Disclosure Requirements) Regulation 2015**

Name of the Director	Sri. K. Kapil Prasad	Sri. K. Harishchandra Prasad
Date of Birth	31.10.1983	15.09.1952
Date of Appointment	07.02.2014	11.05.1985
DIN No.	02940558	00012564
Qualification, Experience and Expertise	M.S	M.S, MBA
No of Shares held in the Company	81,085	90,000
Disclosure of relationship between Directors interested	Son of Sri. K. Harishchandra Prasad (Managing Director)	Father of Sri. K. Kapil Prasad (Non-Executive Director)
Directorships held in other Companies (excluding Private Limited and Foreign Companies)	No	4
Positions held in mandatory committees of other companies	No	4

## DIRECTORS' REPORT

To

The Members,

Your Directors have the pleasure in presenting this 93rd Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31st March, 2017.

### FINANCIAL HIGHLIGHTS

(Rs. in lakhs)

Particulars	2016-17	2015-16
Gross Income	449.14	492.23
Gross Profit	324.59	382.77
Less: Finance Costs	-	-
Depreciation	5.92	7.02
<b>Profit for the year before taxation</b>	<b>318.67</b>	<b>375.75</b>
Provision for Taxation	7.00	12.74
<b>Profit after tax</b>	<b>311.67</b>	<b>363.01</b>
Prior year taxes	(2.93)	-
Net Profit	314.60	363.01
Profit brought forward	804.98	744.34
<b>Profit Available For Appropriation</b>	<b>1119.58</b>	<b>1107.35</b>
Appropriations:		
Proposed Dividend	-	105.00
Dividend Tax	-	21.37
Transfer to Reserve Fund (per RBI Guide Lines)	65.00	76.00
Transfer to General Reserve	100.00	100.00
<b>Balance carried over to Balance Sheet</b>	<b>954.58</b>	<b>804.98</b>

#### 1). DIVIDEND:

Your Directors take the pleasure in recommending a dividend at the rate of 35% (i.e., Rs. 3.50 per Equity Share of Rs.10/- each) for the financial year 2016-17 as apposed to 35 % dividend rate in the previous year. The proposed dividend, if approved at the 93rd Annual General Meeting by the Members, will be paid to all those equity shareholders whose names appear in the register of Members as on 21.07.2017 and also to those whose names appear as beneficial owners as furnished by the National Securities Depository Limited and Central Depository Services (India) Limited. The outflow on account of the dividend payout would be Rs. 126.38 lakhs including tax on dividends.

#### 2). STATEMENT OF AFFAIRS & OUTLOOK:

During the year under review, our Company's Income reduced to Rs. 449.14 lakhs as against Rs. 492.23 lakhs in the previous year. After providing current year tax (MAT) of Rs. 7.00 lakhs, our Company achieved Profit after taxation of Rs. 314.60 lakhs. The performance during the year ended 31.03.2017 was marginally lower mainly on account of sluggish stock market conditions and also due to lower dividend payments by mutual funds. The Company continues to actively monitor its investments in mutual funds and equity shares and continue to be cautiously optimistic about the Indian economy outlook, with GST rollout and other reforms in progress. The rental incomes have been on expected basis and the Company expects the Capital Market conditions to improve in the coming year and hopes that Company's performance will lead to improved results.

#### 3). TRANSFER TO RESERVES

The Company proposes to transfer Rs. 100.00 lakhs to General Reserve. An amount of Rs. 954.58 lakhs is proposed to be retained in the profit and loss account.

#### 4). DETAILS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Your company does not have any subsidiaries, associates and joint ventures.

#### 5). DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED/RESIGNED DURING THE YEAR:

Sri. Kapil Prasad, Director of the Company retires at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Mr. M Ranganath Sai, Director of the Company, being not able to attend any of the Board Meeting for a period of 12 months ceases to be Director of the Company as per Section 167(1) (b) of the Companies Act 2013.

**6). DECLARATION GIVEN BY INDEPENDENT DIRECTORS:**

All Independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149 of the Companies Act, 2013 and Regulations of SEBI (Listing obligations and disclosure requirements) Regulations, 2015 which have been relied on by the Company and were placed at the Board Meeting held on May 17, 2017.

**7). EVALUATION OF THE BOARD'S PERFORMANCE**

In compliance with the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the performance evaluation of the Board was carried out during the year under review.

The Board has a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board based on the criteria laid down by Nomination and Remuneration Committee which included attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholders interest, adherence to Code of Conduct and Business ethics, monitoring of regulatory compliance, risk assessment and review of Internal Control Systems etc.

**8). POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER DETAILS.**

The Company follows a policy on remuneration of Directors and Senior Management Employees. The Policy is approved by the Nomination and Remuneration Committee and the Board. More details on the same are given in the Corporate Governance Report.

**9). NUMBER OF BOARD MEETINGS HELD:**

The Board of Directors duly met 4 times during the Financial Year from 1st April, 2016 to 31st March, 2017. The dates on which the meetings were held are as follows:

21st May, 2016, 12th August, 2016, 7th November, 2016 and 3rd February, 2017.

**10). AUDIT COMMITTEE**

The details pertaining to composition and term of reference of the Audit Committee member's dates of meeting held and attendance of the Directors are given separately in the Corporate Governance Report, which forms part of this report.

**11). LISTING OF COMPANY'S SHARES:**

The Company's shares are listed at The National Stock Exchange of India Limited (NSE) w.e.f. 15.04.2015 and the Annual Listing Fees for the year 2017-18 have been paid. The Company's shares are listed and traded at NSE with ISIN code 'INE 850E01012' and Stock Code 'LFIC' with effect from 15.04.2015.

**12). (i) DEMATERIALISATION OF SHARES:**

Your Company shares have been made available for dematerialization through the National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL). As on 31st March 2017, 62.05% of the shares in your Company have been dematerialized.

**12. (ii) UN PAID /UN CLAIMED DIVIDEND:**

In terms of the provisions of Section 123, 124 & 125 of the Companies Act, the Company is obliged to transfer dividends which remain unpaid or unclaimed for a period of seven years from the declaration to the credit of the Investor Education and Protection Fund established by the Central Government. Accordingly, the Members are hereby informed that the 7 years period for payment of the dividend pertaining to financial year 2009-2010 will expire on October 18th, 2017 and thereafter the amount standing to the credit in the said account will be transferred to the "Investor Education and Protection Fund" of the Central Government.

Further, as per the provisions of Section 125 of the Companies Act, 2013, the shares wherein the dividend is unclaimed for a period of consecutive seven years will be transferred to the Suspense Account as prescribed by the IEPF Rules, therefore the shareholders whose dividends are unclaimed for consecutive seven years from 2010-11 (list of shareholders along with the unclaimed dividend details are available on the website of the Company at ([www.lakshmifinance.org.in](http://www.lakshmifinance.org.in))) are requested to claim their unclaimed dividend at the earliest.

**13). AUDITORS:****i). Statutory Auditors:**

The term of appointment of M/s. Brahmayya & Co., Hyderabad and M/s. M. Anandam & Co., Secunderabad, Chartered Accountants, the joint Statutory Auditors of the Company shall expire at the end of the ensuing Annual General Meeting. Therefore, Board on the recommendation of Audit Committee proposes to appoint M/S K.S Rao & Co., Chartered Accountants as Statutory Auditors of the Company for a period of five years from the conclusion of 93rd Annual General meeting till the conclusion of 98th Annual General Meeting.



M/S K.S Rao & Co., Chartered Accountants has provided certificate of eligibility under the Companies Act, 2013.

The Audit Report issued by M/s. Brahmayya & Co., Hyderabad and M/s. M. Anandam & Co., Secunderabad, Chartered Accountants, the joint Statutory Auditors of the Company for the financial year 2016-17 does not contain any qualification, reservations and adverse remarks. The Auditors' Report is enclosed with the Financial Statements in this Annual Report.

**ii). Internal Auditors:**

M/s M. Bhaskara Rao & Co., Chartered Accountants performs the duties of Internal Auditors of the Company and their report is reviewed by the Audit Committee from time to time.

**iii). Secretarial Auditors:**

According to the provisions of section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit Report submitted by Smt. N.Madhavi, Company Secretary is enclosed as a part of this report. The Secretarial Audit Report does not contain any qualification, reservations and adverse remarks.

**14). DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.**

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, and size and complexity of its operations. Internal control systems comprising of policies and procedures designed to ensure reliability of financial reporting timely feedback on achievement of operational and strategic goals, compliance with policies procedure, applicable laws and regulations, and that all assets and resources are acquired are used economically.

**15). DIRECTORS' RESPONSIBILITY STATEMENT.**

Pursuant to Section 134 (5) of the Companies Act, 2013, your Directors confirm that to the best of their knowledge and belief and according to the information and explanation obtained by them.

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures:
- ii. Such accounting policies as mentioned in the notes to the financial statements have been selected and applied consistently and judgments and estimates that are reasonable and prudent made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2016-17 and of the statement of Profit or Loss of the Company for that period.
- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities:
- iv. The annual accounts for the year 2016-17 have been prepared on a going concern basis.
- v. That the proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- vi. That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and effectively mentioned under various heads of the departments which are in then reporting to the Managing Director.

**16). PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The Company has not given Loans, Guarantees and Investments covered under the provisions of section 186 of the Companies Act, 2013

**17). PUBLIC DEPOSITS:**

Your Company has not accepted any deposits from the public during the year under review and there are no outstanding deposits as on 31st March 2017. Further, the Company is registered with RBI as a "Non Deposit Taking Company".

**18). CHANGE IN NATURE OF BUSINESS:**

There is no change in the nature business during the year under review.

**19). VIGIL MECHANISM:**

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at [www.lakshmi-finance.org](http://www.lakshmi-finance.org).

**20). RELATED PARTY TRANSACTIONS:**

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically noted by the Audit Committee and the particulars of contracts entered during the year as per Form AOC-2 is enclosed as **Annexure-I**.

The policy on related party transactions as approved by the board is uploaded on the website of the Company at [www.lakshmifinance.org](http://www.lakshmifinance.org).

**21). EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form **MGT- 9** is annexed herewith as "**Annexure-II**" to this report.

**22). PARTICULARS OF EMPLOYEES**

None of the employees fall under the purview of the provisions provided under the Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014 whose details are required to be disclosed.

**23). MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

In terms of the provisions of Regulation 34 of the Securities and Exchange Board of India. (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Management's Discussion and Analysis are set out in this Annual Report.

**24). CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:**

Your Company has taken adequate steps to adhere to all the stipulations laid down in the Listing Regulation. A report on Corporate Governance is included as a part of this Annual Report. Certificate from the Statutory Auditors of the Company M/s. Brahmayya & Co., Chartered Accountants confirming the compliance with the conditions of Corporate Governance as stipulated under Listing Regulation is included as a part of this report.

**25). CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Information required under section 134(3)(m) read with Rule, 8 of the Companies (Accounts) Rules, 2014, of the Companies Act, has not been given as the same is not applicable owing to the nature of activities in foreign Currency is Nil.

**26). CORPORATE SOCIAL RESPONSIBILITY (CSR) :**

In terms of section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors of your Company has constituted a CSR Committee w.e.f 25.05.2015. The Committee Comprises of four Independent Directors and one Non-Independent Director, namely Sri. R. Surender Reddy, Sri.Keshav Bhupal, Sri.Kapil Bhatia, Smt. Madhurika Nalluri Venkat and Sri. K. Harishchandra Prasad, Managing Director. CSR Committee of the Board developed a CSR Policy and the functions of Committee include review of CSR initiatives undertaken by the Company formation and recommendation to the Board of a CSR policy indicating the activities to be undertaken by the Company and recommendation of the amount of the expenditure to be incurred for such activities. However, during the year under review Section 135 of the Companies Act, 2013, relating to the Corporate Social Responsibility is not applicable to the Company and hence the same is not adopted.

**27) REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES:**

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of employees of the Company and Directors is given in **Annexure-III**.

**28). MATERIAL CHANGES AND COMMITMENTS:**

Pursuant to the provisions Sec.134 (3) (l) companies Act, 2013, there were no material changes and commitments which affects the financial statements of the Company during the year under review.

**29). RISK MANAGEMENT COMMITTEE**

The Board of Directors of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis. The details of risk management committee and its composition is given in the Corporate Governance Report which form part of this report.



**30). SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

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

**31). DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

"The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of Sexual harassment complaints received and disposed off during each Financial Year:

No. of complaints received:	Nil
No. of complaints disposed off:	Nil

**32). ACKNOWLEDGEMENTS:**

Directors take this opportunity to express their thanks to various departments of the Central and State Government, Banks and Shareholders for their continued support and guidance.

The Directors wish to place on record their appreciation for the dedicated efforts put in by the Employees of the Company at all levels.

For and on behalf of the Board  
**LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED**

Sd/-  
**R. SURENDER REDDY**  
Director  
(DIN: 00083972)

Sd/-  
**K. HARISHCHANDRA PRASAD**  
Managing Director  
(DIN: 00012564)

Place: Hyderabad  
Date: 17.05.2017

**ANNEXURE-A**

**Form No.MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**M/s. Lakshmi Finance & Industrial Corporation Limited**  
1st Floor, Suryodaya, Begumpet,  
Hyderabad – 500 016, Telangana.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Lakshmi Finance & Industrial Corporation Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the M/s. Lakshmi Finance & Industrial Corporation Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Lakshmi Finance & Industrial Corporation Limited for the financial year ended on 31st March 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (**Substantial Acquisition of Shares and Takeovers**) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (**Prohibition of Insider Trading**) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (**Issue of Capital and Disclosure Requirements**) Regulations, 2009 (**Not applicable to the Company during the Audit Period**);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**Not applicable to the Company during the Audit Period**);
  - (e) The Securities and Exchange Board of India (**Issue and Listing of Debt Securities**) Regulations, 2008 (**Not applicable to the Company during the Audit Period**);
  - (f) The Securities and Exchange Board of India (**Registrars to an Issue and Share Transfer Agents**) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (**Delisting of Equity Shares**) Regulations, 2009 (Not applicable to the Company during the Audit Period); and





- (h) The Securities and Exchange Board of India (**Buyback of Securities**) Regulations, 1998 (**Not applicable to the Company during the Audit Period**);
- (vi) Other specifically applicable laws to the Company:
- a) The EPF & Misc. Provisions Act, 1952;

We have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that:

- there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- there were no such specific events/actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the Company's affairs.

Date : 17.05.2017  
Place : Hyderabad

Sd/-  
**N. MADHAVI**  
COMPANY SECRETARY IN PRACTICE  
M.NO.A16866; CP NO. 11732

**FORM AOC-2**

**ANNEXURE - I**

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below :

**1. Details of contracts or arrangements or transactions not at arm's length basis :**

Sl.No	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Nil
2.	Nature of contracts/arrangements/transaction	Nil
3.	Duration of the contracts/arrangements /transaction	Nil
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
5.	Justification for entering into such contracts or arrangements or transactions	Nil
6.	Date of approval by the Board	Nil
7.	Amount paid as advances, if any	Nil
8.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Nil

**2. Details of contracts or arrangements or transactions at arm's length basis:**

Sl.No	Particulars	Details
1.	Name (s) of the related party	WOOD STAR INDUSTRIES KAPIL MOTORS PVT LTD
2.	Nature of Relation ship	DIRECTOR IS INTERESTED DIRECTORS ARE INTERESTED
3.	Nature of contracts / arrangements /transaction	BY AGREEMENT SERVICE AVAILED
4.	Duration of the contracts/ arrangements / transaction	FROM 01.04.2014 -----
5.	Salient terms of the contracts or arrangements or transaction	RENT AND SERVICE CHARGES FOUR WHEELER SERVICES AVAILED
6.	Justification for entering into such contracts or arrangements or transactions	ON PAR WITH MARKET ON PAR WITH MARKET
7.	Date of approval by the Board	21.05.2016 21.05.2016
8.	Amount incurred during the year ( Rs. In lakhs)	10.03 0.52

**FORM NO. MGT 9**
**EXTRACT OF ANNUAL RETURN**
**As on financial year ended on 31.03.2017**
**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014.**
**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L65920AP1923PLC000044
2.	Registration Date	20/11/1923
3.	Name of the Company	LAKSHMI FINANCE AND INDUSTRIAL CORPORATION LIMITED
4.	Category/Sub-category of the Company	COMPANY HAVING SHARE CAPITAL
5.	Address of the Registered office & contact details	1st Floor, "SURYODAYA", 1-10-60/3, BEGUMPET, HYDERABAD-500 016. Phone No:040-27760301 Fax: 040-27767793, e-mail:lakshmi_lfic@yahoo.com.
6.	Whether listed company	YES (LISTED-IN- NSE)
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	VENTURE CAPITAL & CORPORATE INVESTMENTS PVT.LTD. 12-10-167, BHARAT NAGAR, HYDERABAD-500 018. Ph.No. 040-23818475, Fax No.040-23868024. E-mail: info@vccilindia.com.

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated.)

S.No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Investment In Equity Shares and Mutual Funds	65993	91.64

**III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES: NIL**
**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**A. 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	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	6,11,338	225	6,11,563	20.39	5,52,764	225	5,52,989	18.43	-1.97
Central Govt	0	0	0	0					0
State Govt (s)	0	0	0	0					
Bodies Corp.	6,19,680	0	6,19,680	20.66	6,19,680	0	6,19,680	20.66	0
Banks / FI	0	0	0	0					0
Any Other (Trust)	75,000	0	75,000	2.50	1,34,280	0	1,34,280	4.47	1.97
<b>Sub-total (A) (1) :-</b>	<b>13,06,018</b>	<b>225</b>	<b>13,06,243</b>	<b>43.55</b>	<b>13,06,724</b>	<b>225</b>	<b>13,06,949</b>	<b>43.57</b>	<b>0</b>



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	
<b>(2) Foreign</b>									
a) NRIs - Individuals	1,04,640	0	1,04,640	3.49	1,04,640	0	1,04,640	3.49	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (2):-</b>	<b>1,04,640</b>	<b>0</b>	<b>1,04,640</b>	<b>3.49</b>	<b>1,04,640</b>	<b>0</b>	<b>1,04,640</b>	<b>3.49</b>	<b>0</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>14,10,658</b>	<b>225</b>	<b>14,10,883</b>	<b>47.04</b>	<b>14,11,364</b>	<b>225</b>	<b>14,11,589</b>	<b>47.05</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	900	900	0.03	0	900	900	0.03	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	3,860	0	3,860	0.13	3,860	0	3,860	0.13	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Fund	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub –total (B) (1)</b>	<b>3,860</b>	<b>900</b>	<b>4,760</b>	<b>0.16</b>	<b>3860</b>	<b>900</b>	<b>4760</b>	<b>0.16</b>	<b>0</b>
<b>2. Non Institutions</b>									
a) Bodies Corp.									
i) Indian	16,950	11,926	28,876	0.96	17,851	8,926	26,777	0.90	-0.06
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 2 lakh	3,18,114	11,47,160	14,65,274	48.84	3,43,941	11,27,692	14,71,633	49.06	0.22
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	81,727	0	81,727	2.72	81,727	0	81,727	2.72	0
c) Others									
1. NRI	610	740	1,350	0.05	610	740	1,350	0.05	0
2 . Clearing Members	6,390	0	6,390	0.22	1424	0	1424	0.06	-0.16
3. Trust	740	0	740	0.02	740	0	740	0.02	0.0
<b>Sub – Total (B)(2)</b>	<b>4,24,531</b>	<b>11,59,826</b>	<b>15,84,357</b>	<b>52.81</b>	<b>4,46,293</b>	<b>11,37,358</b>	<b>15,83,651</b>	<b>52.81</b>	<b>0</b>
<b>Sub-total (B)(2):- Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>4,28,391</b>	<b>11,60,726</b>	<b>15,89,117</b>	<b>52.97</b>	<b>4,50,153</b>	<b>11,38,258</b>	<b>15,88,411</b>	<b>52.97</b>	<b>0</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>18,39,049</b>	<b>11,60,951</b>	<b>30,00,000</b>	<b>100</b>	<b>18,61,517</b>	<b>11,38,483</b>	<b>30,00,000</b>	<b>100</b>	<b>0</b>



<b>B. Shareholding of Promoters</b>								
Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change 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.	UNIJOPLY INVESTMENTS COMPANY LTD	2,96,060	9.87	0	2,96,060	9.87	0	0
2.	HEALTHY INVESTMENTS LTD	2,17,340	7.24	0	2,17,340	7.24	0	0
3.	KLN AND KP TRUST	75,000	2.50	0	1,34,280	4.48	0	1.98
4.	SHANTHA PRASAD CHALLA	45,000	1.50	0	1,20,020	4.00	0	2.50
5.	K L N HOLDINGS PRIVATE LIMITED.	1,06,280	3.54	0	1,06,280	3.54	0	0
6.	K.RAMA KRISHNA PRASAD	1,04,640	3.49	0	1,04,640	3.49	0	0
7.	K.HARISHCHANDRA PRASAD	1,49,280	4.98	0	90,000	3.00	0	-1.98
8.	K. KAPIL PRASAD	81,085	2.70	0	81,085	2.70	0	0
9.	K. VIDYA DEVI	64,362	2.15	0	64,362	2.15	0	0
10.	MOMMANENI RADHA	45,000	1.50	0	45,000	1.50	0	0
11.	K. JYOTHI	37,061	1.24	0	37,061	1.24	0	0
12.	KANURI JAGADISH PRASAD	31,966	1.07	0	32,402	1.08	0	0.01
13.	K.SATYAVATHI	28,717	0.96	0	28,717	0.96	0	0
14.	K.L.N.ADITYA	26,666	0.89	0	26,936	0.90	0	0.01
15.	KANURI ARUN PRASAD	26,666	0.89	0	26,666	0.89	0	0
16.	M.RAM MOHAN	440	0.01	0	440	0.01	0	0
17.	CHALLA RAJENDRAPRASAD	300	0.01	0	300	0.01	0	0
18.	KANURI PRABHAVATHI	75,020	2.50	0	0	0	0	-2.50
	TOTAL	14,10,883	47.03	0	14,11,589	47.05	0	0.02

<b>C. Change in Promoters' Shareholding ( please specify, if there is no change)</b>					
Sl. No.	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
1	KLN AND KP TRUST	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	75,000	2.50	75,000	2.50
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/sweat equity etc):	Reason: Transfer of 59,280 shares from K. Harischandra Prasad Date of transfer: 29.07.2016			
	At the end of the year	1,34,280	4.48	1,34,280	4.48

Sl. No.	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
2	SHANTHA PRASAD CHALLA	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	45,000	1.50	45,000	1.50
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/sweat equity etc):	Reason: Transmission of 75,020 shares from K.Prabhavathi Date of Transmission: 24.08.2016			
	At the end of the year	1,20,020	4.00	1,20,020	4.00



Sl. No.	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
3	K. HARISHCHANDRA PRASAD	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1,49,280	4.98	1,49,280	4.98
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/sweat equity etc):	Reason: Transfer of 59,280 shares to KLN & KP Trust Date of transfer: 29.07.2016			
	At the end of the year	90,000	3.00	90,000	3.00
Sl. No.	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
4	KANURI JAGADISH PRASAD	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	31,966	1.07	31,966	1.07
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/sweat equity etc):	Reason: Purchase of 436 shares Date of Purchase: 10.09.2016			
	At the end of the year	32,402	1.08	32,402	1.08
Sl. No.	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
5	K.L.N.ADITYA	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	26,666	0.89	26,666	0.89
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/sweat equity etc):	Reason: Purchase of 270 shares Date of Purchase: 25.03.2017			
	At the end of the year	26,936	0.90	26,936	0.90
Sl. No.	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
6	KANURI PRABHAVATHI	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	75,020	2.50	75,020	2.50
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/sweat equity etc):	Reason: Transmission of 75,020 shares to Shantha Prasad Challa Date of Transmission: 24.08.2016			
	At the end of the year	0	0	0	0
<b>D. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):</b>					
Sl. No.	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
1	MAHENDRA GIRDHARILAL	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	81727	2.72	81727	2.72
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/sweat equity etc):	NIL			
	At the end of the year	81727	2.72	81727	2.72



Sl. No.	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2	S.R.Y.SIVARAMA PRASAD BAHADUR				
	At the beginning of the year	18720	0.62	18720	0.62
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/sweat equity etc):	NIL			
	At the end of the year	18720	0.62	18720	0.62

Sl. No.	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	R RAGHURAM REDDY				
	At the beginning of the year	18440	0.61	18440	0.61
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/sweat equity etc):	NIL			
	At the end of the year	18440	0.61	18440	0.61

Sl. No.	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	S.R.Y.ANKINEEDU PRASAD				
	At the beginning of the year	15600	0.52	15600	0.52
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/sweat equity etc):	NIL			
	At the end of the year	15600	0.52	15600	0.52

Sl. No.	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	VITTU BAJRANGLAL AGARWAL				
	At the beginning of the year	0	0	0	0
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/sweat equity etc):	Purchase of Shares 26.08.2016 and 7.10.2016			
	At the end of the year	11240	0.37	11240	0.37

Sl. No.	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6	S.R.Y.VENKATA DURGAMBA				
	At the beginning of the year	9000	0.30	9000	0.30
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/sweat equity etc):	NIL			
	At the end of the year	9000	0.30	9000	0.30



Sl. No.	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
7	DEEPAK TANNIRU	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	8460	0.28	8460	0.28
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/sweat equity etc):	NIL			
	At the end of the year	8460	0.28	8460	0.28
Sl. No.	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
8	BODDU BHASKARA RAMAN	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	7800	0.26	7800	0.26
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/sweat equity etc):	NIL			
	At the end of the year	7800	0.26	7800	0.26
Sl. No.	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
9	MANORAMA PALIWAL	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/sweat equity etc):	Purchase of Shares 22.07.2016 and 17.03.2017			
	At the end of the year	7600	0.25	7600	0.25
Sl. No.	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
10	THE HERIDITORY TRUSTEE	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	7560	0.25	7560	0.25
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/sweat equity etc):	NIL			
	At the end of the year	7560	0.25	7560	0.25
<b>E. Shareholding of Directors and Key Managerial Personnel:</b>					
Sl. No.	For Each of the Directors and KMP	Shareholding		Cumulative Shareholding during the year	
1	K.HARISHCHANDRA PRASAD	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	149280	4.98	149280	4.98
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/sweat equity etc):	Reason: Transfer of 59,280 shares to KLN & KP Trust Date of transfer: 29.07.2016			
	At the end of the year	90000	3.00	90000	3.00





*Lakshmi*

**FINANCE & INDUSTRIAL CORPORATION LIMITED**

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Sl. No.	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>2</b>	<b>R.SURENDER REDDY</b>				
	At the beginning of the year	6140	0.20	6140	0.20
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/sweat equity etc):	NIL			
	At the end of the year	6140	0.20	6140	0.20

Sl. No.	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>3</b>	<b>KAPIL BHATIA</b>				
	At the beginning of the year	740	0.02	740	0.02
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/sweat equity etc):	NIL			
	At the end of the year	740	0.02	740	0.02

Sl. No.	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>4</b>	<b>KESHAV BHUPAL</b>				
	At the beginning of the year	3300	0.11	3300	0.11
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/sweat equity etc):	NIL			
	At the end of the year	3300	0.11	3300	0.11

Sl. No.	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>5</b>	<b>K. KAPIL PRASAD</b>				
	At the beginning of the year	81,085	2.70	81,085	2.70
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/sweat equity etc):	NIL			
	At the end of the year	81,085	2.70	81,085	2.70

Sl. No.	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>6</b>	<b>MADHURIKA NALLURI VENKAT</b>				
	At the beginning of the year	0	0	0	0
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/sweat equity etc):	NIL			
	At the end of the year	0	0	0	0



Sl. No.	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
7	<b>PRITY BOKARIA, (KMP) COMPANY SECRETARY</b>				
	At the beginning of the year	0	0	0	0
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/sweat equity etc):	NIL			
	At the end of the year	0	0	0	0

Sl. No.	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8	<b>U.VIJAYA KUMAR -CFO(KMP)</b>				
	At the beginning of the year	0	0	0	0
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/sweat equity etc):	NIL			
	At the end of the year	0	0	0	0

#### VI. INDEBTEDNESS

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

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
Addition / Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	NIL	NIL	NI
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount				
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	NIL	NIL	NIL	NIL



**VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

**A. Remuneration to Managing Director.**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager K.HARISHCHANDRA PRASAD (Managing Director)	Total Amount (In Rs.)
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	54,00,000	54,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	82,104	82,104
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission- as % of profit others, specify	NIL	NIL
5.	Others(Contribution to various fund)	13,30,500	13,30,500
	<b>Total (A)</b>	<b>68,12,604</b>	<b>68,12,604</b>
	Ceiling as per the Act		84,00,000

**B. Remuneration to other directors:(Sitting fee for attending Board and Committee Meetings)**

SN.	Particulars of Remuneration	Name of Directors					Total Amount (In Rs.)
1.	Independent Directors	R.Surender Reddy	Kapil Bhatia	Keshav Bhupal		Madhurika Nalluri Venkat	
	Fee for attending Board and committee meetings	43,000	30,000	30,000		43,000	1,43,000
	Commission	NIL	NIL	NIL		NIL	NIL
	Others, please specify	NIL	NIL	NIL		NIL	NIL
	<b>Total (1)</b>	43,000	30,000	30,000		43,000	1,43,000
2.	Other Non-Executive Directors				K.Kapil Prasad		
	Fee for attending board and committee meetings	NIL	NIL	NIL	40,000	NIL	40,000
	Commission	NIL	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
	<b>Total (2)</b>	NIL	NIL	NIL	40,000	NIL	40,000
	<b>Total (B)=(1+2)</b>	43,000	30,000	30,000	40,000	43,000	1,86,000
	<b>Total Managerial Remuneration</b>	43,000	30,000	30,000	40,000	43,000	1,86,000



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

SN.	Particulars of Remuneration	Key Managerial Personnel		Total Amount (In Rs.)
		CS (Prity Bokaria)	CFO (Vijay Kumar U)	
1.				
	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,86,000	6,18,816	8,04,816
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	1,67,379	1,67,379
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission- as a % of profit- others, specify...	0	0	0
5.	Others, please specify	0	0	0
	<b>Total</b>	<b>1,86,000</b>	<b>7,86,195</b>	<b>9,72,195</b>

**IX. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL**

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)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	—	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board  
LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED

Sd/-  
**R.Surender Reddy**  
Director  
(DIN: 00083972)

Sd/-  
**K.Harishchandra Prasad**  
Managing Director  
(DIN: 00012564)

Place: Hyderabad  
Date: 17.05.2017

**Report on Managerial Remuneration**

As per Section 197 of the Companies Act, 2013

Read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**Details pertaining to remuneration as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- i). The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year 2016-17, and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No	Name of Director/KMP and Designation	*Remuneration of Director/ KMP for the financial year 2016-17(in Lacs)	% of increase in Remuneration in the Financial year 2016-17	Ratio of remuneration of each Director/to median remuneration of employees
1.	K. Harishchandra Prasad (Managing Director)	68.12	10%	48.30
2.	U. Vijay Kumar (Chief Financial Officer)	6.18	10%	6.16
3.	Prity Bokaria (Company secretary)	1.86	NA	1.46

\*Remuneration excludes Commission paid to the Directors as a % of Profits

- ii) **The median remuneration of employees' of the Company during the financial year:** The median remuneration of employees 'of the Company during the financial year was Rs.1,27,611/-
- iii) **The percentage of increase in the median remuneration of the employees in the financial year:**  
The percentage of increase in the median remuneration of the employees in the financial year ending March 31, 2017 was 2.38%.
- iv) **The number of permanent employees on the rolls of the Company as on March 31, 2017:** There were 9 permanent employees on the rolls of Company as on 31<sup>st</sup> March, 2017.
- v) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average annual increase across the organization was around 10 %. The percentile increase in managerial remuneration is 10%.

There were no exceptional circumstances for increase in the managerial remuneration.

**MANAGEMENT'S DISCUSSIONS AND ANALYSIS REPORT****BUSINESS OUTLOOK:**

The global economic environment remained relatively stable and showing signs of improvement during the second half of fiscal 2017 and the Indian capital market environment showing similar trends. It seemed that every few weeks, there was some surprising event that had a huge impact on stock market investments, with the major events, being Brexit, Trump's election and Demonetisation. The nature, extent and longevity of the said events are not readily assessable and the uncertainty is reflected by the significant volatility in the financial stock market environment.

However in India, the economic activity during the first six months of fiscal 2017 showed a gradual and steady improvement. Inflation and interest rates generally remained moderate during fiscal 2017 and are on the expected lines. Yields on the benchmark 10 year government securities remained in the range of 6.3% to 6.4% for most part of the year but eased towards the end of the year to 6.2% at March 31, 2017.

The operating environment for the Indian Corporate Sector continued to remain challenging in view of the changing global scenario, gradual nature of the domestic economic recovery and continued weak Corporate Investment activity. Overall, the economic outlook for India and for the capital/stock markets appear to be encouraging and the Company expects improved performance in the coming years. The Company will continue to focus its efforts to closely monitor portfolio Investment activity to generate optimum returns by way of capital appreciation and periodic dividend returns.

**INVESTMENTS:**

Total Non Current Investments increased by 13.2% from Rs.3,224.95 lakhs at March 31,2016 to Rs.3,651.29 lakhs at March 31, 2017 primarily on account of significant changes in the Indian Stock Markets.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The CEO and CFO certification provided in the CEO and CFO certification section of the Annual Report discusses the adequacy of our internal control systems and procedures.

**KEY FINANCIAL INDICATORS: LAST THREE YEARS:****(Rs. in lakhs)**

	<b>F.Y 2016-17</b>	<b>F.Y.2015-16</b>	<b>F.Y.2014-15</b>
Equity Capital and Reserves	3747.70	3559.48	3322.85
Non Current Investments	3651.29	3224.95	3024.14
Gross Profit (profit before tax)	318.67	375.75	566.78
Net Profit (profit after tax)	314.60	363.01	499.97
Dividend (%)	35%	35%	30%
Earnings per share	10.49	12.10	16.67

For and on behalf of the Board  
**Lakshmi Finance & Industrial Corporation Limited**

Place: Hyderabad  
Date : 17.05.2017

Sd/-  
**K.HARISHCHANDRA PRASAD**  
**MANAGING DIRECTOR**  
DIN:00012564



**REPORT ON CORPORATE GOVERNANCE**

**1. Brief Statement On Company's Philosophy on Code of Governance.**

The Company believes that the Corporate Governance is integral to all the functions and divisions of the organization for creating value for all the stakeholders. In this competitive business environment, both the management and employees vigorously uphold the values of integrity, transparency, responsibility and accountability.

The Company's philosophy on code of governance in conducting all activities of the Company in a fair and transparent manner, enhancing stakeholders' value. Company will continue to focus on its resources, strengths and strategies for creation and safeguarding of shareholders' wealth and interest.

**2. Board of Directors:**

The Board has Six (6) Directors comprising of (2) Promoter Directors - Managing Director & a Non Executive Director and Four (4) Independent Non Executive Directors. The non-executive Directors are eminent professionals drawn from amongst persons with experience in business, finance, and industry. The Composition of the Board as on 31.03.2017 is as under:

Name of the Director	Category	Attendance at Board Meetings	Whether attended AGM on 12.08.2016	Number of other Boards in which he/she is a Director Public	Number of other Boards in which he/she is a Director Private.	Number of other Board Committees in which he/she is a Member	Number of other Board Committees in which he/she is a Chairman	No. of shares held in the company
Sri R. Surender Reddy	Independent Non – Executive Director	4	Yes	5	NIL	3	5	6,140
Sri Kapil Bhatia	Independent Non – Executive Director	3	Yes	1	14	1	1	740
Sri K. Harish chandra Prasad (Managing Director)	Executive Director & Promoter	4	Yes	4	2	6	3	90,000
Sri.Keshav Bhupal	Independent Non – Executive Director	3	Yes	1	3	NIL	NIL	3,300
Sri.K. Kapil Prasad	Non – executive Director & Promoter	4	Yes	NIL	1	NIL	NIL	81,085
Smt. Madhurika Nalluri Venkat	Independent Non – Executive Director	4	Yes	NIL	3	NIL	NIL	Nil

1. There are no pecuniary relationships or transactions with Independent Non Executive Directors except for sitting fees paid for attending Board and other Committee meetings.
2. Mr. K Kapil Prasad, Non Executive Director of the Company is the son of Mr. K Harishchandra Prasad, Managing Director of the Company.





3. During the Financial Year 2016-17, Four Board Meetings were held on 21.05.2016, 12.08.2016, 07.11.2016 and 03.02.2017. The gap between two meetings did not exceed 120 days.
4. None of the Directors on the Board is a member in more than 10 Committees or Chairman in more than 5 Committees, across all the public companies in which he is a Director.
5. None of the Directors serves as an Independent Director in more than 7 Companies.
6. Pursuant to Section 178 of the Companies Act, 2013, the Board evaluated every Director's performance. The performance of each Director was ranging from 90% to 95% thereby surpassing the expectations. The committee evaluated each Director awarding 1 to 10 points to each of the assessment criteria/parameters laid down for evaluation.

The Committee of Independent Directors also evaluated the performance of Non-Independent Directors and the Board as a whole.

Chairman of the Company also reviewed the flow of information from Management to the Board including its quality and quantity and timeliness.

### **3. Audit Committee:**

The Company has a qualified and independent Audit Committee which consists of Independent Directors, who provides assistance to the Board of Directors in fulfilling its responsibilities. The Audit Committee is constituted in accordance with the provision of Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013 and Rule 6 and 7 of Companies (Meetings of Board and its Powers) Rules, 2014.

The Audit Committee is empowered with functions according to the powers, scope and role as defined and prescribed under the said Regulation 18 and Section 177 of the Companies Act, 2013 and Rule 6 and 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and acts in terms of reference and Directors if any given by the Board from time to time.

The terms of reference of this Committee are wide enough to cover the matters specified for audit committees under Regulation 18 of the Securities and Exchange Board of India (LODR), as well as in Section 177 of the Companies Act, 2013, and are as follows:

- (1) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the Director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions
  - (g) modified opinion(s) in the draft audit report;
- (5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) approval or any subsequent modification of transactions of the listed entity with related parties;
- (9) scrutiny of inter-corporate loans and investments;
- (10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (11) evaluation of internal financial controls and risk management systems;
- (12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.



- (14) discussion with internal auditors of any significant findings and follow up there on;
- (15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) to review the functioning of the whistle blower mechanism;
- (19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in reference of the audit committee.

**Composition, Name of Members and Chairperson:**

S. No.	Name	Designation in Committee	Category of Directorship	No. Number of Meetings held during the year	No. of the Meetings attended during the year
1.	Sri.R. Surender Reddy	Chairman	Non-Executive & Independent	4	4
2.	Sri. Keshav Bhupal	Member	Non-Executive & Independent	4	3
3.	Sri Kapil Bhatia	Member	Non-Executive & Independent	4	3
4.	Smt. Madhurika Nalluri Venkat	Member	Non-Executive & Independent	4	4
5.	Sri. K. Kapil Prasad	Member	Promoter, Non-Executive & Non- Independent	4	4

**Meetings and attendance during the year:**

During the financial year ended 31<sup>st</sup> March, 2017, Four Audit Committee Meetings were held on 21.05.2016, 12.08.2016, 07.11.2016 and 03.02.2017 the attendance details of the Members are as above.

**4) Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee has been formed in compliance of Regulation 19 on SEBI (LODR) of the Listing Regulation 2015, and pursuant to Section 178 of the Companies Act, 2013 comprising of 4 Non Executive Independent Directors.

**a). Nomination and Remuneration Policy:****1. Introduction:**

Lakshmi Finance and Industrial Corporation Limited (LFIC), believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance.

Towards this, LFIC ensures constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively. LFIC recognizes the importance of Independent directors in achieving the effectiveness of the Board. LFIC aims to have an optimum combination of Executive, Non-executive and Independent Directors.

LFIC also recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, Key Managerial Personnel keeping in view the following objectives:

- a) ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the Company successfully.
- b) Ensuring that the relationship of remuneration to performance is clear and meets the performance benchmarks.

**2) Scope :**

This policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the Independence of Directors, in case of their appointment as Independent Directors of the Company and also for recommending to the Board the remuneration of the Directors, Key Managerial Personnel.

**3. Selection of Directors and determining Director's Independence****3.1 Qualifications and criteria**

3.1.1 The Nomination and Remuneration (NR) Committee, and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that is relevant for the Company's operations.

3.1.2 In evaluating the suitability of individual Board members, the NR Committee may take into account factors, such as: General understanding of the Company's business dynamics, business and social perspective; Educational and professional background standing in the profession; Personal and professional ethics, integrity and values; Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

3.1.3 The proposed appointee shall also fulfill the following requirements: Shall possess a Director Identification Number; Shall not be disqualified under the Companies Act, 2013; Shall give his written consent to act as a Director; Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings; Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel; Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of Individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made; Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and other relevant laws.

3.1.4 The NR Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

**3.2 Criteria of Independence**

3.2.1 The NR Committee shall assess the independence of Directors at the time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

**4. Other directorships / committee memberships**

4.1. The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The NR Committee shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

4.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.

4.3 A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.

4.4 A Director shall not be a member in more than 10 committees or act as Chairman of more than 5 committees across all companies in which he holds directorships. For the purpose of considering the limit of the committees, Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

**5. Remuneration to Managing Director and other employees**

5.1.1 The Board, on the recommendation of the Nomination and Remuneration (NR) Committee, shall review and approve the remuneration payable to the Managing Director of the Company within the overall limits approved by the shareholders.

5.1.2 The remuneration structure to the Managing Director shall include the following components: (i) Basic Pay (ii) Perquisites and Allowances (iii) Commission applicable in case of Managing Director (iv) Retiral benefits.

**5.2 Remuneration to Non-Executive Directors**

5.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non- Executive Directors of the Company within the overall limits approved by the shareholders.

5.2.2 Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related Commission in addition to the sitting fees.

**6). Terms of Reference**

The terms of reference of the Nomination and Remuneration Committee are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- Formulation of criteria for evaluation of Independent Directors and the Board devising a policy on Board diversity.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- To recommend/review remuneration of Key Managerial Personnel based on their performance and defined assessment criteria.
- To decide on the elements of remuneration package of all the Key Managerial Personnel i.e. salary, benefits, bonus, stock options, pensions, etc.
- Recommendation of fee/compensation if any, to be paid to Non-Executive Directors, including Independent Directors of the Board.
- Payment/revision of remuneration payable to Managerial Personnel.
- While approving the remuneration, the committee shall take into account financial position of the Company, trend in the industry, qualification, experience and past performance of the appointee.
- The Committee shall be in a position to bring about objectivity in determining the remuneration package while striking the balance between the interest of the Company and shareholders.
- Any other functions/powers/duties as may be entrusted by the Board from time to time. The Company has adopted a Policy relating to the remuneration for Directors, Key Managerial Personnel and other employees of the Company which is disclosed on the website of the Company, [www.lakshmifinance.org.in](http://www.lakshmifinance.org.in).

**b). Composition, Name of Members and Chairperson:**

S. No	Name	Designation in Committee	Category of Directorship	No. Number of Meetings held	No. of the Meetings attended
1.	Sri Keshav Bhupal	Chairman	Non-Executive & Independent	1	0
2.	Sri R.Surender Reddy	Member	Non-Executive & Independent	1	1
3.	Sri Kapil Bhatia	Member	Non-Executive & Independent	1	0
4.	Smt. Madhurika Nalluri Venkat	Member	Non-Executive & Independent	1	1

During the financial year ended 31<sup>st</sup> March, 2017, one Remuneration Committee Meeting was held on 03.02.2017, the attendance details of the Members are as above.

During the year, committee under the guidance of Board, also formulated the criteria and framework for the performance evaluation of every Director of the Board including independent Directors.

**C) Performance evaluation criteria for Directors**

The Nomination and Remuneration Committee of the Board has laid down the criteria for performance evaluation of all the Directors of the Company. The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated. The criteria for performance evaluation are as follows:

**i) Role and Accountability**

- Understanding the nature and role of Independent Directors' position.
- Understanding of risks associated with the business.
- Application of knowledge for rendering advice to the management for resolution of business issues.
- Offer constructive challenge to management strategies and proposals.
- Active engagement with the management and attentiveness to progress of decisions taken.

**ii) Objectivity**

- Non-partisan appraisal issues.
- Own recommendations given professionally without tending to majority or popular views.

**iii) Leadership and Initiative**

- Heading Board sub-committees.
- Driving any function or identified initiative based on domain knowledge and experience.

**iv) Personal Attributes**

- Commitment to role and fiduciary responsibilities as a Board member.
- Attendance and active participation.
- Proactive, strategic and lateral thinking.

**d) Remuneration of Directors:**

To recommend/review the remuneration package, periodically to the Managing Director/Directors. The remuneration policy is in consonance with the existing Industry Practice and also with the provisions of the Companies Act, 2013.

- Mr. K Kapil Prasad, Non Executive Director of the Company is the son of Mr. K Harishchandra Prasad, Managing Director of the Company.
- There are no non Executive Director having any pecuniary relationship or transaction with the Company during the financial year under review.
- Company does not pay any remuneration to non executive Directors except payment of the sitting fees.
- Details of remuneration paid during the financial year ended 31<sup>st</sup> March 2017 to the Managing Director/ Directors are furnished hereunder:

Name	Designation	Salary (Rs.)	Perquisites (Rs.)	Contribution to Various Funds (Rs.)	Sitting Fees (Rs.)	Total (Rs.)
Sri K.Harishchandra Prasad	Managing Director	54,00,000	82,104	13,30,500	-	<b>68,12,604</b>
Sri R.Surender Reddy	Director	-	-	-	43,000	<b>43,000</b>
Sri Kapil Bhatia	Director	-	-	-	30,000	<b>30,000</b>
Sri.Keshav Bhupal	Director	-	-	-	30,000	<b>30,000</b>
Sri.K.Kapil Prasad	Director	-	-	-	40,000	<b>40,000</b>
Smt.Madhurika Nalluri Venkat	Director	-	-	-	43,000	<b>43,000</b>

**5). Meeting of Independent Directors**

During the year under review, the Independent Directors met on 20<sup>th</sup> March, 2017, inter alia, to discuss:

Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole:

Evaluation of the performance of the Chairperson of the Company, taking into account the views of the Executive and Non-Executive Directors;

Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties;

Majority of the Independent Directors were present at the meeting.

**Performance Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committee.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of Individual Directors, Chairperson and Managing Director, who were evaluated on parameters such as level of engagement and



contribution, independence of judgement, safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of Chairperson and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

**6) Stakeholders Relationship Committee:**

The Stakeholders Relationship Committee has been formed in compliance of Regulation 20 of the SEBI (LODR) and pursuant to Section 178 of the Companies Act, 2013 comprising of 3 Non-Executive Independent Directors, 1 Non Executive –Non Independent Director and 1 Executive-Non Independent Director.

**a). Purpose**

A Stakeholders Relationship Committee of Directors was constituted to specifically look into the matters of investors' grievances such as Transfer, transmission, split and consolidation of investors holding, Replacement of lost/mutilated/stolen share certificates, Dematerialization of shares, Non-receipt of dividends / notices / annual reports, change of addresses etc., The main object of the Committee is to strengthen the Investors' relations.

**b). Composition, Name of Members and Chairperson:**

S.No	Name	Designation in Committee	Category of Directorship
1.	Sri. Keshav Bhupal	Chairman	Non-Executive & Independent
2.	Sri. Kapil Prasad	Member	Promoter, Non-Executive & Non- Independent
3.	Sri Kapil Bhatia	Member	Non-Executive & Independent
4.	Sri. R. Surender Reddy	Member	Non-Executive & Independent
5.	Sri. K. Harishchandra Prasad	Member	Promoter ,Executive & Non Independent Director

**c). Details of status of the references / complaints received and replied / resolved during the year are given in the following statements:**

Sl. No.	Particulars	No. of compliant received	No. of compliant resolved	Pending complaints
1.	Non receipt of dividends	NIL	NIL	NIL
2.	Non receipt of annual reports	NIL	NIL	NIL
3.	Transmission & Duplicates	NIL	NIL	NIL
	<b>Total</b>	NIL	NIL	NIL

d). Miss Prity Bokaria, Company Secretary of the Company, acts as the Compliance Officer and Mr.U.Vijaya Kumar, Chief Financial Officer of the Company is a Member of Share Transfer Sub-Committee of the Company.

**7). RISK MANAGEMENT COMMITTEE**

**a). Purpose**

The Board of Directors of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis. The details of risk management committee and its composition is given below:

**b). Composition:**

The Details of composition of the Committee are given below:

Name	Designation	Category
Sri .Keshav Bhupal	Chairperson	Non Executive Independent Director
Sri. R.Surender Reddy	Member	Non Executive Independent Director
Sri. K.Kapil Prasad	Member	Non Executive & Non Independent Director
Sri.K.Harishchandra prasad	Managing Director	Executive & Non Independent Director

**c). Role and Responsibilities of the Committee includes the following:**

- Framing of Risk Management Plan and Policy
- Overseeing implementation of Risk Management Plan and Policy
- Monitoring of Risk Management Plan and Policy
- Validating the process of risk management
- Validating the procedure for Risk minimisation.
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes.
- Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed

**8). Corporate Social Responsibility Committee (CSR):****i) Terms of reference:**

The Committee formulate and recommend to the Board, a CSR Policy and recommend the amount of expenditure to be incurred on CSR activities Committee framed a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company and also monitor CSR policy from time to time. At present the Company does not fall under the CSR criteria.

The CSR Committee of the Company consists of the following the Directors

Name	Designation	Category
Sri.R.Surender Reddy	Chairperson	Non Executive Independent Director
Sri.Keshav Bhupal	Member	Non Executive Independent Director
Sri.Kapil Bhatia	Member	Non Executive Independent Director
Sri.K.Harishchandra Prasad	Member	Executive & Non Independent Director
Smt.Madhurika Nalluri Venkat	Member	Non Executive Independent Director

**9). GENERAL BODY MEETINGS:**

a). The last three Annual General Meetings of the Company were held as under.

Year	Location	Date	Time
2014 90 <sup>th</sup> AGM	"Triveni Banquet Hall",Kamat Lingapur Hotel, 1-10-44/2,Begumpet, Hyderabad-16.	5.08.2014	9.30.A.M
2015 91 <sup>st</sup> AGM	"Triveni Banquet Hall",Kamat Lingapur Hotel, 1-10-44/2,Begumpet, Hyderabad-16.	13.08.2015	9.30.A.M
2016 92 <sup>nd</sup> AGM	"Triveni Banquet Hall",Kamat Lingapur Hotel, 1-10-44/2,Begumpet, Hyderabad-16.	12.08.2016	9.30.A.M

b). Details of the Special Resolutions passed in the previous 3 AGMs :

Year	Details of Special Resolution
2013-14 90 <sup>th</sup> AGM	Reappointment of Managing Director,
2014-15 91 <sup>st</sup> AGM	Appointment of Independent Director & Adoption of new Articles of Association of the Company
2015-16 92 <sup>nd</sup> AGM	NIL

**10). MEANS OF COMMUNICATION.**

The Quarterly and Half-yearly Results are intimated to the shareholders through the Press and Company's Website, i.e [www.lakshmifinance.org](http://www.lakshmifinance.org) and are normally published in Business Standard (English) and Navatelangana (Telugu).



**11). GENERAL SHAREHOLDER INFORMATION:**

AGM Date	28 <sup>th</sup> July, 2017
Time	9.30 A.M
Venue	Kamat Lingapur Hotel, Begumpet, Hyderabad- 500 016
Financial Year	2016-2017
Book Closure date	22-07-2017 to 28-07-2017 (Inclusive of both days)
Rate of Dividend recommended	35% (Rs. 3.50. per share)
Dividend Payment Date	Within 30 days from the date of declaration at the Annual General Meeting.
Listing on Stock Exchange	National Stock Exchange of (India) Limited (NSE) Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E) - Mumbai - 400 051
Stock Code	LFIC
Mode of trade of Shares	Compulsory Dematerialization
Demat ISIN Numbers in ( NSDL & CDSL )	INE 850 E0 1012
Listing fee	Paid to the National Stock Exchange of (India) Limited for the Year 2017-18
Registrar & Transfer Agents	Venture Capital & Corporate Investments Pvt. Ltd 12-10-167, Bharat Nagar, Hyderabad –500 018 Tel. Nos: 040-23818475/23818476 & 23868023 E-mail: info@vccilindia.com
Address for correspondence	1st. Floor, "Suryodaya", 1-10-60/3, Begumpet, Hyderabad- 500016 Tel. Phone. 040-27760301/27767794 Fax. 040-27767793. E-mail: lakshmi_lfic@yahoo.com Website: www.lakshminfinance.org.

**12). Share Transfer System:**

The Company has appointed **M/s. Venture Capital & Corporate Investments Pvt. Ltd.**, Hyderabad as Registrars and Share Transfer Agents for Physical and Demat share transfer work. The Share Transfer Agents processes shares sent for Transfer/Transmission, two times in a month. Transfers/Transmissions, which are complete in all respects, will be processed within 15 days.

**13). Dematerialisation of Shares:**

The Trading in Company's Shares is permitted only on dematerialized form. In order to enable the shareholders to hold their shares in electronic form and to facilitate scrip-less trading, the Company has enlisted its shares with NSDL & CDSL.

**Share Dematerialisation Records:**

The Company received and confirmed demat request for 18,61,517 (62.05%) Shares (NSDL+ CDSL) during the period from 01<sup>st</sup> January 2002 to 31<sup>st</sup> March, 2017.

The total percentage of the Shares of the Company in Dematerialized form, as on 31<sup>st</sup> March, 2017 is 62.05%.

**14). Outstanding Global Depository Receipts or American Depository Receipts or Warrants or Any Convertible Instruments, Conversion: Nil**
**15). Commodity price risk or foreign exchange risk and hedging activities: NIL**



**16). Plant Location:**

The Company is a Non-Banking Finance Company with investment activity, thus it does not has any plant .

**17). Market Price Data:**

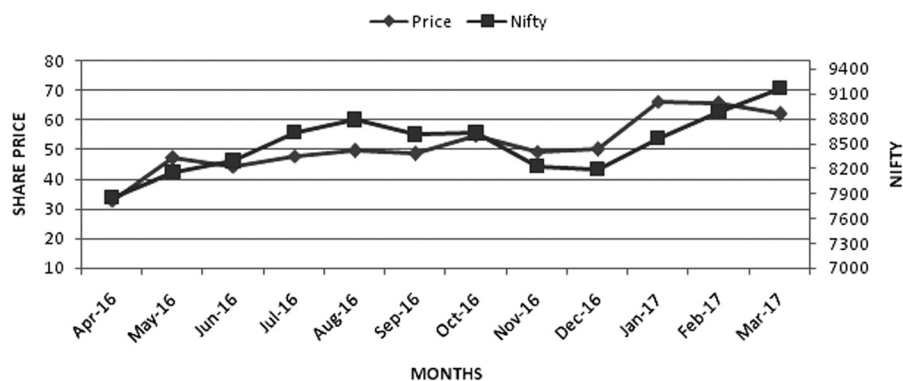
The Company's shares are traded on the National Stock Exchange of (India) Limited.

Monthly high and low quotations and volume of equity shares traded at National Stock Exchange of (India) Limited (NSE) during the F.Y. 2016-17 are set out in the following Table:

Month	High (Rs)	Low (Rs)	Volume
April 2016	34.00	32.50	359
May 2016	50.00	32.80	7579
June 2016	51.30	41.00	2403
July 2016	50.50	40.70	6907
August 2016	52.60	42.00	7417
September 2016	54.75	45.00	7681
October 2016	55.20	46.20	6994
November 2016	57.55	46.95	6153
December 2016	57.00	50.05	2784
January 2017	67.70	51.80	6795
February 2017	69.35	54.25	4916
March 2017	68.40	56.50	6158

**18). Performance in comparison to broad-based indices such as NIFTY:**

**COMPARISION OF MONTHLY CLOSING PRICE VS NIFTY**



**19). Distribution of Shareholding as on 31<sup>st</sup> March, 2017:**

Shareholding (Range)	No. of Shareholders	% of holders	No. of Shares	% of Shares
Upto - 500	3095	81.17	546465	18.22
501 - 1000	436	11.43	307385	10.25
1001 - 2000	164	4.30	235829	7.86
2001 - 3000	57	1.49	150451	5.02
3001 - 4000	15	0.39	53168	1.77
4001 - 5000	7	0.18	30110	1.00
5001 -10000	18	0.47	120016	4.00
10001 and above	21	0.55	1556576	51.89
<b>Total</b>	<b>3813</b>	<b>100.00</b>	<b>30,00,000</b>	<b>100.00</b>
<b>Demat mode</b>	823	21.58	18,61,517	62.05
<b>Physical mode</b>	2990	78.42	11,38,483	37.95

**20). Shareholding Pattern as on 31<sup>st</sup> March, 2017:**

S.No.	Category	No.of Cases	Total Shares	% Total Equity
1.	Promoters and Promoter Group. (including NRI's & Bodies Corporates)	17	1411589	47.05
2.	Banks & Insurance Companies	2	4760	0.16
3.	Bodies Corporates	28	26777	0.89
4.	Clearing Members	7	1424	0.05
5.	Trust	1	740	0.02
6.	Non Resident Individuals (NRI)	2	1350	0.05
7.	Resident Individuals	3756	1553360	51.78
	<b>TOTAL</b>	<b>3813</b>	<b>3000000</b>	<b>100</b>

**21). Other Disclosures:**

- Besides the transactions mentioned elsewhere in the Annual Report and notes to account, there were no materially significant related party transactions with its promoters, the Directors or the Management, etc., having potential Conflict with the interest of the Company at large during the year.
- Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years : Nil.
- The Company has complied with all the mandatory requirements of Listing Obligation and Disclosure Regulations, 2015 and is in the process of implementation of Non-mandatory requirements.
- The Company has adopted a whistle blower policy and has established the necessary vigil mechanism as defined under regulation 22 of SEBI Listing Regulations for directors and employees to report concerns about unethical behavior. No person has denied access to the Chairman of the Audit Committee. The said policy has been also put up on the website of the Company.
- A Certificate duly signed by the Managing Director & CEO and Chief Financial Officer (CFO) relating to financial statements and internal control systems for financial reporting as per the format provided in the Listing Regulations was placed before the Board, who took the same on record.
- Compliance Certificate for Corporate Governance from Auditors of the Company is annexed hereto and forms part of this Report
- Share Capital Audit. (Secretarial Audit)  
A qualified practicing Company Secretary carried out Share Capital Audit (secretarial audit) to reconcile the total admitted capital with National Securities Depository Limited (**NSDL**) and Central Depository Services (India) Limited (**CDSL**) and the total issued and listed capital. The secretarial audit report confirms that the total Paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with **NSDL and CDSL**.
- Related Party Transactions.  
Details of materially significant related party transactions with its promoters, the Directors or the management, etc. are presented in the Financial Statements. All details on the financial and commercial transactions, where Directors may have a potential interest, are provided to the Board. During 2016-17, there were no related party transactions of material nature that may have a potential conflict with the interests of the Company.
- The Company Directors and their relationship:

Sl.No	Name of the Director	Relationship with other Director
1.	Sri.K.Harishchandra Prasad	Related to Sri.K.Kapil Prasad (Father of 2)
2.	Sri.K.Kapil Prasad	Related to Sri.K.Harishchandra Prasad(son of 1)
3.	Sri.R.Surender Reddy	None
4.	Sri.Kapil Bhatia	None
5.	Sri.Keshav Bhupal	None
6.	Smt. Madhurika Nalluri Venkat	None

**22) Investor Relations:**

Enquiries, if any relating to shareholder accounting records, share transfers, transmission of shares, change of address/Bank mandate details for physical shares, loss of share certificates etc., should be addressed to: **Registrars and Share Transfer Agents M/s. Venture Capital & Corporate Investments Pvt.Ltd. 12-10-167, Bharat Nagar, Hyderabad-500 018.** (or) for any further information/ clarifications in connection of Dividend Warrant revalidation and issue of duplicate Dividend Warrants, directly contact to:

**Asst.Manager (Secretarial Dept.)**

Lakshmi Finance & Industrial Corporation Limited,  
1<sup>st</sup> Floor, 1-10-60/3 "Suryodaya", Begumpet, Hyderabad-500 016.  
Ph.No.040-27760301, 27767794, Fax: 040-27767793,  
E-mail: lakshmi\_lfic@yahoo.com

**23). Registration of Nominations:**

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 109A of the Companies Act, 2013, are requested to submit to the Company Share Transfer Agents M/s. Venture Capital & Corporate Investments Private Limited, 12-10-167, Bharat Nagar, Hyderabad – 500 018, Ph: 040-23818475/76. Prescribed Form (**Form 2B**) is annexed to this report. Nomination facility in respect of shares held in Electronic form is also available with the Depository Participant (DP) as per the Byelaws and Business rules applicable to NSDL and CDSL.

**24). Policies of the Company**

**a). Vigilance Mechanism / Whistle Blower Policy**

The Whistle Blower (Vigil) mechanism provides a channel to the employees to report to the management, concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy and also provides for adequate safeguards against victimization of employees by giving them direct access to the Chairman of the Audit Committee in exceptional cases.

The Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees. The Whistle Blower Policy of the Company is also available on the website of the Company i.e. [www.lakshmifinance.org](http://www.lakshmifinance.org).

**b). Related Party Transaction Policy**

The Company recognizes that Related Party Transactions can present potential or actual conflicts of interest and may raise questions about whether such transactions are consistent with the Company's and its stockholders' best interests.

Hence, keeping in view of transactions entered by the Company with the related parties, the Board has in accordance with the Companies Act, 2013 and Regulations of the Securities Exchanges Board of India (Listing Obligations and Disclosure Regulation) 2015 adopted a policy on related party transactions to ensure high level of transparency in all its business dealings, thereby promoting good corporate governance.

The Company also has a Code of Conduct for all employees, officers and directors of the Company, which emphasizes that all possible conflicts of interest should be avoided. Therefore, it is found appropriate to adopt a policy regarding the review and approval of Related Party Transactions in order to set forth the procedures under which certain transactions must be reviewed, approved or ratified. The Related Party Transaction Policy of the Company is also available on the website of the Company i.e. [www.lakshmifinance.org](http://www.lakshmifinance.org).

**c). Nomination and Remuneration Policy**

The Company believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance.

Towards this, the Company ensures constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.



The Company recognizes the importance of Independent Directors in achieving the effectiveness of the Board. The Company aims to have an optimum combination of Executive, Non-Executive and Independent Directors. It also recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its Directors, Key Managerial Personnel and other employees keeping in view the following objectives:

- a) Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the Company successfully.
- b) Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- c) Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The Nomination and Remuneration Policy of the company is also available on the website of the Company i.e. [www.lakshmifinance.org](http://www.lakshmifinance.org).

**d). Corporate Social Responsibility (CSR) Policy**

The Company has adopted Corporate Social Responsibility Policy containing the activities to be undertaken by the Company as part of its CSR programs. The CSR Policy is disclosed on the website of the Company.

The other policies of the company such as Archival Policy, Policy on Preservation of Documents etc are also available on the website of the company i.e. [www.lakshmifinance.org](http://www.lakshmifinance.org).

**25). Familiarization Programme**

It is the general practice of the Company to notify the changes in all the applicable laws from time to time in every Board Meeting conducted and inform the Board members about the provisions and rules as applicable to the company from time to time

**For and on behalf of the Board  
LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED**

Sd/-  
**R.Surender Reddy**  
**Director**  
**(DIN: 00083972)**

Sd/-  
**K.Harishchandra Prasad**  
**Managing Director**  
**(DIN: 00012564)**

Place: Hyderabad

Date: 17.05.2017

To,  
The Members of  
Lakshmi Finance and Industrial Corporation Limited

**DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT**

Pursuant to Regulation 26 and Schedule V (D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Board Members and Senior Management Personnel are aware of the provisions of the Code of Conduct laid down by the Board and made effective from 01.04.2011. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct.

for **LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED**

Place: Hyderabad  
Date: 17.05.2017

Sd/-  
**K.HARISHCHANDRA PRASAD**  
**MANAGING DIRECTOR**  
**DIN No:00012564**

*Lakshmi***FINANCE & INDUSTRIAL CORPORATION LIMITED****ANNUAL REPORT 2016-2017****CERTIFICATE BY CEO/CFO UNDER REGULATION 17 (8)**

In relation to the Audited Financial Accounts of the Company as at March 31, 2017, we hereby certify that

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are to the best of our knowledge and belief, no transactions entered into by the Company during year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the audit committee that
- there are no significant changes in internal control over financial reporting during the year.
  - there are no significant changes in accounting policies during the year .
  - there are no frauds of which we are aware, that involves management or other employees who have a significant role in the company's internal control system.

Place:Hyderabad  
Date:17.05.2017

Sd/-  
U.Vijaya Kumar  
**Chief Financial Officer**

Sd/-  
K.Harishchandra Prasad  
**Managing Director**  
DIN NO: 00012564

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED,  
HYDERABAD.

We have examined the compliance of conditions of Corporate Governance by LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED, Hyderabad, for the year ended on 31st March, 2017, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as per the Listing Agreement entered into by the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance of the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

for Brahmayya & Co.  
Chartered Accountants  
Firms' Registration Number: 000513S

Place : Hyderabad  
Date : May 17,2017

Sd/-  
P. CHANDRAMOULI  
Partner  
Membership Number: 025211

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF

LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED,  
HYDERABAD.

### Report on the Financial Statements

We have audited the accompanying financial statements of LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED, ("the Company"), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the 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 ("the Act") 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We 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 thereunder. 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 the 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 the 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 2017, 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 paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as 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.



*Lakshmi*

**FINANCE & INDUSTRIAL CORPORATION LIMITED**

**ANNUAL REPORT 2016-2017**

- (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 the written representations received from the directors as on 31st March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's 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:
- The Company does not have any pending litigations which would impact its financial position.
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note:34

for **M. ANANDAM & CO**  
Chartered Accountants  
Firms' Registration Number: 000125S

Sd/-  
**(M.V. RANGANATH)**  
Partner  
Membership Number:028031

Place : Hyderabad  
Date : 17.05.2017

for **BRAHMAYYA & CO**  
Chartered Accountants  
Firms' Registration Number: 000513S

Sd/-  
**(P. CHANDRAMOULI)**  
Partner  
Membership Number:025211

Place : Hyderabad  
Date : 17.05.2017



**Annexure - A to the Auditor's Report:**

The Annexure referred to in Para 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date, to the members of LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED, HYDERABAD, for the year ended March 31, 2017.

1.
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. As explained to us, the management has physically verified the fixed assets during the year and there is a regular programme of physical verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of the assets. No discrepancies were noticed on such verification.
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. The Company does not carry any inventory during the year. Therefore, the provisions of paragraph 3(ii) of the Companies (Auditor's Report) Order 2016 are not applicable to the Company.
3.
  - a. During the year, the Company has not granted any loans, secured or unsecured to Companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
  - b. In view of our comment in para (a) above, Clause (III) (a), (b) and (c) of paragraph 3 of the Companies (Auditor's Report) Order 2016 are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has not advanced any loan to any Director and no investments were made during the year as referred to in sections 185 and 186 of the Act. Therefore, the provisions of paragraph 3(iv) of the Companies (Auditor's Report) Order 2016 are not applicable to the Company.
5. The Company has not accepted any deposits from the public. Hence the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under, do not apply to this Company.
6. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of 148 section of the Companies Act, 2013 for the activities of the Company.
7.
  - a. According to the records, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and all other material statutory dues with the appropriate authorities and there were no arrears of statutory dues as at March 31, 2017 for a period of more than six months from the date they became payable.
  - b. According to the records of the Company and the information and explanations given to us, there were no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute except as follows:

<b>Name of the Statute</b>	<b>Nature of Dues</b>	<b>Amount Rs.</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>
APGST Act.,	Sales Tax	1,61,394	1993-94 and 1997-98	Sales Tax Appellate Tribunal, Hyderabad

8. As the Company has no borrowings, the provisions of paragraph 3(viii) of the Companies (Auditor's Report) Order 2016 are not applicable.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of paragraph 3 (ix) of the Companies (Auditor's Report) Order 2016 are not applicable.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.



12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of paragraph 3(xii) of the Companies (Auditor's Report) Order 2016 are not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, the provisions of paragraph 3(xv) of the Companies (Auditor's Report) Order 2016 are not applicable.
16. According to the information and explanations given to us and based on our examination of the records of the Company, the Company is required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and such registration has been obtained.

for **M. ANANDAM & CO**  
Chartered Accountants  
Firms' Registration Number: 000125S

Sd/-  
**(M.V. RANGANATH)**  
Partner  
Membership Number: 028031

Place : Hyderabad  
Date : 17.05.2017

for **BRAHMAYYA & CO**  
Chartered Accountants  
Firms' Registration Number: 000513S

Sd/-  
**(P. CHANDRAMOULI)**  
Partner  
Membership Number: 025211

Place : Hyderabad  
Date : 17.05.2017

### **Annexure – B to the 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 LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED, HYDERABAD ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both 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 the auditor's judgment, 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **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 authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **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 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **M. ANANDAM & CO**  
Chartered Accountants  
Firms' Registration Number: 000125S

Sd/-  
**(M.V. RANGANATH)**  
Partner  
Membership Number:028031

Place : Hyderabad  
Date : 17.05.2017

for **BRAHMAYYA & CO**  
Chartered Accountants  
Firms' Registration Number: 000513S

Sd/-  
**(P. CHANDRAMOULI)**  
Partner  
Membership Number:025211

Place : Hyderabad  
Date : 17.05.2017



*Lakshmi*

FINANCE & INDUSTRIAL CORPORATION LIMITED

ANNUAL REPORT 2016-2017

**BALANCE SHEET AS AT MARCH 31, 2017.**

PARTICULARS	NOTES	31.03.2017 Rs.	31.03.2016 Rs.
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share Capital	04	3,00,00,000	3,00,00,000
Reserves and Surplus	05	35,74,07,938	32,59,47,785
		38,74,07,938	35,59,47,785
<b>Non - Current liabilities</b>			
Other Long - term liabilities	06	13,42,680	13,42,680
Long - term provisions	07	8,55,919	7,69,912
		21,98,599	21,12,592
<b>Current liabilities</b>			
Trade Payables	08	9,086	13,550
Other Current liabilities	09	81,93,641	71,57,942
Short - term provisions	10	-	1,26,37,553
		82,02,727	1,98,09,045
<b>TOTAL</b>		<b>39,78,09,264</b>	<b>37,78,69,422</b>
<b>ASSETS</b>			
<b>Non - Current assets</b>			
Fixed assets			
Tangible assets	11	9,01,679	13,03,979
Non - current investments	12	36,51,29,342	32,24,94,996
Long-term loans and advances	13	2,11,855	2,11,855
		36,62,42,876	32,40,10,830
<b>Current Assets</b>			
Trade receivables	14	53,00,770	96,79,131
Cash and cash equivalents	15	2,32,41,655	4,21,04,740
Short-term loans and advances	16	-	16,000
Other current assets	17	30,23,963	20,58,721
		3,15,66,388	5,38,58,592
<b>TOTAL</b>		<b>39,78,09,264</b>	<b>37,78,69,422</b>
<b>NOTES FORMING PART OF FINANCIAL STATEMENTS</b>	<b>01 - 37</b>		

for and on behalf of the Board

per our report of even date  
for **M.Anandam & Co.,**  
Chartered Accountants  
Firms' Registration Number: 000125S

Sd/-  
**K. HARISHCHANDRA PRASAD**  
Managing Director

Sd/-  
**R.SURENDER REDDY**  
Director

Sd/-  
**M.V. Ranganath**  
Partner  
Membership Number: 028031

Sd/-  
**U.VIJAYA KUMAR**  
CHIEF FINANCIAL OFFICER

Sd/-  
**PRITY BOKARIA**  
COMPANY SECRETARY

for **BRAHMAYYA & CO.,**  
Chartered Accountants  
Firms' Registration Number: 000513S

Sd/-  
**P.CHANDRAMOULI**  
Partner  
Membership Number: 025211

Place: Hyderabad  
Date : 17.05.2017

*Lakshmi***FINANCE & INDUSTRIAL CORPORATION LIMITED****ANNUAL REPORT 2016-2017****STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017**

<b>PARTICULARS</b>	<b>NOTES</b>	<b>31.03.2017 Rs.</b>	<b>31.03.2016 Rs.</b>
<b>INCOME</b>			
Revenue from operations	<b>18</b>	4,12,14,633	4,53,97,712
Other Income	<b>19</b>	36,99,368	38,25,782
<b>TOTAL REVENUE</b>		<b>4,49,14,001</b>	<b>4,92,23,494</b>
<b>EXPENSES</b>			
Employee Benefits Expense	<b>20</b>	91,05,956	80,82,319
Depreciation expense	<b>21</b>	5,91,890	7,02,229
Other Expenses	<b>22</b>	33,49,402	28,63,673
<b>TOTAL EXPENSES</b>		<b>1,30,47,248</b>	<b>1,16,48,221</b>
<b>PROFIT BEFORE TAX</b>		<b>3,18,66,753</b>	<b>3,75,75,273</b>
<b>TAX EXPENSE</b>			
Current Tax		7,00,000	12,74,445
Earlier years Tax		(2,93,400)	-
		4,06,600	12,74,445
<b>PROFIT FOR THE PERIOD</b>		<b>3,14,60,153</b>	<b>3,63,00,828</b>
<b>EARNINGS PER EQUITY SHARE OF Rs. 10/-EACH</b>			
Basic and diluted	<b>23</b>	10.49	12.10
<b>NOTES FORMING PART OF FINANCIAL STATEMENTS</b>	<b>01 - 37</b>		

for and on behalf of the Board

Sd/-  
**K. HARISHCHANDRA PRASAD**  
Managing Director

Sd/-  
**R.SURENDER REDDY**  
Director

Sd/-  
**U.VIJAYA KUMAR**  
CHIEF FINANCIAL OFFICER

Sd/-  
**PRITY BOKARIA**  
COMPANY SECRETARY

per our report of even date  
**for M.Anandam & Co.,**  
Chartered Accountants  
Firms' Registration Number: 000125S

Sd/-  
**M.V. Ranganath**  
Partner  
Membership Number: 028031

**for BRAHMAYYA & CO.,**  
Chartered Accountants  
Firms' Registration Number: 000513S

Sd/-  
**P.CHANDRAMOULI**  
Partner  
Membership Number: 025211

Place: Hyderabad  
Date : 17.05.2017

*Lakshmi***FINANCE & INDUSTRIAL CORPORATION LIMITED****ANNUAL REPORT 2016-2017****CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017**

<b>PARTICULARS</b>	<b>31.03.2017 Rs.</b>	<b>31.03.2016 Rs.</b>
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit/(Loss) before Tax	3,18,66,753	3,75,75,273
<b>Adjustments for:</b>		
Depreciation	5,91,890	7,02,229
Loss/(Profit) on Sale of Investments (Net)	(1,10,62,405)	(1,13,60,112)
Profit on sale Fixed Assets	-	(72,242)
Excess Provision written back	(3,046)	(1,68,000)
Interest (Net)	(17,51,998)	(16,20,875)
Diminution in the value of Non Current Investments (Net)	(1,67,189)	(13,48,540)
Income From Non Current Investments	(2,82,33,041)	(3,10,68,185)
Rents Earned	(36,39,589)	(35,22,470)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>(1,23,98,625)</b>	<b>(1,08,82,922)</b>
<b>Adjustments for:</b>		
Increase/(Decrease) in Other Long Term Liabilities	-	8,670
Increase/(Decrease) in Trade Payables	(4,464)	(2,854)
Increase/(Decrease) in Long Term Provisions	86,007	80,267
Increase/(Decrease) in Other Current Liabilities	26,375	(4,89,979)
(Increase)/Decrease in Long term loans and advances	-	(150)
(Increase)/Decrease in Short term loans and advances	16,000	(16,000)
(Increase)/Decrease in Trade Receivables	43,78,361	(96,79,131)
(Increase)/Decrease in Other current assets	(1,69,265)	95,004
Direct Taxes Paid	(29,62,084)	(94,88,316)
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>(1,10,27,695)</b>	<b>(3,03,75,411)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Tangible Fixed Assets	(15,991)	(9,16,940)
Sale of Tangible Fixed Assets	-	97,242
Purchase of Non Current Investments	(15,57,27,390)	(11,12,87,094)
Sale of Non Current Investments	12,41,49,020	10,37,01,471
Income received from Non Current Investments	2,81,98,201	3,09,81,549
Interest received	17,70,805	27,81,537
Rents Earned	32,77,595	33,94,069
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<b>16,52,240</b>	<b>2,87,51,834</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Dividend Paid	(94,87,630)	(87,33,887)
<b>NET CASH GENERATED IN FINANCING ACTIVITIES (C)</b>	<b>(94,87,630)</b>	<b>(87,33,887)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(1,88,63,085)</b>	<b>(1,03,57,464)</b>
Cash and Cash equivalents as at beginning of the year	4,21,04,740	5,24,62,204
Cash and Cash equivalents as at the end of the year	<b>2,32,41,655</b>	<b>4,21,04,740</b>

for and on behalf of the Board

per our report of even date  
for **M.Anandam & Co.,**  
Chartered Accountants  
Firms' Registration Number: 000125S

Sd/-  
**K. HARISHCHANDRA PRASAD**  
Managing Director

Sd/-  
**R.SURENDER REDDY**  
Director

Sd/-  
**M.V. Ranganath**  
Partner  
Membership Number: 028031

Sd/-  
**U.VIJAYA KUMAR**  
CHIEF FINANCIAL OFFICER

Sd/-  
**PRITY BOKARIA**  
COMPANY SECRETARY

for **BRAHMAYYA & CO.,**  
Chartered Accountants  
Firms' Registration Number: 000513S

Sd/-  
**P.CHANDRAMOULI**  
Partner  
Membership Number: 025211

Place: Hyderabad  
Date : 17.05.2017

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017.****1. CORPORATE INFORMATION:**

The Company is a Public Limited Company listed on the National Stock Exchange (NSE) and is engaged in the business of investments in Equity Shares and Mutual Funds.

**2. BASIS OF PREPARATION:**

The financial statements have been prepared to comply in all material respects with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, and the relevant provisions of the Companies Act, 2013 and in accordance with the generally accepted Accounting Principles in India under the historical cost convention and on accrual basis, except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies are consistent with those used in the previous year.

**3. SIGNIFICANT ACCOUNTING POLICIES:****a. Use of estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the "results of operations during the reporting period". Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

**b. Tangible Fixed Assets:**

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation, amortisation and impairment losses if any. Cost comprises the purchase price and any attributable cost to bring the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

**c. Depreciation on Tangible Fixed Assets:**

Depreciation is provided considering the useful lives of respective assets, as provided and prescribed under schedule II of the Companies Act, 2013. Fixed Assets costing rupees Five thousand or less are fully depreciated in the year of acquisition.

**d. Inventories:**

Stock in Trade is stated at the lower of cost and net realizable value. Cost is determined on FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

**e. Prior period items:**

All items of income/expenditure pertaining to prior period, which are material, are accounted through "prior period adjustments" and the others are shown under respective heads of account in the statement of Profit and Loss.

**f. Revenue Recognition:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Specifically, the following basis is adopted:

**Interest:**

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**Dividends:**

Dividend is recognised when the right to receive the same is established.

**g. Investments:**

Investments that are readily realisable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value of each long term investment is made to recognize a decline other than temporary in nature.



Investment in land or buildings, which is not intended to be occupied substantially for use by, or in the operations of the company, is treated as investment property. Investment properties are stated at cost, net of accumulated depreciation and impairment losses, if any.

Depreciation on buildings is provided on written down value method, in accordance with Schedule II to the Companies Act, 2013.

**h. Retirement and Other Employee Benefits:**

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

The Provident Fund is a defined contribution scheme and the contributions are charged to the profit and loss account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

Short term compensated absences are provided on an estimated basis. Long term compensated absences are provided for based on actuarial valuation on project unit credit method carried by an actuary as at the end of the year.

Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

**i. Borrowing Costs:**

Borrowing costs that are directly attributable to the acquisition, construction or production of Fixed Assets, which take substantial period of time to get ready for their intended use, are capitalized. Other Borrowing costs are recognized as an expense in the year in which they are incurred.

**j. Leases:**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases.

***Where the Company is the lessee***

Operating lease payments are recognised as an expense in the profit and loss account on straight-line basis over the lease term.

***Where the Company is the lessor***

Assets subject to operating leases are included in fixed assets. Lease income is recognized in the profit and loss account. Costs, including depreciation are recognised as an expense in the profit and loss account.

**k. Earnings per Share (Basic and Diluted):**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**l. Taxes on Income:**

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act 1961 enacted in India. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognised only, if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

**m. Impairment:**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted





to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset are no longer exist or have decreased.

**n. Provisions:**

A provision is recognised when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**o. Contingent Liabilities:**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

**p. Cash Flow Statement:**

Cash flows are reported using indirect method. Cash and cash equivalents in the cash flow statement comprise cash at bank, cash/cheques in hand and Fixed Deposits with Banks.

**q. Others:**

Dividend as recommended by the Board of Directors is disclosed in the accounts pending shareholders' approval.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2017.**

S.NO	PARTICULARS	31.03.2017 Rs.	31.03.2016 Rs.
<b>04.</b>	<b>SHARE CAPITAL:</b>		
	<b>AUTHORISED:</b>		
	6,000,000 Equity Shares of Rs.10/- each	6,00,00,000	6,00,00,000
	<b>TOTAL</b>	<b>6,00,00,000</b>	<b>6,00,00,000</b>
	<b>ISSUED ,SUBSCRIBED AND PAID - UP:</b>		
	3,000,000 Equity Shares of Rs. 10/- each Fully paid up:	3,00,00,000	3,00,00,000
	<b>TOTAL</b>	<b>3,00,00,000</b>	<b>3,00,00,000</b>

**a. Rights attached to equity Shares:**

The company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

<b>b. Details of shareholders holding more than 5% shares in the company</b>	<b>31.03.2017</b>		<b>31.03.2016</b>	
	No of Shares	% in the class	No of Shares	% in the class
Equity Shares of Rs.10/- each fully paid				
Unijolly Investments Company Limited	2,96,060	9.87	2,96,060	9.87
Healthy Investments Limited	2,17,340	7.24	2,17,340	7.24



*Lakshmi*

**FINANCE & INDUSTRIAL CORPORATION LIMITED**

**ANNUAL REPORT 2016-2017**

S.NO	PARTICULARS	31.03.2017	31.03.2016
<b>05.</b>	<b>RESERVES AND SURPLUS:</b>	Rs.	Rs.
	Capital Reserves		
	Balance at the beginning and at the end of the year	5,03,51,780	5,03,51,780
	Securities Premium Reserve		
	Balance at the beginning and at the end of the year	6,48,220	6,48,220
	General Reserve		
	Balance at the beginning of the year	11,25,00,000	10,25,00,000
	Add: Additions during the year	1,00,00,000	1,00,00,000
	Balance at the end of the year	12,25,00,000	11,25,00,000
	Reserve Fund as per RBI guidelines:		
	Balance at the beginning of the year	8,19,50,000	7,43,50,000
	Add: Additions during the year	65,00,000	76,00,000
	Balance at the end of the year	8,84,50,000	8,19,50,000
	Surplus in Statement of Profit and Loss		
	Balance at the beginning of the year	8,04,97,785	7,44,34,510
	Add: Profit after tax transferred from		
	Statement of Profit and Loss	3,14,60,153	3,63,00,828
	Amount available for appropriation	11,19,57,938	11,07,35,338
	Appropriations:		
	General Reserve	(1,00,00,000)	(1,00,00,000)
	Reserve Fund as per RBI guidelines	(65,00,000)	(76,00,000)
	Dividend On Equity Capital	-	(1,05,00,000)
	Corporate Dividend Tax	-	(21,37,553)
	Closing Balance	9,54,57,938	8,04,97,785
	<b>TOTAL</b>	<b>35,74,07,938</b>	<b>32,59,47,785</b>
<b>06.</b>	<b>OTHER LONG TERM LIABILITIES:</b>		
	Others:		
	Security deposits	13,42,680	13,42,680
	<b>TOTAL</b>	<b>13,42,680</b>	<b>13,42,680</b>
<b>07.</b>	<b>LONG TERM PROVISIONS:</b>		
	Provision for employee benefits:		
	Provision for Compensated absences	8,55,919	7,69,912
	<b>TOTAL</b>	<b>8,55,919</b>	<b>7,69,912</b>
<b>08.</b>	<b>TRADE PAYABLES:</b>		
	Creditors for Supplies and Services (refer note:29)	9,086	13,550
	<b>TOTAL</b>	<b>9,086</b>	<b>13,550</b>
<b>09.</b>	<b>OTHER CURRENT LIABILITIES:</b>		
	Unpaid Dividends	76,04,540	65,92,170
	Other Payables:		
	Withholding Taxes payable	1,79,066	1,62,481
	Statutory dues payable	3,14,735	2,95,651
	Others	95,300	1,07,640
	<b>TOTAL</b>	<b>81,93,641</b>	<b>71,57,942</b>
<b>10.</b>	<b>SHORT TERM PROVISIONS:</b>		
	Other Provisions:		
	Provision for Dividend	-	1,05,00,000
	Provision for Corporate Dividend Tax	-	21,37,553
	<b>TOTAL</b>	<b>-</b>	<b>1,26,37,553</b>



(amount in Rs.)

**11. TANGIBLE FIXED ASSETS:**

S. No.	PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
		AS AT 01.04.2016	ADDITIONS	DEDUCTIONS	AS AT 31.03.2017	UPTO 01.04.2016	FOR THE YEAR	ON DEDUCTIONS	UPTO 31.03.2017	AS AT 31.03.2017	AS AT 31.03.2016
1	Furniture and Fixtures	33,664	-	-	33,664	25,965	2,473	-	28,438	5,226	7,699
2	Vehicles	33,34,633	-	-	33,34,633	21,98,722	3,74,902	-	25,73,624	7,61,009	11,35,911
3	Office Equipment:										
	own use	2,88,615	15,991	-	3,04,606	2,71,824	15,147	-	2,86,971	17,635	16,791
	given on Lease	8,52,647	-	-	8,52,647	7,14,335	25,769	-	7,40,104	1,12,543	1,38,312
4	Air conditioners	41,135	-	-	41,135	39,135	-	-	39,135	2,000	2,000
5	Computers	3,86,960	-	-	3,86,960	3,83,694	-	-	3,83,694	3,266	3,266
	Total	49,37,654	15,991	-	49,53,645	36,33,675	4,18,291	-	40,51,966	9,01,679	13,03,979
	Previous Year	46,25,342	9,16,940	6,04,628	49,37,654	37,24,140	4,89,163	5,79,628	36,33,675	13,03,979	9,01,202



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S. No.	PARTICULARS	31.03.2017 Rs.	31.03.2016 Rs.
<b>12.</b>	<b>NON - CURRENT INVESTMENTS:</b>		
	Investment in Property (at cost less accumulated depreciation)		
	Land at cost (refer Note:25)	27,01,799	27,01,799
		27,01,799	27,01,799
	Cost of buildings given on operating leases (refer Note:26)	98,80,612	98,80,612
	Less: accumulated depreciation	63,46,979	61,73,380
		35,33,633	37,07,232
		62,35,432	64,09,031
	Other investments (at cost unless otherwise stated)		
	Equity Shares-(Quoted) ( fully paid-up unless otherwise stated) (A)	4,52,93,199	4,06,13,639
	Equity Shares-(Un-Quoted) (fully paid-up unless otherwise stated) (B)	-	-
	Preference Shares - (Un - Quoted) (C)	10,00,440	-
	Debentures - (Un - Quoted) (D)	-	-
	Mutual Funds - (Un - Quoted ) (E)	31,26,00,271	27,54,72,326
		35,88,93,910	31,60,85,965
	<b>TOTAL</b>	<b>36,51,29,342</b>	<b>32,24,94,996</b>
	Aggregate cost of quoted Investments	4,54,38,410	4,09,26,024
	Aggregate market value of quoted Investments	5,43,61,941	4,81,92,724
	Aggregate cost of unquoted Investments	31,36,05,711	27,54,77,326
	Aggregate provision for diminution in the value of investments	1,50,206	3,17,395

**Details of other investments:**

PARTICULARS	Face Value Rs.	31.03.2017		31.03.2016	
		No of Shares	Value Rs.	No of Shares	Value Rs.
<b><u>A. EQUITY SHARES (QUOTED)</u></b>					
Amara Raja Batteries Limited	1	4,000	31,94,206	3,000	19,38,835
Apollo Tyres Limited *	1	6,000	11,25,075	10,000	17,49,000
Ashok Leyland Limited**	1	12,000	10,14,600	-	-
Asian Paints Limited	1	1,900	16,53,997	1,900	15,47,259
B.N.Rathi Securities Limited	10	33,074	4,38,665	33,074	4,38,665
Bharat Forge Limited	2	-	-	1,700	11,58,048
C C L Products (India) Limited	2	9,270	13,19,799	24,000	24,85,420
Cadila Health Care Limited	1	-	-	8,500	24,43,354
Cipla Limited *	2	4,200	23,11,380	2,000	10,23,900
Dabur India Limited	1	6,900	18,63,228	5,000	11,77,710
Divi's Laboratories Limited	2	-	-	2,600	19,23,277
Granules (India) Limited *	1	14,500	17,81,060	6,000	7,19,700
HCL Technologies Limited	2	-	-	3,200	23,76,949
HDFC Bank Limited	2	1,000	10,83,519	1,800	18,04,335
Hero Moto Corporation Limited	2	1,150	35,79,630	1,300	36,57,438



Details of other investments:

PARTICULARS	Face Value Rs.	31.03.2017		31.03.2016	
		No of Shares	Value Rs.	No of Shares	Value Rs.
ITC Limited	1	5,250	10,98,995	3,500	10,98,995
Kansai Nerolac Paints Limited	1	4,200	15,52,349	-	-
Lupin Limited	2	2,050	28,23,487	1,500	17,50,660
Maruti Suzuki India Limited	5	1,250	55,21,087	600	21,78,771
Motherson Sumi Systems Limited	1	4,000	13,26,596	-	-
NCL Industries Limited	10	8,000	14,10,121	-	-
Page Industries Limited	10	50	5,63,053	50	5,63,053
PFIZER Limited	10	1,500	24,58,847	1,450	21,43,304
Pidilite Industries Limited	1	2,300	15,74,711	-	-
Power Finance Corporation Limited	10	5,000	7,01,755	-	-
Reliance Industries Limited	10	900	11,42,982	-	-
Rural Electrification Corporation Limited	10	10,000	11,98,090	-	-
Suven Life Sciences Limited	1	2,300	3,76,691	12,200	19,38,030
Tata Consultancy Services Limited**	1	1,000	24,31,800	1,700	37,83,910
The South Indian Bank Limited *	1	37,000	7,67,508	37,000	6,53,060
Yes Bank Limited	10	1,100	9,79,968	3,200	20,59,966
<b>TOTAL</b>			4,52,93,199		4,06,13,639
<b>B.EQUITY SHARES - (UN QUOTED)</b>					
A.P.Mahesh Co-Operative Urban Bank Limited*** 20 (held in the name of the Managing Director)		250	-	250	-
<b>TOTAL</b>		-	-	-	-
<b>C.PREFERENCE SHARES - (UN QUOTED)</b>					
0.001% - Convertible Preference Shares in Green India Building Systems & Services Private Limited (Class C)	10	180	10,00,440	-	-
			10,00,440		-
<b>D.DEBENTURES - (UN QUOTED)</b>					
Non-Convertible Debentures of NTPC Limited 12.5 (allotted as bonus)		3,500	-	3,500	-
<b>TOTAL</b>		-	-	-	-

E. MUTUAL FUNDS (UN QUOTED)		No of	Value	No of	Value
		units	Rs.	units	Rs.
<i>EQUITY ORIENTED FUNDS: (DIVIDEND PAYOUT)</i>					
Birla Sunlife Equity Fund		1,10,768	1,05,00,000	1,00,621	95,00,000
Birla Sun Life Balanced '95 Fund		1,29,950	1,85,00,000	1,18,760	1,70,00,000
Birla Sun Life Front Line Equity Fund Plan A		5,89,508	1,53,42,685	6,15,337	1,60,00,000
Birla Sun Life India GenNext Fund		5,22,074	1,15,00,000	4,74,792	1,05,00,000
Birla Sun Life MNC Fund		93,647	1,33,53,283	1,13,398	1,60,00,000
Birla Sun Life Top 100 Fund		4,44,780	75,00,000	3,28,242	55,00,000
Birla Sun Life Midcap Fund		1,61,744	55,00,000	-	-



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Particulars	No of units	Value Rs.	No of units	Value Rs.
Canara Robeco Balance Fund	1,58,158	1,20,00,000	1,44,394	1,10,00,000
Canara Robeco Equity Diversified Fund	-	-	28,229	10,00,000
DSP Black Rock Opportunities Fund	2,71,796	70,00,000	2,71,796	70,00,000
DSP Black Rock Small and Midcap Fund	5,02,127	1,15,00,000	3,38,017	75,00,000
Franklin India Blue Chip Fund	3,47,161	1,36,35,161	3,26,046	1,20,00,000
Franklin India Prima Fund	1,95,207	1,15,00,000	96,781	55,00,000
Franklin India Prima Plus	3,92,861	1,38,84,256	4,00,777	1,30,00,000
Franklin India Smaller Companies Fund	1,96,980	55,00,000	-	-
HDFC Prudence Fund	2,20,124	64,99,900	2,20,124	64,99,900
ICICI Prudential Balanced Fund	1,02,459	25,00,000	-	-
ICICI Prudential Value Discovery Fund	5,85,065	1,90,00,000	5,10,925	1,65,00,000
ICICI Prudential Dynamic Plan	4,37,648	1,00,00,000	3,52,953	80,00,000
ICICI Prudential Focused Blue Chip Equity Fund	7,12,893	1,45,00,000	5,99,257	1,20,00,000
ICICI Prudential Top 100 Fund	6,12,501	1,05,00,000	6,12,501	1,05,00,000
IDFC Premier Equity Fund - Plan A	4,33,393	1,35,13,520	5,13,480	1,60,00,000
Principal Emerging Bluechip Fund	83,425	40,00,000	-	-
Reliance Equity Opportunities Fund	2,11,036	69,94,583	3,37,754	1,15,00,000
Reliance Pharma Fund	1,85,631	1,12,22,454	1,92,866	1,15,00,000
Reliance Regular Savings Balanced Plan	5,85,156	94,72,476	5,85,156	94,72,476
Reliance Regular Savings Balanced Plan Qtly. Dividend	2,09,629	30,00,000	2,09,629	30,00,000
SBI Blue Chip Fund	5,15,498	95,00,000	1,85,280	35,00,000
SBI Magnum Equity Fund	1,77,127	56,87,235	2,62,542	90,00,000
SBI Emerging Businesses Fund	3,52,926	75,56,379	6,81,654	1,35,00,000
Templeton India Growth Fund	1,20,863	75,00,000	32,200	20,00,000
UTI Opportunities Fund	6,29,436	1,09,99,950	6,29,436	1,09,99,950
<i>LIQUID FUND (GROWTH)</i>				
HDFC Cash Management Fund -Treasury Advantage	87,971	29,38,389	-	-
<b>TOTAL</b>		<b>31,26,00,271</b>		<b>27,54,72,326</b>

\* Previous year at cost net of provision for diminution in value.

\*\* Current year at cost net of provision for diminution in value.

\*\*\* At cost net of provision for diminution in value in both previous and current years.



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S.NO	PARTICULARS	31.03.2017 Rs.	31.03.2016 Rs.
<b>13.</b>	<b>LONG TERM LOANS AND ADVANCES:</b>		
	(Unsecured ,Considered good)		
	Security Deposits		
	with Related Parties	85,443	85,443
	with Others	1,26,412	1,26,412
	<b>TOTAL</b>	<b>2,11,855</b>	<b>2,11,855</b>
<b>14.</b>	<b>TRADE RECEIVABLES:</b>		
	(Unsecured ,Considered good)		
	Outstanding for a period not exceeding six months from the date they are due for Payment	53,00,770	96,79,131
	<b>TOTAL</b>	<b>53,00,770</b>	<b>96,79,131</b>
<b>15.</b>	<b>CASH AND CASH EQUIVALENTS:</b>		
	Balances with Banks:		
	on Current accounts	1,06,11,301	79,93,567
	Cash on Hand	25,813	19,002
	Other Bank Balances:		
	on un paid dividend accounts	76,04,541	65,92,171
	on Deposit accounts	50,00,000	2,75,00,000
	<b>TOTAL</b>	<b>2,32,41,655</b>	<b>4,21,04,740</b>
<b>16.</b>	<b>SHORT TERM LOANS AND ADVANCES:</b>		
	(Unsecured, Considered good)		
	Other Advances:		
	Staff advances	-	16,000
	<b>TOTAL</b>	<b>-</b>	<b>16,000</b>
<b>17.</b>	<b>OTHER CURRENT ASSETS:</b>		
	Advance Income Tax (Net of Provision)	21,53,077	17,35,127
	Advance for expenses	1,500	-
	Rent Receivable	5,19,270	1,57,276
	Accrued Interest	11,220	30,027
	Accrued Dividend	1,21,476	86,636
	Prepaid Expenses	2,17,420	49,655
	<b>TOTAL</b>	<b>30,23,963</b>	<b>20,58,721</b>
<b>18.</b>	<b>REVENUE FROM OPERATIONS:</b>		
	Profit on sale of Non Current Investments ( net)	1,10,62,405	1,13,60,112
	Dividends on non current investments	2,82,33,041	3,10,68,185
	Interest on Debentures	3,704	3,745
	Adjustments to the carrying amount of investments	1,67,189	13,48,540
	Interest on Deposits with Banks	17,48,294	16,17,130
	<b>TOTAL</b>	<b>4,12,14,633</b>	<b>4,53,97,712</b>
<b>19.</b>	<b>OTHER INCOME:</b>		
	Interest Received ( Others)	54,961	57,610
	Other Non Operating Income(net of expenses)		
	Net Gain on Sale of Tangible Fixed Assets	-	72,242
	Rental Income from Investment Property	36,39,589	35,22,470
	Misc Receipts	1,772	5,460
	Excess Provision written back	3,046	1,68,000
	<b>TOTAL</b>	<b>36,99,368</b>	<b>38,25,782</b>



S.NO	PARTICULARS	31.03.2017 Rs.	31.03.2016 Rs.
<b>20.</b>	<b>EMPLOYEE BENEFITS EXPENSE:</b>		
	Salaries, Wages and Bonus	73,20,299	65,07,896
	Contribution to Provident and Other Funds	16,22,717	14,07,129
	Staff Welfare Expenses	1,62,940	1,67,294
	<b>TOTAL</b>	<b>91,05,956</b>	<b>80,82,319</b>
<b>21.</b>	<b>DEPRECIATION AND AMORTISATION EXPENSE:</b>		
	Depreciation on tangible fixed assets	4,18,291	4,89,163
	Depreciation on Investment property	1,73,599	2,13,066
	<b>TOTAL</b>	<b>5,91,890</b>	<b>7,02,229</b>
<b>22.</b>	<b>OTHER EXPENSES:</b>		
	Electricity Charges	37,917	37,596
	Communications	1,99,268	2,31,368
	Rent and Service Charges	10,02,534	9,93,802
	Rates and Taxes	3,36,949	3,02,294
	Insurance	57,342	57,794
	Travelling and Conveyance	1,29,976	1,55,746
	Vehicle Maintenance	1,87,538	1,56,566
	Directors Sitting Fees	1,86,000	1,06,000
	Legal and Professional Charges	3,26,077	2,67,577
	Payments to Auditors		
	as auditors	69,000	68,700
	for certification	18,385	18,222
	for tax audit	17,250	11,450
	Repairs and Maintenance to:		
	Own Buildings	1,60,950	16,328
	Other Assets	21,948	33,132
	General Charges	5,98,268	3,79,574
	Excess income taken in earlier years written back	-	27,524
	<b>TOTAL</b>	<b>33,49,402</b>	<b>28,63,673</b>
<b>23.</b>	<b>EARNINGS PER SHARE:</b>		
	Net Profit for the year attributable to Equity Shareholders	3,14,60,153	3,63,00,828
	Weighted average number of equity Shares of Rs.10/- each	30,00,000	30,00,000
	<b>Earnings per Share (Basic and Diluted)</b>	<b>10.49</b>	<b>12.10</b>
<b>24.</b>	<b>DEFERRED TAX ASSETS (Net):</b>		
	Asset:		
	Difference between book and tax WDV of Assets	2,54,526	2,33,798
	Provision for other expenses	3,27,483	3,09,066
	Provision for diminution in the value of investments	44,867	98,075
	<b>TOTAL</b>	<b>6,26,876</b>	<b>6,40,939</b>

The Company does not have any current income tax liability as per the normal provisions of the Income tax Act, 1961 and at present is paying only MAT. In view of the inability to assess future taxable income under normal provisions, the extent of net deferred tax asset which may be adjusted in the subsequent years is not ascertainable with virtual certainty at this stage and accordingly in terms of Accounting Standard (AS 22) on "Accounting for Taxes on Income" as specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and based on general prudence, the Company has not recognised any Deferred tax Asset while preparing the accounts for the current year.





25. The Company is in the process of re-gaining the position of lands Costing Rs. 1,158,871/- situated at Adoni, Kurnool Dist.(AP) from the trespassers.
26. The title in respect of the Property costing Rs. 600,000/- is yet to be transferred in favour of the Company.
27. The Management has initiated steps to evaluate the quality of all its receivables as at the year end and found all of them to be standard and there are no Non-Performing Assets in accordance with the prudential norms issued by Reserve Bank of India.
28. In the opinion of the Board, the current assets, loans and advances are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business and provision for all known liabilities have been adequately made in the accounts.
29. During the year, there were no transactions with Micro and Small Enterprises; hence the disclosures as per Micro, Small and Medium Enterprise Development Act, 2006, are not applicable for the time being.

30. Disclosure relating to the Gratuity liability as per Accounting Standard 15 "Employee Benefits"

Particulars	31.03.2017	31.03.2016
<b>a) The amounts recognised in the Balance Sheet:</b>		
<b>(amount in Rupees)</b>		
Present Value of obligation	<b>1,439,139</b>	<b>1,310,768</b>
Fair value of plan assets	(1,952,595)	(1,814,576)
Amount recognized in the Balance sheet	*(513,456)	*(503,808)
* Excess fair value of plan assets not considered in the books		
<b>b) Changes in the present value of the defined obligation:</b>		
Opening defined benefit obligation	1,310,768	1,201,005
Current service Cost	30,781	23,598
Interest Cost	113,642	104,861
Actuarial (gains)/Losses on obligation	(16,052)	(18,696)
Closing defined benefit obligation	<b>1,439,139</b>	<b>1,310,768</b>
<b>c) Reconciliation of opening and closing balance of fair value of assets:</b>		
Fair value of plan assets at the beginning of the year	<b>1,814,576</b>	<b>1,672,321</b>
Expected Return	138,019	142,255
Contributions Paid	—	—
Fair value of plan assets at the end of the year	<b>1,952,595</b>	<b>1,814,576</b>
<b>d) Principal actuarial assumptions:</b>		
Rate of escalation in Compensation	6%	4%
Discount Rate	8%	8%
Attrition Rate	1%	1%
Retirement age in years	60	60

The rate of escalation in compensation considered in the above valuation is estimated taking into account inflation, seniority, promotion and other relevant factors and the above information is certified by an actuary.

31. There are no separate reportable segments as per the Accounting standard "Segment Reporting "(AS 17).
32. As required by Accounting Standard (AS 28) "Impairment of Assets", the Management has carried out the assessment of Impairment of assets and no Impairment was found.



33. In the absence of convincing evidence that the company will pay normal Income Tax within the specified period, the Minimum Alternative Tax (MAT) credit is not recognized as at the year- end in the books of account. The total amount of such credit is Rs. 16,722,138/- and the situation shall be reviewed at each Balance Sheet date.

34. Details of Specified bank notes as per **Notification No. G.S.R. 308(E) of 2017:** **Amount in Rs.**

Particulars	Specified bank notes	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	34,000	8,546	42,546
(+) Permitted receipts	—	1,00,000	1,00,000
(-) Permitted Payments	3,000	55,674	58,674
(-) Amount deposited in Banks	31,000	—	31,000
Closing cash in hand as on 30.12.2016	—	52,872	52,872

35. The details of the transactions with related parties to be disclosed as required by Accounting Standard - 18 are as follows.

**a) Name of Related party and description of relationship:**

Key Management Personnel	: Sri K. Harishchandra Prasad, Managing Director.
Relatives of Key Management personnel	: Sri K. Kapil Prasad, Son of Managing Director
Associate Entities	: M/s. Kapil Motors Private Limited
	: M/s. Woodstar Industries

b) Transactions with related Party during the year:	31.03.2017 Rs.	31.03.2016 Rs.
Key Management Personnel		
Sri K. Harishchandra Prasad		
Managerial Remuneration	6,812,604	6,176,277
M/s. Kapil Motors Private Limited		
Services availed	52,429	14,580
Cost of New vehicle	—	798,500
Sale of Used vehicle	—	112,000
M/s. Woodstar Industries		
Rent and Service Charges	1,002,534	993,802

36. The dividends declared by the company are based on the profits available for distribution as reported in the financial statements of the company. The Board of Directors of the company have proposed a final dividend of Rs 3.50 per share in respect of the year ended March 31, 2017 subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of Rs. 12,637,553/- inclusive of dividend distribution tax of Rs. 2,137,553/-.

37. Previous year's figures have been regrouped and reclassified wherever necessary to make them comparable with current year's figures.

for and on behalf of the Board

Sd/-  
**K. HARISHCHANDRA PRASAD**  
Managing Director

Sd/-  
**R.SURENDER REDDY**  
Director

Sd/-  
**U.VIJAYAKUMAR**  
CHIEF FINANCIAL OFFICER

Sd/-  
**PRITY BOKARIA**  
COMPANY SECRETARY

per our report of even date  
**for M.Anandam & Co.,**  
Chartered Accountants  
Firms' Registration Number: 000125S

Sd/-  
**M.V. Ranganath**  
Partner  
Membership Number: 028031

**for BRAHMAYYA & CO.,**  
Chartered Accountants  
Firms' Registration Number: 000513S

Sd/-  
**P.CHANDRAMOULI**  
Partner  
Membership Number: 025211

Place: Hyderabad  
Date : 17.05.2017



**SCHEDULE TO THE BALANCE SHEET AS AT 31ST MARCH, 2017**

SCHEDULE TO THE BALANCE SHEET AS AT 31st MARCH, 2017		Rs. in lakhs	
SL. NO.	PARTICULARS		
	<b>LIABILITIES SIDE:</b>		
1	<b>LOANS AND ADVANCES AVAILED BY THE NBFCs INCLUSIVE OF INTEREST ACCRUED</b>	<b>Amount outstanding</b>	<b>Amount overdue</b>
	(a) Debentures : Secured	-	-
	: Unsecured	-	-
	(b) Deferred Credits	-	-
	(c) Term Loans	-	-
	(d) Inter-corporate loans and borrowings	-	-
	(e) Commercial paper	-	-
	(f) Public Deposits	-	-
	(g) Other Loans (specify nature)	-	-
2	<b>BREAK-UP OF (1) (f) ABOVE (OUTSTANDING PUBLIC DEPOSITS INCLUSIVE OF INTEREST ACCRUED THEREON BUT NOT PAID):</b>		
	(a) In the form of unsecured debentures	-	-
	(b) In the form of partly secured debentures i.e., debentures where there is a shortfall in the value of security	-	-
	(c) Other Public Deposits	-	-
	<b>ASSETS SIDE:</b>	<b>AMOUNT OUTSTANDING</b>	
3	<b>BREAK-UP OF LOANS AND ADVANCES INCLUDING BILLS RECEIVABLES [OTHER THAN THOSE INCLUDING IN (4) BELOW]:</b>		
	(a) Secured	-	
	(b) Unsecured	-	
4	<b>BREAK-UP OF LEASED ASSETS AND STOCK ON HIRE AND HYPOTHECATION LOANS COUNTING TOWARDS EL/HP ACTIVITIES</b>		
	(i) Leased assets including lease rentals under sundry debtors		
	(a) Financial lease	-	
	(b) Operating lease	-	
	(ii) Stock on Hire including hire charges under sundry debtors:		
	(a) Assets on hire	-	
	(b) Repossessed Assets	-	
	(iii) Hypothecation loans counting towards EL/HP activities		
	(a) Loans where assets have been repossessed	-	
	(b) Loans other than above	-	
5	<b>BREAK-UP OF INVESTMENTS:</b>		
	Current Investments:		
	1. Quoted:	-	
	(i) Shares: (a) Equity		
	(b) Preference	-	
	(ii) Debentures and Bonds	-	
	(iii) Units of mutual funds	-	
	(iv) Government Securities	-	
	(v) Others (please specify)	-	



SL. NO.	PARTICULARS	Rs. in lakhs
Non Current Investments:		
1.	Quoted:	
	(I) Shares: (a) Equity	452.93
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-
2.	Unquoted:	
	(i) Shares: (a) Equity	0.05
	(b) Preference	10.00
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	3126.00
	(iv) Government Securities	-
	(v) Others - Investment Property	62.35

**6 BORROWER GROUP- WISE CLASSIFICATION OF ALL LEASED ASSETS, STOCK -ON-HIRE AND LOANS AND ADVANCES:**

CATEGORY	Amount net of provisions		
	Secured	Unsecured	Total
1. Related parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

**7 INVESTOR GROUP - WISE CLASSIFICATION OF ALL INVESTMENTS (CURRENT, NON CURRENT AND LONG TERM) IN SHARES AND SECURITIES (BOTH QUOTED AND UNQUOTED)**

CATEGORY	Market Value Break up or fair value or NAV	Book Value (Net of provisions)
1. Related parties		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	3797.47	3588.94
<b>Total</b>	<b>3797.47</b>	<b>3588.94</b>

**8 OTHER INFORMATION**

Particulars	Amount
(I) Gross Non-performing Assets	-
(a) Related parties	-
(b) Other than related parties	-
(ii) Net Non-performing Assets	-
(a) Related parties	-
(b) Other than related parties	-
(iii) Assets acquired in satisfaction of debts	-

For and on behalf of the Board

Sd/-  
**R. SURENDER REDDY**  
DIRECTOR

Sd/-  
**K.HARISHCHANDRA PRASAD**  
MANAGING DIRECTOR

Place : Hyderabad  
Date : 17.05.2017



*Lakshmi*

**FINANCE & INDUSTRIAL CORPORATION LIMITED**

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**FORM 2B**  
(See rules 4CCC and 5D)  
**NOMINATION FORM**

To be filled in by individual(s) applying singly or jointly

I/we.....and..... the holders of shares bearing Folio Number(s)..... of **LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED** wish to make a nomination and do hereby nominate the following person(s) in whom all rights of transfer and/or amount payable in respect of the Shares shall vest in the event of my/our death.

**NAME & ADDRESS OF NOMINEE:**

Name: .....

Address: .....

Pin Code:.....

\* Date of Birth : ..... (\*to be furnished in case of nominee is a minor)

The Nominee is a minor whose Guardian is.....

(Name and Address of Guardian).....

Signature of Nominee/Guardian:.....

(To be deleted if not applicable)

Nominee Signature.....

Name :.....

Address:.....

Date :.....

to be attested by the shareholder(s)..... (Signature of shareholder)

Name, Address & Signature of Two Witnesses:

Name and Address	Signature with date
1.	
2.	

**Instructions:**

- The Nomination can be made individual only, applying/holding Shares on their own behalf singly or jointly upto two persons. Non-individuals including Society, Trust, Body Corporate, Partnership firm, karta of Hindu Undivided Family, holder or power of Attorney cannot nominate. If the Shares are held jointly, all joint holders will sign the nomination form.
- A minor can be nominated by a holder of shares and in that event the name and address of the Guardian shall be given by the holder.
- The nominee shall not be a Trust, Society, Body Corporate, Partnership firm, Karta of Hindu Undivided Family or a power of Attorney holder. A non-resident Indian can be a nominee on re-patriable basis.
- Nomination stands rescinded upon transfer of shares
- Transfer of Shares in favour of a nominee shall be valid discharge by the Company against the legal heir.
- Subject to rules and regulations as applicable from time to time.

**ELECTRONIC CLEARING SERVICE (CREDIT CLEARING)**  
**ECS MANDATE FORM FOR PAYMENT OF DIVIDEND ON EQUITY SHARES**

*M/s.Lakshmi Finance & Industrial Corporation Ltd.*

1<sup>st</sup> Floor, 1-10-60/3, Begumpet, Hyderabad – 500 016.

- First Shareholder's Name (IN BLOCK LETTERS) : .....
- Address : .....
- Shareholder's Folio No. : .....
- Particulars of Bank Account : .....
- A) Bank Name : .....
- B) Branch Name & City (Pin Code) : .....
- C) Account No. : .....
- (as appearing the on cheque Book) : .....
- D) Account Type (Please tick) : .....
- (SB Account/ Current A/c. or Cash Credit) SB ☐ Current ☐ Cash Credit ☐
- E) Ledger Folio No. of the Bank A/c. : .....
- (if appearing on the Cheque Book)
- F) 9 - Digit Code No. of the Bank & Branch : .....
- appearing on the MICR Cheque issued by the Bank
- G) IFSC Code No : .....

Please attach a photocopy of the 'Cheque Leaf' or a blank cancelled cheque issued by your Bank relating to your above account for verifying the accuracy of the code numbers.

**DECLARATION**

I, hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I would not hold Company responsible.

Signature of the First Shareholder

Certified that the particulars furnished above are correct as per our records.

**NOTE: Shareholders are requested to furnish their Folio No. without fail**



*Lakshmi*

**FINANCE & INDUSTRIAL CORPORATION LIMITED**

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**LAKSHMI FINANCE AND INDUSTRIAL CORPORATION LIMITED**

(CIN : L65920AP1923PLC000044)

Registered Office: 1-10-60/3, 1st Floor, "Suryodaya", Begumpet, Hyderabad, Telangana, 500016

Ph.No. 040-27760301 / 27767794 Fax: 040-27767793

E-mail: lakshmi\_ific@yahoo.com Website: www.lakshmifinance.org

Form No. MGT-11

**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and  
rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s) \_\_\_\_\_

Registered Address \_\_\_\_\_

E-mail Id \_\_\_\_\_ Folio No. /Client Id \_\_\_\_\_ DP ID: \_\_\_\_\_

I/We, being the member (s) of **LAKSHMI FINANCE AND INDUSTRIAL CORPORATION LIMITED** holding  
\_\_\_\_\_ shares of the above named company, hereby appoint

1. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_

or failing him / her

2. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_

or failing him / her

3. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_

or failing him / her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 93rd Annual General Meeting of the Company, to be held on Friday, 28th day of July, 2017 at 9.30 a.m at Hotel Kamat Lingapur, Anupama Banquet Hall, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad-500 016 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolution	Vote	
		For	Against
1.	Adoption of statement of Profit & Loss, Balance sheet, report of Director's and Auditor's for the financial year 2016-17		
2.	Declaration of Dividend for the Financial year 2016-17.		
3.	Appointment of Sri.K.Kapil Prasad as Director who retires by rotation.		
4.	Appointment of M/s. K.S. Rao & Co., Chartered Accountants, Hyderabad as Statutory Auditors & fixing their remuneration.		
5.	Re-appointment of Managing Director Sri. K. Harishchandra Prasad		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

Signature of shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Affix  
Revenue  
Stamp

**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.



*Lakshmi*

FINANCE & INDUSTRIAL CORPORATION LIMITED

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FINANCE & INDUSTRIAL CORPORATION LIMITED

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**LAKSHMI FINANCE AND INDUSTRIAL CORPORATION LIMITED**

(CIN : L65920AP1923PLC000044)

Registered Office: 1-10-60/3, 1st Floor, "Suryodaya", Begumpet, Hyderabad - 500016, Telangana

Tel.: 040-27760301 / 27767794 Fax: 040-27767793

E-mail: lakshmi\_ific@yahoo.com Website: www.lakshmifinance.org

**93rd Annual General Meeting - Friday 28<sup>th</sup> July, 2017**

**Attendance Slip**

(Please present this slip at the Meeting venue)

I hereby record my presence at the **93<sup>rd</sup> Annual General Meeting** of the members of the Company to be held on **Friday, 28th day of July, 2017 at 9.30 a.m at Hotel Kamat Lingapur, Anupama Banquet Hall, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad-500 016** and at any adjournment thereof.

Folio No. / Client ID

No. of shares held

Name and address of

First / Sole Member:

I Certify that I am a Member / Prox / Authorised Representative for the member of the Company.

\_\_\_\_\_  
Name of the Member / Proxy

(In BLOCK Letters)

\_\_\_\_\_  
Signature of the Member / Proxy

Note:

1. Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.
2. A Proxy need not be a member of the Company.
3. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
4. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.



## PRINTED MATTER

To,



If undelivered please return to :



# Lakshmi

**FINANCE & INDUSTRIAL CORPORATION LIMITED**

1st Floor, Suryodaya, 1-10-60/3,  
Begumpet, Hyderabad - 500 016.

Tel.: 040-27760301 / 27767794

Fax: 040-27767793

E-mail: lakshmi\_ific@yahoo.com

Website: [www.lakshmifinance.org](http://www.lakshmifinance.org)