



NOTICE

Notice is hereby given that the 91st Annual General Meeting of the members of **LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED** will be held on Thursday the 13th, August, 2015 at 9.30.A.M. at "Triveni 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, 2015 and the Statement of Profit and Loss of the Company for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare a Dividend on Equity Shares for the year ended 31st March, 2015.
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 ratify the appointment of Auditors of the Company, and to fix their remuneration and to pass the following resolution as an Ordinary Resolution thereof:

"RESOLVED THAT pursuant to Section 139,142 and other applicable provisions of the Companies Act,2013 and the Rules made thereunder, pursuant to the recommendations of the Board of Directors of the Company, and pursuant to the resolution passed by the members at the AGM held on 5th August,2014, the appointment of M/s M.Anandam & Co., Secunderabad (Firm registration No : 000125S) & M/s. Brahmayya & Co., Hyderabad, (Firm registration No : 000513S) Chartered Accountants, as the Auditors of the Company to hold office till the conclusion of the AGM to be held in the calendar year 2017, be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2016."

SPECIAL BUSINESS:

- 5) **Appointment of Smt.Madhurika Nalluri Venkat as an Independent Director of the Company.**

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

"RESOLVED THAT pursuant to the provisions of Sections 149,152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, and Clause 49 of the Listing Agreement **Smt.Madhurika Nalluri Venkat** (DIN.07147974), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 04.04.2015, in terms of

Section 161 (1) of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to the conclusion of the 96th Annual General Meeting of the Company in the calendar year 2020."

- 6) Adoption of new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013.

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

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company"

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

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

Sd/-

K.HARISHCHANDRA PRASAD
MANAGING DIRECTOR

Place: Hyderabad

Date : 25-05-2015

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.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 07th August,2015 to 13th August,2015 (both days inclusive) for the purpose of the Annual General Meeting of the Company and Dividend declaration.



4. The dividend on shares, as recommended by the Directors is passed at the meeting, payment of such dividend, will be paid to those members whose names appear on the Company's Register of Members as on 6th August, 2015.
5. Members holding shares in physical form are requested to 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. (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 follow up action to obtain the unclaimed Bonus Shares.
7. 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.
8. 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 2006-07 has been transferred to the said fund on 21.10.2014 upon expiry of 7 years period. Unclaimed dividend for the year 2007-2008 is due for transfer to IEPF on or before 21.09.2015. Those members who have not en-cashed their dividend warrant(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 that 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:

Financial Year ended	Date of Declaration Of Dividend	Last date for Claiming Unpaid Dividend amount (on or before)	Last date for Transfer to IEP Fund
31.03.2008	22.09.2008	21.09.2015	20.10.2015
31.03.2009	17.09.2009	16.09.2016	15.10.2016
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

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.

9. 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.
10. 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.)
11. The Notice of the 91st 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.



12. e-Voting for transaction of Business:

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

- (A) The Company is providing facility for voting by electronic means in compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and the revised Clause 35B of the Listing Agreement.
(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 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 10th August, 2015 and ends at 5 P.M. on 12th August, 2015. 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 06th August, 2015, 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.
iii) Now click on "Shareholders" to cast your votes
iv) Now Enter your 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 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:

Table with 2 columns: Field Name and Instructions. Fields include PAN, DOB, and Dividend Bank Details. Instructions describe how to enter personal and account information for e-voting.

- 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 (EVS-150606004)**> 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 Demat account holder has forgotten the same 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) 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 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.
 - 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 should be mailed to 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.
- xix) 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, under help section or write an email to 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).

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

Sd/-

**K.HARISHCHANDRA PRASAD
MANAGING DIRECTOR**

Place: Hyderabad

Date : 25-05-2015

EXPLANATORY STATEMENT:

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

Item No. 5:

The Board of Directors at their Circular resolution passed on 04.04.2015 appointed Smt.Madhurika Venkat Nalluri as an Additional Director, Non-Executive Independent Director of the Company with effect from 04.04.2015.

Smt.Madhurika Venkat Nalluri a Bachelor of Science with a Law Degree from Nagarjuna University, Guntur, with more than 26 years experience in the Banking field, 9 years experience in Pharma Industry and is currently heading HR & Brand Communication with a leading Telugu Entertainment channel, MAA TV. Her presence, expertise and experience would immensely benefit the Company.

Under Section 161(1) of the Companies Act, 2013, Smt.Madhurika Venkat Nalluri holds office only up to the date of this Annual General Meeting of the Company. The Company received notice in writing from a member along with deposit of requisite amount under Section 160 of the Act proposing the candidature of Smt.Madhurika Venkat Nalluri for the office of Director of the Company. Smt.Madhurika Venkat Nalluri is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. The Company also received declaration from Smt.Madhurika Venkat Nalluri that she meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, Smt.Madhurika Venkat Nalluri fulfils the conditions specified in the Companies Act, 2013 and rules made there under for her appointment as an Independent Director of the Company and is Independent of the Management.



The Board considers that the appointment of Smt.Madhurika Venkat Nalluri as a Director of the Company, would be of immense benefit to the Company. Accordingly, the Board of Directors recommend her appointment as an Independent Director of the Company.

Except, Smt.Madhurika Venkat Nalluri. being an appointee, none of the Directors and Key Managerial Personnel of the Company/ their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No.5.

Item No. 6:

The Articles of Association (“AoA”) of the Company as presently in force are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the present Companies Act, 2013.

With the coming into force of the Companies Act, 2013, several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles. The new AoA to be substituted in place of the existing AoA are based on Table ‘F’ of the Companies Act, 2013 which sets out the model articles of association for a Company limited by shares.

The proposed new draft AoA is being uploaded on the Company’s website for perusal by the shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.

Your Directors recommend the Resolution for your approval as Special Resolution.

By Order of the Board
Lakshmi Finance & Industrial Corporation Limited

Sd/-

**K.HARISHCHANDRA PRASAD
MANAGING DIRECTOR**

Place: Hyderabad
Date : 25-05-2015

ADDITIONAL INFORMATION OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING.

Name of the Director	Sri. K.Kapil Prasad	Smt.Madhurika Venkat Nalluri
Date of Birth	31.10.1983	23.11.1954
Date of Appointment	07.02.2014	04.04.2015
Qualification	M.S	BSC-BL
No of Shares held in the Company	80,210	Nil
Directorships held in other Companies (excluding Private Limited and Foreign Companies)	Nil	Nil
Positions held in mandatory committees of other companies	Nil	Nil

**DIRECTORS' REPORT**

TO
THE MEMBERS,

Your Directors have the pleasure in presenting this 91st Annual Report of the Company together with the Audited Statement of Accounts for the financial year ended 31st March, 2015.

SUMMARY OF FINANCIAL RESULTS

(Rs. in lakhs)

Particulars	2014-2015	2013-2014
Gross Income	688.19	479.54
Gross Profit	578.27	143.03
Less: Interest	4.28	—
: Depreciation	7.21	8.16
Profit for the year before taxation	566.78	134.87
Provision for Taxation	68.48	—
Profit after tax	498.30	134.87
Prior year taxes	(1.67)	—
Net Profit	499.97	134.87
Profit brought forward	660.65	635.95
Profit available for appropriation	1160.62	770.82
Less: Carrying amount of Assets	3.28	—
Net Profit available for appropriation	1157.34	—
Appropriations:		
Proposed Dividend	90.00	54.00
Dividend Tax	17.99	9.17
Transfer to Reserve Fund (per RBI Guide Lines)	105.00	27.00
Transfer to General Reserve	200.00	20.00
Balance carried over to Balance Sheet	744.35	660.65

1) DIVIDEND:

Your Directors take the pleasure in recommending a dividend at the rate of 30% (i.e., Rs. 3.00 per Equity Share of Rs.10/- each) for the financial year 2014-15 as apposed to 18% dividend rate in the previous year. The proposed dividend, if approved at the 91st Annual General Meeting by the members, will be paid to all those equity shareholders whose names appear in the register of members as on 06.08.2015 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. 107.99 lakhs including tax on dividends.

2) OPERATIONAL PERFORMANCE:

During the year under review the Capital Markets witnessed a roller coaster ride during the year 2014, but ended on a high note. The year 2014 started well as commodity prices declining and stability on political front was restored. However, fears of quantitative easing, tapering and Rupee depreciation led to a sharp correction in Capital Markets. As rupee stabilized, normalcy was restored, resulting in a rally and markets reached to its peak levels. Last quarter of F.Y. 2014-15 saw stock markets breaking new highs owing to increased optimism on the formation of a stable and progressive Government and also stable commodity prices. Going ahead, we believe that these factors together with reasonable current equity valuations, the stock markets will remain well supported.

The Company's Financial performance through investment in shares and mutual funds have yielded substantial Capital Gains and Dividends as can be seen from the Gross Income of Rs. 688.19 lakhs for the year ended 31st March, 2015 as against Rs. 479.54 lakhs for the previous year ended 31st March, 2014. The Company made a profit after tax of Rs. 499.97 lakhs against Rs. 134.87 lakhs during the previous year ended 31st March, 2014. The Improved performance was mainly on account of the favorable market conditions and also close monitoring of the Portfolio Investments in Equity Shares and Mutual Funds. 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.

3) NUMBER OF BOARD MEETINGS HELD:

The Board of Directors duly met 4 times during the Financial Year from 1st April,2014 to 31st March ,2015. The dates on which the meetings were held are as follows:

10th May,2014, 5th August, 2014, 04th November,2014 and 7th February,2015

4.(i) CONFIRMATION OF APPOINTMENT:

Pursuant to the provisions of the section 161 (1) of the Companies Act,2013 read with the Articles of Association of the Company, Smt.Madhurika Venkat Nalluri is appointed as Additional Director and she shall hold office only up to the date of this Annual General Meeting and being eligible offer herself for re-appointment as Director.



4.(ii) APPOINTMENT OF SRI. ARUN PRASAD KANURI (Din: 06830316).

Sri. K.Arun Prasad was inducted as an Additional Director w.e.f. 07.02.2015 and his term of office expires by the end of the ensuing Annual General Meeting. Sri Arun Prasad expressed his desire to go abroad for higher studies (MBA) and hence the proposal for his appointment as Director at the ensuing Annual General Meeting is not considered.

4.(iii) APPOINTMENT OF NON INDEPENDENT DIRECTOR:

Sri.K.Kapil Prasad will retire by rotation at the ensuing Annual General Meeting and, being eligible, offer himself for re-appointment.

4. (iv) DECLARATION OF INDEPENDENCE FROM INDEPENDENT DIRECTORS:

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

5) 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 2015-16 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.

5 (i) DEMATERIALISATION OF SHARES:

Your Company shares have been made available for dematerialisation through the National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL). As on 31st March 2015, 61.11% of the shares in your Company have been dematerialized.

5 (ii) UN PAID / UN CLAIMED DIVIDEND:

In terms of the provisions 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 2007-2008 will expire on October 20th, 2015 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.

6) AUDITORS:

i) Statutory Auditors:

The Auditors, M/s.M.Anandam & Co., Secunderabad and M/s.Brahmayya & Co., Hyderabad Chartered Accountants, retire at this Annual General Meeting and being eligible, offer themselves for reappointment.

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 Audit:

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 Company Secretary in Practice is enclosed as a part of this report Annexure-A.

iv) AUDIT OBSERVATIONS:

There are no audit qualifications in the Company's financial statements

7) 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

8) 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 2015. Further, the Company is registered with RBI as a "Non Deposit Taking Company".

9) DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

- a) In the preparation of the annual accounts for the year ended 31st March, 2015 the applicable accounting standards have been followed along with proper explanation relating to material departures:
- b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view



of the state of affairs of the company at the end of the financial year and of the profit of the company for the same period:

- c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d) They have prepared the annual accounts on a going concern basis.
- e) They have laid down internal financial controls in the company that are adequate and were operating effectively.
- f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

10) 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.lakshmifinance.org.

11) 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 placed before the Audit Committee for its omnibus approval and the particulars of contracts entered during the year as per Form AOC-2 is enclosed as **Annexure-B**.

12) EXTRACT OF ANNUAL RETURN :

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as **Annexure-C**.

13) MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As required under Clause 49 of the Listing Agreements with Stock Exchanges, the Management Discussion and Analysis Report is enclosed as a part of this report.

14) CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

Your Company has taken adequate steps to adhere to all the stipulations laid down in Clause 49 of the Listing Agreement. 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 Clause 49 of the Listing Agreement is included as a part of this report.

15) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :

Information required under section 134(3)(m) 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.

16) CORPORATE SOCIAL RESPONSIBILITY (CSR) :

In terms of section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors of your Company have constituted a CSR Committee w.e.f 25.05.2015. The Committee Comprises of three Independent Directors namely Sri.R.Surender Reddy, Sri.Keshav Bhupal, Sri.Kapil Bhatia 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.

**17) 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 furnished hereunder:

S.No	Name	Designation	Remuneration paid F.Y 2014-15 Rs.	Remuneration paid F.Y 2013-14 Rs.	Increase in remuneration from previous year –Rs.	Ratio/Times per Median of employee remuneration
1.	Mr.K.Harishchandra Prasad	Managing Director	53,84,519	41,32,000	12,52,519	27
2.	Mr.U.Vijaya Kumar	CFO (KMP)	6,26,536	5,78,056	48,480	5
3.	Smt.Suman Bung	CS (KMP)	93,000	0	0	1

18) EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

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.

19) RISK MANAGEMENT COMMITTEE**A) 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

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.

20) 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

Sd/-
R. SURENDER REDDY
Director

Sd/-
K. HARISHCHANDRA PRASAD
Managing Director

Place: Hyderabad
Date: 25th May, 2015



SECRETARIAL AUDIT REPORT

ANNEXURE- A

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2015

[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, 1-10-60/3,
Begumpet, Hyderabad – 500016.

I 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2015, 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:

I 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 2015 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;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (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;and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) The EPF & Misc. Provisions Act, 1952

I 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 Listing Agreements entered into by the Company with Madras Stock Exchange and National Stock Exchange.

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent 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.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I 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.

I further report that during the audit period the Company's shares were delisted on Madras Stock Exchange pursuant to the derecognition of the Exchange and the Company's shares got listed on National Stock Exchange of India Limited (NSE) on 15th April 2015, with symbol 'LFIC'.

Sd/-

N. Madhavi

Date: 25th May 2015
Place: Hyderabad

Company secretary in Practice
ACS No: 16866; CP No: 11732



ANNEXURE-B

FORM AOC-2

(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	N.A
2.	Nature of contracts/arrangements/transaction	N.A
3.	Duration of the contracts/arrangements /transaction	N.A
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A
5.	Justification for entering into such contracts or arrangements or transactions	N.A
6.	Date of approval by the Board	N.A
7.	Amount paid as advances, if any	N.A
8.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	N.A

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	SERVICES 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	SERVICE CHARGES
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	07.02.2015	
8.	Amount incurred during the year (Rs. In lakhs)	Rs. 9.80	Rs.0.11

**ANNEXURE-C****FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2015

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	1 st 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 ACTIVITY	65993	88.23

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES:

S.NO.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary	% OF SHARES	APPLICABLE SECTION
1	NIL	NIL		NIL	



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

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	680446	225	680671	22.69	685358	330	685688	22.86	0.17
Central Govt	0	0	0	0	0	0	0	0	0
State Govt (s)	0	0	0	0	0	0	0	0	0
Bodies Corp.	619680	0	619680	20.66	619680	0	619680	20.66	0
Banks / FI	0	0	0	0	0	0	0	0	0
Any Other....(PAC)	34820	5560	40380	1.35	34820	5560	40380	1.35	0
Sub-total (A) (1) :-	1343946	5785	1340731	44.70	1339858	5890	1345748	44.87	0.17
(2) Foreign									
a) NRIs - Individuals	104640	0	104640	3.49	104640	0	104640	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
Sub-total (A) (2):-	104640	0	104640	3.49	104640	0	104640	3.49	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	1448586	5785	1445371	48.17	1444498	0	1450388	48.34	0.17
B. Public Shareholding									
1. Institutions									
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



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	
f) Insurance Companies	3860	0	3860	0.13	3860	0	3860	0.13	0
g) FIIs	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
2. Non Institutions									
a) Bodies Corp.	14701	11926	26627	0.89	16069	11926	27995	0.93	0.04
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	258641	1130369	1389010	46.30	272695	1112976	1385671	46.19	
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	95817	34320	130137	4.34	92227	34320	126547	4.22	0.12
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)									
1. NRI	1654	740	2394	0.08	1654	740	2394	0.08	
2. Clearing Members	1701	0	1701	0.06	1505	0	1505	0.05	0.01
Sub-total (B)(2):- Total Public Shareholding (B)=(B)(1)+(B)(2)	376374	1178255	1554629	51.82	388750	11608652	1549612	51.65	0.17
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	1815960	1184040	3000000	100	2109097	409903	2520000	100	0



(ii) *Shareholding of Promoters/Promoters Group.*

Sl. No.	Shareholder's Name	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	
1.	Healthy Investments Ltd	217340	0	217340	7.24	217340	0	217340	7.24	0
2.	Unijolly Investments Company Ltd	296060	0	296060	9.87	296060	0	296060	9.87	0
3.	K L N Holdings Private Limited.	106280	0	106280	3.54	106280	0	106280	3.54	0
4.	K.Harishchandra Prasad	149280	0	149280	4.98	149280	0	149280	4.98	0
5	K.Rama Krishna Prasad	75000	0	75000	2.50	104640	0	104640	3.49	0.99
6	KLN And KP Trust	75000	0	75000	2.50	75000	0	75000	2.50	0
7	Kanuri Prabhavathi	75020	0	75020	2.50	75020	0	75020	2.50	0
8	K. Vidya Devi	62968	0	62968	2.10	64257	105	64362	2.15	0.05
9	Challa Rajendraprasad	300	0	300	0.01	300	0	300	0.01	0
10	M.Ram Mohan	215	225	440	0.01	215	225	440	0.01	0
11	Mommaneni Radha	45000	0	45000	1.50	45000	0	45000	1.50	0
12	Kanuri Jagadish Prasad	31966	0	31966	1.07	31966	0	31966	1.07	0
13	K.Satyavathi	28717	0	28717	0.96	28717	0	28717	0.96	0
14	Challa Shantha	45000	0	45000	1.50	45000	0	45000	1.50	0
15	Kanuri Arun Prasad	26666	0	26666	0.89	26666	0	26666	0.89	0
16	K Jyothi	37061	0	37061	1.24	37061	0	37061	1.24	0
17	K Kapil Prasad	76587	0	76587	2.55	80210	0	80210	2.67	0.12
18	K.L.N.Aditya	26666	0	26666	0.89	26666	0	26666	0.89	0
19	Maddi Ranganath Sai	3615	1205	4820	0.16	3615	1205	4820	0.16	0
20	Keshav Bhupal	0	3300	3300	0.11	0	3300	3300	0.11	0
21	Kapil Bhatia	740	0	740	0.02	740	0	740	0.02	0
22	R Surender Reddy	6140	0	6140	0.20	6140	0	6140	0.20	0
23	R Raghuram Reddy	18440	0	18440	0.61	18440	0	18440	0.61	0
24	Maddi Jawaharlal	2720	0	2720	0.09	2720	0	2720	0.09	0
25	Maddi Satyavani	3165	1055	4220	0.14	3165	1055	4220	0.14	0
26	Radha Kanuri	29640	0	29640	0.99	0	0	0	0	-0.99
	Total	1439586	5785	1445371	48.18	1444498	5890	1450388	48.36	0.17



(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Share holding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	K. RAMAKRISHNA PRASAD At the beginning of the year	75000	2.50	104640	3.49
	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):	Dated: 29.05.2014 By Gift from spouse of shares (29640)			
	At the End of the year	104640	3.49		
2	K.KAPIL PRASAD At the beginning of the year	76587	2.55	80210	2.67
	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):	Dated: No of Shares 30.08.2014- 440 03.09.2014- 560 16.09.2014- 100 23.09.2014- 100 01.11.2014- 153 14.11.2014- 200 05.12.2014- 105 05.12.2014- 165 01.01.2015- 300 14.01.2015- 500 03.02.2015-1000 Due to Transfer.			
	At the End of the year	80210	2.67		
3	K.VIDYA DEVI At the beginning of the year	62968	2.10	64257	2.15



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):	Dated: No of Shares			
	30.07.2014- 200			
	25.04.2014- 240			
	09.05.2014- 100			
	16.05.2014- 95			
	22.05.2014- 100			
	04.06.2014- 100			
	17.06.2014- 124			
	04.07.2014- 140			
	31.07.2014- 90			
27.08.2014- 100				
30.08.2014- 100				
Due to Transfer				
At the End of the year	64257	2.15		

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

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Share holding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mahendra Girdharilal	85317	2.84	85317	2.84
2	S.R.Y.Sivarama Prasad Bahadur	18720	0.62	18720	0.62
3	S.R.Y.Ankineedu Prasad	15600	0.52	15600	0.52
4	Dharmapal Reddy Inagala	10500	0.35	10500	0.35
5	S.R.Y.Venkata Durgamba	9000	0.30	9000	0.30
6	Deepak Tanniru	8460	0.28	8460	0.28
7	Boddu Bhaskara Raman	7800	0.26	7800	0.26
8	The Heriditory Trustee	7560	0.25	7560	0.25
9	Abhay Kumar C.shah	7500	0.25	7500	0.25
10	Kolluri China Venkata Ratnam	7200	0.24	7200	0.24
Date wise Increase /Decrease in Promoters Share Holding during theYear specifying the reasons for increase/ decrease(e.g. allotment / transfer /bonus/ sweat equity etc):					



(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	K.HARISHCHANDRA PRASAD 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):	0	0	0	0
	At the End of the year	149280	4.98		
2	R.SURENDER REDDY At the beginning of the year	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	-	-
3	KAPIL BHATIA At the beginning of the year	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	-	-
4	M.RANGANATH SAI At the beginning of the year	4820	0.16	-	-
	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	4820	0.16	-	-
5	KESHAV BHUPAL At the beginning of the year	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	-	-
6	K.ARUN PRASAD At the beginning of the year	26666	0.89	-	-



Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	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	26666	0.89	-	-
7	K. KAPIL PRASAD				
	At the beginning of the year	76587	2.55	3623	0.12
	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) Dated: 30.08.2014, 03.09.2014, 16.09.2014, 23.09.2014, 01.11.2014, 14.11.2014, 05.12.2014, 05.12.2014, 01.01.2015, 14.01.2015, 03.02.2015, Due to transfer of shares				
	At the End of the year	80210	2.67	-	-
8	UVIJAYA KUMAR -CFO(KMP)				
	At the beginning of the year	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	-	-
9	SUMAN BUNG, (KMP) COMPANY SECRETARY				
	At the beginning of the year	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	-	-

**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	—	—	—	—
Total (i+ii+iii)	—	—	—	—
Change in Indebtedness during the financial year				
Addition	—	—	—	—
Reduction	—	—	—	—
Net Change	—	—	—	—
Indebtedness at the end of the financial year				
i) Principal Amount	—	—	—	—
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)				

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**A. Remuneration to Managing Director.**

SNo.	Particulars of Remuneration	Name of Managing Director				Total Amount
		K. Harishchandra Prasad				Rs.
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	42,00,000		0		42,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	11,84,519		0	0	11,84,519
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0		0	0	0
2	Stock Option	0		0	0	0
3	Sweat Equity	0		0	0	0
4	Commission - as % of profit - others, specify...	0		0	0	0
5	Others, please specify	0		0	0	0
	Total (A)	53,84,519		0	—	53,84,519
	Ceiling as per the Act					84,00,000



B. Remuneration to other directors:

SNo.	Particulars of Remuneration	Name of Directors						TOTAL MOUNT Rs.
		R. Surender Reddy	Kapil Bhatia	M. Ranganath Sai	Keshav Bhupal	K. Kapil Prasad	K. Arun Prasad	
1	Independent Directors							
	Fee for attending board committee meetings	20,000	20,000	6,000	26,000	0	0	72,000
	Commission	—	—	—	—	—	—	—
	Others, please specify	—	—	—	—	—	—	—
	Total (1)	20,000	20,000	6,000	26,000	0	0	72,000
2	Other Non-Executive Directors							
	Fee for attending board committee meetings	—	—	—	—	18,000	4,000	22,000
	Commission	—	—	—	—	—	—	—
	Others, please specify	—	—	—	—	—	—	—
	Total (2)	—	—	—	—	18,000	4,000	22,000
	Total (B)=(1+2)	20,000	20,000	6,000	26,000	18,000	4,000	94,000
	Total Managerial Remuneration (A+B)							54,78,519



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

SN	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	93,000 (15500X6)	5,20,800	6,13,800
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	1,05,736	1,05,736
	(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 % of profit others, specify...	0 0	0 0	0 0
5	Others, please specify	0	0	0
	Total	93,000	6,26,536	7,19,536

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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



MANAGEMENT'S DISCUSSIONS AND ANALYSIS REPORT

BUSINESS OUTLOOK:

In India, the formation of a stable Government with a strong electoral mandate in May'2014 led to an improvement in Capital Market sentiment. There was recovery in key economic parameters during the year. Economic growth improved, inflation moderated, the current account deficit and exchange rates remained stable and interest rates came down during the year. The Government has taken several steps to improve the operating environment and also announced several reforms. These measures are expected to positively influence the economic conditions going forward. A key highlight during the year was the sharp decline in commodity prices, particularly of crude oil. The prices of benchmark Brent crude fell from USD 108/barrel in the beginning of fiscal 2015 to USD 55/barrel by end March,2015. Indian Equity Market saw significant gains during fiscal 2015 supported by positive developments in the domestic environment. The benchmark equity index-BSE sensex increased by 24.9% during fiscal 2015, rising from 22,386 at March 31, 2014 to 27,957 at March 31, 2015. India's current account deficit remained stable at 1.6% of GDP during the first nine months of fiscal 2015 compared to a deficit of 1.7% during the corresponding period in fiscal 2014. However, during fiscal 2015, exports remained weak and declined by 1.2% while imports declined by 0.6%.

During fiscal 2015, the economic environment remained challenging for overall Investment activity. 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 18% from Rs.2,559.62 lakhs at March 31,2014 to Rs.3,024.14 lakhs at March 31, 2015 primarily on account of significant gains in the Indian Stock Markets.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Internal Control Systems of your Company are in tune with the changing needs of business. The Company has in place appropriate risk mitigation measures that ensure protection of Assets and other resources, compliance with the Law & Regulatory procedures so as to adhere to the

internal policies that have been predefined.

The Company's internal control system has been developed with an objective to:

- Adhere to latest policies and procedures together with management guidelines, listing requirements and various circulars.
- Safeguard the Assets of the Company from fraud, loss of misuse.
- Implement the Corporate Strategy.

In accordance with the well defined internal policies, the Audit Committee of your Company has considered and deliberated on the Internal Audit Reports given from time to time during the year 2014-2015. The Comments and observations made have been overseen and reviewed continually.

KEY FINANCIAL INDICATORS: LAST THREE YEARS:

(Rs. in lakhs)

	F.Y. 2014-15	F.Y. 2013-14	F.Y. 2012-13
Equity Capital and Reserves	3322.85	2934.15	2862.45
Non Current Investments	3024.14	2559.62	2647.12
Gross Profit (profit before tax)	566.78	134.87	46.04
Net Profit (profit after tax)	499.97	134.87	46.04
Dividend	30%	18%	12%
Earnings per share (Rs.)	16.67	4.50	1.54

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

Sd/-

K.HARISHCHANDRA PRASAD
MANAGING DIRECTOR

Place: Hyderabad
Date : 25-05-2015

**REPORT ON CORPORATE GOVERNANCE****1. Brief Statement On Company's Philosophy on Code of Governance.**

The Company's philosophy on code of governance is conducting all activities of the Company in a fair and transparent manner, enhancing stakeholders' value. The 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 Seven (7) Directors comprising of 3 Promoter Directors - Managing Director/ Non Executive Director and Four (4) Independent Directors. The non-executive Directors are eminent professionals drawn from amongst persons with experience in business, finance, and industry. The Composition of the Board is as under:

Name of the Director	Category	Number of Board Meetings held	Attendance at Board Meetings	Whether attended AGM on 5.08.2014	Number of other Boards in which he is a Director Public	Number of other Boards in which he is a Director Private	Number of other Board Committees in which he is a Member	Number of other Board Committees in which he is a Chairman
Sri R.Surender Reddy	Independent Director	4	3	NO	5	NIL	2	3
Sri Kapil Bhatia	Independent Director	4	3	Yes	4	20	2	1
Sri M.Ranganath Sai	Independent Director	4	1	Yes	1	NIL	NIL	NIL
Sri K. Harishchandra Prasad	Managing Director/ Promoter	4	4	Yes	8	3	5	3
Sri. Keshav Bhupal	Independent Director	4	4	YES	1	3	NIL	NIL
Sri.K.Kapil Prasad	Non -executive Director/ Promoter	4	4	YES	NIL	1	NIL	NIL
Sri. K.Arun Prasad*	Non-executive Director/ Promoter	1	1	NA	1	NIL	NIL	NIL

* Appointed on 07.02.2015

During the Financial Year 2014-15, Four Board Meetings were held on 10.05.2014, 05.08.2014, 4.11.2014 and 07.02.2015. The gap between two meetings did not exceed four months.

3. Committees of the Board**A) Audit Committee:**

The terms of reference of this Committee are wide enough to cover the matters specified for audit committees under Clause 49 of the Listing Agreements, as well as in Section 177 of the Companies Act, 2013, and are as follows:

- overseeing of the Company's financial reporting process and the disclosure of its financial Information to ensure that the financial statements are correct, sufficient and credible;
- to review with Management the financial statements at the end of a quarter, half year and the annual financial statements before submission to the Board for approval, focusing particularly on:
 - matters required to be included in the Director's Responsibility Statement which form part of the Board's report in terms of Section 134 of the Companies Act, 2013;



- (ii) changes, if any, in accounting policies and practices and reasons for the same;
 - (iii) major accounting entries involving estimates based on the exercise of judgment by management;
 - (iv) significant adjustments made in the financial statements arising out of audit findings;
 - (v) compliance with listing and other legal requirements relating to financial statements;
 - (vi) disclosure of any related party transactions; and
 - (vii) qualifications in the draft audit report.
- c) to consider the appointment or re-appointment of the statutory auditors, the audit fee, any questions of resignation or dismissal and payment to statutory auditors for any other services rendered by them;
 - d) discussion with internal auditors on any significant findings and follow up thereon;
 - e) reviewing, with management, performance of statutory and internal auditors, adequacy of the internal control systems and discuss the same periodically with the statutory auditors, prior to the Board making its statement thereon;
 - f) 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;
 - g) to discuss with the statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern (in absence of management where necessary);
 - h) reviewing the findings of any internal investigation 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;
 - i) to look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors;
 - j) to review the external auditors' audit reports and presentations and management's response thereto;
 - k) to ensure co-ordination between the internal and external auditors, and to request internal audit to undertake specific audit projects, having informed management of their intentions;
 - l) to review policies and procedures with respect to Directors' and officers' expense accounts, including their use of corporate assets, and consider the results of any review of these areas by the internal auditors or the external auditors;
 - m) to consider other topics, as defined by the Board;
 - n) to review the following information:
 - i) Management discussion and analysis of financial condition and results of operations;
 - ii) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - iii) Management letters/letters of internal control weaknesses issued by the statutory auditors;
 - iv) Internal audit reports relating to internal control weaknesses; and

Composition, name of members and Chairperson:

- 1. Sri. R.Surender Reddy - Chairman, Non-Executive & Independent
- 2. Sri. Keshav Bhupal - Member, Non-Executive & Independent
- 3. Sri Kapil Bhatia - Member, Non-Executive & Independent
- 4. Sri M.Ranganath Sai - Member, Non-Executive & Independent
- 5. Sri.K.Kapil Prasad - Member, Non-Executive & Non Independent

Meetings and attendance during the year:

During the financial year ended 31st March, 2015, Four Audit Committee Meetings were held on 10.05.2014, 5.08.2014, 04.11.2014 and 07.02.2015. the attendance details of the members are as under:



Sl. No.	Name of the Director	No. of the Meetings attended
1.	Sri M.Ranganath Sai	1
2.	Sri R.Surender Reddy	3
3.	Sri Kapil Bhatia	3
4.	Sri. Keshav Bhupal	4
5.	Sri. K.Kapil Prasad **	1

** Appointed on 07.02.2015

B) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee has been formed in compliance of Clause 49 of the Listing Agreement and pursuant to Section 178 of the Companies Act, 2013 comprising of 4 Non Executive Independent Directors.

a) Brief description of terms of reference.

To formulate a remuneration policy and approve the remuneration or revision in the remuneration payable to the Managing Director/ Directors/Key managerial personnel.

b) Composition, Name of Members and Chairperson:

- | | | |
|------|------------------------|---------------------------------------|
| i) | Sri. Keshav Bhupal, | Chairman, Non-Executive & Independent |
| ii) | Sri. R.Surender Reddy, | Member, Non-Executive & Independent |
| iii) | Sri. Kapil Bhatia, | Member, Non-Executive & Independent |
| iv) | Sri. M.Ranganath Sai | Member, Non-Executive & Independent |

c) Attendance during the year:

During the financial year ended 31st March, 2015, one Remuneration Committee Meeting was held on 10.05.2014, the attendance details of the members are as under:

Sl. No.	Name of the Director	No. of the Meetings attended
1.	Sri R.Surender Reddy	1
2.	Sri Kapil Bhatia	1
3.	Sri.Keshav Bhupal	1

d) Remuneration Policy:

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.

Details of remuneration paid during the financial year ended 31st March 2015 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	42,00,000	1,72,019	10,12,500	—	53,84,519
Sri M.Ranganath Sai	Director	—	—	—	6,000	6,000
Sri R.Surender Reddy	Director	—	—	—	20,000	20,000
Sri Kapil Bhatia	Director	—	—	—	20,000	20,000
Sri.Keshav Bhupal	Director	—	—	—	26,000	26,000
Sri.K.Kapil Prasad	Director	—	—	—	18,000	18,000
Sri.K.Arun prasad	AdditionalDirector	-	-	-	4,000	4,000

Note: Additional Director appointed on 07.02.2015.



e) The details of shares held by Directors as on 31-03-2015 are given below:

Name of Director	Number of Shares
Sri R.Surender Reddy	6,140
Sri Kapil Bhatia	740
Sri M.Ranganath Sai	4,820
Sri K.Harishchandra Prasad	1,49,280
Sri. Keshav Bhupal	3,300
Sri.K.Kapil Prasad	80,210
Sri.K.Arun Prasad	26,666

C) Stakeholders Relationship Committee:

The Stakeholders Relationship Committee has been formed in compliance of Clause 49 of the Listing agreement and pursuant to Section 178 of the Companies Act, 2013 comprising of 2 Non-Executive Independent Directors, 1 Non Executive –Non Independent Director and 1 Executive- Non Independent Director

a) 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:

Sri. Keshav Bhupal ,	Chairman, Non-Executive & Independent
Sri.Kapil Bhatia	Member, Non-Executive & Independent
Sri.Kapil Prasad	Member, Promoter, Non-Executive & Non Independent
Sri.K.Harishchandra Prasad	Member, Promoter, Executive

c) The total number of complaints received and replied to the satisfaction of shareholders during the year under review were 37. No request for transfer is pending as on 31.03.2015. (2014-2015).

d) Mr.U.Vijaya Kumar, Manager (F & A) is the Member of Share Transfer Committee of the Company.

D) 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.

ii) The CSR Committee of the Company consists of the following the Directors.

Sri. R.Surender Reddy,	Chairman, Non-Executive & Independent
Sri. Keshav Bhupal ,	Member, Non-Executive & Independent
Sri.Kapil Bhatia,	Member, Non-Executive & Independent
Sri.K.Harishchandra Prasad	Managing Director

E) Independent Directors' Meeting:

During the year under review, the Independent Directors met on 07.02.2015, inter alia to discuss:

1. review the performance of non-Independent Directors and the Board as a whole



2. review the performance of the Chairperson of the Company, taking into account the views of executive Director and non-executive directors.
3. assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

4). GENERAL BODY MEETINGS:

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

Year	Location	Date	Time
2012 88 th AGM	“Triveni Banquet Hall”,Kamat Lingapur Hotel,1-10-44/2, Begumpet, Hyderabad-16.	13.08.2012	9.30A.M
2013 89 th AGM	“Triveni Banquet Hall”,Kamat Lingapur Hotel,1-10-44/2, Begumpet, Hyderabad-16.	03.08.2013	9.30.A.M
2014 90 th AGM	“Triveni Banquet Hall”,Kamat Lingapur Hotel,1-10-44/2, Begumpet, Hyderabad-16.	05.08.2014	9.30.A.M

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

YEAR	Details of Special Resolution
2011-12 88 th AGM	Nil
2012-13 89 th AGM	Reappointment of Managing Director
2013-14 90 th AGM	Reappointment of Managing Director,

5) DISCLOSURES

- a) A Certificate duly signed by the Managing Director & CEO and Manager (F & A) relating to financial statements and internal control systems for financial reporting as per the format provided in Clause 49 of the listing agreement was placed before the Board, who took the same on record.
- b) 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.
- c) The Company has complied with all the mandatory requirements of Clause 49 and is in the process of implementation of Non-mandatory requirements.
- d). 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.

e) Related Party Transactions.

Details of materially significant related party transactions with its promoters, the Directors or the management, etc. are presented in the Balance Sheet. All details on the financial and commercial transactions, where Directors may have a potential interest, are provided to the Board. During 2014-15, there were no related party transaction of material nature that may have a potential conflict with the interests of the Company.



f) 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 and Sri.K.Arun Prasad
2.	Sri.K.Kapil Prasad	Related to Sri.K.Harishchandra Prasad and Sri.K.Arun Prasad
3.	Sri.K.Arun Prasad	Related to Sri.K.Harishchandra Prasad and Sri.K.Kapil Prasad
4.	Sri.R.Surender Reddy	None
5.	Sri.Kapil Bhatia	None
6.	Sri.M.Ranganath Sai	None
7.	Sri.Keshav Bhupal	None

6) MEANS OF COMMUNICATION.

The Quarterly and Half-yearly Results are intimated to the shareholders through the Press and Company Website. Quarterly results are normally published in Business Standard (English) and Visaalndhra (Telugu).

7) GENERAL SHAREHOLDER INFORMATION:

AGM Date	:	13 th August,2015
Time	:	9.30 A.M
Venue	:	Kamat Lingapur Hotel,Begumpet, Hyderabad 500 016
Financial Year	:	2014-2015
Book Closure date	:	07-08-2015 to 13.08.2015 (Inclusive of both days)
Rate of Dividend recommended	:	30% (Rs. 3.00, 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
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 2015-16
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

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 18,33,248 (61.11%) Shares (NSDL+ CDSL) during the period from 01st January 2002 to 31st March, 2015.

The Total percentage of the Shares of the Company in Dematerialized form, as on 31st March, 2015 is 61.11%

Share Transfer System:

The Company 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 process shares sent for Transfer/Transmission, two times in a month. Transfers/Transmissions, which are complete in all respects, will be processed within 15 days.

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: **M/s. Venture Capital & Corporate Investments Pvt.Ltd., Registrars and Share Transfer Agents, 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 to the Company to:



Asst.Manager (Secretarial Dept.)

LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED,

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

Ph.No.:040-27760301,27767794, Fax: 040-27767793, E-mail: lakshmi_lfic@yahoo.com

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.

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. 2014-15 are set out in the following Table:

Month	High (Rs)	Low (Rs)	Volume
April 2014	26.60	19.00	5030
May 2014	31.45	24.70	2758
June 2014	27.40	23.70	5112
July 2014	25.10	22.00	4702
August 2014	26.85	24.45	902
September 2014	27.40	23.90	5264
October 2014	26.25	24.00	658
November 2014	25.10	23.90	1774
December 2014	23.90	21.70	466
January 2015	23.50	20.65	1981
February 2015	0	0	0
March 2015	0	0	0

Note: During the year under review, based on agreement/tie-up between Madras Stock Exchange Limited with National Stock Exchange of (India) Limited the Company's Shares are traded on **The National Stock Exchange of India Limited**, with effect from 30.06.2010.

Distribution of Shareholding as on 31st March, 2015:

Shareholding (Range)	No.of Share holders	% of holders	No. of Shares	% of Shares
Upto - 500	3,052	80.80	5,47,787	18.26
501 - 1000	439	11.62	3,09,637	10.32
1001 - 2000	170	4.50	2,43,968	8.13
2001 - 3000	54	1.43	1,44,854	4.83
3001 - 4000	17	0.45	59,948	2.00
4001 - 5000	8	0.21	35,356	1.18
5001 -10000	16	0.42	1,04,300	3.48
10001 and above	21	0.56	15,54,150	51.81
Total	3,777	100.00	30,00,000	100.00
Demat mode	732	19.38	18,33,248	61.11
Physical mode	3,045	80.62	11,66,752	38.89



Shareholding Pattern as on 31st March, 2015:

S.No.	Category	No.of Cases	Total Shares	% Total Equity
1.	Promoters and Promoter Group. (including NRI's & Bodies Corporates)	29	1450388	48.36
2.	Banks & Insurance Companies	2	4760	0.16
3.	Bodies corporates	31	27995	0.93
4.	Clearing Members	3	1505	0.05
5.	Trust	1	740	0.02
6.	Non Resident Individuals (NRI)	3	2394	0.08
7.	Resident Individuals	3708	1512218	50.40
	TOTAL	3777	3000000	100.00 %

Unclaimed Shares:

As per Clause 5A of the amended Equity Listing Agreement (SEBI circular dated 16.12.2010), all physical shares of the related unclaimed shares would have to be dematted and transferred to the special demat account held by the Company. Further, at least three reminders are to be sent to the shareholders in this regard and the Company has sent intimation letter to all the shareholders who have not claimed the share certificates vide intimation letter dt:04.02.2014.

The Company is in process of crediting the unclaimed Equity Shares to a Demat Suspense Account in accordance with the said Clause.

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

Sd/-
R.Surender Reddy
Director

Sd/-
K.Harishchandra Prasad
Managing Director

Place:Hyderabad
Date: 25.05.2015

To
The Members of
Lakshmi Finance and Industrial Corporation Limited

DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT

Pursuant to Clause 49 I (D) (ii) of the Listing Agreement, I hereby declare that all 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: 25.05.2015

Sd/-
K.HARISHCHANDRA PRASAD
MANAGING DIRECTOR



CERTIFICATE BY CEO/CFO UNDER CLAUSE 49 (V)

In relation to the Audited Financial Accounts of the Company as at March 31, 2015, we hereby certify that

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best 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 in to 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:
- (i) Significant changes in internal control over financial reporting during the year
- (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-

U.Vijaya Kumar

Chief Financial Officer

Sd/-

K.Harishchandra Prasad

Managing Director

Place:Hyderabad

Date:25.05.2015

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, 2015, as stipulated in Clause 49 of the Listing Agreement of 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 Clause 49 of 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

Sd/-

P. CHANDRAMOULI

Partner

Membership Number: 025211

Place :Hyderabad

Date :May 25,2015



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, 2015, 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, 2015, and its Profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2015 ("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 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.
- (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, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) 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:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

for M.ANANDAM & CO

Chartered Accountants
Firms' Registration
Number: 000125S

Sd/-

(M.V.RANGANATH)

Partner
Membership
Number:028031

Place : Hyderabad
Date : 25.05.2015

for BRAHMAYYA & CO

Chartered Accountants
Firms' Registration
Number: 000513S

Sd/-

(P. CHANDRAMOULI)

Partner
Membership
Number:025211

Place : Hyderabad
Date : 25.05.2015

Annexure 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, 2015.

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 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.
2. The Company does not carry any inventory during the year. Therefore, the provisions of clause (ii) (a), (b) and (c) of paragraph 3 of the of the Companies (Auditor's Report) Order 2015 are not applicable to the Company.
3. a. During the year, the Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
b. In view of our comment in paragraph (a) above, Clause (III) (a) and (b) of paragraph 3 of the aforesaid order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and investments and with regard to sale of investments and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
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 of the Company, the company regular in depositing undisputed statutory dues including provident fund, employees 'state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
- b. According to the records of the Company, no un-disputed statutory dues including provident fund, employees 'state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
- c. 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 wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute except the following;

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

- d. According to the records of the Company and the information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with

the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules madethereunder has been transferred to such fund within time.

8. The Company has no accumulated losses as at the end of the financial year. The Company has not incurred cash losses during the year covered by our audit and also in the immediately preceding financial year.
9. As the Company has no borrowings, the provisions of clause 3(ix) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
10. The Company has not given any guarantee for the loans taken by others from banks and financial institutions.
11. During the year the Company has not obtained any term loans. Therefore, the provisions of clause 3 (xi) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
12. Based upon the audit procedures performed and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.

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

Sd/-

(M.V.RANGANATH)
Partner
Membership
Number:028031

Place : Hyderabad
Date : 25.05.2015

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

Sd/-

(P. CHANDRAMOULI)
Partner
Membership
Number:025211

Place : Hyderabad
Date : 25.05.2015



BALANCE SHEET AS AT MARCH 31, 2015

PARTICULARS	NOTES	31.03.2015 Rs.	31.03.2014 Rs.
EQUITY AND LIABILITIES			
Share holders funds			
Share Capital	04	30,000,000	30,000,000
Reserves and Surplus	05	302,284,510	263,414,871
		<u>332,284,510</u>	<u>293,414,871</u>
Non - Current liabilities			
Other Long - term liabilities	06	1,334,010	1,325,760
Long - term provisions	07	689,645	491,765
		<u>2,023,655</u>	<u>1,817,525</u>
Current liabilities			
Trade Payables	08	184,404	266,411
Other Current liabilities	09	7,381,808	6,740,839
Short - term provisions	10	15,790,094	6,317,730
		<u>23,356,306</u>	<u>13,324,980</u>
	TOTAL	<u><u>357,664,471</u></u>	<u><u>308,557,376</u></u>
ASSETS			
Non - Current assets			
Fixed assets			
Tangible assets	11	901,202	1,707,526
Non - current investments	12	302,413,787	255,961,932
Long-term loans and advances	13	211,705	211,705
		<u>303,526,694</u>	<u>257,881,163</u>
Current Assets			
Cash and cash equivalents	14	52,462,204	47,998,511
Short-term loans and advances	15	-	70,000
Other current assets	16	1,675,573	2,607,702
		<u>54,137,777</u>	<u>50,676,213</u>
	TOTAL	<u><u>357,664,471</u></u>	<u><u>308,557,376</u></u>
NOTES FORMING PART OF FINANCIAL STATEMENTS			
	01 - 33		

for and on behalf of the Board

Sd/-
K. HARISHCHANDRA PRASAD
Managing Director

Sd/-
U. VIJAYA KUMAR
Chief Financial Officer

Sd/-
R. SURENDER REDDY
Director

Sd/-
SUMAN BUNG
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 : 25.05.2015

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015**

PARTICULARS	NOTES	31.03.2015 Rs.	31.03.2014 Rs.
INCOME			
Revenue from operations	17	65,218,754	45,186,771
Other Income	18	3,599,838	2,767,087
TOTAL REVENUE		68,818,592	47,953,858
EXPENSES			
Purchase of Commodities forward Contracts		-	10,076,144
Changes in inventories of Stock - in - Trade	19	-	7,477,086
Employee Benefits Expense	20	7,216,903	5,570,153
Finance Charges		428,098	-
Depreciation expense	21	720,652	816,315
Other Expenses	22	3,774,579	10,526,966
TOTAL EXPENSES		12,140,232	34,466,664
PROFIT BEFORE TAX		56,678,360	13,487,194
TAX EXPENSE			
Current Tax		6,848,260	-
Earlier years Tax		(167,072)	-
		6,681,188	-
PROFIT FOR THE PERIOD AFTER TAX		49,997,172	13,487,194
EARNINGS PER EQUITY SHARE OF Rs. 10/-EACH			
Basic and diluted	23	16.67	4.50
NOTES FORMING PART OF FINANCIAL STATEMENTS	01 - 33		

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/-
SUMAN BUNG
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 : 25.05.2015

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015**

PARTICULARS	31.03.2015 Rs.	31.03.2014 Rs.
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit/(Loss) before Tax	56,678,360	13,487,194
Adjustments for:		
Depreciation	720,652	816,315
Loss/(Profit) on Sale of Investments (Net)	(35,860,259)	7,843,685
Loss on Assets Discarded	7,600	-
Interest (Net)	(4,079,977)	(742,100)
Diminution in the value of Non Current Investments (Net)	592,019	(7,478,160)
Income From Non Current Investments	(24,866,980)	(19,140,310)
Rents Earned	(3,571,422)	(2,765,312)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(10,380,007)	(7,978,688)
Adjustments for:		
Increase/(Decrease) in Other Long Term Liabilities	8,250	564,284
Increase/(Decrease) in Trade Payables	(82,007)	(14,501)
Increase/(Decrease) in Long Term Provisions	197,880	47,755
Increase/(Decrease) in Other Current Liabilities	374,188	18,636
(Increase)/Decrease in Long term loans and advances	-	-
(Increase)/Decrease in Short term loans and advances	70,000	430,000
(Increase)/Decrease in Inventories	-	7,477,086
(Increase)/Decrease in Other current assets	439,247	(526,102)
Direct Taxes Paid	(1,516,327)	(978,199)
NET CASH FROM OPERATING ACTIVITIES (A)	(10,888,776)	(959,729)
B CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Tangible Fixed Assets	(9,690)	(37,740)
Sale of Tangible Fixed Assets	-	-
Purchase of Non Current Investments	(211,455,529)	(113,954,841)
Sale of Non Current Investments	200,031,622	122,080,663
Income received from Non Current Investments	24,866,980	20,149,104
Interest received	3,669,052	390,434
Rents Earned	3,811,359	2,722,965
NET CASH USED IN INVESTING ACTIVITIES (B)	20,913,794	31,350,585
C CASH FLOW FROM FINANCING ACTIVITIES:		
Dividend Paid	(5,561,325)	(4,301,443)
NET CASH GENERATED IN FINANCING ACTIVITIES (C)	(5,561,325)	(4,301,443)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	4,463,693	26,089,413
Cash and Cash equivalents as at beginning of the year	47,998,511	21,909,098
Cash and Cash equivalents as at the end of the year	52,462,204	47,998,511

for and on behalf of the Board

per our report of even date
for **M. Anandam & Co.,**
Chartered Accountants
Firms' Registration Number: 000125SSd/-
K. HARISHCHANDRA PRASAD
Managing DirectorSd/-
R. SURENDER REDDY
DirectorSd/-
M.V. RANGANATH
Partner
Membership Number: 028031
for **BRAHMAYYA & CO.,**
Chartered Accountants
Firms' Registration Number: 000513SSd/-
U. VIJAYA KUMAR
Chief Financial OfficerSd/-
SUMAN BUNG
Company SecretarySd/-
P. CHANDRAMOULI
Partner
Membership Number: 025211Place: Hyderabad
Date : 25.05.2015



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015.

1. NATURE OF OPERATIONS:

Company is engaged in the business of Money lending, Commodity Trading and 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:

Sale of Commodities:

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.

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.



An 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 XIV to the Companies Act, 1956.

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 reflects 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. 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.

q. 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.

r. Others:

Dividend as recommended by the Board of Directors is provided for in the accounts pending shareholders approval.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2015.**

S.NO	PARTICULARS	31.03.2015 Rs.	31.03.2014 Rs.
04.	SHARE CAPITAL:		
	<i>AUTHORISED:</i>		
	6,000,000 Equity Shares of Rs.10/- each	60,000,000	60,000,000
	TOTAL	60,000,000	60,000,000
	<i>ISSUED ,SUBSCRIBED AND PAID - UP:</i>		
	3,000,000 Equity Shares of Rs. 10/- each Fully paid up:	30,000,000	30,000,000
	TOTAL	30,000,000	30,000,000

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.

During the year ended 31 March 2015, the amount of per share dividend recognised as distribution to equity shareholders is Rs.3.00 (31 March 2014: Rs. 1.80)

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

	31.03.2015		31.03.2014	
	No of Shares	% in the class	No of Shares	% in the class
Equity Shares of Rs.10/- each fully paid				
Unijolly Investments Company Limited	296,060	9.87	296,060	9.87
Healthy Investments Limited	217,340	7.24	217,340	7.24



S.NO	PARTICULARS	31.03.2015 Rs.	31.03.2014 Rs.
05.	RESERVES AND SURPLUS:		
	Capital Reserves		
	Opening and Closing balance	<u>50,351,780</u>	<u>50,351,780</u>
	Securities Premium Reserve		
	Opening and Closing balance	<u>648,220</u>	<u>648,220</u>
	General Reserve		
	Opening balance	<u>82,500,000</u>	<u>80,500,000</u>
	Add: Additions during the year	<u>20,000,000</u>	<u>2,000,000</u>
	Closing Balance	<u>102,500,000</u>	<u>82,500,000</u>
	Reserve Fund as per RBI guidelines:		
	Opening balance	<u>63,850,000</u>	<u>61,150,000</u>
	Add: Additions during the year	<u>10,500,000</u>	<u>2,700,000</u>
	Closing Balance	<u>74,350,000</u>	<u>63,850,000</u>
	Surplus i.e. balance in Statement of Profit and Loss		
	Opening balance	<u>66,064,871</u>	<u>63,595,407</u>
	Less: Carrying amount of the assets whose remaining useful life is nil	<u>328,062</u>	<u>-</u>
		<u>65,736,809</u>	<u>63,595,407</u>
	Add: Profit after tax transferred from Statement of Profit and Loss	<u>49,997,172</u>	<u>13,487,194</u>
	Amount available for appropriation	<u>115,733,981</u>	<u>77,082,601</u>
	Appropriations:		
	General Reserve	<u>(20,000,000)</u>	<u>(2,000,000)</u>
	Reserve Fund as per RBI guidelines	<u>(10,500,000)</u>	<u>(2,700,000)</u>
	Dividend On Equity Capital	<u>(9,000,000)</u>	<u>(5,400,000)</u>
	Corporate Dividend Tax	<u>(1,799,471)</u>	<u>(917,730)</u>
	Closing Balance	<u>74,434,510</u>	<u>66,064,871</u>
	TOTAL	<u>302,284,510</u>	<u>263,414,871</u>
06.	OTHER LONG TERM LIABILITIES:		
	Others:		
	Security deposits	<u>1,334,010</u>	<u>1,325,760</u>
	TOTAL	<u>1,334,010</u>	<u>1,325,760</u>
07.	LONG TERM PROVISIONS:		
	Provision for employee benefits:		
	Provision for Leave Encashment	<u>689,645</u>	<u>491,765</u>
	TOTAL	<u>689,645</u>	<u>491,765</u>
08.	TRADE PAYABLES:		
	Creditors for Supplies and Services (refer note : 28)*	<u>184,404</u>	<u>266,411</u>
	TOTAL	<u>184,404</u>	<u>266,411</u>
	* includes due to related Parties	<u>10,887</u>	<u>86,601</u>
09.	OTHER CURRENT LIABILITIES:		
	Unpaid Dividends	<u>6,326,057</u>	<u>6,487,382</u>
	Other liabilities:		
	Withholding Taxes payable	<u>256,212</u>	<u>41,417</u>
	Interest on Income tax	<u>428,098</u>	<u>-</u>
	Statutory dues payable	<u>279,381</u>	<u>107,051</u>
	Other Payables	<u>92,060</u>	<u>104,989</u>
	TOTAL	<u>7,381,808</u>	<u>6,740,839</u>
10.	SHORT TERM PROVISIONS:		
	Other Provisions:		
	Provision for Dividend	<u>9,000,000</u>	<u>5,400,000</u>
	Provision for Corporate Dividend Tax	<u>1,799,471</u>	<u>917,730</u>
	Provision for Income Tax(Net of Advance Tax)	<u>4,990,623</u>	<u>-</u>
	TOTAL	<u>15,790,094</u>	<u>6,317,730</u>



11. TANGIBLE FIXED ASSETS:

(amount in Rs.)

S.NO	PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK			
		AS AT 01.04.2014	ADDI- TIONS	DEDUC- TIONS	AS AT 31.03.2015	UP TO 31.03.2014	ADJUSTED IN RETAINED EARNINGS	FOR THE YEAR	ON DEDUC- TIONS	UP TO 31.03.2015	AS AT 31.03.2015	AS AT 31.03.2014
1	Furniture and Fixtures	427,486	-	393,822	33,664	406,529	-	5,531	389,782	22,278	11,386	20,957
2	Vehicles	3,022,321	-	-	3,022,321	1,952,255	21,662	373,992	-	2,347,909	674,412	1,070,066
3	Office Equipment own use given on Lease	278,925 852,647	9,690 -	- -	288,615 852,647	192,576 362,407	15,171 264,167	45,427 51,376	- -	253,174 677,950	35,441 174,697	86,349 490,240
4	Air conditioners	56,635	-	15,500	41,135	36,032	15,043	-	11,940	39,135	2,000	20,603
5	Computers	386,960	-	-	386,960	367,649	12,019	4,026	-	383,694	3,266	19,311
	Total	5,024,974	9,690	409,322	4,625,342	3,317,448	328,062	480,352	401,722	3,724,140	901,202	1,707,526
	Previous Year	9,508,134	37,740	-	9,545,874	7,280,739	-	557,609	-	7,838,348	1,707,526	2,227,395



S.NO	PARTICULARS	31.03.2015 Rs.	31.03.2014 Rs.
12.	NON - CURRENT INVESTMENTS:		
	Investment in Property (at cost less accumulated depreciation)		
	Land at cost	<u>1,946,981</u>	1,946,981
		<u>1,946,981</u>	1,946,981
	Cost of buildings given on operating leases	<u>10,635,430</u>	10,635,430
	Less: accumulated depreciation	<u>5,960,314</u>	5,720,014
		<u>4,675,116</u>	4,915,416
		<u>6,622,097</u>	6,862,397
	Other investments (at cost unless otherwise stated)		
	Equity Shares - (Quoted) (fully paid-up unless otherwise stated) (A)	<u>48,097,297</u>	29,003,961
	Equity Shares - (Un - Quoted) (fully paid-up unless otherwise stated) (B)	-	-
	Mutual Funds (C) (Un - Quoted)	<u>247,694,393</u>	220,095,574
		<u>295,791,690</u>	249,099,535
	TOTAL	<u>302,413,787</u>	255,961,932
	Aggregate cost of quoted Investments	<u>49,758,232</u>	30,072,875
	Aggregate market value of quoted Investments	<u>66,715,544</u>	29,003,961
	Aggregate cost of unquoted Investments	<u>247,699,393</u>	220,100,574
	Aggregate provision for diminution in the value of investments	<u>1,665,935</u>	1,073,914

Details of other investments:

PARTICULARS	Face Value Rs.	31.03.2015		31.03.2014	
		No of Shares	Value Rs.	No of Shares	Value Rs.
A. EQUITY SHARES (QUOTED)					
Amara Raja Batteries Limited	1	2,600	1,261,294	3,000	1,178,055
Andhra Bank	10	-	-	7,500	633,510
Apollo Tyres Limited ##	1	9,200	1,547,900	-	-
Astra Microwave Limited	2	10,000	1,333,433	-	-
Bharat Forge Limited	2	2,500	1,703,013	500	196,455
Bharti Airtel Limited #	5	3,500	1,194,465	2,700	857,925
B.N.Rathi Securities Limited	10	11,537	115,610	18,000	180,369
Cadila Health Care Limited	5	1,700	2,102,546	900	860,873
C C L Products (India) Limited	2	21,230	1,053,870	20,000	665,539
Cipla Limited #	2	1,600	648,343	1,800	689,040
Divi's Laboratories Limited	2	1,400	2,006,807	950	1,243,556
Dabur India Limited	1	6,000	1,028,009	5,500	916,599
Elgi Equipments Limited	1	-	-	21,500	1,818,169
Exide Industries Limited *	1	-	-	6,500	787,475
GHCL Limited	10	-	-	21,000	814,343
HCL Technologies Limited #	2	3,200	2,376,949	1,100	1,529,770



PARTICULARS	Face Value Rs.	31.03.2015		31.03.2014	
		No of Shares	Value Rs.	No of Shares	Value Rs.
Hero Moto Corporation Limited ##	2	1,150	3,035,770	-	-
HDFC Bank Limited	2	1,300	1,301,227	-	-
ICICI Bank Limited	2	7,000	2,017,746	-	-
IPCA Laboratories Limited ##	2	2,300	1,462,455	1,200	994,912
Infotech Enterprises Limited *	5	-	-	2,400	781,920
ITC Limited	1	3,500	1,098,995	3,500	1,098,995
KNR Constructions Limited	10	-	-	4,252	513,274
Lupin Limited	2	1,200	1,222,471	2,100	1,846,718
Larsen & Toubro Limited	2	1,550	2,188,371	500	517,968
L G Balakrishnan And Brothers	10	5,700	2,442,368	-	-
Nava Bharat Ventures Limited	2	-	-	3,900	822,899
NTPC Limited ##	10	3,500	513,975	-	-
NTPC Limited (non-convertible debentures)	12.5	3,500	-	-	-
ONGC Ltd. ##	5	2,500	765,875	-	-
Pennar Industries Limited *	5	-	-	52,737	1,281,509
PFIZER Limited	10	1,550	1,987,804	-	-
Suven Life Sciences Limited #	1	23,000	3,203,056	17,100	1,230,345
Tata Consultancy Services Limited #	1	1,700	3,783,910	1,350	2,879,753
Techtran Polylenes Limited ###	10	14,175	214,751	40,700	626,780
Tech Mahindra Limited	5	6,000	3,079,836	-	-
The South Indian Bank Limited	1	37,000	767,508	37,000	767,508
Uflex Limited ##	10	12,400	1,456,380	12,400	1,916,654
Visaka Industries Limited	10	-	-	6,504	605,422
Yes Bank Limited	10	2,500	1,182,560	2,000	747,626
TOTAL			48,097,297		29,003,961

B. EQUITY SHARES - (UN QUOTED)

A.P.Mahesh Co-Operative

Urban Bank Limited ###

20

250

-

250

-

(held in the name of the Managing Director)

TOTAL

-

-



PARTICULARS	31.03.2015		31.03.2014	
	No of units	Value Rs.	No of units	Value Rs.
C. MUTUAL FUNDS (UN QUOTED)				
<i>EQUITY ORIENTED FUNDS: (DIVIDEND PAYOUT)</i>				
Birla Sunlife Equity Fund	171,085	15,500,000	-	-
Birla Sun Life ' 95 Fund	93,197	13,000,000	55,148	6,500,000
Birla Sun Life Front Line Equity Fund Plan A	605,746	15,500,000	444,399	9,499,900
Birla Sun Life India GenNext Fund	425,172	8,500,000	314,779	5,000,000
Birla Sun Life MNC Fund	137,142	15,500,000	81,416	6,999,900
Canara Robeco Balance Fund	145,781	10,000,000	120,612	6,999,950
Canara Robeco Equity Diversified Fund	129,306	4,500,000	-	-
DSP Black Rock Opportunities Fund	243,027	6,000,000	204,994	5,000,000
DSP Black Rock Top 100 Equity Fund	-	-	211,553	4,500,000
DSP Black Rock Small and Midcap Fund	338,017	7,500,000	161,155	2,500,000
Franklin India Blue Chip Fund	252,785	9,000,000	370,052	13,499,900
Franklin India Prima Plus	286,298	8,000,000	251,850	7,000,000
HDFC Balanced Fund	-	-	366,534	7,500,000
HDFC Capital Builder Fund	-	-	92,989	2,702,156
HDFC Equity Fund	210,958	10,194,543	266,014	12,694,543
HDFC Prudence Fund	416,354	12,999,900	345,956	10,499,900
HDFC TOP 200 FUND	97,450	5,000,000	151,406	7,500,000
ICICI Prudential Value Discovery Fund	480,967	15,500,000	697,245	14,500,000
ICICI Prudential Dynamic Plan	360,384	8,000,000	442,302	7,999,900
ICICI Prudential Focused Blue Chip Equity Fund	502,679	10,000,000	556,289	9,499,900
ICICI Prudential Top 100 Fund	612,501	10,500,000	307,717	4,500,000
IDFC Premier Equity Fund - Plan A	613,099	18,500,000	602,533	14,199,850
Reliance Equity Opportunities Fund	246,977	8,000,000	385,556	9,500,000
Reliance Pharma Fund	143,487	7,500,000	105,128	5,500,000
Reliance Regular Savings Balanced Plan	467,961	7,500,000	557,638	8,000,000
SBI Magnum Equity Fund	149,189	5,000,000	179,863	6,000,000
SBI MSFU Emerging Business Fund	434,386	8,000,000	456,152	7,499,875
UTI Dividend Yield Fund	-	-	329,085	5,000,000
UTI Opportunities Fund	471,426	7,999,950	487,902	6,999,800
<i>DEBT/INCOME/ULTRA SHORT BOND FUNDS:</i>				
IDFC Monthly Income Plan	-	-	426,494	5,000,000
Templeton India Short Term Income Plan	-	-	2,121	2,500,000
Templeton India Ultra Short Bond Fund	-	-	309,129	5,000,000
TOTAL		247,694,393		220,095,574

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

Previous year at cost net of provision for diminution in value, Current year at cost.

Current year at cost net of provision for diminution in value, Previous year at cost.

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



PARTICULARS	31.03.2015 Rs.	31.03.2014 Rs.
13. LONG TERM LOANS AND ADVANCES: (Unsecured ,Considered good)		
Security Deposits		
with Related Parties	85,443	85,443
with Others	126,262	126,262
TOTAL	211,705	211,705
14. CASH AND CASH EQUIVALENTS:		
Balances with Banks:		
on Current accounts	11,105,119	6,485,186
Cash on Hand	31,028	25,943
Other Bank Balances:		
on un paid dividend accounts	6,326,057	6,487,382
on Deposit accounts	35,000,000	35,000,000
TOTAL	52,462,204	47,998,511
15. SHORT TERM LOANS AND ADVANCES: (Unsecured ,Considered good)		
Other Advances:		
advance for expenses	-	10,000
Staff advances	-	60,000
TOTAL	-	70,000
16. OTHER CURRENT ASSETS:		
Advance Income Tax (Net of Provision)	-	1,403,318
Income Tax Refund Receivable	311,350	-
Rent Receivable	28,875	268,812
Accrued Interest	1,190,689	351,666
Other Receivables	-	533,353
Prepaid Expenses	144,659	50,553
TOTAL	1,675,573	2,607,702
17. REVENUE FROM OPERATIONS:		
Sale of Commodities (commodity forward Contracts)	-	17,826,201
Pofit on sale of Non Current Investments (net)	35,860,259	-
Dividends on non current investments	24,866,980	19,140,310
Adjustments to the carrying amount of investments	-	7,478,160
Interest on Deposits with Banks	4,491,515	742,100
TOTAL	65,218,754	45,186,771
18. OTHER INCOME:		
Interest Received (Others)	16,560	-
Other Non Operating Income(net of expenses)		
Net Gain on Sale of Tangible Fixed Assets	-	-
Rental Income from Investment Property	3,571,422	2,765,312
Misc Receipts	3,075	1,775
Credit Balances Written Back	8,781	-
TOTAL	3,599,838	2,767,087



PARTICULARS	31.03.2015 Rs.	31.03.2014 Rs.
19. (INCREASE)/DECREASE IN INVENTORIES:		
Inventories at the end of the year		
Stock of Commodities (Commodity forward Contracts)	-	-
	-	-
Inventories at the beginning of the year		
Stock of Commodities	-	7,477,086
	-	7,477,086
(Increase)/ Decrease in Inventories	-	7,477,086
20. EMPLOYEE BENEFITS EXPENSE:		
Salaries, Wages and Bonus	5,726,565	4,785,478
Contribution to Provident and Other Funds	1,230,502	705,774
Staff Welfare Expenses	257,046	76,029
Gratuity	2,790	2,872
TOTAL	7,216,903	5,570,153
21. DEPRECIATION AND AMORTISATION EXPENSE:		
Depreciation on tangible fixed assets	480,352	557,609
Depreciation on Investment property	240,300	258,706
TOTAL	720,652	816,315
22. OTHER EXPENSES:		
Net loss on Sale of non current investments	-	7,843,685
Electricity Charges	33,490	40,534
Communications	307,048	129,586
Rent and Service Charges	980,231	980,231
Rates and Taxes	418,395	289,914
Insurance	55,634	55,804
Travelling and Conveyance	161,048	129,215
Vehicle Maintenance	144,206	164,919
Directors Sitting Fees	94,000	68,000
Legal and Professional Charges	195,763	174,439
Payments to Auditors		
as auditors	67,416	67,416
for certification	16,293	14,045
for tax audit	11,236	7,865
Repairs and Maintenance to:		
Own Buildings	80,583	232,983
Other Assets	35,367	20,346
Loss on Assets discarded	7,600	-
Donations	50,000	-
General Charges	524,250	307,984
Adjustments to the carrying amount of investments	592,019	-
TOTAL	3,774,579	10,526,966



PARTICULARS	31.03.2015 Rs.	31.03.2014 Rs.
23. EARNING PER SHARE:		
Net Profit for the year attributable to Equity Shareholders	49,997,172	13,487,194
Weighted average number of equity Shares of Rs.10/each	3,000,000	3,000,000
Earnings per Share (Basic and Diluted)	16.67	4.50
24. DEFERRED TAX ASSETS (Net):		
Liability:		
Difference between book and tax WDV of Assets	-	-
Gross liability	-	-
Asset:		
Difference between book and tax WDV of Assets	246,330	139,844
Provision for other expenses	299,429	185,037
Provision for diminution in the value of investments	514,774	331,840
Gross asset	1,060,533	656,721
TOTAL	1,060,533	656,721

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. Depreciation for the year is provided as per Schedule II of the Companies Act, 2013, accordingly Rs. 328,062/-being the remaining Carrying amount of the assets whose remaining useful life is nil is recognised in the opening balance of retained earnings.
26. 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.
27. 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.
28. 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.
29. Disclosure relating to the Gratuity liability as per Accounting Standard 15 "Employee Benefits"

Particulars	31.03.2015	31.03.2014
a) The amounts recognised in the Balance Sheet:	(amount in Rupees)	
Present Value of obligation	1,393,158	1,362,719
Fair value of plan assets	(1,672,321)	(1,534,911)
Amount recognized in the Balance sheet	*(279,163)	*(172,192)
* Excess fair value of plan assets not considered in the books		
b) Changes in the present value of the defined obligation:		
Opening defined benefit obligation	1,362,719	1,305,517
Current service Cost	22,160	187,755
Interest Cost	102,426	104,441
Benefits Paid	—	—
Actuarial (gains)/Losses on obligation	(94,147)	(234,994)
Closing defined benefit obligation	1,393,158	1,362,719
c) Reconciliation of opening and closing balance of fair value of assets:		
Fair value of plan assets at the beginning of the year	1,534,911	1,411,412
Expected Return	134,620	123,499
Contributions Paid	2,790	—
Fair value of plan assets at the end of the year	1,672,321	1,534,911
d) Principal actuarial assumptions:		
Rate of escalation in Compensation	4%	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.

30. There are no separate reportable segments as per the Accounting standard "Segment Reporting "(AS 17).
31. 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.



32. 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:	31.03.2015 Rs.	31.03.2014 Rs.
Key Management Personnel		
Sri K. Harishchandra Prasad		
Managerial Remuneration	5,384,519	4,132,000
M/s. Kapil Motors Private Limited		
Services availed	11,455	4,367
M/s. Woodstar Industries		
Rent and Service Charges	980,231	980,231
c) Year end Balances {due from/(due to)}:		
Sri K. Harishchandra Prasad	—	(12,186)
M/s. Woodstar Industries	—	(74,415)

33. 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

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/-
SUMAN BUNG
Company Secretary

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

Sd/-
P. CHANDRAMOULI
Partner
Membership Number: 025211

Place: Hyderabad
Date : 25.05.2015



SCHEDULE TO THE BALANCE SHEET AS AT 31ST MARCH, 2015

(Rs. in lakhs)

SL. NO.	PARTICULARS		
LIABILITIES SIDE:			
1	LOANS AND ADVANCES AVAILED BY THE NBFCs INCLUSIVE OF INTEREST ACCRUED	Amount outstanding	Amount overdue
	(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	BREAK-UP OF (1) (f) ABOVE (OUTSTANDING PUBLIC DEPOSITS INCLUSIVE OF INTEREST ACCRUED THEREON BUT NOT PAID):		
	(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	-	-
ASSETS SIDE:		Amount outstanding	
3	BREAK-UP OF LOANS AND ADVANCES INCLUDING BILLS RECEIVABLES [OTHER THAN THOSE INCLUDING IN (4) BELOW]:		
	(a) Secured	-	
	(b) Unsecured	-	
4	BREAK-UP OF LEASED ASSETS AND STOCK ON HIRE AND HYPOTHECATION LOANS COUNTING TOWARDS EL/HP ACTIVITIES		
	(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	BREAK-UP OF INVESTMENTS:		
	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)	-	
	Non Current Investments:		
	1. Quoted:		
	(i) Shares: (a) Equity	497.58	
	(b) Preference	-	
	(ii) Debentures and Bonds	-	
	(iii) Units of mutual funds	-	



SL. NO.	PARTICULARS			
	(iv) Government Securities	-		
	(v) Others (please specify)	-		
2.	Unquoted:			
	(i) Shares: (a) Equity	-		
	(b) Preference	-		
	(ii) Debentures and Bonds	-		
	(iii) Units of mutual funds	2476.94		
	(iv) Government Securities	-		
	(v) Others - Investment Property	66.22		
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	-	-	-
	Total	-	-	-
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	2957.86	3489.69	
	Total	2957.86	3489.69	
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 : 25.05.2015



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

M/s.Lakshmi Finance & Industrial Corporation Ltd.

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

- 1) First Shareholder's Name : _____
(IN BLOCK LETTERS)
- 2) Address : _____
- 3) Shareholder's Folio No. : _____
- 4) Particulars of Bank Account : _____
- A) Bank Name : _____
- B) Branch Name & City (Pin Code) : _____
- C) Account No.
(as appearing on the 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.

Place:

Date:

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



FORM 2B

(See rules 4 CCC and 5 D)

NOMINATION FORM

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

I/We, _____ the holder (s) of Shares bearing Folio Number _____ and accruals thereon of **Lakshmi Finance and 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 shares shall vest in the event of my / our death.

Name and Address of Nominee:

Name : _____

Address: _____ **Pincode :** _____

*Date of Birth : _____
(to be furnished in case the nominee is minor)

The nominee is a minor whose Guardian is

Name and Address of Guardian _____

Signature (s) of Share Holder (s)

Signature : _____
(Ist Holder)

Signature : _____
(2nd Holder)

1
Name : _____
Address : _____

Date : _____

Name : _____
Address : _____

Date : _____

Signature of Two Witnesses

Name and Address	Signature with Date
1	
2	

Instructions:

1. The Nomination can be made only by individuals holding shares on their own behalf singly. Non-individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder of Power of attorney cannot nominate. If the securities are held jointly, all joint holders will sign the Nomination Form.
2. A minor can be nominated by holder (s) of shares and in that event the name and address of the Guardian shall be given by the holder(s).
3. Nomination shall stand rescinded upon transfer of shares.

LAKSHMI FINANCE AND INDUSTRIAL CORPORATION LIMITED

1-10-60/3,1st Floor,“Suryodaya”,Begumpet, **HYDERABAD- 500016. TELANGANA**

ATTENDANCE SLIP

(Please present this slip at the Meeting venue)

I hereby record my presence at the 91ST Annual General Meeting of the members of the Company to be held on Thursday, 13th day of August, 2015 at 9.30 a.m at Hotel Kamat Lingapur, Triveni Banquet Hall, 1-10-44/2,Chikoti Gardens, Begumpet, Hyderabad-500 016 and at any adjournment thereof.

Shareholders/Proxy's Signature_____

Shareholders/Proxy's full name (In block letters) _____

Folio No./ Client ID_____

No. of shares held_____

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.

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]

CIN: L65920AP1923PLC000044

Name of the company: LAKSHMI FINANCE AND INDUSTRIAL CORPORATION LIMITED

Registered office: 1-10-60/3,1st Floor,“Suryodaya”,Begumpet, Hyderabad - 500016. Telangana

Name of the member(s):

Registered Address:

E-mail Id:

Folio No./Client Id:

DP ID:

I/we, being the member(s) of _____ shares of the above named Company, hereby appoint

1. Name:.....

Address :

E-mail Id:

Signature:, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 91st Annual General Meeting of the Company, to be held on Thursday, 13th day of August, 2015 at 9.30 a.m at Hotel Kamat Lingapur, Triveni 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	Vote Against
1.	Adoption of statement of Profit & Loss, Balance sheet, report of Director's and Auditor's for the financial year 2014-15		
2.	Declaration of Dividend for the Financial year 2014-15.		
3.	Appointment of Sri.K.Kapil Prasad as Director who retires by rotation.		
4.	Ratification of appointment of M/s M.Anandam & Co., Secunderabad & M/s. Brahmaya & Co., Hyderabad, Chartered Accountants, as statutory Auditors & to fix their remuneration.		
5.	Appointment of Smt.Madhurika Nalluri Venkat as an Independent Director		
6.	Adoption of new articles as per Table F of the Companies Act, 2013		

Signed this day of..... 2015

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.

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: 91-40-27760301/27767794, Fax: 91-40-27767793

Email : lakshmi_ific@yahoo.com

Website : www.lakshmifinance.org

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Lakshmi

FINANCE & INDUSTRIAL CORPORATION LIMITED

**Company Information****BOARD OF DIRECTORS**

Sri. R.Surender Reddy	(DIN:00083972)
Sri. Kapil Bhatia	(DIN:00090776)
Sri. M. Ranganath Sai	(DIN:00284202)
Sri. Keshav Bhupal	(DIN:00123184)
Sri. K.Kapil Prasad	(DIN:02940558)
Sri. K. Harishchandra Prasad,	(DIN: 00012564)

Managing Director

Sri. K. Arun Prasad (From:07.02.2015)	(DIN: 06830316)
Smt. Madhurika Nalluri Venkat (From:04.04.2015)	(DIN:07147974)

Chief Financial Officer :

Sri. U.Vijaya Kumar

Company Secretary & Compliance Officer :

Smt. Suman Bung

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

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

**NINETY FIRST
ANNUAL GENERAL MEETING
2014-2015**

Day: **Thursday**Date: **13th AUGUST, 2015**Time: **9.30. A.M****VENUE**

**“Triveni Banquet Hall”
Kamat Lingapur Hotel,
1-10-44/2, Chikoti Gardens,
(Lane Opp. to Allauddin Building)
Begumpet, Hyderabad- 500 016.**

BANKERS

INDUSIND BANK LTD
ANDHRA BANK
HDFC BANK LTD
BANK OF BAHRAIN AND KUWAIT, B.S.C

Demat ISIN No in NSDL & CDSL: **INE 850 E0 1012****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.lakshmi finance.org

Corporate Identity Number: L65920AP1923PLC000044

Board Committees

Audit Committee		Stakeholders Relationship Committee	
Sri. R.Surender Reddy	Chairman	Sri. Keshav Bhupal	Chairman
Sri. Kapil Bhatia	Member	Sri. Kapil Bhatia	Member
Sri. Keshav Bhupal	Member	Sri. R.Surender Reddy	Member
Sri. M. Ranganath Sai	Member	Sri. K.Kapil Prasad	Member
Sri. K.Kapil Prasad	Member	Sri. K.Harishchandra Prasad	Member
(From-7.02.2015)			
Corporate Social Responsibility Committee		Independent Directors Committee	
Sri.Keshav Bhupal	Chairman	Sri. R.Surender Reddy	Chairman
Sri.Kapil Bhatia	Member	Sri. Kapil Bhatia	Member
Sri.M.Ranganath Sai	Member	Sri. Keshav Bhupal	Member
Sri.R.Surender Reddy	Member	Sri. K. Harishchandra Prasad	Member
Risk Management Committee		Nomination and Remuneration Committee	
Sri. Keshav Bhupal	Chairman	Sri. Keshav Bhupal	Chairman
Sri. Kapil Bhatia	Member	Sri. Kapil Bhatia	Member
Sri. R.Surender Reddy	Member	Sri. R.Surender Reddy	Member
Sri. K. Harishchandra Prasad	Member		

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