

NINETIETH
90
ANNUAL REPORT 2013-2014



Lakshmi

FINANCE & INDUSTRIAL CORPORATION LIMITED

**BOARD OF DIRECTORS**

Sri. R.Surender Reddy	(DIN : 00083972)
Sri. Kapil Bhatia	(DIN : 00090776)
Sri. M. Ranganath Sai	(DIN : 00284202)
Sri. Keshav Bhupal (From.07.02.2014)	(DIN : 000123184)
SRI. K.Kapil Prasad (From.07.02.2014)	(DIN : 002940558)
Sri. K. Harishchandra Prasad, Managing Director	(DIN : 00012564)

AUDIT COMMITTEE:

Sri. R.Surender Reddy	- Chairman
Sri. Kapil Bhatia	- Member
Sri. M. Ranganath Sai	- Member
Sri. Keshav Bhupal (From.07.02.2014)	- Member

NOMINATION & REMUNERATION COMMITTEE:

Sri. Keshav Bhupal (From.10.05.2014)	- Chairman
Sri. Kapil Bhatia	- Member
Sri. R.Surender Reddy	- Member

STAKEHOLDERS RELATIONSHIP COMMITTEE:

Sri. Keshav Bhupal (From.10.05.2014)	- Chairman
Sri. R.Surender Reddy	- Member
Sri. Kapil Prasad	- Member
Sri. K. Harishchandra Prasad	- Member

AUDITORS

M.Anandam & Co., Secunderabad
Brahmayya & Co., Hyderabad

INTERNAL AUDITORS

M. Bhaskara Rao & Co. Hyderabad

BANKERS

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

REGISTRARS & SHARE TRANSFER AGENTS

Venture Capital & Corporate Investments Private Limited
12-10-167, Bharat Nagar, Hyderabad-500 018.
Ph.No.040-23818475/23818476/23868023
Fax No.040-23868024. E-mail: info@vccilindia.com

REGISTERED OFFICE

1st Floor, SURYODAYA,
1-10-60/3, Begumpet, Hyderabad-500 016.
Ph.No.040-27760301/27767794
Fax.No.040-27767793 E-mail: lakshmi_lfic@yahoo.com
Website : www.lakshmifinance.org

**NINETIETH
ANNUAL GENERAL MEETING**

Day: **Tuesday**
Date: **5th AUGUST, 2014**
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.**

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CIN No. : L65920AP1923PLC000044

NINETIETH ANNUAL REPORT

2013-2014



NOTICE

Notice is hereby given that the 90th Annual General Meeting of the members of **LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED** will be held on Tuesday the 5th August, 2014 at 9.30.A.M. at "Triveni Banquest Hall" Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, (Lane *Opp. To Allauddin Building*), Begumpet, Hyderabad 500 016 to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2014 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, 2014.
3. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution.

"RESOLVED THAT M/s. M.Anandam & Co., Secunderabad and M/s. Brahmayya & Co., Hyderabad, Chartered Accountants, the retiring Auditors be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of 90th Annual General Meeting till the conclusion of the 93rd Annual General Meeting i.e. for 3 consecutive years commencing from this AGM at such remuneration as may be determined by the Board of Directors of the Company, in addition to payment for other services and reimbursement of actual out-of-pocket expenses, (subject to ratification of the appointment by the members at every AGM held after this AGM)."

SPECIAL BUSINESS:

4) Appointment of Sri.M.Ranganath Sai 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, Sri.M.Ranganath Sai (DIN 00284202), a Non-Executive Director of the Company, who has

submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, 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 95th Annual General Meeting of the Company in the calendar year 2019.

5) Appointment of Sri.R.Surender Reddy 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, Sri.R.Surender Reddy (DIN 00083972), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, 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 95th Annual General Meeting of the Company in the calendar year 2019.

6) Appointment of Sri. Kapil Bhatia 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, Sri. Kapil Bhatia (DIN 00090776), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, 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 95th Annual General Meeting of the Company in the calendar year 2019.



7) Appointment of Sri. Keshav Bhupal 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, Sri.Keshav Bhupal (DIN 00123184), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 07.02.2014, in terms of Section 260 of the Companies Act,1956 (corresponding to 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 his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company at this Annual General Meeting to hold office for five consecutive years for a term up to the conclusion of the 95th Annual General Meeting of the Company in the calendar year 2019.

8) Appointment of Sri. K.Kapil Prasad as a 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, Sri. K.Kapil Prasad (DIN 02940558), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 07.02.2014, in terms of Section 260 of the Companies Act,1956 (corresponding to 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 his candidature for the office of Director, be and is hereby appointed as a Non-Executive Non- Independent Director of the Company subject to retirement by rotation.

9) RE-APPOINTMENT OF MANAGING DIRECTOR:

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

“RESOLVED THAT in accordance with the provisions of Sections 196 and 197 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules framed thereunder, read with Schedule V to the Act, as amended from time to time, the Company be and is hereby approves the re-appointment of Shri K.Harishchandra Prasad as the Managing Director of the Company, in supersession to the resolution passed by the shareholders of the Company at the 89th Annual General Meeting held on 3rd August 2013, with effect from 01.04.2014 for a transaction period of 3 years upon terms and conditions set out in the draft agreement submitted to this meeting, duly initialed by the Chairman for the purpose of identification, which agreement be and is hereby specifically approved with the liberty to the Board of Directors to alter and vary or increase the remuneration including salary, commission, perquisites within such prescribed limits and other terms and conditions of the said agreement in such manner as may be agreed between the Board of Directors and Shri. K. Harishchandra Prasad.”

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

**K. HARISHCHANDRA PRASAD
MANAGING DIRECTOR**

Place: Hyderabad
Date :10-05-2014

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 31st July,2014



to 5th August, 2014 (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 30th July, 2014.
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. 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.
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 2005-06 has been transferred to the said fund on 24.10.2013 upon expiry of 7 years period. Unclaimed dividend for the year 2006-2007 is due for transfer to **IEPF** on or before 19.09.2014. Those members who have not encashed their dividend warrants(s) for the said year and for the years mentioned below are requested to make the claims to the Company without any further delay. **It may be noted that once the unclaimed dividend is transferred to the IEPF as above, no claim shall lie against the IEPF or the Company in respect of any amounts which were unclaimed/unpaid for a period of 7 years from the dates 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
31.03.2007	20.09.2007	19.09.2014	18.10.2014
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

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 90th 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. Voting through electronic means

Pursuant to the provisions of section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management & Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 90th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
(ii) Click on "Shareholders" tab.
(iiii) Now, select the "LAKSHMI FINANCE AND INDUSTRIAL CORPORATION LTD" from the drop down menu and click on "SUBMIT"
(iv) Now Enter your User ID
a. For CDSL: 16 digits beneficiary ID,
b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
c. 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: PAN* and For Members holding shares in Demat Form and Physical Form. Content includes instructions for entering PAN and Folio numbers.

Table with 2 columns: DOB# and Dividend Bank Details#. Content includes instructions for entering Date of Birth and Dividend Bank Details.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
(ix) Members holding shares in physical form will then reach directly 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.
(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 <Company Name> 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.
(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".



- (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 changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) 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.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on 30.07.2014 (9.00 A.M) and ends on 01.08.2014 (6.00.P.M). During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 30.06.2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

General :

- a) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are requested to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast

their vote. They should upload a scanned copy of the Board Resolution and POA in favour of the Custodian who they have authorised to vote on their behalf, in PDF format in the system for the scrutinizer to verify the vote.

- b) The voting period begins on 30th July, 2014 (9.00 AM) and ends on 1st August, 2014 (6.00PM) During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 30.06.2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- c) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date is 30.06.2014.
- d) Smt.N.Madhavi, Company Secretary in Practice (C.P.No.11732), Hyderabad has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- e) The scrutinizer shall within a period of not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and make a scrutinizer’s report of the votes cast in favour or against, in any, forthwith to the Managing Director of the Company.
- f) The results of the e-voting along with the scrutinizer’s report shall be placed in the Company’s website www.lakshmifinance.org and on the website of CDSL within two days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchanges where the shares of the Company are listed.
- g) 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 Selection or write an email to helpdesk.evoting@cdslindia.com.

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

Sd/-

Place: Hyderabad
Date :10-05-2014

**K. HARISHCHANDRA PRASAD
MANAGING DIRECTOR**



EXPLANATORY STATEMENT:

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

Item No. 4:

Sri. M.Ranganath Sai is a Non-Executive Independent Director of the Company, and has joined the Board of Directors on 27.06.1985. Sri. M.Ranganath Sai is a member of the Audit Committee of the Board of Directors of the Company. Sri. M.Ranganath Sai is a Graduate with more than 40 years of the Industrial experience and is currently a Director of M/s.The East Cost Food Products Limited. Sri. M.Ranganath Sai is holding 4,820 shares of the Company.

Sri. M.Ranganath Sai is a Director whose period of office is liable to determination by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act,1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Sri. M.Ranganath Sai being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto the conclusion of the 95th Annual General Meeting of the Company in the calendar year 2019.

The Company has received notice from a member proposing the candidature of Sri.M.Ranganath Sai for the office of Director of the Company. The company has also received declaration from Sri.M.Ranganath Sai that he meet with the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, Sri. M.Ranganath Sai fulfils the conditions specified in the Companies Act,2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Sri. M.Ranganath Sai as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Sri. M.Ranganath Sai as an Independent Director, for the approval by the shareholders of the Company.

Except Sri. M.Ranganath Sai, 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.4.

Item No. 5:

Sri. R.Surender Reddy is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 27.11.1968. Sri. R.Surender Reddy is

the Chairman of the Audit Committee of the Board of Directors of the Company.

Sri. R.Surender Reddy immediately after Graduation, he went to USA to study about Agriculture and Farming system. Thereafter he visited various other countries like South Korea and attended various International seminars and conferences in Agriculture and allied activities. Later he joined politics and served the Nation and Society at large as a Member of Parliament and as a Member of Andhra Pradesh State Legislative Assembly. He has vast experience in manufacturing sector ranging from Textiles, Metals etc., He has been very helpful and instrumental in guiding our Company management for the past 35 years. His presence on the Board will be immensely beneficial to the Company.

Other Directorships of Sri. R.Surender Reddy are as follows: (1) Hyderabad Race Club Limited (2) Suryavanshi Spinning Mills Limited (3) Suryakiran International Limited (4) Bhagyanagar India Limited (5) Suryalakshmi Cotton Mills Limited (6) Surana ventures Limited (7) Suryajyoti Spinning Mills Limited. Sri. R.Surender Reddy is holding 6,140 shares of the Company.

Sri. R.Surender Reddy is a Director whose period of office is liable to determination by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act,1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Sri. R.Surender Reddy being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto the conclusion of the 95th Annual General Meeting of the Company in the calendar year 2019.

The Company has received notice from a member proposing the candidature of Sri. R.Surender Reddy for the office of Director of the Company. The company has also received declaration from Sri. R.Surender Reddy that he meet with the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, Sri. R.Surender Reddy fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Sri. R.Surender Reddy as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Sri. R.Surender Reddy as an Independent Director, for the approval by the shareholders of the Company.



Except Sri. R.Surender Reddy, being an appointee, none of the Directors and Key Managerial Personnel of the Company/ their relative are concerned or interested, financial or otherwise, in the resolution set out at Item No.5.

Item No. 6:

Sri.Kapil Bhatia is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 22.05.1979. Sri. Kapil Bhatia is a member of the Audit committee and a member of the Nomination and Remuneration Committee of the Board of Director of the Company.

Sri. Kapil Bhatia is a Graduate with more than 40 years of the Industrial/Business experience and is currently the Managing Director of M/s.Inter Globe Enterprises Limited. He is also a Director in several other Public/Private Companies like (1) Inter Globe Aviation Limited, (2) Inter Globe Air Transport Limited, (3) Inter Globe Luxury Products Pvt. Ltd., (4) ITQ Consultancy Pvt. Ltd., (5) Inter Globe Technologies Pvt. Ltd., (6) Bhart Telecom Pvt. Ltd., (7) IGT Solution Pvt. Ltd., (8) AAPC India Hotel Management Pvt. Ltd., etc. Sri. Kapil Bhatia is holding 740 shares of the Company.

Sri. Kapil Bhatia is a Director whose period of office is liable to determination by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act,1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Sri.Kapil Bhatia being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto the conclusion of the 95th Annual General Meeting of the Company in the calendar year 2019.

The Company has received notice from a member proposing the candidature of Sri.Kapil Bhatia for the office of Director of the Company. The company has also received declaration from Sri.Kapil Bhatia that he meet with the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, Sri.Kapil Bhatia fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Sri. Kapil Bhatia as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Sri. Kapil Bhatia as an Independent Director, for the approval by the shareholders of the Company.

Except Sri. Kapil Bhatia, 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.6.

Item No. 7:

The Board of Directors at their meeting held on 7.02.2014 appointed Sri. Keshav Bhupal as an Additional Director, Non-Executive Independent Director of the Company with effect from even date. He is also a member of the Audit committee, Chairman of the Nomination and Remuneration Committee and Stake holders Relationship Committee of the Board of Director of the Company.

Sri. Keshav Bhupal is a Post Graduate with degree in Engineering from Georgia Institute of Technology, Atlanta GA, U.S.A and Master of Business Administration degree from University of Michigan Ann Arbor, MI U S A with more than 25 years of the Industrial experience and is currently the Managing Director of M/s.Indus Medicare Limited, an export oriented Public Limited Company. His presence, expertise and experience would immensely benefit the Company. Other Directorships of Sri. Keshav Bhupal are as follows: (1) Fulcrum Power and Finance Pvt. Ltd., (2) Jade Textiles Pvt. Ltd., (3) Shruthi Finlease pvt. Ltd., (4) Partner in Wood Star Industries. Sri.Keshav Bhupal is holding 3,300 shares of the Company.

Under Section 161(1) of the Companies Act, 2013 (corresponding to Section 260 of the Companies Act, 1956), Sri. Keshav Bhupal holds office only up to the date of this Annual General Meeting of the Company. The Company has received notice in writing from a member along with deposit of requisite amount under Section 160 of the Act proposing the candidature of Sri. Keshav Bhupal for the office of Director of the Company. Sri. Keshav Bhupal is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The company has also received declaration from Sri. Keshav Bhupal that he meet with the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, Sri. Keshav Bhupal fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that the appointment of Sri.Keshav Bhupal as a Director of the Company would be of immense benefit to the Company. Accordingly, the Board of Directors recommend his appointment as an Independent Director of the Company.



Except Sri. Keshav Bhupal, 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.7.

Item No.8:

The Board of Directors at their meeting held on 7.02.2014 appointed Sri. K.Kapil Prasad, as an Additional Director, Non-Executive Non- Independent Director of the Company with effect from even date. He is also a member of the Stakeholders Relationship Committee of the Board of Directors of the Company.

Sri.K.Kapil Prasad, a Post Graduate in Industrial Engineering from University of Illinois, Chicago, USA and having 6 years experience in Automobile Industry, is currently the Managing Director of M/s Kapil Motors (P). Ltd. His presence and experience will benefit the Company. He is not holding any other Directorships, except as Managing Director in M/s Kapil Motors Pvt. Ltd., He is holding 76,587 shares of the Company.

Under Section 161(1) of the Companies Act, 2013 (corresponding to Section 260 of the Companies Act, 1956), Sri. K.Kapil Prasad holds office only up to the date of this Annual General Meeting of the Company. The Company has received notice in writing from a member along with deposit of requisite amount under Section 160 of the Act proposing the candidature of Sri. K.Kapil Prasad for the office of Director of the Company. Sri. K.Kapil Prasad is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Board considers that the appointment of Sri. K.Kapil Prasad as a Director of the Company would be of immense benefit to the Company. Accordingly, the Board of Directors recommend his appointment as Non-Independent Director of the Company.

Except Sri. K.Kapil Prasad, being an appointee, and Sri. K.Harishchandra Prasad, Managing Director being father of Sri.K.Kapil Prasad, none of the Directors of the Company are concerned or interested, financial or otherwise, in the resolution set out at Item No.8.

Item No.9.

Sri K. Harishchandra Prasad was reappointed as Managing Director at the 89th Annual General Meeting held on 03-08-2013 for a period of 3 years i.e from 01-04-2013 to 31-03-2016. In view of the new provisions of Companies Act, 2013 made applicable w.e.f. 01.04.2014, it is proposed to reappoint Sri.K.Harishchandra Prasad as Managing Director

with effect from 01-04-2014 for a period of 3 years. Keeping in view, the services rendered by the Managing Director over the past three decades, the Board recommends the resolution for the approval of the members as a Special Resolution. The Remuneration Committee of the Board of Directors of the Company recommended the re-appointment with revision in the remuneration of Shri K.Harishchandra Prasad in accordance with the terms and conditions and guidelines as per Schedule V of the Companies Act, 2013.

Accordingly, the Board of Directors recommend the Special Resolution for reappointment of Shri K.Harishchandra Prasad as Managing Director.

Shri. K.Harishchandra Prasad was born in 1952 and did his B.Tech(Chemical Technology) from Madras University, Chennai, and MS (Chemical Engineering) from Washington University, St.Louis,USA and also M.B.A.(Special Emphasis on Finance)from St.Louis University, USA. He is also Director in several other Public/Private Companies like K.L.N. Holding Private Limited, Kapil Motors Private Limited, Keerthi Industries Limited, Suryajyothi Spinning Mills Limited, Techtran Polylenses Ltd., B.N.Rathi Securities Ltd, and Andhra Pradesh State Financial Corporation.

He has been the Managing Director of the Company since May 1985 and prior to this period, he worked for 7 years in the manufacturing sector in USA. He was also the President of Federation of Andhra Pradesh Chamber of Commerce and Industry, Hyderabad, during the year 2009-2010.

The reappointment of Shri K.Harishchandra Prasad as Managing Director and also the remuneration payable to him requires the approval of the Shareholders of the Company in General Meeting in terms of an agreement to be entered into by the Company with Shri K.Harishchandra Prasad.

The main terms of agreement are: -

- 1. Salary: Rs. 3,50,000/- per month in the scale of Rs. 3,50,000/ – Rs. 50,000/ - Rs. 4,50,000/-.**
- 2. Commission:** Two percent of the net profit computed in accordance with Section 198 of the Companies Act, 2013, subject to a ceiling of fifty percent of the salary.
- 3. Perquisites:** Perquisites as detailed in the Agreement will be paid and/or provided in addition to Salary, subject to however that the amount of perquisites, if taxable as per Income Tax Act, 1961 shall be restricted to total remuneration as per part II of Schedule V to the Companies Act, 2013, as applicable from time to time.



4. **Medical Reimbursement:** Expenses incurred for Shri.K.Harishchandra Prasad and family shall be reimbursed at actuals.
5. **Leave Travel Concession:** For Shri K. Harishchandra Prasad and to his family, once in a year in accordance with the rules specified by the Company.
6. **Club Fee:** Reimbursement of fees (excluding admission and life membership) of any two Clubs.
7. **Personal Accident Insurance:** Premium not to exceed Rs. 20,000/- per annum.
8. **Leave Encashment:** Encashment of Leave at the time of tenure shall be allowed as per the Company rules.
9. **Provident and other Funds:** Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites. Gratuity payable should not exceed 15 days salary for each completed year of service
10. **Minimum Remuneration:** Notwithstanding herein, in the event of absence or inadequacy of profits of the Company in any financial years, the Company may remunerate to Shri.K Harishchandra Prasad by way of Salary and perquisites in accordance with the limits prescribed in Section II of Part II of Schedule V of the

Companies Act, 2013 or any statutory modifications, substitutions, re-enactments or amendment thereof as may be agreed to by the Board of Directors and Shri.K. Harishchandra Prasad.

The draft agreement between the Company and Shri. K.Harishchandra Prasad is available for inspection by the members of the Company at its Registered Office between 10.00A.M. To 1.00.P.M. on any working day prior to the date of the Annual General Meeting and will also be available at the Annual General Meeting.

None of the Directors of the Company, except Shri. K.Harishchandra Prasad and Shri.K.Kapil Prasad are concerned or interested in the proposed resolution.

Your Directors recommend the resolution for approval.

By Order of the Board
For Lakshmi Finance & Industrial
Corporation Limited

Sd/-

K. HARISHCHANDRA PRASAD
MANAGING DIRECTOR

Place: Hyderabad
Date :10-05-2014



DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING.

Name of the Director	Sri. R. Surender Reddy	Sri. Kapil Bhatia	Sri. M. Ranganath Sai	Sri. Keshav Bhupal	Sri. K. Kapil Prasad
Date of Birth	10.10.1930	1.06.1932	13.12.1933	8.08.1958	31.10.1983
Date of Appointment	27.11.1968	22.05.1979	27.06.1985	7.02.2014	7.02.2014
Qualification	---	---	---	M.B.A	M.S
No.of Shares held in the Company	6,140	740	4,820	3,300	76,587
Directorships held in other Companies (excluding Private Limited and Foreign Companies)	1) Suryalata Spinning Mills Limited, 2) Hyderabad Race Club Limited, 3) Suryavanshi Spinning Mills Limited, 4) Suryakiran International Limited 5) Bhagyanagar India Limited 6) Suryalakshmi Cotton Mills Limited 7) Surana ventures Limited 8) Suryajyoti Spinning Mills Limited	1) Interglobe Enterprises Ltd 2) Interglobe Luxury Products Pvt Ltd 3) Igt Solutions Pvt Ltd 4) Interglobe Technologies Pvt Ltd 5) Interglobe Aviation Ltd 6) Interglobe Technology Quotient Pvt Ltd. 7) Interglobe Established Pvt Ltd 8) Ige (Mauritius) Pvt Ltd. 9) Aapc India Hotel Management Pvt Ltd 10) Interglobe Hotels Pvt Ltd 11) Indus Aviation Services Pvt Ltd 12) Scandinavian Airlines System India Pvt Ltd 13) Techpark Hotels Pvt Ltd. 14) Delta Airlines Pvt Ltd 15) Interglobe Technologies International Pvt Limited 16) Zelors Infrastructure Pvt Ltd 17) ITQ Consultancy Pvt Ltd 18) Interglobe Foundation	The East Cost Food Products Ltd	1) Fulcrum Power and Finance Pvt. Limited, 2) Indus Medicare Ltd., 3) Jade Textiles Pvt. Limited, 4) Shruthi Finlease Pvt. Limited	Kapil Motors Pvt Limited



			<p>19) Inerglobe Air Transport Limited 20) Triguna Hospitality Ventures (India) Pvt Ltd 21) Srilanand Mansions Pvt Ltd 22) Accent Hotels Pvt Ltd 23) Inerglobe Education Foundation 24) Inerglobe Retail Pvt Ltd 25) Caddie Hotels Pvt Ltd 26) Inerglobe Information Technologies (Dalian) Co. Ltd</p>		
			<p>1) InerGlobe Enterprises Limited, Member, Audit Committee 2) InerGlobe Aviation Limited, Member, Audit Committee 3) InerGlobe Technology Quotient Limited, Chairman, Audit Committee 4) InerGlobe Transport Limited, Chairman, Audit Committee 5) Iner Globe Retail Pvt.Ltd, Chairman, Audit Committee 6) InerGlobe Established Pvt Ltd, Member, Remuneration Committee 7) InerGlobe Retail Pvt Limited Chairman, Remuneration Committee</p>	<p>1).Suryavanshi Spinning Mills Limited, Chairman, Audit Committee 2). Suryalata Spinning Mills Limited, Chairman, Audit Committee 3). Bhayanagar India Limited, Member, Audit Committee 4). Suryalakshmi Cotton Mills Limited, Chairman, Audit Committee 5). Surana ventures Limited, Member, Audit Committee</p>	<p>Positions held in mandatory committees of other companies :</p>



DIRECTORS' REPORT

TO
THE MEMBERS,

Your Directors have the pleasure in presenting this 90th Annual Report of the Company together with the Audited Statement of Accounts for the financial year ended 31st March, 2014.

SUMMARY OF FINANCIAL RESULTS

	(Rs. in lakhs)	
Particulars	2013-2014	2012-2013
Gross Income	479.54	422.85
Gross Profit	143.03	55.44
Less: Interest	—	—
: Depreciation	8.16	9.40
Profit for the year before taxation	134.87	46.04
Provision for Taxation	—	—
Profit after tax	134.87	46.04
Prior year taxes	—	(0.05)
Net Profit	134.87	46.09
Profit brought forward	635.95	646.23
Profit available for appropriation	770.82	692.32
Appropriations:		
Proposed Dividend	54.00	36.00
Dividend Tax	9.17	6.12
Transfer to Reserve Fund (per RBI Guide Lines)	27.00	9.25
Transfer to General Reserve	20.00	5.00
Balance carried over to Balance Sheet	660.65	635.95

DIVIDEND:

Your Directors take the pleasure in recommending a dividend at the rate of 18% (i.e., Rs. 1.80 per Equity Share of Rs.10/- each) for the financial year 2013-14 as apposed to 12% dividend rate in the previous year. The proposed dividend, if approved at the 90th Annual General Meeting by the members, will be paid to all those equity shareholders whose names appear in the register of members as on 30.07.2014 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. 63.17 lakhs including tax on dividends.

OPERATIONAL PERFORMANCE:

During the year under review, the revitalization of Global Economy continued during the calendar year 2013 and the Global Economy ended the year on better footing as compared to the start of the year. The growth momentum is expected to be carried forward during the year 2014. On

account of improved capital market conditions, the Company's performance for F.Y 2013-14 has improved to an extent with the net profit for the year at Rs. 134.87 lakhs as apposed to Rs. 46.09 lakhs in the previous year. Further, the Indian Capital Markets have shown significant uptrend over the last few months, anticipating stable political environment in the coming months in addition to the increasing FII investment coming into the country. With stock market indices (Sensex and Nifty) reaching new highs and with the favourable market sentiment, it is expected that the stock markets are likely to reach new highs in the coming year, leading to improved growth in economy. On account of these factors, the Company's performance during the coming year is expected to be in line with favourable market conditions resulting in improved financial operations. 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.

LISTING OF COMPANY'S SHARES:

The Company's shares are listed at The Madras Stock Exchange Limited (MSE) and the Annual Listing Fees for the year 2014-15 have been paid. Based on the tieup between The Madras Stock Exchange Limited and The National Stock Exchange of India Limited (NSE), the Company's shares are listed and traded at NSE with ISIN Code 'INE 850E01012' and Stock Code 'LAKSHMIFIN' with effect from 30.06.2010. Further, SEBI has saught valunrary surrender of recognition of Madras stock exchange based on the present guidelines and exit before the deadlines of 30th May '2014. In the meantime the Company is exploring ways and means of continuing the listing of the Company's securities with the other existing recognized exchanges (NSE/BSE etc.)

DIRECTORS:

Pursuant to the notification of Sec. 149 and other applicable provisions of Companies Act, 2013, your Directors are seeking appointment of Sri. M.Ranganath Sai, Sri.R.Surender Reddy and Sri.Kapil Bhatia, as Independent Directors for a term of five consecutive years. Details of the proposal for appointment of Sri. M.Ranganath Sai, Sri.R.Surender Reddy and Sri. Kapil Bhatia are mentioned in the Explanatory Statement under Section 102 of Companies Act, 2013 of the Notice of 90th Annual General Meeting.

The Board of Directors of the Company have appointed Sri.Keshav Bhupal and Sri.K.Kapil Prasad as Additional Directors on the Board of the Company with effect from 7.02.2014. Pursuant to the provisions of Section 161 of the



Companies Act, 2013, Sri.Keshav Bhupal and Sri.K.Kapil Prasad shall hold office up to the date of ensuing Annual General Meeting of the Company. The Company has received notices under Section 160 of the Companies Act, 2013, along with the deposit of Rs.1,00,000/- from members of the Company signifying the intention to propose at the ensuing Annual General Meeting, Sri.Keshav Bhupal and Sri.K.Kapil Prasad as candidates for the office of the Director of the Company. Considering the varied experience and expertise of the said Directors, your Board of Directors recommends their appointment as Directors of the Company at the ensuing Annual General Meeting. Sri. Keshav Bhupal, being an Independent Director is not liable to retire by rotation according to section 149 of the Companies Act, 2013. Sri.K.Kapil Prasad, being Non- Independent Director is liable to retire by rotation as per provisions of the Companies Act, 2013.

CAPITAL OF THE COMPANY:

During the period, the Authorized capital of the Company stands at Rs.6,00,00,000 consisting of 60,00,000 equity shares of Rs 10/- each and paid-up capital at Rs.3,00,00,000 divided into 30,00,000 equity shares of Rs 10/- each.

AUDITORS:

The Auditors of the Company M/s.M.Anandam & Co., Chartered Accountants, Secunderabad and M/s. Brahmayya & Co., Chartered Accountants, Hyderabad will retire at the ensuing Annual General Meeting of the Company and have given their consent for re-appointment. The Company has also received a certificate from them stating that their appointment if made would be within the limits specified under Companies Act, 1956.

AUDITOR'S REPORT:

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2014 and has noted that the same does not have any reservation, qualification or adverse remarks.

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 2014. Further, the Company is registered with RBI as a "Non Deposit Taking Company".

PARTICULARS OF EMPLOYEES:

None of the employees are covered U/s. 217(2A) of the Companies Act, 1956 as amended and forming part of the Directors Report for the year ended 31st March, 2014.

DIRECTORS' RESPONSIBILITY STATEMENT:

In pursuance of the provisions of Section 217 (2AA) of the Companies Act, 1956, the Directors of your Company hereby furnish the following responsibility statement with regard to annual accounts, accounting policies, maintenance of adequate accounting records etc.

- i) that in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that 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 ended 31st March, 2014 and of the profit and loss of the Company for that period;
- iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the Directors have prepared the annual accounts on a going concern basis.

STATUTORY COMPLIANCE:

The Company has complied with the required provisions relating to statutory compliance with regard to the affairs of the Company in all respects.

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 2006-2007 will expire on October 14th, 2014 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.

CORPORATE GOVERNANCE:

Pursuant to clause 49 of the Listing Agreement, your Company is in Compliance with the requirements of Corporate Governance. A separate section on Corporate



Governance and a Certificate from the Auditors of the Company, regarding compliance of conditions of Corporate Governance, form a part of this Annual Report.

COMPLIANCE CERTIFICATE:

Your company has obtained a secretarial compliance certificate under provision to subsection (1) of section 383A of Companies Act, 1956 from a Practicing Company Secretary which forms part of this report.

DEPOSITORY SYSTEM:

Your Company shares have been made available for dematerialised through the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31st March 2014, the total No. of shares in your company which have been dematerialized stands at 60.53%.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE:

The information pursuant to Section 217 (1) (e) of the Companies Act, 1956 has not been given as the same is not applicable owing to the nature of activities. The particulars regarding income and expenditure in Foreign Currency is Nil.

GENERAL:

The notes forming part of the Accounts are self-explanatory or to the extent necessary, have been dealt with in the preceding paragraphs of the Report.

PERSONNEL:

The relations between the Employees and the Management continued to be cordial during the year under review.

ACKNOWLEDGEMENTS:

Your Directors wish to place on record their deep sense of appreciation for the assistance and co-operation received from Banks, Shareholders and all the Employees.

For and on behalf of the Board

Sd/-

KESHAV BHUPAL
Director

Sd/-

Place: Hyderabad **K. HARISHCHANDRA PRASAD**
Date: 10th May, 2014 Managing Director



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 Six (6) Directors comprising of two 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 3.08.2013	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	4	Yes	7	NIL	2	3
Sri Kapil Bhatia	Independent Director	4	3	Yes	4	20	2	1
Sri M.Ranganath Sai	Independent Director	4	3	Yes	1	NIL	NIL	NIL
Sri K.Harishchandra Prasad	Managing Director/ Promoter	4	4	Yes	8	3	6	1
* Sri. Keshav Bhupal	Independent Director	1	1	NA	1	3	NIL	NIL
* Sri.K.Kapil Prasad	Non -executive Director / Promoter	1	1	NA	NIL	1	NIL	NIL

* Appointed on 07.02.2014.

During the Financial Year 2013-14, Four Board Meetings were held on 24.04.2013, 3.08.2013, 5.11.2013 and 07.02.2014. The gap between two meetings did not exceed four months.

None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees as specified in clause 49, across all the companies in which he is a Director. The Directors have made necessary disclosures regarding Committee positions in other public Companies as at March 31, 2014.

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 292 A of the Companies Act, 1956, and are as follows:

- a) Oversight 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;
- b) 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:
 - (i) 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 M.Ranganath Sai | - | Member, Non-Executive & Independent |
| 3. Sri Kapil Bhatia | - | Member, Non-Executive & Independent |
| 4. Sri. Keshav Bhupal | - | Member, Non-Executive & Independent |

Meetings and attendance during the year:

During the financial year ended 31st March, 2014, Four Audit Committee Meetings were held on 24.04.2013, 3.08.2013, 05.11.2013 and 07.02.2014. 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	3
2.	Sri R.Surender Reddy	4
3.	Sri Kapil Bhatia	4
4.	Sri. Keshav Bhupal	Nil



B) Remuneration Committee

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.

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 M.Ranganath Sai, Member, Non-Executive & Independent
- iv) Sri Kapil Bhatia, Member, Non-Executive & Independent

c) **Attendance during the year**

During the year as there are no proposal for managerial remuneration payable to the Directors and the Committee has not met during the financial year 2013-14.

d) **Remuneration Policy**

To recommend/review the remuneration package, periodically to the Managing Director. The remuneration policy is in consonance with the existing Industry Practice and also with the provisions of the Companies Act, 1956.

Details of remuneration paid during the financial year ended 31st March 2014 to the 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	36,00,000	—	5,32,000	—	41,32,000
Sri M.Ranganath Sai	Director	—	—	—	18,000	18,000
Sri R.Surender Reddy	Director	—	—	—	24,000	24,000
Sri Kapil Bhatia	Director	—	—	—	18,000	18,000
Sri.Keshav Bhupal	AdditionalDirector	—	—	—	4,000	4,000
Sri.K.Kapil Prasad	AdditionalDirector	—	—	—	4,000	4,000

Note: Additional Directors appointed on 07.02.2014.

e) The details of shares held by Directors as on 31-03-2014 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	76,587

C) Share Transfer & Shareholders/Investors Grievance Committee:

- a) A Share Transfer and Shareholders' / Investors' Grievance 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) The total number of complaints received and replied to the satisfaction of shareholders during the year under review were 132. No request for transfer is pending as on 31.03.2014. (2013-2014).



- c) Mr.U.Vijaya Kumar, Manager (F & A) is the Compliance officer and Share Transfer Committee member of the Company.

4) **GENERAL BODY MEETINGS:**

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

Year	Location	Date	Time
2011 87 th AGM	“Triveni Banquet Hall”, Kamat Lingapur Hotel, 1-10-44/2, Begumpet, Hyderabad-16.	06.08.2011	9.30A.M
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.	3.08.2013	9.30.A.M

- b) Details of the special resolutions passed in the previous 3 AGMs :

YEAR	Details of Special Resolution
2010-2011 87 th AGM	Nil
2011-12 88 th AGM	Nil
2012-13 89 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 2013-14, there were no related party transaction of material nature that may have a potential conflict with the interests of the Company.



6) MEANS OF COMMUNICATION

The Quarterly and Half-yearly Results are intimated to the shareholders through the press. Quarterly results are normally published in Business Standard (English) and Andhra Prabha (Telugu).

7) GENERAL SHAREHOLDER INFORMATION:

AGM Date	:	5 th August,2014
Time	:	9.30 A.M
Venue	:	Triveni Banquet Hall,Kamat Lingapur Hotel, 1-10-44/2,Begumpet, Hyderabad-16.
Financial Year	:	2013-2014
Book Closure date	:	31st July 2014 to 5th August 2014. (Inclusive of both days)
Rate of Dividend recommended	:	18% (Rs. 1.80. per share)
Dividend Payment Date	:	Within 30 days from the date of declaration at The Annual General Meeting.
Listing on Stock Exchange	:	Madras Stock Exchange Limited Exchange Building, Post Box No.183, 11,Second Line Beach, CHENNAI-600 001
Mode of trade of Shares	:	Compulsory Dematerialization
Demat ISIN Numbers in (<i>NSDL & CDSL</i>)	:	INE 850 E0 1012
Listing fee	:	Paid to the Madras Stock Exchange for the Year 2014-15.
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 Website : www.lakshminfinance.org

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 18,15,960 Shares (NSDL+ CDSL) during the period from 01st January 2002 to 31st March, 2014.

The Total percentage of the Shares of the Company in Dematerialized form, as on 31st March, 2014 is 60.53%

Share Transfer System:

The Company has appointed **M/s.Venture Capital & Corporate Investments Pvt.Ltd.**, Hyderabad as registrars and Share Transfer Agents for Physical and Demat share transfer work. The Share Transfer Agents 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_ific@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.

Monthly high and low quotation and volume of equity shares traded on National Stock Exchange Limited (NSE) for 2013-2014 were as follows.

Month	High (Rs)	Low (Rs)	Volume
April 2013	23.45	21.00	1370
May 2013	20.90	20.00	240
June 2013	21.00	19.50	3360
July 2013	0.00	0.00	0.00
August 2013	19.90	19.90	1900
September 2013	0.00	0.00	0.00
October 2013	19.50	18.55	660
November 2013	17.65	16.85	324
December 2013	18.45	17.65	631
January 2014	19.50	18.10	1457
February 2014	21.30	18.55	2895
March 2014	20.90	19.00	822

Note: Based on agreement/tie-up between Madras Stock Exchange with National Stock Exchange 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, 2014:

Shareholding (Range)	No. of Share holders	% of holders	No. of Shares	% of Shares
Upto - 500	3,072	80.86	5,53,314	18.44
501 - 1000	443	11.66	3,11,826	10.40
1001 - 2000	167	4.40	2,39,649	7.99
2001 - 3000	55	1.45	1,47,437	4.91
3001 - 4000	18	0.47	63,308	2.11
4001 - 5000	6	0.16	25,938	0.86
5001 -10000	16	0.42	1,05,700	3.52
10001 and above	22	0.58	15,52,828	51.77
Total	3,799	100.00	30,00,000	100.00
Demat mode	723	19.03	18,15,960	60.53
Physical mode	3,076	80.97	11,84,040	39.47

Shareholding Pattern as on 31st March, 2014:

CATEGORY	No. of Shares	Percentage
Promoters and Promoter Group	7,21,051	24.03
Promoters Bodies Corporate	6,19,680	20.66
Promoters NRI	1,04,640	3.49
Insurance Companies	3,860	0.13
Financial Institutions/Banks	900	0.03
Bodies Corporate	26,627	0.89
NRI	2,394	0.08
Public	15,20,848	50.69
Total	30,00,000	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 two 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/-
Keshav Bhupal
Director

Sd/-
K.Harishchandra Prasad
Managing Director

Place: Hyderabad
Date: 10.05.2014



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**

Sd/-

Place: Hyderabad

K.HARISHCHANDRA PRASAD

Date: 10.05.2014

MANAGING DIRECTOR

CERTIFICATE BY CEO/CFO UNDER CLAUSE 49 (V)

In relation to the Audited Financial Accounts of the Company as at March 31, 2014, we hereby certify that

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

Place: Hyderabad

U.Vijaya Kumar

Date: 10.05.2014

Chief Financial Officer

Sd/-

K.Harishchandra Prasad

Managing Director



CERTIFICATE

To the Members of
LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED,
HYDERABAD (A.P).

We have examined the compliance of conditions of Corporate Governance by LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED, Hyderabad (A.P) for the year ended on 31st March, 2014, 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 : 10th May,2014.



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 March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion:

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

- a. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b. in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c. in the case of the Cash Flow Statement, of the 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, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books ;
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the



Companies Act, 1956 read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 .

- e. On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441 A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

- c) During the year the Company has not disposed off any substantial part of fixed assets that would affect the going concern status of the Company.
2. In view of the nature of business carried on by the Company, the provisions (a) & (b) of Clause (ii) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company for the time being. However, In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory for Commodity forward Contracts entered.
3. a) During the year, the Company has neither granted nor taken any loans, secured or unsecured to/from Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- b) In view of our comment in paragraph 3(a) above, (III) (b), (c), (d), (e), (f) and (g) of paragraph 4 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. a) On the basis of our examination of the books of account and according to the information and explanations given to us, the company has not entered into any transaction that needs to be entered in the Register maintained under section 301 of the Companies Act, 1956.
- b) In view of our comment in paragraph (a) above, clause V (b) of aforesaid order, in our opinion, is not applicable.
6. The Company has not accepted any deposits from the public. Hence the provisions of Section 58A and 58AA and other relevant provisions of the Companies Act, 1956, and the Companies (Acceptance of Deposits) Rules, 1975, do not apply to the Company for the time being.
7. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.

for MANANDAM & CO

Chartered Accountants
Firms' Registration Number: 000125S
Sd/-

(M.V.RANGANATH)

Partner

Membership Number: 028031

Place : Hyderabad

Date : 10.05.2014

for BRAHMAYYA & CO

Chartered Accountants
Firms' Registration Number: 000513S
Sd/-

(P. CHANDRAMOULI)

Partner

Membership Number: 025211

Place : Hyderabad

Date : 10.05.2014

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 31 March 2014.,

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 most of 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 material discrepancies were noticed on such verification.

In case of assets leased out the Company follows the procedures of obtaining confirmations from the lessees and the management has still to obtain such confirmations.



8. Owing to the nature of business carried on by the company, the provisions of clause 4(viii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
9. a) According to the records, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it.
- b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues were in arrears as at March 31, 2014 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 are no dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty and Cess, which have not been deposited on account of any dispute except the following:

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

10. The Company has no accumulated losses as at the end of the financial year. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institutions and Banks.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi/mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report)

Order, 2003 are not applicable to the Company.

14. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
16. According to the information and explanations given to us the Company has not obtained any term loans during the year.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
18. During the year, the Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under section 301 of the Companies Act, 1956.
19. During the year, the Company has not issued any debentures, therefore the question of creating security or charge in respect thereof does not arise
20. During the year, the Company has not made any public issue and therefore the question of disclosing the end use of money raised by public issue does not arise.
21. 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 MANANDAM & CO
Chartered Accountants
Firms' Registration Number: 000125S

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

Place : Hyderabad
Date : 10.05.2014

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

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

Place : Hyderabad
Date : 10.05.2014



BALANCE SHEET AS AT MARCH 31, 2014.

PARTICULARS	NOTES	31.03.2014 Rs.	31.03.2013 Rs.
EQUITY AND LIABILITIES			
Share holders funds			
Share Capital	04	3,00,00,000	3,00,00,000
Reserves and Surplus	05	26,34,14,871	25,62,45,407
		<u>29,34,14,871</u>	<u>28,62,45,407</u>
Non - Current liabilities			
Other Long - term liabilities	06	13,25,760	7,61,476
Long - term provisions	07	4,91,765	4,44,010
		<u>18,17,525</u>	<u>12,05,486</u>
Current liabilities			
Trade Payables	08	2,66,411	2,80,912
Other Current liabilities	09	67,40,839	74,23,646
Short - term provisions	10	63,17,730	42,11,820
		<u>1,33,24,980</u>	<u>1,19,16,378</u>
	TOTAL	<u>30,85,57,376</u>	<u>29,93,67,271</u>
ASSETS			
Non - Current assets			
Fixed assets			
Tangible assets	11	17,07,526	22,27,395
Non - current investments	12	25,59,61,932	26,47,11,985
Deferred Tax assets (Net)	13	-	-
Long-term loans and advances	14	2,11,705	2,11,705
		<u>25,78,81,163</u>	<u>26,71,51,085</u>
Current Assets			
Inventories	15	-	74,77,086
Cash and cash equivalents	16	4,79,98,511	2,19,09,098
Short-term loans and advances	17	70,000	5,00,000
Other current assets	18	26,07,702	23,30,002
		<u>5,06,76,213</u>	<u>3,22,16,186</u>
	TOTAL	<u>30,85,57,376</u>	<u>29,93,67,271</u>

NOTES FORMING PART OF FINANCIAL STATEMENTS 01 - 34

for and on behalf of the Board

Sd/-
KESHAV BHUPAL
Director

Sd/-
K. HARISHCHANDRA PRASAD
Managing Director

Place: Hyderabad
Date : 10.05.2014

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



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014.

PARTICULARS	NOTES	31.03.2014 Rs.	31.03.2013 Rs.
INCOME			
Revenue from operations	19	4,51,86,771	3,93,88,624
Other Income	20	27,67,087	28,96,645
TOTAL REVENUE		<u><u>4,79,53,858</u></u>	<u><u>4,22,85,269</u></u>
EXPENSES			
Purchase of Commodities forward Contracts		1,00,76,144	2,56,16,126
Changes in inventories of Stock - in - Trade	21	74,77,086	(74,77,086)
Employee Benefits Expense	22	55,70,153	52,61,691
Depreciation expense	23	8,16,315	9,40,349
Other Expenses	24	1,05,26,966	1,33,40,110
TOTAL EXPENSES		<u><u>3,44,66,664</u></u>	<u><u>3,76,81,190</u></u>
PROFIT BEFORE TAX		1,34,87,194	46,04,079
TAX EXPENSE			
Earlier years Tax		-	(5,000)
		-	(5,000)
PROFIT FOR THE PERIOD AFTER TAX		<u><u>1,34,87,194</u></u>	<u><u>46,09,079</u></u>
EARNINGS PER EQUITY SHARE OF Rs. 10/-EACH			
Basic and diluted		<u>4.50</u>	<u>1.54</u>

NOTES FORMING PART OF FINANCIAL STATEMENTS 01 - 34

for and on behalf of the Board

Sd/-
KESHAV BHUPAL
Director

Sd/-
K. HARISHCHANDRA PRASAD
Managing Director

Place: Hyderabad
Date : 10.05.2014

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



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014.

PARTICULARS	31.03.2014 Rs.	31.03.2013 Rs.
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit/(Loss) before Tax	1,34,87,194	46,04,079
Adjustments for:		
Depreciation	8,16,315	9,40,349
Loss/(Profit) on Sale of Investments (Net)	78,43,685	1,01,35,045
Profit on Sale of Tangible Fixed Assets	-	(1,62,626)
Investments written off	-	-
Interest (Net)	(7,42,100)	-
Diminution in the value of Non Current Investments (Net)	(74,78,160)	4,66,344
Income From Non Current Investments	(1,91,40,310)	(2,14,49,068)
Rents Earned	(27,65,312)	(21,10,981)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(79,78,688)	(75,76,858)
Adjustments for:		
Increase/(Decrease) in Other Long Term Liabilities	5,64,284	-
Increase/(Decrease) in Trade Payables	(14,501)	1,83,667
Increase/(Decrease) in Long Term Provisions	47,755	46,651
Increase/(Decrease) in Other Current Liabilities	18,636	(25,241)
(Increase)/Decrease in Long term loans and advances	-	-
(Increase)/Decrease in Short term loans and advances	4,30,000	(5,00,000)
(Increase)/Decrease in Inventories	74,77,086	(74,77,086)
(Increase)/Decrease in Other current assets	(5,26,102)	12,18,113
Direct Taxes Paid	(9,78,199)	(9,14,104)
NET CASH FROM OPERATING ACTIVITIES (A)	(9,59,729)	(1,50,44,858)
B CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Tangible Fixed Assets	(37,740)	(10,42,634)
Sale of Tangible Fixed Assets	-	2,19,723
Purchase of Non Current Investments	(11,39,54,841)	(20,31,25,260)
Sale of Non Current Investments	12,20,80,663	20,72,52,320
Income received from Non Current Investments	2,01,49,104	2,04,40,274
Interest received	3,90,434	-
Rents Earned	27,22,965	21,25,922
NET CASH USED IN INVESTING ACTIVITIES (B)	3,13,50,585	2,58,70,345
C CASH FLOW FROM FINANCING ACTIVITIES:		
Dividend Paid	(43,01,443)	(42,70,396)
NET CASH GENERATED IN FINANCING ACTIVITIES (C)	(43,01,443)	(42,70,396)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	2,60,89,413	65,55,091
Cash and Cash equivalents as at beginning of the year	2,19,09,098	1,53,54,007
Cash and Cash equivalents as at the end of the year	4,79,98,511	2,19,09,098

for and on behalf of the Board

Sd/-

KESHAV BHUPAL
Director

Sd/-

K. HARISHCHANDRA PRASAD
Managing Director

Place: Hyderabad
Date : 10.05.2014

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



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

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 Notified accounting standards by Companies (Accounting Standards) Rules, 2006 (as amended) read with the General Circular 15/2013 dated 13 September 2013 of Ministry of Corporate Affairs and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared 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 on Fixed Assets not relating to leases is provided on written down value method, in accordance with Schedule XIV to the Companies Act, 1956.

The Assets given on lease are written off during the primary lease period taking the month as a unit.

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, 2014.

S.NO	PARTICULARS	31.03.2014 Rs.	31.03.2013 Rs.
04	SHARE CAPITAL:		
	AUTHORISED:		
	60,00,000 Equity Shares of Rs.10/- each	6,00,00,000	6,00,00,000
	TOTAL	<u>6,00,00,000</u>	<u>6,00,00,000</u>
	ISSUED, SUBSCRIBED AND PAID - UP:		
	30,00,000 Equity Shares of Rs. 10/- each Fully paid up:	3,00,00,000	3,00,00,000
	TOTAL	<u>3,00,00,000</u>	<u>3,00,00,000</u>

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 2014, the amount of per share dividend recognised as distribution to equity shareholders is Rs.1.80 (31 March 2013: Rs. 1.20)

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. Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

	31.03.2014	31.03.2013
Equity shares allotted as fully paid bonus shares by capitalisation of General Reserve (Nos)	7,50,000	7,50,000

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

	31.03.2014		31.03.2013	
	No of Shares	% in the class	No of Shares	% in the class
Equity Shares of Rs.10/- each fully paid				
Unijolly Investments Company Limited	2,96,060	9.87	2,96,060	9.87
Healthy Investments Limited	2,17,340	7.24	2,17,340	7.24



	31.03.2014 Rs.	31.03.2013 Rs.
05 RESERVES AND SURPLUS:		
Capital Reserves		
Opening and Closing balance	<u>5,03,51,780</u>	<u>5,03,51,780</u>
Securities Premium Reserve		
Opening and Closing balance	<u>6,48,220</u>	<u>6,48,220</u>
General Reserve		
Opening balance	<u>8,05,00,000</u>	<u>8,00,00,000</u>
Add: Additions during the year	<u>20,00,000</u>	<u>5,00,000</u>
Closing Balance	<u>8,25,00,000</u>	<u>8,05,00,000</u>
Reserve Fund as per RBI guidelines:		
Opening balance	<u>6,11,50,000</u>	<u>6,02,25,000</u>
Add: Additions during the year	<u>27,00,000</u>	<u>9,25,000</u>
Closing Balance	<u>6,38,50,000</u>	<u>6,11,50,000</u>
Surplus i.e. balance in Statement of Profit and Loss		
Opening balance	<u>6,35,95,407</u>	<u>6,46,23,148</u>
Add: Profit after tax transferred from Statement of Profit and Loss	<u>1,34,87,194</u>	<u>46,09,079</u>
Amount available for appropriation	<u>7,70,82,601</u>	<u>6,92,32,227</u>
Appropriations:		
General Reserve	<u>(20,00,000)</u>	<u>(5,00,000)</u>
Reserve Fund as per RBI guidelines	<u>(27,00,000)</u>	<u>(9,25,000)</u>
Dividend On Equity Capital	<u>(54,00,000)</u>	<u>(36,00,000)</u>
Corporate Dividend Tax	<u>(9,17,730)</u>	<u>(6,11,820)</u>
Closing Balance	<u>6,60,64,871</u>	<u>6,35,95,407</u>
TOTAL	<u><u>26,34,14,871</u></u>	<u><u>25,62,45,407</u></u>
06 OTHER LONG TERM LIABILITIES:		
Others:		
Security deposits	<u>13,25,760</u>	<u>7,61,476</u>
TOTAL	<u><u>13,25,760</u></u>	<u><u>7,61,476</u></u>
07 LONG TERM PROVISIONS:		
Provision for employee benefits:		
Provision for Leave Encashment	<u>4,91,765</u>	<u>4,44,010</u>
TOTAL	<u><u>4,91,765</u></u>	<u><u>4,44,010</u></u>
08 TRADE PAYABLES:		
Creditors for Supplies and Services (refer note : 27)*	<u>2,66,411</u>	<u>2,80,912</u>
TOTAL	<u><u>2,66,411</u></u>	<u><u>2,80,912</u></u>
* includes due to related Parties	<u>86,601</u>	<u>67,366</u>
09 OTHER CURRENT LIABILITIES:		
Other liabilities:		
Unpaid Dividends	<u>64,87,382</u>	<u>71,88,825</u>
Withholding Taxes payable	<u>41,417</u>	<u>11,037</u>
Statutory dues payable	<u>1,07,051</u>	<u>74,972</u>
Other Payables	<u>1,04,989</u>	<u>1,48,812</u>
TOTAL	<u><u>67,40,839</u></u>	<u><u>74,23,646</u></u>
10 SHORT TERM PROVISIONS:		
Other Provisions:		
Provision for Dividend	<u>54,00,000</u>	<u>36,00,000</u>
Provision of Corporate Dividend Tax	<u>9,17,730</u>	<u>6,11,820</u>
TOTAL	<u><u>63,17,730</u></u>	<u><u>42,11,820</u></u>



11 TANGIBLE FIXED ASSETS: (amount in Rs.)

S.NO	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		AS AT 01.04.2013	ADDITIONS	DEDUCTIONS	AS AT 31.03.2014	UP TO 31.03.2013	FOR THE YEAR	ON DEDUCTIONS	UP TO 31.03.2014	AS AT 31.03.2013	AS AT 31.03.2014
1	Plant and Equipment given on Lease ***	45,20,900	-	-	45,20,900	44,46,981	73,919	-	45,20,900	-	73,919
2	Furniture and Fixtures	4,27,486	-	-	4,27,486	4,01,898	4,631	-	4,06,529	20,957	25,588
3	Vehicles	30,22,321	-	-	30,22,321	15,78,433	3,73,822	-	19,52,255	10,70,066	14,43,888
4	Office Equipment own use given on Lease	2,41,185	37,740	-	2,78,925	1,82,752	9,824	-	1,92,576	86,349	58,433
		8,52,647	-	-	8,52,647	2,83,196	79,211	-	3,62,407	4,90,240	5,69,451
5	Air conditioners and Generator	56,635	-	-	56,635	32,703	3,329	-	36,032	20,603	23,932
6	Computers	3,86,960	-	-	3,86,960	3,54,776	12,873	-	3,67,649	19,311	32,184
	Total	95,08,134	37,740	-	95,45,874	72,80,739	5,57,609	-	78,38,348	17,07,526	22,27,395
	Previous Year	89,17,349	10,42,634	4,51,849	95,08,134	70,07,464	6,68,027	3,94,752	72,80,739	22,27,395	19,09,885

*** Plant and Machinery given on lease includes equipment costing Rs. 45,20,900 (previous year Rs. 45,20,900) in respect of which leases have expired or otherwise terminated. The Company is in the process of calling back and taking possession of the same.



S.NO	PARTICULARS	31.03.2014 Rs.	31.03.2013 Rs.
12	NON - CURRENT INVESTMENTS:		
	Investment Property (at cost less accumulated depreciation)		
	Land at cost	19,46,981	19,46,981
		19,46,981	19,46,981
	Cost of buildings given on operating leases	1,06,35,430	1,06,35,430
	Less: accumulated depreciation	57,20,014	54,61,308
		49,15,416	51,74,122
		68,62,397	71,21,103
	Non -Trade investments (at cost unless otherwise stated)		
	Equity Shares - (Quoted) (fully paid-up unless otherwise stated) (A)	2,90,03,961	2,34,94,808
	Equity Shares - (Un - Quoted) (fully paid-up unless otherwise stated) (B)	-	-
	Mutual Funds (C) (Un - Quoted)	22,00,95,574	23,40,96,074
		24,90,99,535	25,75,90,882
	TOTAL	25,59,61,932	26,47,11,985
	Aggregate cost of quoted Investments	3,00,72,875	3,20,41,882
	Aggregate market value of quoted Investments	2,90,03,961	2,34,94,808
	Aggregate cost of unquoted Investments	22,01,00,574	23,41,01,074
	Aggregate provision for diminution in the value of Investments	10,73,914	85,52,074

Details of non -trade investments:

PARTICULARS	Face Value Rs.	31.03.2014		31.03.2013	
		No of Shares	Value Rs.	No of Shares	Value Rs.
A. EQUITY SHARES (QUOTED)					
Amara Raja Batteries Limited	1	3,000	11,78,055	-	-
Amtek Auto Limited	2	-	-	6,500	5,44,141
Andhra Bank	10	7,500	6,33,510	-	-
Ashok Leyland Limited	1	-	-	40,000	8,74,000
Bharat Forge Limited	2	500	1,96,455	-	-
Bharti Airtel Limited ##	5	2,700	8,57,925	-	-
Bilcare Limited ###	10	-	-	2,000	1,68,700
B.N.Rathi Securities Limited	10	18,000	1,80,369	18,000	1,80,369
Bharat Heavy Electricals Limited	2	-	-	7,750	13,71,750
Coromandel International Limited	1	-	-	1,600	2,95,920
Cadila Health Care Limited ###	5	900	8,60,873	1,200	8,91,300
C C L Products (India) Limited	2	20,000	6,65,539	-	-
Cipla Limited ###	2	1,800	6,89,040	2,700	10,25,325
Divi's Laboratories Limited	2	950	12,43,556	-	-



PARTICULARS	Face Value Rs.	31.03.2014		31.03.2013	
		No of Shares	Value Rs.	No of Shares	Value Rs.
Dabur India Limited	1	5,500	9,16,599	5,500	7,04,482
Elgi Equipments Limited #	1	21,500	18,18,169	13,500	10,12,500
Exide Industries Limited ##	1	6,500	7,87,475	-	-
Greaves Cotton Limited	2	-	-	9,500	6,07,525
GHCL Limited	10	21,000	8,14,343	21,000	8,14,343
HCL Technologies Limited ##	2	1,100	15,29,770	-	-
HDFC Bank Limited	2	-	-	800	5,00,280
IFCI Limited	10	-	-	25,000	6,52,500
IPCA Laboratories Limited	2	1,200	9,94,912	600	2,76,462
Infotech Enterprises Limited ##	5	2,400	7,81,920	-	-
ITC Limited	1	3,500	10,98,995	800	2,11,320
KNR Constructions Limited	10	4,252	5,13,274	4,252	5,13,274
Lupin Limited	2	2,100	18,46,718	1,800	10,44,700
Larsen & Toubro Limited #	2	500	5,17,968	1,500	20,49,300
Nava Bharat Ventures Limited	2	3,900	8,22,899	3,900	8,22,899
Pennar Industries Limited ###	5	52,737	12,81,509	52,737	13,18,425
REI Agro Limited	1	-	-	36,000	3,63,600
Reliance Industries Limited	10	-	-	500	3,86,450
Satyam Computer Services Limited	2	-	-	3,000	3,35,274
Suven Life Sciences Limited ##	1	17,100	12,30,345	-	-
Suraj Diamonds And Jewellery Limited	10	-	-	18,130	10,04,499
Surya Pharmaceuticals Limited	1	-	-	1,45,000	1,74,000
Tata Consultancy Services Limited ##	1	1,350	28,79,753	-	-
Tata Steel Limited	10	-	-	2,400	7,50,840
Techtran Polylenses Limited ###	10	40,700	6,26,780	40,700	6,81,725
Thirumalai Chemicals Limited	10	-	-	5,653	5,15,271
Taj GVK Hotels Limited	2	-	-	4,000	2,56,200
The South Indian Bank Limited	1	37,000	7,67,508	-	-
United Phosphorus Limited	2	-	-	5,700	6,69,180
Uflex Limited	10	12,400	19,16,654	12,400	19,16,654
Vivimed Laboratories Limited	10	-	-	2,000	5,61,600
Visaka Industries Limited	10	6,504	6,05,422	-	-
Yes Bank Limited	10	2,000	7,47,626	-	-
TOTAL			2,90,03,961		2,34,94,808

B. EQUITY SHARES - (UN QUOTED)

A.P.Mahesh Co-Operative Urban Bank Limited ### (held in the name of the Managing Director.)	20	250	-	250	-
TOTAL					



PARTICULARS	31.03.2014		31.03.2013	
	No of Units	Value Rs.	No of Units	Value Rs.
C. MUTUAL FUNDS (UN QUOTED)				
<i>EQUITY ORIENTED FUNDS: (DIVIDEND PAYOUT)</i>				
Birla Sunlife Dividend Yield Plus	-	-	3,07,428	50,00,000
Birla Sun Life ' 95 Fund	55,148	65,00,000	41,962	50,00,000
Birla Sun Life Front Line Equity Fund Plan A	4,44,399	94,99,900	1,83,493	39,99,850
Birla Sun Life India GenNext Fund	3,14,779	50,00,000	1,24,057	20,00,025
Birla Sun Life MNC Fund	81,416	69,99,900	80,686	69,99,925
Canara Robeco Balance Fund	1,20,612	69,99,950	86,989	50,00,050
DSP Black Rock Opportunities Fund	2,04,994	50,00,000	2,04,994	50,00,000
DSP Black Rock Top 100 Equity Fund	2,11,553	45,00,000	1,59,904	35,00,000
DSP Black Rock Small and Midcap Fund	1,61,155	25,00,000	1,61,155	25,00,000
Franklin India Blue Chip Fund	3,70,052	1,34,99,900	2,80,039	1,04,99,900
Franklin India Prima Plus	2,51,850	70,00,000	1,72,526	50,00,000
HDFC Balanced Fund	3,66,534	75,00,000	4,90,388	1,00,00,000
HDFC Capital Builder Fund	92,989	27,02,156	92,989	27,02,156
HDFC Equity Fund	2,66,014	1,26,94,543	2,66,014	1,26,94,543
HDFC Prudence Fund	3,45,956	1,04,99,900	3,45,956	1,04,99,900
HDFC TOP 200 FUND	1,51,406	75,00,000	1,51,406	75,00,000
HDFC Midcap Opportunities Fund	-	-	1,27,451	20,00,000
ICICI Prudential Discovery Fund	6,97,245	1,45,00,000	6,15,434	1,30,00,000
ICICI Prudential Dynamic Plan	4,42,302	79,99,900	4,42,302	79,99,900
ICICI Prudential Focused Blue Chip Equity Fund	5,56,289	94,99,900	3,17,496	54,99,950
ICICI Prudential Top 100 Fund	3,07,717	45,00,000	97,964	15,00,000
IDFC Premier Equity Fund - Plan A	6,02,533	1,41,99,850	4,06,772	96,99,850
Reliance Equity Opportunities Fund	3,85,556	95,00,000	2,76,109	70,00,000
Reliance Pharma Fund	1,05,128	55,00,000	52,553	25,00,000
Reliance Regular Savings Balanced Plan	5,57,638	80,00,000	5,57,638	80,00,000
SBI Magnum Equity Fund	1,79,863	60,00,000	1,46,307	50,00,000
SBI MSFU Emerging Business Fund	4,56,152	74,99,875	1,62,694	29,99,925
Sundaram Select Midcap	-	-	1,12,902	25,00,000
Tata Dividend Yield Fund	-	-	1,11,460	25,00,000
Tata Equity P/E Fund Trigger Option A 5%	-	-	65,509	25,00,000
UTI Balanced Fund	-	-	99,010	25,00,000
UTI Dividend Yield Fund	3,29,085	50,00,000	3,29,085	50,00,000
UTI Opportunities Fund	4,87,902	69,99,800	7,65,915	1,09,99,900



PARTICULARS	31.03.2014		31.03.2013	
	No of Units	Value Rs.	No of Units	Value Rs.
<i>DEBT/INCOME/ULTRA SHORT BOND FUNDS:</i>				
Birla Sun Life Dynamic Bond Fund	-	-	2,14,930	25,00,000
HDFC Monthly Income Plan	-	-	3,80,799	50,00,000
IDFC Dynamic Bond Fund	-	-	4,90,452	50,00,000
IDFC Monthly Income Plan	4,26,494	50,00,000	4,26,494	50,00,000
Reliance Monthly Income Plan	-	-	8,44,136	1,00,00,000
Reliance Dynamic Bond Fund	-	-	4,94,335	50,00,000
SBI Dynamic Bond Fund	-	-	6,49,319	75,00,200
Templeton India Short Term Income Plan	2,121	25,00,000	4,222	50,00,000
Templeton India Ultra Short Bond Fund	3,09,129	50,00,000	-	-
TOTAL		<u>22,00,95,574</u>		<u>23,40,96,074</u>

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.

	31.03.2014 Amt. in Rs.	31.03.2013 Amt. in Rs.
13 DEFERRED TAX ASSETS (Net):		
Liability:		
Difference between book and tax WDV of Assets	-	-
Gross liability	<u>-</u>	<u>-</u>
Asset:		
Difference between book and tax WDV of Assets	1,39,844	83,018
Provision for other expenses	31,294	26,415
Provision for diminution in the value of investments	3,31,840	26,42,590
Gross asset	<u>5,02,978</u>	<u>27,52,023</u>
TOTAL	<u>5,02,978</u>	<u>27,52,023</u>
<p>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 notified by the Companies (Accounting Standards) Rules, 2006 (as amended) read with the General Circular 15/2013 dated 13 September 2013 of Ministry of Corporate Affairs and based on general prudence, the Company has not recognised any Deferred tax Asset while preparing the accounts for the current year.</p>		
14 LONG TERM LOANS AND ADVANCES:		
(Unsecured ,Considered good)		
Security Deposits	2,11,705	2,11,705
TOTAL	<u>2,11,705</u>	<u>2,11,705</u>



	31.03.2014 Amt. in Rs.	31.03.2013 Amt. in Rs.
15 INVENTORIES:		
Stock in trade at Cost (Commodity future Contracts)	-	74,77,086
TOTAL	<u>-</u>	<u>74,77,086</u>
16 CASH AND CASH EQUIVALENTS:		
Balances with Banks:		
on Current accounts	64,85,186	1,46,86,003
Cash on Hand	25,943	34,270
Other Bank Balances:		
on un paid dividend accounts	64,87,382	71,88,825
on Deposit accounts	3,50,00,000	-
TOTAL	<u>4,79,98,511</u>	<u>2,19,09,098</u>
17 SHORT TERM LOANS AND ADVANCES:		
(Unsecured ,Considered good)		
Advance for Investments	-	5,00,000
Other Advances:		
advance for expenses	10,000	-
Staff advances	60,000	-
TOTAL	<u>70,000</u>	<u>5,00,000</u>
18 OTHER CURRENT ASSETS:		
Advance Income Tax (Net of Provision)	14,03,318	10,36,939
Rent Receivable	2,68,812	2,26,465
Accrued Interest	3,51,666	-
Other Receivables	5,33,353	10,08,794
Prepaid Expenses	50,553	57,804
TOTAL	<u>26,07,702</u>	<u>23,30,002</u>
19 REVENUE FROM OPERATIONS:		
Sale of Commodities (commodity forward Contracts)	1,78,26,201	1,84,05,900
Dividends on non current investments	1,91,40,310	2,14,49,068
Adjustments to the carrying amount of investments	74,78,160	(4,66,344)
Interest on Deposits with Banks	7,42,100	-
TOTAL	<u>4,51,86,771</u>	<u>3,93,88,624</u>



	31.03.2014 Amt. in Rs.	31.03.2013 Amt. in Rs.
20 OTHER INCOME:		
Other Non Operating Income(net of expenses)		
Interest Received	-	2,951
Net Gain on Sale of Tangible Fixed Assets	-	1,62,626
Rental Income from Property Investments	27,65,312	21,10,981
Misc Receipts	1,775	-
Credit Balances Written Back	-	6,20,087
TOTAL	27,67,087	28,96,645
21 (INCREASE)/DECREASE IN INVENTORIES:		
Inventories at the end of the year		
Stock of Commodities (Commodity forward Contracts)	-	74,77,086
	-	74,77,086
Inventories at the beginning of the year		
Stock of Commodities	74,77,086	-
	74,77,086	-
(Increase)/ Decrease in Inventories	74,77,086	(74,77,086)
22 EMPLOYEE BENEFITS EXPENSE:		
Salaries, Wages and Bonus	47,85,478	46,55,800
Contribution to Provident and Other Funds	7,05,774	5,34,658
Gratuity	2,872	2,751
Staff Welfare Expenses	76,029	68,482
TOTAL	55,70,153	52,61,691
23 DEPRECIATION AND AMORTISATION EXPENSE:		
Depreciation on tangible fixed assets	5,57,609	6,68,027
Depreciation on Investment property	2,58,706	2,72,322
TOTAL	8,16,315	9,40,349
24 OTHER EXPENSES:		
Net loss on Sale of non current investments	78,43,685	1,01,35,045
Power and Fuel	40,534	36,018
Communications	1,29,586	1,34,162
Rent and Service Charges	9,80,231	10,64,230
Rates and Taxes	2,89,914	1,94,873
Insurance	55,804	59,472
Travelling and Conveyance	1,29,215	1,80,593
Vehicle Maintenance	1,64,919	1,19,107
Directors Sitting Fees	68,000	30,000
Legal and Professional Charges	1,74,439	3,97,223
Payments to Auditors		
as auditors	67,416	44,944
for certification	14,045	14,045
for tax audit	7,865	7,303
Repairs and Maintenance to:		
Own Buildings	2,32,983	2,35,654
Other Assets	20,346	9,970
Prior Period items	-	3,57,058
General Charges	3,07,984	3,20,413
TOTAL	1,05,26,966	1,33,40,110



25. 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.
26. 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.
27. 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.
28. Disclosure relating to the Gratuity liability as per Accounting Standard 15 "Employee Benefits"

Particulars	31.03.2014	31.03.2013
	(amount in Rupees)	
a) The amounts recognised in the Balance Sheet:		
Present Value of obligation	13,62,719	13,05,517
Fair value of plan assets	(15,34,911)	(14,11,412)
Amount recognized in the Balance sheet	(1,72,192)	(1,05,895)
b) Changes in the present value of the defined obligation:		
Opening defined benefit obligation	13,05,517	12,28,543
Current service Cost	1,87,755	1,26,517
Interest Cost	1,04,441	98,283
Benefits Paid	—	14,720
Actuarial (gains)/Losses on obligation	(2,34,994)	(1,33,106)
Closing defined benefit obligation	13,62,719	13,05,517
c) Reconciliation of opening and closing balance of fair value of assets:		
Fair value of plan assets at the beginning of the year	14,11,412	13,07,422
Expected Return	1,23,499	1,18,710
Benefits Paid	—	(14,720)
Fair value of plan assets at the end of the year	15,34,911	14,11,412
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.

29. Contingent Liabilities not provided for in the statements:	31.03.2014	31.03.2013
	Rs.	Rs.
On account of demands from Sales Tax Department, disputed by the Company and pending in appeals.	1,61,394	1,61,394

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



31. Calculation of Earnings per share:

S.No.	PARTICULARS	31.03.2014	31.03.2013
a)	Net profit available to Equity shareholders (in Rs.)	1,34,87,194	46,09,079
b)	Weighted average number of Equity shares	30,00,000	30,00,000
c)	Face value as per share (in Rs.)	10/-	10/-
d)	Earnings per share Basic and diluted (in Rs.)	4.50	1.54

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

	31.03.2014 Rs.	31.03.2013 Rs.
b) Transactions with related Party during the year		
Key Management Personnel Sri K. Harishchandra Prasad		
Managerial Remuneration	41,32,000	39,88,000
M/s. Kapil Motors Private Limited		
Purchase of Motor Car	—	6,94,000
Sale of Motor Car	—	2,19,723
Services availed	4,367	—
M/s. Woodstar Industries		
Rent and Service Charges	9,80,231	10,64,230
c) Year end Balances {due from/(due to)}		
Sri K. Harishchandra Prasad	(12,186)	—
M/s. Woodstar Industries	(74,415)	(67,366)

33. 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.

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

For and on behalf of the Board

Sd/-
KESHAV BHUPAL
Director Partner,

Sd/-
K. HARISHCHANDRA PRASAD
Managing Director

Place : Hyderabad
Date : 10.05.2014

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

Sd/-
M.V.RANGANATH
Membership Number: 028031

per our report of even date
for **Brahmayya & Co.**
Chartered Accountants
Firms' Registration Number: 000513S

Sd/-
P. CHANDRAMOULI
Partner
Membership Number: 025211



SCHEDULE TO THE BALANCE SHEET AS AT 31ST MARCH, 2014

(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	-	



Sl. No.	PARTICULARS				
5	<p>BREAK-UP OF INVESTMENTS:</p> <p>Current Investments:</p> <p>1. Quoted:</p> <p style="padding-left: 20px;">(i) Shares: (a) Equity</p> <p style="padding-left: 40px;">(b) Preference</p> <p style="padding-left: 20px;">(ii) Debentures and Bonds</p> <p style="padding-left: 20px;">(iii) Units of mutual funds</p> <p style="padding-left: 20px;">(iv) Government Securities</p> <p style="padding-left: 20px;">(v) Others (please specify)</p> <p>Non Current Investments:</p> <p>1. Quoted:</p> <p style="padding-left: 20px;">(i) Shares: (a) Equity</p> <p style="padding-left: 40px;">(b) Preference</p> <p style="padding-left: 20px;">(ii) Debentures and Bonds</p> <p style="padding-left: 20px;">(iii) Units of mutual funds</p> <p style="padding-left: 20px;">(iv) Government Securities</p> <p style="padding-left: 20px;">(v) Others (please specify)</p> <p>2. Unquoted:</p> <p style="padding-left: 20px;">(i) Shares: (a) Equity</p> <p style="padding-left: 40px;">(b) Preference</p> <p style="padding-left: 20px;">(ii) Debentures and Bonds</p> <p style="padding-left: 20px;">(iii) Units of mutual funds</p> <p style="padding-left: 20px;">(iv) Government Securities</p> <p style="padding-left: 20px;">(v) Others - Investment Property</p>	-	-	-	-
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Sl. No. PARTICULARS

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	2,457.69	2,491.00
	Total	2,457.69	2,491.00
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/-

KESHAV BHUPAL
DIRECTOR

Sd/-

K.HARISHCHANDRA PRASAD
MANAGING DIRECTOR

Place : Hyderabad
Date : 10.05.2014



PROXY FORM

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

LAKSHMI FINANCE AND INDUSTRIAL CORPORATION LIMITED

CIN: L65920AP1923PLC000044

Regd. Office: 1-10-60/3, “Suryodaya”, 1st Floor, Begumpet, Hyderabad – 500 016.

Email: lakshmi_lfic@yahoo.com, Website: www.lakshmifinance.org

Phone: 040 27760301, 27767794 Fax: 040 27767793

**90th ANNUAL GENERAL MEETING
5th August, 2014**

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 Lakshmi Finance & Industrial Corporation Limited, hereby appoint:

1) Name:.....

Address.....

Email ID.....Signature.....or failing him;

2) Name:.....

Address.....

Email ID.....Signature.....or failing him;

3) Name:.....

Address.....

Email ID.....Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 90th Annual General Meeting of the Company, to be held on Tuesday, 5th August, 2014 at 9.30 A.M. at Triveni Banquet Hall” Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, (Lane *Opp. To Allauddin Building*), Begumpet, Hyderabad 500 016, and at any adjournment thereof in respect of such resolutions as are indicated overleaf:



S.No.	Resolutions	Optional*	
		For	Against
Ordinary Business			
1	To receive, consider and Adopt the Balance Sheet as at 31 st March, 2014 and the Statement of Profit and Loss for the year ended on that date and the Report of the Directors and the Auditors thereon		
2	To declare a Dividend on Equity Shares for the Year ended 31 st March, 2014.		
3	To appointment Statutory Auditors M/s. M. Anandam & Co., Secunderabad and M/s.Brahmayya & Co., Hyderabad, Chartered Accountants.		
Special Business			
4	Appointment of Sri. M.Ranganath Sai as an Independent Director		
5	Appointment of Sri. R.Surender Reddy as an Independent Director		
6	Appointment of Sri. Kapil Bhatia as an Independent Director		
7	Appointment of Sri. Keshav Bhupal as an Independent Director		
8	Appointment of Sri. K.Kapil Prasad as a Director		
9	Re-Appointment of Sri.K.Harishchandra Prasad as Managing Director.		

Signed thisday of2014

Signature of Shareholder.....

Revenue
Stamp not
less than
Rs. 0.15

Notes:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting**
- For the resolutions, explanatory statements and Notes, please refer to the Notice of 90th Annual General Meeting
- * It is optional to put '✓' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolution, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Please complete all details including details of member(s) in the above box before submission.

ATTENDANDE SLIP



LAKSHMI FINANCE & INDUSTRIAL CORPORATION LTD

CIN: L65920AP1923PLC000044

Registered Office : 1st Floor, Suryodaya, 1-10-60/3, Begumpet, Hyderabad - 500 016.
Tel: 91-40-27760301/27767794, Fax: 91-40-27767793, Email : lakshmi_lfic@yahoo.com

90th ANNUAL GENERAL MEETING

DP ID	Folio No.
Client ID	No. of Shares
Name of the Member	
Name of the Proxy	

I hereby record my presence at the 90th ANNUAL GENERAL MEETING of the Company held on Tuesday, 5th August, 2014 at 9.30 A.M. at Triveni Banquet Hall Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, (Lane Opp. To Allauddin Building), Begumpet, Hyderabad 500 016.

Members / Proxies Signature

Note:

1. Please complete the Folio/DP ID - Client ID No. and name, sign this Attendance Slip and handover at the Attendance Verification Counter at THE MEETING HALL.
2. Electronic copy of the Annual Report for F.Y. 2013-14 and the Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy of the Annual Report for 2013-2014 and the Notice of the Annual General Meeting along with the Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email is not registered or who have requested for a hard copy.

E- VOTING PARTICULARS

EVSN (Electronic Voting Sequence Number)	USED ID	PASSWORD*
140630003	Folio No. / Dp.Id & Client ID	As per Notes No.12 of AGM Notice.

- Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the Folio number in the PAN field.

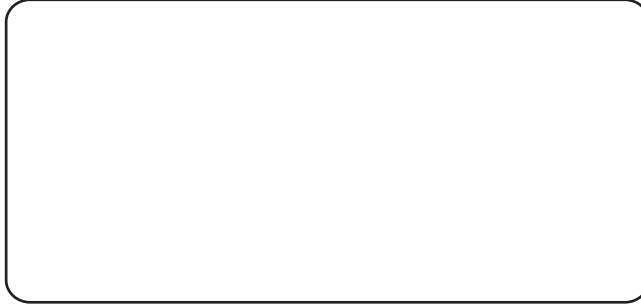
The e-voting facility will be available during the following voting period:

Commencement of e-voting	End of e-voting
Wednesday, 30 July, 2014 (from 9.00 A.M)	Friday 1 st August, 2014 (upto 6.00 P.M.)

Note: Please refer the details and instructions form integral part of the Notice for the Annual General Meeting.

PRINTED MATTER

To,



If undelivered please return to :



Lakshmi

FINANCE & INDUSTRIAL CORPORATION LIMITED

*1st FLOOR, "SURYODAYA",
1-10-60/3, BEGUMPET
HYDERABAD-500 016.*

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

E-mail: lakshmi_lfic@yahoo.com

Website: www.lakshmifinance.org